
**FCS23/003 QUARTERLY BUDGET REVIEW FOR PERIOD ENDING 31 MARCH
2023**

**S011-
T00003**

Responsible Officer: Stephanie Speedy - Director of Finance and Corporate Services (Acting)

Attachments: 1. Under Separate Cover - Under Separate Cover - Quarterly Budget Review for period ending 31 March 2023

Outcome: 5 Our engaged community with progressive leadership

Focus Area: 5.3 Work together to achieve our collective vision

Delivery Program Link: 5.3.1 Provide strong corporate and financial management that is ethical, fair, transparent and accountable

Operational Plan Link: 5.3.1.1 Provide sound and strategic financial management and reporting

EXECUTIVE SUMMARY

This Budget Review reports on Council's performance against the current Operational Plan budget for the quarter ending 31 March 2023. The quarterly budget review acts as a barometer of Council's financial health during the year. It also discloses Council's forecasted financial position for the year end in order to make informed, transparent decision making.

The original Operational Plan budget, on a consolidated basis (which includes all of Council's funds), for 2022-23 forecasts were:

- Operating result, before capital revenue, of (\$1.23 million) deficit
- Operating result, after capital revenue, of \$41.62 million surplus
- Increase of \$1.30 million in unrestricted funds.

The proposed revised budgets for the quarter ending 31 March 2023 are:

- Operating result, before capital revenue, of (\$2.49 million) deficit
- Operating result, after capital revenue, of \$53.99 million surplus
- Decrease (usage) of \$19.12 million in unrestricted funds

Council remains concerned with the impact of decisions on cash and operating deficits in the current year with trends of ongoing operating deficits which may be unsustainable in the longer term.

RECOMMENDATION

THAT:

1. The budget review report (including attachments) for the quarter ended 31 March 2023 be received and noted.
2. The revised budget be adopted based on the proposed adjustments as presented.
3. New loans of up to \$11,788,930 be raised in accordance with Council's borrowing policy and the Council seal be affixed to the loan agreement documentation.

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BACKGROUND

Council reviews its performance and financial results against the adopted Operational Plan quarterly, authorises adjustments to budget items, and highlights variations from its original budget strategy.

It should be noted that the results referred to in this report are unaudited.

The attachments to this report are as follows:

Financial reports (Attachment 1)

These reports provide information on Council's performance against its financial objectives contained in the Operational Plan, presented for the consolidated entity.

Financial reports include:

- a) Consolidated Fund Flow Statement – This report shows the impact of operating, financing and investing activities on Councils unrestricted working capital.
- b) Consolidated Income Statement – Provides sources of income and expenditure, including depreciation, per Council service areas.
- c) Consolidated Capital Program Statement – Provides capital expenditure information for each program area and associated services.
- d) Projected Funds Balance Statement – Provides information on the movements in both unrestricted and restricted fund accounts.
- e) Budget Amendment Report – Provides details of proposed significant adjustments to budgets.
- f) Special Rate Variation (SRV) capital program – Provides capital expenditure information for each of the projects in the SRV program of works.

Consultancy, Legals and Contractors Report (Attachment 2)

This attachment provides information on major contracts entered into, legal fees incurred and consultancy costs.

Key Financial Indicators (Attachment 3)

This attachment provides information about key financial indicators designed to assist in monitoring Council's financial sustainability. The indicators are for the consolidated entity.

Mayoral and Councillor Expenses (Attachment 4)

Provides information about Mayoral and Councillor expenditure.

The Bay Pavilions Income Statement (Attachment 5)

Provides income and expenditure, including depreciation for the Bay Pavilions.

CONSIDERATIONS

Consolidated Fund flow Statement (Attachment 1(a)):

Council requires sufficient funds to pay for its debts as and when they fall due. The Fund Flow Statement shows the change in Council's freely available funds or working capital.

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It includes all transactions having an impact on Council's funds i.e. income and expenses from its operating activities, capital program and borrowing activities. It also includes the transfer into or use of restricted funds for capital or non-recurrent projects. Depreciation is not included as it does not represent a cash flow.

The net fund flow shows the amount of unrestricted funds that will be used to deliver the agreed Operational Plan outcomes for 2022-23. The consolidated original budget forecast a \$1.30 million increase to unrestricted funds. The impact of quarterly review amendments result in a projected decrease to unrestricted funds of \$19.12 million for 2022-23.

Table 1.1 Net Increase (decrease) in unrestricted funds, per fund, \$'000

Fund	2022-23 Original Budget	Previous Reviews	March Review	2022-23 Proposed Revised Budget
Water	(1,077)	(17,584)	352	(18,309)
Sewer	1,126	(422)	354	1,058
Waste	1,903	(151)	480	2,233
Environment	235	(12)	7	230
General	(887)	(4,151)	710	(4,328)
Consolidated	1,300	(22,320)	1,903	(19,117)

Consolidated Income Statement (Attachment 1(b)):

The Consolidated Income Statement shows the types of income, and expenditure per council service areas. This result can indicate whether Council is able to raise sufficient revenue to cover the operational cost (including depreciation which measures the wear and tear of Council assets) of delivering services to the community before considering its capital revenue.

The result can be impacted by the timing of project funding, where funds are received in a different year to the expenditure taking place.

The proposed revised budget, incorporating all quarterly budget adjustments is an operating deficit of \$2.49 million before capital revenue.

Table 1.2 Net Surplus/ (deficit) before capital revenue, \$'000

Fund	2022-23 Original Budget	Previous Reviews	March Review	2022-23 Proposed Revised Budget
Water	2,520	(76)	495	2,939
Sewer	726	(262)	452	916
Waste	1,221	(6)	480	1,693
Environment	179	(237)	96	38
General	(5,878)	(5,297)	3,102	(8,074)
Consolidated	(1,233)	(5,879)	4,624	(2,488)

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Operating deficits in General Fund have a significant impact on the consolidated operating deficit.

