
**CCS20/006 BUDGET REVIEW FOR THE PERIOD ENDING
31 DECEMBER 2019**

**S011-
T00006**

Responsible Officer: Anthony O'Reilly - Director Corporate and Commercial Services

Attachments: 1. Under Separate Cover - Financial reports
2. Under Separate Cover - Consultancy, Legals and Contractors Report
3. Under Separate Cover - Key Financial Indicators
4. Under Separate Cover - Mayoral and Councillor Expenses

Outcome: Innovative and Proactive Leadership

Focus Area: 9.2 Ensure financial sustainability and support the organisation in achieving efficient ongoing operations

Delivery Program Link: 9.2.4 Responsibly manage Council's finances and maintain Fit for the Future status

Operational Plan Link: 9.2.4.2 Monitor and report on key financial results

EXECUTIVE SUMMARY

This Budget Review reports on Council's performance against the current Operational Plan budget for the quarter ending 31 December 2019. Major variations are highlighted.

The original Operational Plan budget, on a consolidated basis (which includes all of Council's funds), for 2019-20 forecasts were:

- Income Statement surplus, before capital revenue, of \$4.03 million
- Income Statement surplus, after capital revenue, of \$34.22 million
- Use of \$1.45 million of unrestricted funds.

The proposed revised budgets after the quarter ending 31 December 2019 are:

- Income Statement deficit, before capital revenue, of \$3.16 million
- Income Statement surplus, after capital revenue, of \$15.61 million
- An increase of \$5.66 million in unrestricted funds.

The December Review adjustments result in a favourable variation for the income statement, before capital revenues, of \$0.86 million and an increase in the amount of unrestricted funds of \$6.77 million as per the Consolidated Fund Flow Statement.

RECOMMENDATION

THAT

1. The budget review report for the quarter ended 31 December 2019 be received and noted.
2. The unfavourable variations for the Income Statement after capital revenue of \$6.19 million and favourable variations of \$ 6.77 million as per the Consolidated Fund Flow Statement be adopted.

**CCS20/006 BUDGET REVIEW FOR THE PERIOD ENDING
31 DECEMBER 2019**

**S011-
T00006**

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) SRV capital program – Provides capital expenditure information for each of the projects in the SRV program of works for 2019-20.

Consultancy, Legals and Contractors Report (Attachment 2)

This attachment provides information on major contracts entered into, legal fees incurred and consultancy costs for the quarter ended 31 December 2019.

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 for the quarter ended 31 December 2019.

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.

It includes all transactions having an impact on Council's funds i.e. income and expenses from its operating activities, capital programs and borrowing activities. It also includes the transfer

**CCS20/006 BUDGET REVIEW FOR THE PERIOD ENDING
31 DECEMBER 2019**

**S011-
T00006**

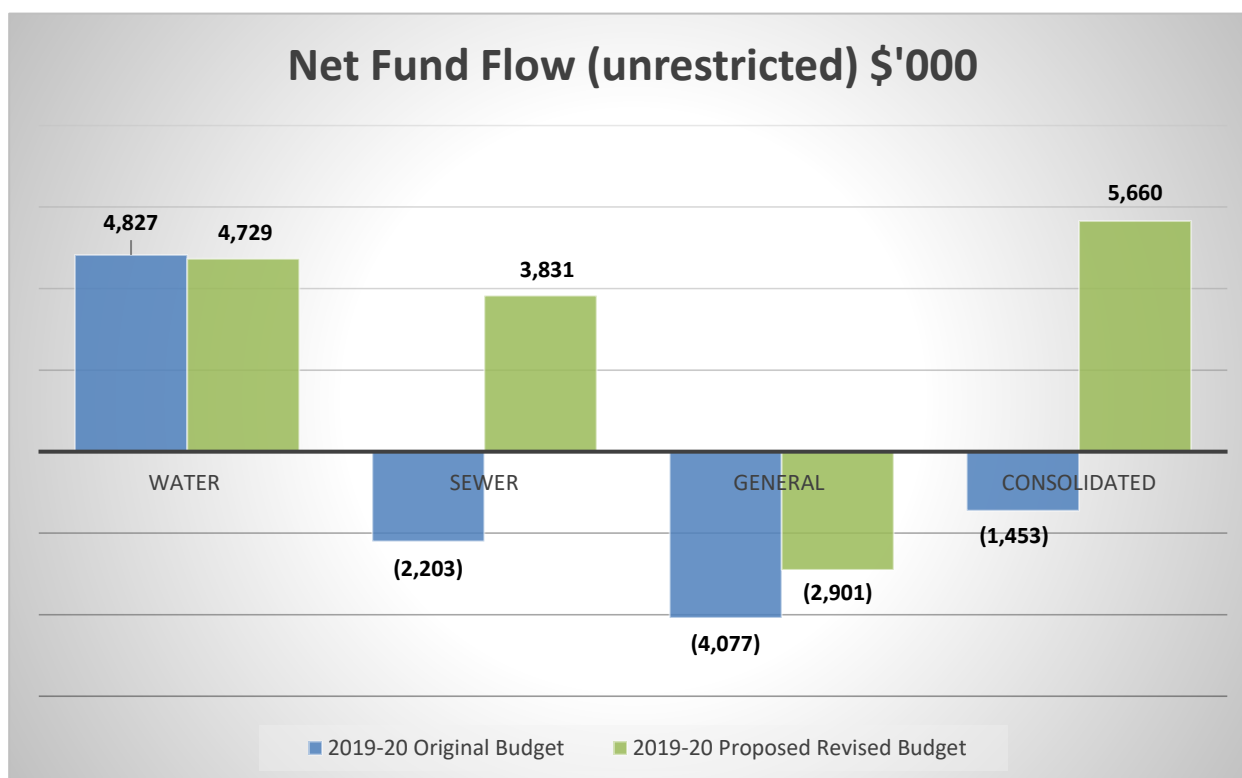
into, or use of restricted funds for capital or non-recurrent projects. Depreciation is not included as it does not represent a cash flow.

The net fund flow shows the amount of unrestricted funds that will be used to deliver the agreed Operational Plan outcomes for 2019-20. The consolidated original budget forecast a \$1.45 million use of unrestricted funds. The impact of proposed carry forward items from last financial year and the September review amendments projected a use of unrestricted funds of \$1.11 million for 2019-20. The December review amendments project an increase of unrestricted funds to \$5.66 million for 2019-20. See table 1.1 and graph 1.1 below.

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

	2019-20 Original Budget	Previous Review	December Review	2019-20 Proposed Revised Budget
Water	4,827	(348)	250	4,729
Sewer	(2,203)	15	6,019	3,831
General	(4,077)	673	503	(2,901)
Consolidated	(1,453)	340	6,772	5,660

Graph 1.1 Net fund flow (unrestricted)



**CCS20/006 BUDGET REVIEW FOR THE PERIOD ENDING
31 DECEMBER 2019**

**S011-
T00006**

Consolidated Income Statement (Attachment 1(b)):