March Review Adjustments (Operating)

The proposed March review adjustments see a \$4.62 million improvement from the operating deficit of \$7.11 million at December, resulting in a year end estimated operating deficit of \$2.48 million.

Significant operational adjustments this quarter relate primarily to General fund and include:

- \$0.61m improved revenue at Council’s Caravan and Camp grounds
- \$2.44m increased investment income across all funds (being \$1.01m in General Fund)
- \$2.06m receipt of grant funds for pothole repair works to be undertaken
- \$0.26m revised transport reseal renewal works
- \$0.43m operational savings identified across the organisation including vacant positions
- \$0.78m recognition of increased depreciation expense for the Bay Pavilions
- \$0.26m increased IT licence costs

March Review Adjustments (Capital)

The proposed March review adjustments to the operating result after capital see a \$7.25 million improvement from the December review, resulting in a year end estimated operating surplus of \$53.99 million.

Table 1.3 Net Surplus/(deficit) after capital grants and contributions \$'000

Fund	2022-23 Original Budget	Previous Reviews	March Review	2022-23 Proposed Revised Budget
Water	22,620	5,624	1,221	29,465
Sewer	2,926	37	2,043	5,006
General	16,073	(540)	3,983	19,516
Consolidated	41,619	5,121	7,247	53,987

A budget variation of \$3.52 million for developer contributions resulting from increased development activity in the Shire improves the net surplus after capital grants and contributions.

Capital grants received this quarter include Stronger Country Communities funding of \$787,000 for works at Eurobodalla Regional Botanic Gardens, Batemans Bay BMX Carpark, Malua Bay and Captain Oldrey Park, Get NSW Active grants of \$450,000 for pathways works and other capital grants for Moruya Airport, gravel resheet projects and disaster recovery works. Revised timing of grant funds received for significant works including Surf Beach Emergency Services Precinct, Coastal Headlands Walk construction, South Batemans Bay Stormwater Upgrade also impact the net surplus after capital grants and contributions.

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Consolidated Capital Program Statement (Attachment 1(c)):

Capital Program

The original capital expenditure budget for 2022-23 was \$96.50 million. The proposed revised budget, incorporating quarterly variations is \$129.44 million.

Table 1.4 Capital Program per fund, \$'000

Fund	2022-23 Original Budget	Previous Reviews	March Review	2022-23 Proposed Revised Budget
Water	30,390	29,982	-	60,372
Sewer	23,720	(1,951)	-	21,769
General	42,390	11,381	(6,468)	47,303
Consolidated	96,500	39,412	(6,468)	129,443

Capital budget adjustments totaling \$6.47 million have been made during the March quarter and affect the current year's capital program. In recognition of a large capital program, Council's program has been reviewed and some works staged this year and into next financial year. Revised timing of capital projects include:

- \$2.30m Surf Beach Emergency Services Precinct
- \$2.36m Fleet Procurement to recognise additional delivery lead times
- \$0.94m South Batemans Bay Stormwater Upgrade
- \$0.70m Coastal Headlands Walk construction
- \$0.66m Brierley's Boat ramp
- \$0.25m Araluen Road disaster recovery works

Special Rate Variation (SRV) – progress update (Attachment 1 (f)):

2022-23 is the seventh year of the SRV program and over \$8.28 million of infrastructure works for the year are underway. \$1.47 million of SRV designated funds are being utilised on these works. As at 31 March 2023, approximately 41% of the programmed SRV works for this year have been expensed. Total expenditure on the SRV designated projects as at 31 March 2023 is \$3.37m (per attachment 1(f)).

Attachment 1 (f) reports the detailed progress of the capital program showing individual project budgets and expenses with updates as at 31 March 2023.

The Bay Pavilions Income Statement (Attachment 5)

The original 2022-23 budget forecast a \$3.24 million operating deficit for The Bay Pavilions. The September review included budget variations for revenue and variations relating to insurance and increased electricity expenditure. There were no variations for the December quarter. This March review includes adjustments for depreciation. As a result of the quarterly budget variations, the forecast operating deficit is now \$4.69 million. A review of the Bay

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Pavilions, now in its second year of operation, is currently underway. This review will help guide a more sustainable financial future for the facility.

Legal

This review is based on the Quarterly Budget Review Statement Guidelines issued December 2010, pursuant to the provisions of the *Local Government Act 1993* relating to integrated planning.

Policy

The accounting policies being used are based on those detailed in the financial statements for the year ended 30 June 2022.

“Variations” in the Fund Flow Statement are changes in the funding requirements where “funds” are net current assets (working capital) excluding both internal and externally restricted funds.

CONCLUSION

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulation 2005:

As the Responsible Accounting Officer, it is my opinion that the March Quarterly Budget Review for Eurobodalla Shire Council indicates that Council’s projected financial position, as at 30 June 2023, will be satisfactory, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

The March Quarterly Budget Review Statement projects an operating deficit for Council in the current year. Like many Councils across New South Wales, Eurobodalla is facing financial challenges due to the limited ability to increase revenue, continued increases in CPI, wages and operating costs. This means services delivered by Council to the community are becoming more expensive.

The new General Manager has outlined several actions to mitigate these challenges which include:

- A review of Council’s operating income and expenditure to minimise the impact of cost increases on operating performance
- Development of a finance strategy
- Review of the capital works program to deliver and meet priorities identified in our Community Strategic Plan – Our Eurobodalla 2042
- Reprioritise existing work programs and consider Council’s approach to grant funded works
- A review of Council’s existing internal reserves.