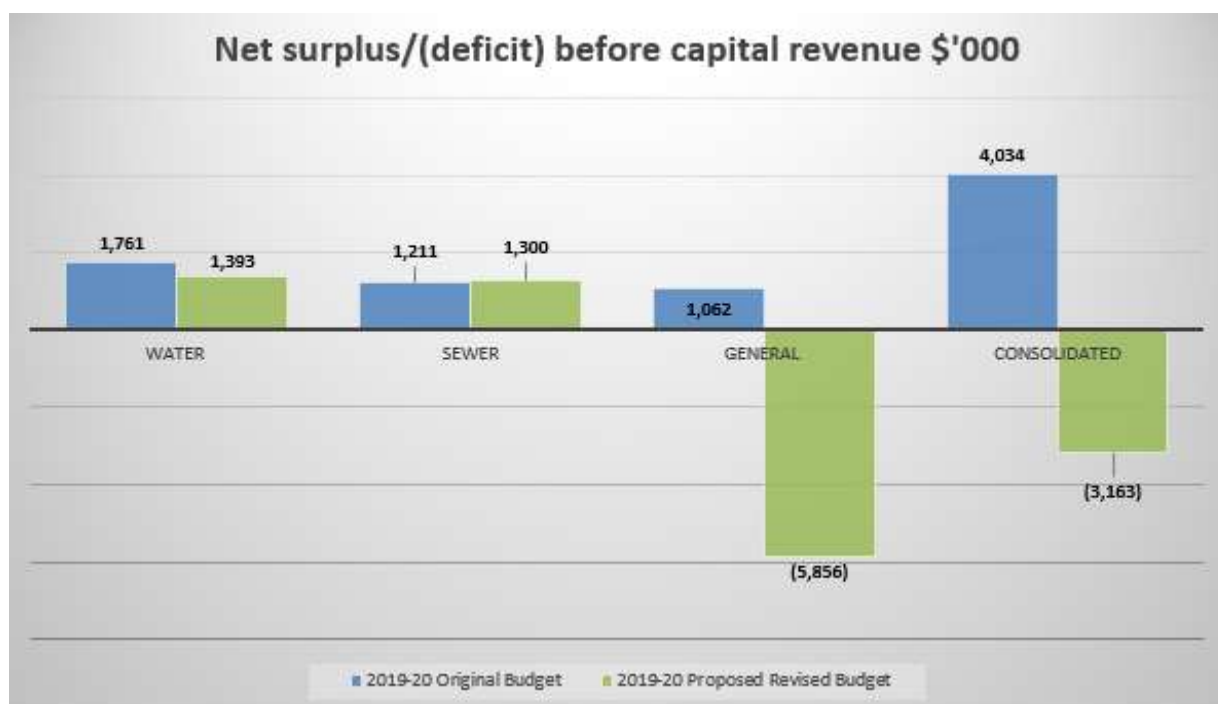
The Consolidated Income Statement shows the types of income, and expenditure per council service areas. This result can indicate whether Council is able to raise sufficient revenue to cover the operational cost (including depreciation which measures the wear and tear of Council assets) of delivering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

The proposed revised budget, incorporating the carry forward items from 2018-19, and September and December review adjustments is a deficit of \$3.16 million before capital revenues (per table 1.2 and graph 1.2 below).

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

Fund	2019-20 Original Budget	Previous Review	December Review	2019-20 Proposed Revised Budget
Water	1,761	(368)	0	1,393
Sewer	1,211	69	20	1,300
General	1,062	(7,756)	838	(5,856)
Consolidated	4,034	(8,055)	858	(3,163)

Graph 1.2 Net surplus/ (deficit) before capital revenue



**CCS20/006 BUDGET REVIEW FOR THE PERIOD ENDING
31 DECEMBER 2019**

**S011-
T00006**

December Review adjustments (operational)

The proposed December Review adjustments result in a favourable variation of \$0.86 million.

Significant adjustments to operational revenue items include:

- User fees and charges

Unfavourable variance as a result of reduced lease income at the Moruya Airport (\$0.13 million), as lease income not yet realised due to delayed timings at airport; reduced parking infringement revenue across the Shire (\$0.06 million), recognition of lease revenue received in advance (\$0.07 million) and reduced revenue income at the Eurobodalla Regional Botanic Gardens and campgrounds due to road closures prior to Christmas (\$0.04 million)

- Investment Revenues

Favourable variance due to sale of Southern Phone Company to AGL Energy (\$0.95 million).

- Operating Grants and Contributions

Favourable variance due to grant funding received for 2019-20 Local Infrastructure Renewal Scheme claims, Regional Jobs & Training Projects, South Coast NSW Zone E-Resources and various environmental programs (offset by costs associated with those programs).