Total Council Summary

Attachment 1(a)

Description	Original Budget	Approved Changes			Proposed Adjustments	Proposed Revised Budget	Actual YTD
		Carry Overs	QBRs - Sept	QBRs - Dec			
Income							
Rates & Annual Charges	-70,707,099	0	0	0	0	-70,707,099	-70,799,476
User Charges & Other	-42,979,886	-934,925	-2,806,506	528,657	-606,875	-46,799,536	-26,808,197
Investment Revenues	-1,195,022	0	2,256	0	-2,440,103	-3,632,869	-3,907,710
Operating Grants & contributions	-20,874,372	-1,975,789	-1,470,466	-2,459,329	-2,269,987	-29,049,943	-16,304,819
Total Income	-135,756,380	-2,910,714	-4,274,716	-1,930,672	-5,316,965	-150,189,447	-117,820,201
Expense							
Profit/Loss on Disposal of Assets	-309,470	0	0	-233,000	0	-542,470	-871,388
Employee costs	45,473,545	0	131,001	1,165,084	-405,487	46,364,143	32,672,854
Interest	2,259,656	0	248,539	0	0	2,508,195	1,884,809
Depreciation	38,901,327	0	17,429	0	759,590	39,678,346	31,458,217
Other Costs (incl materials & contracts)	50,664,739	8,882,353	5,039,081	-255,862	338,503	64,668,816	39,387,523
Purchase of Assets	0	0	0	0	0	0	1,457
Total Expense	136,989,797	8,882,353	5,436,050	676,222	692,606	152,677,029	104,533,472
Operating (Surplus)/Deficit before Capital	1,233,418	5,971,640	1,161,334	-1,254,450	-4,624,359	2,487,582	-13,286,729
Capital Income							
Developer Contributions	-3,241,106	0	0	0	-3,515,510	-6,756,616	-5,492,629
Capital Grants & Contributions	-39,611,223	-14,646,435	-7,850,692	11,497,642	893,130	-49,717,577	-16,298,784
Operating (Surplus)/Deficit after Capital	-41,618,911	-8,674,795	-6,689,357	10,243,192	-7,246,739	-53,986,611	-35,078,142
Non Cash							
Profit/Loss on Disposal of Assets	309,470	0	0	233,000	0	542,470	2,411,643
Depreciation	-38,901,327	0	-17,429	0	-759,590	-39,678,346	-31,458,217
Total Non Cash	-38,591,857	0	-17,429	233,000	-759,590	-39,135,876	-29,046,574
Investing Fund Flows							
Capital Works	96,499,566	34,221,009	4,621,953	568,542	-6,467,642	129,443,429	50,535,849
Asset Sales	-2,318,379	0	0	-380,000	0	-2,698,379	-2,796,385
Deferred Debtor Repayments	-16,000	0	0	0	0	-16,000	-6,000
Total Investing Fund Flows	94,165,187	34,221,009	4,621,953	188,542	-6,467,642	126,729,050	47,733,464
Financing Fund Flows							
Proceeds from Borrowings	-20,663,782	0	282,292	5,575,432	3,017,128	-11,788,930	0
Repayments of Borrowings	7,552,341	0	70,140	0	0	7,622,481	4,750,062
Total Financing Fund Flows	-13,111,441	0	352,432	5,575,432	3,017,128	-4,166,449	4,750,062
Net (Inc)/Dec in Funds before Transfers	842,978	25,546,214	-1,732,401	16,240,166	-11,456,843	29,440,115	-11,641,190
Reserve Movements							
Transfer from Reserves	-35,443,417	-12,712,308	-3,798,369	7,565,076	3,863,091	-40,525,927	-31,673,276
Transfer to Reserves	33,300,495	0	1,758,437	-10,547,019	5,690,762	30,202,675	18,085,969
Total Reserve Movements	-2,142,921	-12,712,308	-2,039,932	-2,981,943	9,553,853	-10,323,252	-13,587,307
Net (Inc)/Dec in Unrestricted Funds	-1,299,944	12,833,906	-3,772,332	13,258,223	-1,902,990	19,116,862	-25,228,496

Description	Original Budget	Approved Changes			Proposed Adjustments	Proposed Revised Budget	Actual YTD
		Carry Overs	QBRS - Sept	QBRS - Dec			
Income							
Rates & Annual Charges	-70,707,099	0	0	0	0	-70,707,099	-70,799,476
User Charges & Other	-42,979,886	-934,925	-2,806,506	528,657	-606,875	-46,799,536	-26,808,197
Investment Revenues	-1,195,022	0	2,256	0	-2,440,103	-3,632,869	-3,907,710
Operating Grants & contributions	-20,874,372	-1,975,789	-1,470,466	-2,459,329	-2,269,987	-29,049,943	-16,304,819
Total Income	-135,756,380	-2,910,714	-4,274,716	-1,930,672	-5,316,965	-150,189,447	-117,820,201
Expense							
Economic Development (ED)	483,331	59,553	0	15,000	27,000	584,884	393,399
Children's Services (CS)	2,178,944	41,112	51,007	0	0	2,271,063	1,701,657
Commercial Entities (CE)	5,703,662	145,525	-1,505,132	3,408	-15,874	4,331,589	2,941,380
Communications	773,770	19,867	-3,125	0	0	790,512	632,355
Community & Cultural Development (CCD)	1,138,285	308,618	173,792	5,000	0	1,625,695	911,106
Community Care (CC)	7,962,203	1,199,247	132,800	-369,496	-171,804	8,752,951	5,304,939
Community Facilities (CF)	9,052,729	0	550,896	160,461	711,338	10,475,424	7,446,124
Corporate & Community Leadership (CCL)	2,440,204	599,921	336,550	41,231	0	3,417,907	2,468,076
Customer Assistance and Records (CAR)	884,425	0	29,000	0	0	913,425	615,288
Development Assessment & Building Certification (DABC)	3,934,120	453,600	-50,000	-100,000	-200,000	4,037,720	2,732,549
Environmental Management (EM)	1,197,112	752,867	82,107	78,924	137,159	2,248,169	1,214,039
Finance and Central Treasury (FCT)	3,512,547	0	-20,564	-195,365	0	3,296,618	43,076
Fleet and Plant (FP)	1,050,871	0	-12,728	0	0	1,038,143	581,532
Information Technology (IT)	4,297,540	96,864	389,006	68,203	256,000	5,107,613	3,904,358
Libraries (L)	2,132,018	225,620	0	-4,195	-25,971	2,327,472	1,670,872
Property (P)	682,411	0	0	-233,000	-6,290	443,121	518,786
Public and Environmental Health (PEH)	1,384,678	190,141	0	0	0	1,574,819	941,014
Public Order and Safety (POS)	3,177,418	3,041,881	323,747	246,409	9,212	6,798,667	4,878,012
Recreation (R)	8,481,668	104,080	68,655	202,894	26,800	8,884,096	6,007,616
Risk and Insurance (RI)	1,433,640	0	85,327	50,000	0	1,568,967	1,348,673
Sewer Services (SS)	22,176,428	0	261,594	0	-17,429	22,420,593	17,091,196
Stormwater (S)	2,174,413	0	0	4,871	0	2,179,284	1,717,012
Strategic Planning (SP)	1,406,931	179,284	-76,460	349,136	-77,661	1,781,230	822,645
Technical Services (TS)	2,455,595	0	0	0	-200,000	2,255,595	1,664,344
Tourism (T)	1,187,877	0	211,950	0	-43,596	1,356,231	959,624
Transport (TR)	23,220,591	45,665	4,206,065	83,319	219,163	27,774,803	22,903,283
Waste Management (WM)	12,264,196	652,303	0	66,398	0	12,982,897	7,697,112
Water Services (WS)	17,033,524	0	94,331	0	20,000	17,147,855	12,672,547
Works and Operations (WO)	10,264,151	0	0	113,024	0	10,377,175	5,251,166
Workforce Development (WD)	1,855,418	160,000	77,262	80,000	0	2,172,680	1,487,932
Youth Services (YS)	600,504	606,207	29,970	10,000	0	1,246,681	579,536
Corporate Overheads	-20,670,374	0	0	0	44,559	-20,625,815	-15,469,362
Rates and General Revenue	1,118,967	0	0	0	0	1,118,967	901,514
Total Expense	136,989,797	8,882,353	5,436,050	676,222	692,606	152,677,029	104,533,401
Operating (Surplus)/Deficit before Capital	1,233,418	5,971,640	1,161,334	-1,254,450	-4,624,359	2,487,582	-13,286,800
Capital Income							
Developer Contributions	-3,241,106	0	0	0	-3,515,510	-6,756,616	-5,492,629
Capital Grants & Contributions	-39,611,223	-14,646,435	-7,850,692	11,497,642	893,130	-49,717,577	-16,298,784
Operating (Surplus)/Deficit after Capital	-41,618,911	-8,674,795	-6,689,357	10,243,192	-7,246,739	-53,986,611	-35,078,213



Consolidated Capital Program Statement - March Quarterly Budget Review
for YTD Period Ending March 2023

Attachment 1(c)

Description	Original Budget	Approved Changes			Proposed Adjustments	Proposed Revised	Actual YTD
		Carry Overs	QBRS - Sept	QBRS - Dec			
Capital Expenditure							
Economic Development (ED)	0	1,746,408	0	0	0	1,746,408	180,390
Children's Services (CS)	0	0	0	0	0	0	9,410
Commercial Entities (CE)	951,705	1,518,051	0	-511,953	-258,592	1,699,211	731,810
Community & Cultural Development (CCD)	8,491	0	97,000	0	0	105,491	100,055
Community Facilities (CF)	646,067	723,598	0	-438,039	16,893	948,519	255,535
Environmental Management (EM)	0	310,000	0	0	0	310,000	68
Fleet and Plant (FP)	5,133,810	3,443,347	346,495	-2,219,889	-2,357,814	4,345,949	2,816,879
Information Technology (IT)	326,581	80,000	0	0	0	406,581	215,421
Libraries (L)	181,973	39,870	0	-11,961	0	209,882	131,752
Property (P)	0	0	0	0	0	0	92,238
Public Order and Safety (POS)	0	4,260,611	0	-1,370,000	-2,180,000	710,611	577,985
Recreation (R)	2,311,543	4,844,362	26,953	-2,890,544	-649,914	3,642,400	983,730
Sewer Services (SS)	23,720,000	0	-21,495	-1,930,000	0	21,768,505	6,223,808
Stormwater (S)	482,483	242,780	1,440,000	-54,428	-1,118,352	992,483	408,272
Tourism (T)	9,458,777	3,815,837	0	-7,516,500	-700,000	5,058,114	2,203,733
Transport (TR)	13,151,321	12,306,665	2,368,000	-3,986,430	780,137	24,619,692	14,456,318
Waste Management (WM)	9,686,922	504,006	250,000	-8,222,309	0	2,218,619	465,060
Water Services (WS)	30,390,000	51,600	0	29,930,000	0	60,371,600	20,478,732
Works and Operations (WO)	49,893	333,874	80,000	-209,404	0	254,363	146,627
Workforce Development (WD)	0	0	35,000	0	0	35,000	58,026
Total Capital Expenditure	96,499,566	34,221,009	4,621,953	568,542	-6,467,642	129,443,429	50,535,849

Projected Funds Balances for March Quarterly Budget Review Statement
for YTD Period Ending March 2023

Attachment 1(d)