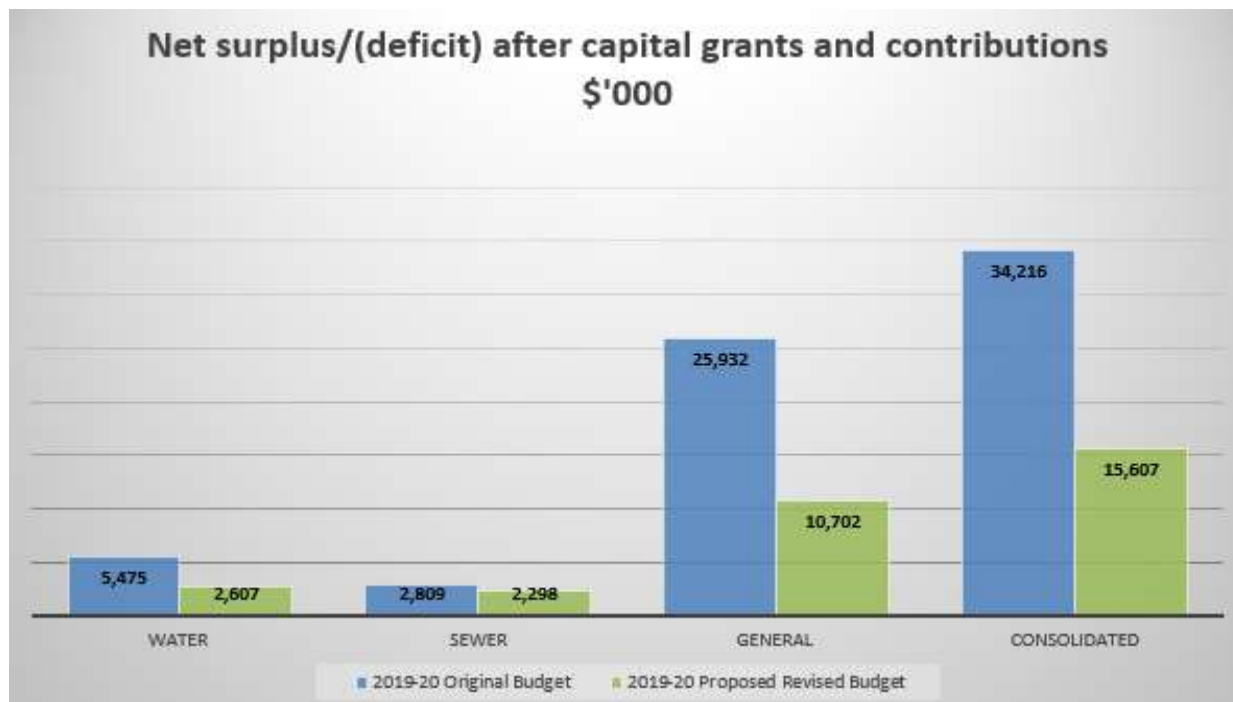
Table 1.3 Net Surplus/ (deficit) after capital revenue, \$'000

Fund	2019-20 Original Budget	Previous Review	December Review	2019-20 Proposed Revised Budget
Water	5,475	(368)	(2,500)	2,607
Sewer	2,809	11	(521)	2,298
General	25,932	(12,066)	(3,164)	10,702
Consolidated	34,216	(12,423)	(6,185)	15,607

**CCS20/006 BUDGET REVIEW FOR THE PERIOD ENDING
31 DECEMBER 2019**

**S011-
T00006**

Graph 1.3 Net surplus/(deficit) after capital revenue



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

Capital Program

The original capital expenditure budget for 2019-20 was \$75.42 million. The proposed revised budget, incorporating carry forward items, September and December variations is \$47.12 million (per table 1.4 and graph 1.4 below).