Description	Opening Balances	Original Budget	Approved Changes			Proposed Adjustments	Proposed Revised Budget	Closing Balances
			Carry Overs	QBRS - Sept	QBRS - Dec			
Total Unrestricted Funds	9,715,268	-651,696	-7,208,072	-421,052	3,466,562	716,544	-4,097,714	5,617,554
Externally Restricted Funds								
Water Fund	47,976,513	-1,077,117	-4,534,717	4,397,880	-17,447,410	351,971	-18,309,393	29,667,120
Sewer Fund	12,501,328	1,125,624	-298,492	-53,978	-70,000	354,488	1,057,641	13,558,970
Waste Funds	27,964,764	-2,785,171	-792,625	-150,517	3,803,061	1,317,423	1,392,171	29,356,935
Section 94 Developer Contributions	10,647,391	1,824,367	0	-130,404	18,553	-375,712	1,336,804	11,984,195
Section 94A Developer Contributions	958,309	300,369	0	0	0	440,561	740,930	1,699,239
Section 64 Developer Contributions	0	0	0	0	0	3,772,455	3,772,455	3,772,455
Unexpended Grants	11,198,115	-730,700	-10,244,874	3,992	-5,540,906	3,054,154	-13,458,335	-2,260,220
Other Contributions	2,607,651	-153,183	-1,266,299	0	385,937	473,739	-559,807	2,047,845
General Loans External	3,575,432	0	0	0	-3,575,432	0	-3,575,432	0
StormwaterFund	454,510	128,907	0	0	38,400	0	167,307	621,818
Crown Reserve	5,367,936	-1,028,430	0	-934,146	0	730,977	-1,231,599	4,136,336
CS Asset Replacement	494,353	0	0	0	0	0	0	494,353
Crown Reserve Loan Pool	149,228	2,155	0	0	0	0	2,155	151,382
Natural Disaster Recovery	1,010,579	0	-11,285	-980,000	886,000	0	-105,285	905,293
Total Externally Restricted Funds	124,906,109	-2,393,180	-17,148,293	2,152,826	-21,501,797	10,120,056	-28,770,388	96,135,722
Internally Restricted Funds								
Infrastructure Fund	373,759	0	-11,500	0	-150,000	0	-161,500	212,259
Employee Leave Entitlements	4,301,886	80,796	0	0	0	0	80,796	4,382,683
Community Development Infrastructure Fund	58,122	0	-58,122	0	3,937	0	-54,185	3,936
Council Funded Loan Pool	166,616	3,663	0	0	0	0	3,663	170,278
Energy And Efficiency Fund	626,718	0	0	0	0	0	0	626,718
Gravel Pits	918,352	0	0	0	0	0	0	918,352
Management Committees	153,891	9,146	0	627	-313	0	9,459	163,351
Sports Liason Comittee	252,386	20,792	0	0	0	0	20,792	273,178
Unexpended General Loan Fund	533,959	0	-276,292	0	193,404	-257,672	-340,560	193,399
Real Estate Disposal	7,357,847	1,804,700	-31,813	0	380,000	0	2,152,887	9,510,734
Special Rate Variation	3,846,248	-132,114	-416,257	0	1,351,728	14,057	817,414	4,663,662
Infrastructure Renewals (FFTF)	5,481,463	426,634	-307,832	0	15,414	91,149	225,364	5,706,828
Recreation Strategy	18,904	0	-33,896	0	899	0	-32,997	-14,093
Other Internal Reserves	4,315,088	-11,718	-54,137	0	0	772,709	706,854	5,021,942
Financial Assistance Grants	5,908,903	0	0	0	0	0	0	5,908,903
Total Internally Restricted Funds	34,314,144	2,201,898	-1,189,849	627	1,795,068	620,243	3,427,987	37,742,131
Total Council Funds	168,935,522	-842,978	-25,546,214	1,732,401	-16,240,166	11,456,843	-29,440,115	139,495,407

Entity	Cost Centre	Fund Flow Type	(Favourable)/ Unfavourable	Quarterly Budget Review Comments Q3
Environment Fund	Natural Resource Management	Operating Grants & contributions	(187,033)	Grant funding for Sustainable Choices Eurobodalla project and reallocate grant funds from General Fund to Environment project
		Other Costs (incl materials & contracts)	102,033	Reallocate grant funds from General Fund to Environment project
		Transfers from (to) Restricted Investments	85,000	Revised timing of Sustainable Choices Eurobodalla project
	Various	Various	(6,606)	Various minor adjustments this quarter
Environment Fund Total			(6,606)	
Sewer Fund	Sewer Treasury	Investment Revenues	(434,110)	Increased interest from investments and Developer Contributions
		Developer Contributions	(1,591,411)	Increased Developer Contributions and restriction of funds
		Transfers from (to) Restricted Investments	1,671,033	
	Various	Various	(17,429)	Various minor adjustments this quarter
Sewer Fund Total			(371,917)	
Water Fund	Water Treasury	Investment Revenues	(514,981)	Increased interest from investments and Developer Contributions
		Developer Contributions	(725,942)	Increased Developer Contributions and restriction of funds
		Transfers from (to) Restricted Investments	868,952	
	Various	Various	20,000	Various minor adjustments this quarter
Water Fund Total			(351,971)	
Waste Fund	General Fund Plant	Purchase of Assets	(837,435)	Revised estimate of 2022-23 Fleet deliveries and reduction in restriction funding
		Transfers from (to) Restricted Investments	837,435	
	Waste Administration	Investment Revenues	(479,988)	Increased interest from investments
Waste Fund Total			(479,988)	

Entity	Program	Fund Flow Type	(Favourable)/ Unfavourable	Quarterly Budget Review Comments Q3
General Fund	Airport	Capital Grants & Contributions	(390,000)	Grant funded Moruya Airport capital works and restriction of grants to be spent in 2023-24
		Transfers from (to) Restricted Investments	340,000	
		Purchase of Assets	(100,000)	
	Botanic Gardens	Capital Grants & Contributions	(134,600)	Grant funding for Eurobodalla Regional Botanic Gardens Accessibility Upgrade works and restriction of funds to be spent in 2023-24
		Transfers from (to) Restricted Investments	134,600	
		Purchase of Assets	(162,000)	
	Caravan Parks & Camp Grounds	User Charges & Other	(634,875)	Increased revenues at Batemans Bay Beach Resort and Caravan Parks and restriction to Crown Reserve
		Transfers from (to) Restricted Investments	554,875	
	Community Care	Other Costs (incl materials & contracts)	(171,804)	Adjustment for prior year unexpended grants
	Development Services	Employee costs	(200,000)	Recognise employee cost savings
	Emergency Services	Capital Grants & Contributions	780,000	Revised timing of Surf Beach Emergency Services Precinct project offset by introduction of grant funded RFS projects
		Purchase of Assets	(2,180,000)	
		Transfers from (to) Restricted Investments	1,400,001	
	Facilities Management	Depreciation	783,309	Revised depreciation for Bay Pavilions
		Capital Grants & Contributions	(229,700)	
		Purchase of Assets	229,700	
		Other Costs (incl materials & contracts)	(69,424)	
	Finance	Transfers from (to) Restricted Investments	94,911	Reduced operating expenses for Bay Pavilions and reduction in Crown Reserve funding
		Investment Revenues	(915,329)	
		Developer Contributions	(1,203,605)	
		Transfers from (to) Restricted Investments	1,244,649	Increased Developer Contributions and restriction of funds
	General Manager Executive	Transfers from (to) Restricted Investments	100,000	Restriction of funds for future Council Election
	Governance & Administration	Proceeds from Borrowings	3,017,128	Remove loan funding of Fleet purchases
		Purchase of Assets	(1,532,845)	
	Information Technology	Other Costs (incl materials & contracts)	256,000	Increased IT licence costs
	Other Works	Employee costs	(200,000)	Recognise employee cost savings
	Public Conveniences	Other Costs (incl materials & contracts)	21,822	Increased Toilet cleaning contract costs offset by savings in Street Cleaning
		Capital Grants & Contributions	700,000	
		Purchase of Assets	(1,118,352)	
	Recreation	Transfers from (to) Restricted Investments	(181,077)	Revised timing of drainage projects including grant funded South Batemans Bay Stormwater project and reallocation of grant funds to Transport projects
		Other Costs (incl materials & contracts)	(106,257)	
		Capital Grants & Contributions	319,863	
		Purchase of Assets	(931,323)	Introduce Stronger Country Communities Fund capital projects, revised timing of Coastal Headlands Walk project and reallocation of grant funds to Environment project
		Transfers from (to) Restricted Investments	551,900	
	Transport	Operating Grants & contributions	(2,006,757)	Grant funding for pothole repair works
		Other Costs (incl materials & contracts)	221,260	
		Capital Grants & Contributions	(111,185)	
		Purchase of Assets	107,617	
		Transfers from (to) Restricted Investments	1,680,028	
	Various	Various	108,551	Various minor adjustments this quarter
General Fund Total			67,081	
Total Budget Amendments			(1,143,401)	

Description	SRV Funding Amount (Revised)	Current Revised Budget	Actual YTD Costs	\$ Remaining	% Spent	Progress Update
Facilities Management						
Sporting amenities - minor renewal activities	-157,901	263,850	0	263,850	0.00%	Yet to commence
Halls, Library & Community Centres-Asbestos Remov	-4,365	25,444	0	25,444	0.00%	In progress - Works commenced in 2017-18
Capt Oldrey Reserve Amenities Upgrades	-705	23,027	3,958	19,068	17.19%	In progress
Dalmeny Tennis - Court Repairs	-47,409	80,000	0	80,000	0.00%	Yet to commence
Tennis Access Upgrade	-10,539	11,471	1,923	9,548	16.76%	In progress
Broulee Tennis Complex - Preventative Maintenance	-8,178	13,800	0	13,800	0.00%	Yet to commence
Mackay Park Changerooms Repaint	-1,237	2,088	0	2,088	0.00%	Yet to commence
Bill Smyth Oval - Second Field Expansion	-38,892	249,726	19,161	230,565	7.67%	In progress
Total Facilities Management	-269,226	669,406	25,042	644,363	3.74%	
Transport						
Reseal - Local Urban Sealed	-487,966	2,295,018	578,126	1,716,892	25.19%	In progress
Edward Road Batehaven - Pathway	-1,393	9,451	0	9,451	0.00%	Yet to commence
Gravel Resheet - Runnyford Road	-5,376	60,000	53,949	6,051	89.92%	In progress
Gravel Resheet - Araluen Road, Merricumbene	-8,960	100,000	25,881	74,119	25.88%	In progress
Gravel Resheet - Cadgee Mountain Road	-7,168	80,000	31,906	48,094	39.88%	In progress
Gravel Resheet - Spot Gravelling	-6,463	72,130	37,950	34,180	52.61%	In progress
Shared Path Melaleuca Cres - Stage 2 (LRCl)	-7,641	63,621	14,148	49,473	22.24%	In progress
Beach Rd Denhams Beach - Pathway	-1,526	10,077	1,174	8,903	11.65%	In progress
Northcove Rd Long Beach - Pathway	-14,259	250,257	62,455	187,802	24.96%	In progress
Noble Parade Dalmeny - Pathway	-12,260	77,577	78,015	-438	100.56%	In progress
Evans Rd Tuross Head - Pathway	-2,845	18,575	15,286	3,289	82.29%	In progress
Sunpatch Parade Tomakin - Pathway (LRCl Phase 3)	-22,663	197,183	136,964	60,218	69.46%	In progress
Araluen Road - Resheeting (FLR Rnd 3)	-10,589	477,390	200,851	276,539	42.07%	In progress
Araluen Road - Extend Seal (FLR Rnd 3)	-16,577	507,218	450,283	56,935	88.78%	In progress
Old Bolaro Road - Culvert	-4,480	50,000	0	50,000	0.00%	Yet to commence
Wagonga Scenic Drive - resheet	-3,584	40,000	0	40,000	0.00%	Yet to commence
Sylvan Street Pathway	-2,388	15,000	45,255	-30,255	301.70%	In progress
Maulbrooks Road - Gravel Resheet 22-23	-4,480	50,000	30,647	19,353	61.29%	In progress
Belowra Road - Gravel Resheet 22-23	-12,096	135,000	0	135,000	0.00%	Yet to commence
Waincourt Road - Gravel Resheet 22-23	-8,064	90,000	0	90,000	0.00%	Yet to commence
Hawdons Road - Gravel Resheet 22-23	-6,272	70,000	55,027	14,973	78.61%	In progress
Donovans Creek Road - Gravel Resheet 22-23	-7,168	80,000	22,122	57,878	27.65%	In progress
Goldfields Drive - Gravel Resheet 22-23	-5,376	60,000	57,638	2,362	96.06%	In progress