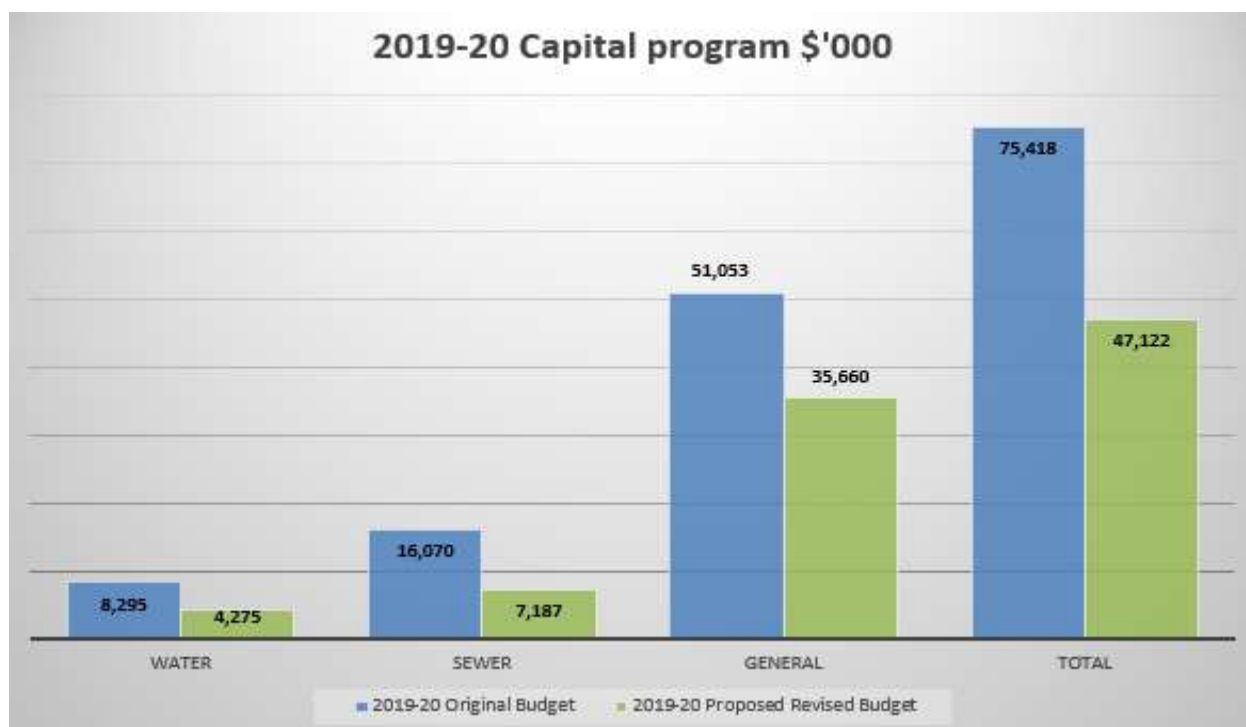
Table 1.4 Capital Program per fund, \$'000

Fund	2019-20 Original Budget	Previous Review	December Review	2019-20 Proposed Revised Budget
Water	8,295	(20)	(4,000)	4,275
Sewer	16,070	158	(9,041)	7,187
General	51,053	(9,861)	(5,532)	35,660
Consolidated	75,418	(9,723)	(18,572)	47,122

**CCS20/006 BUDGET REVIEW FOR THE PERIOD ENDING
31 DECEMBER 2019**

**S011-
T00006**

Graph 1.4 Capital Program per fund, \$'000



December Review Adjustments (capital)

The capital works program as a result of the September previous review was estimated to be \$65.69 million. Capital budget adjustments totalling \$18.57 million have been made during the December quarter and affect the current year's capital program. Significant variations proposed in the December quarter include:

- \$9.1 million Sewer Treatment Plants capital works deferred including works at Tuross, Batemans Bay and Potato Point
- \$4.5 million relating to revised timing of Southern Water Storage Facility works offset by Nelligen works (\$0.50 million) brought forward
- \$1.65 million for Shellfish Hatchery works deferred due to approval granted to extend completion date to 31 December 2020 due to bushfire events
- \$1.3 million in various Recreation works including reserve upgrades at Gundry Oval, Captain Oldrey Park and Bill Smyth Oval deferred to 2020-21
- \$0.83 million Observation Point, Batehaven deferred to 2020-21
- \$0.80 million bridge works deferred for Garlandtown Bridge due to revised priorities as a result of bushfire damage to bridges across the Shire
- \$0.30 million Moruya Shared Facility works deferred to 2020-21
- \$0.26 million reduction in general fund plant and fleet capital expenditure

**CCS20/006 BUDGET REVIEW FOR THE PERIOD ENDING
31 DECEMBER 2019**

**S011-
T00006**

The December budget variations include over \$7.00 million of capital grant variations originally anticipated to be received during 2019-20, associated with the deferral of capital works.