Description	SRV Funding Amount (Revised)	Current Revised Budget	Actual YTD Costs	\$ Remaining	% Spent	Progress Update
Phyllis Price Drive - Gravel Resheet 22-23	-4,928	55,000	43,442	11,558	78.99%	In progress
Onslow Close - Gravel Resheet 22-23	-1,792	20,000	23,086	-3,086	115.43%	In progress
Percy Davis Drive - Gravel Resheet 22-23	-3,584	40,000	35,531	4,469	88.83%	In progress
Punkalla Tilba Road - Gravel Resheet 22-23	-5,824	65,000	0	65,000	0.00%	Yet to commence
Sunnyside Road - Gravel Resheet 22-23	-3,136	35,000	161	34,839	0.46%	In progress
Bengello Beach Road - Gravel Resheet 22-23	-3,584	40,000	4,167	35,833	10.42%	In progress
Old Nelligen Road - Gravel Resheet 22-23	-4,928	164,000	0	164,000	0.00%	Yet to commence
River Road (drainage) - Gravel Resheet 22-23	-6,270	175,000	0	175,000	0.00%	Yet to commence
Costin St Narooma - Footpath 22-23	-3,184	20,000	20,766	-766	103.83%	In progress
Total Transport	-696,823	5,422,496	2,024,831	3,397,666	37.34%	
Recreation						
Observation Point, Batehaven Viewing Platform	-28,809	707,558	839,278	-131,720	118.62%	In progress
Parks Facilities Renewals - Seats/Tables	-58,469	152,583	98,621	53,962	64.63%	In progress
Playground renewals	-70,350	155,831	0	155,831	0.00%	Yet to commence
Malua Bay Beach Reserve (LRCI Phase 3)	-22,302	590,533	89,983	500,550	15.24%	In progress
Tilba Playground Upgrade	-7,670	27,158	78,357	-51,199	288.52%	In progress
Cricket Infrastructure Renewals Grant	-11,813	95,047	0	95,047	0.00%	Yet to commence
Dalmeny Oval Upgrade	-37,211	96,771	0	96,771	0.00%	Yet to commence
Total Recreation	-236,623	1,825,481	1,106,239	719,243	60.60%	
Public Conveniences						
Drainage Renewals - Shirewide	-229,015	229,015	175,737	53,278	76.74%	In progress
Stormwater CCTV	-14,428	14,428	600	13,828	4.16%	In progress
Stormwater Renewal - The Anchorage South Head	-28,000	122,483	35,848	86,635	29.27%	In progress
Total Public Conveniences	-271,443	365,926	212,184	153,742	57.99%	
Total SRV Program	-1,474,116	8,283,309	3,368,296	4,915,013	40.66%	

Consultancy, Legal and Contractors Expenses
for the quarter ending 31 March 2023

Contracts entered into greater than \$50,000

<u>Contractor</u>	<u>Contract detail & purpose</u>	<u>Contract Value (GST Excl)</u>	<u>Commencement Date</u>	<u>Duration of contract</u>	<u>Budgeted (Y/N)</u>
Downer EDI Works Pty Ltd	Surf Beach Waste Bunker Relocation materials	80,700.00	13-Jan-23	Until completed	Yes
Aim Pavement Solutions	Kings Highway MR51 project management	51,000.00	19-Jan-23	Until completed	Yes
Capital Precast & Drainage	River Road Nelligen box culverts & headwalls	73,009.00	01-Feb-23	Until completed	Yes
Stantec Australia Pty Ltd	Geotechnical investigation & reporting for bridge renewals	72,306.00	30-Jan-23	Completion date 30 March 2023	Yes
Tuff-As Consulting Pty Ltd	Bridge project management & contract administration	142,370.00	23-Jan-23	Completion date 24 November 2023	Yes
Ironbuilt Infrastructure Pty Ltd	Mogo Sewer Pump Station upgrade	1,109,470.00	15-Dec-23	Expected completion 27 July 2023	Yes
Australian Pump Tracks	Mogo Trail construction	106,733.75	16-Jan-23	Until completed	Yes
Canberra Isuzu Pty Ltd	Replacement truck per approved 2022-23 Replacement Plan	396,267.00	16-Feb-23	Expected delivery 30 September	Yes
Hartwigs Trucks Pty Ltd	Fleet purchase per approved 2022-23 plan	108,872.73	22-Feb-23	Expected delivery November 2023	Yes
Uniplan Group Pty Ltd	New Cabins - Batemans Bay Holiday Resort	531,363.46	24-Apr-22	Expected completion 15 May 2023	Yes
RD Miller Pty Ltd	Araluen Road - Resheet project	147,622.48	27-Feb-23	Until 1 May 2023	Yes
Sea-Slip Pontoons And Products Pty Ltd	Coastal Headland Walk - Construction of footbridges	123,340.00	08-Mar-23	Until completed	Yes
SLR Consulting Australia Pty Ltd	Araluen Road - Geotechnical Review	154,349.90	09-Mar-23	Until completed	Yes
Colas Solutions Pty Ltd	Reseal Local Urban Roads	161,000.00	16-Mar-23	Until completed	Yes
Data 3 Limited	IT licence renewal	84,977.50	16-Mar-23	Until 16 June 2024	Yes
Downer EDI Works Pty Ltd	Supply & lay asphalt at various locations	517,782.00	16-Mar-23	Contract completion 16 May 2023	Yes
Creativelines Pty Ltd	Coastal Headlands Walking Trail viewing platforms	118,868.18	21-Mar-23	Until completed	Yes
Datacom Systems (NSW) Pty Ltd	IT licence renewal	1,034,189.88	01-May-23	Contract completion 30 April 2026	Yes
Department Of Regional NSW	Nelligen Water Supply & Sewerage Pumping Stations construction management contract	515,181.00	29-Mar-23	On completion of project	Yes
Euro Civil Pty Ltd	Safety Barrier at Tomakin Road	91,890.00	07-Mar-23	Until completed	Yes
Interflow Pty Ltd	Relining Flinders Way & Mosquito Bay (Caramar Drive)	54,307.39	28-Mar-23	June 2023	Yes
G. C. Schmidt Pty Ltd	Tomakin Road upgrades materials	227,273.00	10-Jan-23	Until completed	Yes
Smithies Excavations	Construction of footpath at Beach Road & Barbara Crescent	146,441.00	22-Feb-23	Until completed	Yes
Aman Services Pty Ltd	Nelligen STS & Water contract management	69,750.00	29-Mar-23	Until completed	Yes

Consultancy and Legal Expenses Incurred

	March Quarter	Budgeted (Y/N)	Comments
Consultants	1,030,464	Y	Consultancy Fees
Legal Fees	67,690	Y	Legal Fees

Definition of consultant:

A consultant is a person or organisation engaged under a contract on a temporary basis to provide recommendations, or high level specialist or professional advice, to assist decision making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

Eurobodalla Shire Council

Key Performance Indicators : Consolidated Results for the quarter ended March 2023

Indicator	Target	Original Budget 2022-23	Projected FY 2022-23
Unrestricted Current Ratio	> 1.5	> 3.0	> 4.2
Operating Performance Ratio	minimum 0%	-0.91%	-1.66%
Buildings & Infrastructure Renewals Ratio	= > 100%	106%	107%

*Refer Note (a)**Refer Note (b)***Explanations:**

Unrestricted Current Ratio - Indicates adequacy of working capital and the ability to satisfy obligations in the short term.

Operating Performance Ratio - Indicates achievement of containing operating expenditure within operating revenue.

Buildings & Infrastructure Renewals Ratio - Indicates the rate at which assets are being renewed compared to the rate at which they are depreciated.

Target : Source 2021-22 Financial Statements

Notes:

(a) Budgeted ratios are based on the original budgets for 2022-23.

(b) Projected ratios are based on the revised budgets for 2022-23.



March Quarterly Mayoral and Councillor Fees and Expenses Statement
 For the quarter ended 31 March 2023

Attachment 4

Councillor	Councillor Allowance	Conference / Delegate Costs	Travelling Expenses	Phone / Fax/ Internet etc	Training / Skill Development	Other Costs	Total
Clr R Pollock	5,275	0	267	72	0	0	5,615
Clr T Harrison	5,275	0	0	72	0	0	5,347
Clr A Mayne	5,275	814	0	72	0	0	6,161
Clr M Hatcher	16,785	2,291	3,924	72	0	0	23,072
Clr D Grace	5,275	564	0	72	0	0	5,911
Clr A Schutz	5,275	0	0	97	0	0	5,372
Clr T Dannock	5,275	0	0	72	0	0	5,347
Clr A Worthington	5,275	304	0	134	420	0	6,132
Clr P Diskon	5,275	0	0	72	0	0	5,347
Total	58,985	3,972	4,191	736	420	0	68,305

Notes:

Travelling Expenses includes mayoral leaseback arrangements

Bay Pavilions Income Statement

Attachment 5

Description	Original Budget	Carry Overs	Approved Changes		Current Budget	Proposed Adjustments	Proposed Revised Budget	Actual YTD
			QBRs - Sept	QBRs - Dec				
Income								
User Charges & Other	-3,825,909	0	265,423	0	-3,560,486	0	-3,560,486	-2,662,238
Operating Grants & contributions	0	0	0	0	0	0	0	-30,000
Total Income	-3,825,909	0	265,423	0	-3,560,486	0	-3,560,486	-2,692,238
Expenses incurred by Contractor								
Employee costs	3,018,654	0	0	0	3,018,654	0	3,018,654	2,113,613
Other Costs (incl materials & contracts)	1,679,759	0	34,780	0	1,714,539	-69,424	1,645,115	1,091,492
Total Expenses incurred by Contractor	4,698,413	0	34,780	0	4,733,193	-69,424	4,663,769	3,205,104
Operating (Surplus)/Deficit before Council Costs	872,504	0	300,203	0	1,172,707	-69,424	1,103,283	512,866
Expenses incurred by Council								
Employee costs	112,916	0	0	0	112,916	-25,487	87,429	56,877
Interest	98,345	0	0	0	98,345	0	98,345	74,054
Depreciation	1,476,000	0	0	0	1,476,000	783,309	2,259,309	1,696,029
Other Costs (incl materials & contracts)	680,861	0	461,116	0	1,141,977	0	1,141,977	884,057
Total Expenses incurred by Council	2,368,122	0	461,116	0	2,829,238	757,822	3,587,060	2,711,017
Operating (Surplus)/Deficit before Capital and Transfers	3,240,626	0	761,319	0	4,001,945	688,398	4,690,343	3,223,883