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

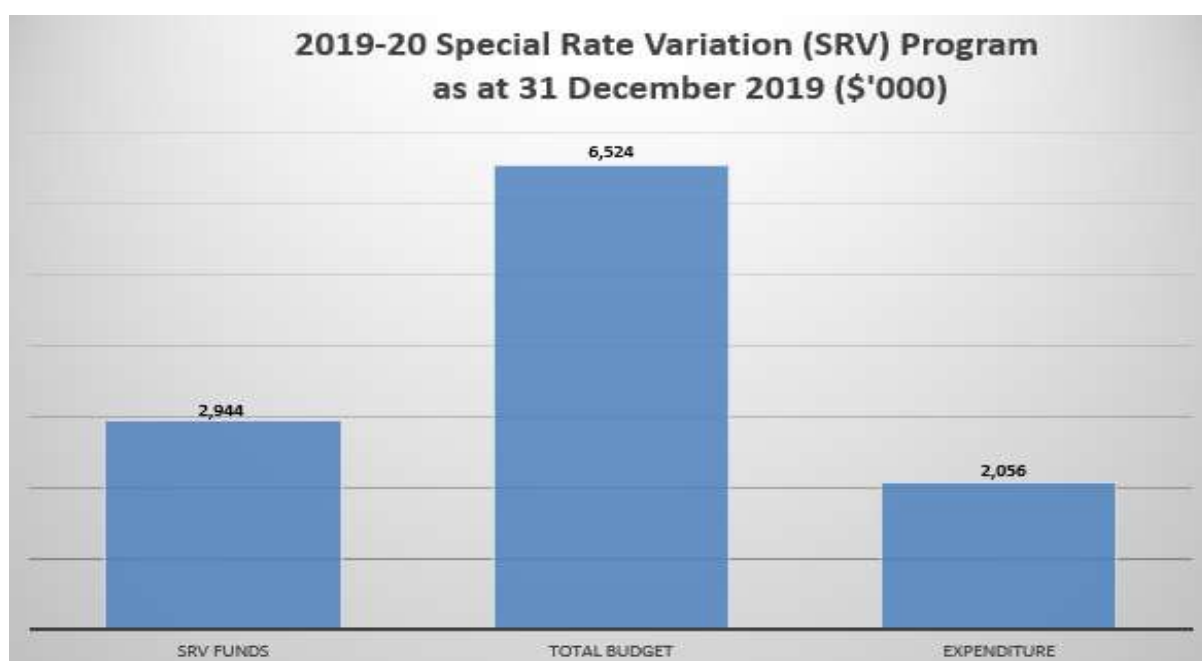
2019-20 is the fourth year of the SRV program and over \$6.52 million of works for the year are underway. \$2.94 million of SRV designated funds are being utilised on these works. The majority of the projects have commenced with a due date for completion by the end of the fourth quarter. At 31 December, approximately 31.51% of the programmed SRV works for this year have been expensed.

Attachment 1 (f) reports the detailed progress of the capital program showing individual project budgets and expenses with updates as at 31 December 2019. Total expenditure on the SRV designated projects as at 31 December 2019 is \$2.06 million (per Table 1.5 below).

Table 1.5 2019-20 Special Rate Variation Capital Program

2019-20 SPECIAL RATE VARIATION (SRV) CAPITAL PROGRAM	\$
SRV FUNDS	2,943,870
TOTAL BUDGET	6,523,732
EXPENDITURE TO 31 DECEMBER 2019	2,055,895
PERCENTAGE SPENT	31.51%

Graph 1.5 2019-20 Special Rate Variation Capital Program



**CCS20/006 BUDGET REVIEW FOR THE PERIOD ENDING
31 DECEMBER 2019**

**S011-
T00006**

CONSIDERATIONS

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 2019.

“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

There are no material concerns at this quarterly review about meeting budget targets for 2019-20.

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 December Quarterly Budget Review for Eurobodalla Shire Council indicates that Council’s projected financial position as at 30 June 2020 will be satisfactory, having regard to the projected estimates of income and expenditure for the 2019-20 financial year.

Total Council Summary

Attachment 1(a)

Description	Original Budget	Approved Changes		Proposed Adjustments	Proposed Revised Budget	Actual YTD
		Carry Overs	QBRs - Sept			
Income						
Rates & Annual Charges	-64,968,316	0	0	0	-64,968,316	-64,996,417
User Charges & Other	-37,433,192	0	535,179	318,364	-36,579,649	-15,230,207
Investment Revenues	-2,909,883	0	0	-950,694	-3,860,576	-1,903,039
Operating Grants & contributions	-14,408,906	-505,441	3,227,438	-190,995	-11,877,904	-5,063,919
Total Income	-119,720,297	-505,441	3,762,617	-823,324	-117,286,445	-87,193,581
Expense						
Profit/Loss on Disposal of Assets	0	0	0	0	0	-336,015
Employee costs	41,789,654	0	1,417,110	45,964	43,252,728	21,118,785
Interest	2,774,638	0	-458,147	0	2,316,491	1,196,100
Depreciation	33,046,135	0	0	-4,360	33,041,775	16,554,680
Other Costs (incl materials & contracts)	38,076,233	3,267,097	558,509	-76,288	41,825,551	17,487,630
Purchase of Assets	0	0	13,000	0	13,000	2,722
Total Expense	115,686,660	3,267,097	1,530,472	-34,684	120,449,544	56,023,902
Operating (Surplus)/Deficit before Capital	-4,033,637	2,761,656	5,293,089	-858,008	3,163,099	-31,169,679
Capital Income						
Developer Contributions	-2,997,646	0	0	0	-2,997,646	-983,855
Capital Grants & Contributions	-27,184,332	-433,325	4,801,796	7,043,470	-15,772,391	-1,048,169
Operating (Surplus)/Deficit after Capital	-34,215,615	2,328,331	10,094,885	6,185,462	-15,606,937	-33,201,703
Non Cash						
Profit/Loss on Disposal of Assets	0	118,842	0	0	118,842	336,015
Depreciation	-33,046,135	0	0	4,360	-33,041,775	-16,554,680
Total Non Cash	-33,046,135	118,842	0	4,360	-32,922,933	-16,218,666
Investing Fund Flows						
Capital Works	75,418,007	4,016,940	-13,740,180	-18,572,353	47,122,413	18,713,416
Asset Sales	-915,728	-118,842	0	0	-1,034,570	-511,107
Deferred Debtor Repayments	-16,000	0	0	0	-16,000	-10,794
Total Investing Fund Flows	74,486,279	3,898,098	-13,740,180	-18,572,353	46,071,843	18,191,516
Financing Fund Flows						
Proceeds from Borrowings	-13,296,827	0	1,159,062	7,900,000	-4,237,765	0
Repayments of Borrowings	7,939,728	0	-300,968	0	7,638,760	3,543,933
Total Financing Fund Flows	-5,357,099	0	858,094	7,900,000	3,400,995	3,543,933
Net (Inc)/Dec in Funds before Transfers	1,867,430	6,345,270	-2,787,200	-4,482,531	942,969	-27,684,919
Reserve Movements						
Transfer from Reserves	-23,829,169	-7,889,169	-1,308,919	5,377,804	-27,649,453	-15,607,732
Transfer to Reserves	23,414,349	0	5,300,289	-7,667,743	21,046,895	3,063,583
Total Reserve Movements	-414,820	-7,889,169	3,991,371	-2,289,939	-6,602,557	-12,544,150
Net (Inc)/Dec in Unrestricted Funds	1,452,610	-1,543,898	1,204,170	-6,772,470	-5,659,588	-40,229,069

Description	Original Budget	Approved Changes		Proposed Adjustments	Proposed Revised Budget	Actual YTD
		Carry Overs	Sep-19			
Income						
Rates & Annual Charges	-64,968,316	0	0	0	-64,968,316	-64,996,417
User Charges & Other	-37,433,192	0	535,179	318,364	-36,579,649	-15,230,209
Investment Revenues	-2,909,883	0	0	-950,694	-3,860,576	-1,903,039
Operating Grants & contributions	-14,408,906	-505,441	3,227,438	-190,995	-11,877,904	-5,063,919
Total Income	-119,720,297	-505,441	3,762,617	-823,324	-117,286,445	-87,193,583
Expense						
Business Development (BD)	661,727	20,451	59,898	-43,300	698,776	370,565
Children's Services (CS)	1,638,121	82,807	15,494	0	1,736,421	966,800
Commercial Entities (CE)	4,781,136	0	191,604	0	4,972,740	2,120,522
Communication & Community Engagement (CCE)	683,295	0	68,113	0	751,408	404,353
Community & Cultural Development (CCD)	1,085,318	427,981	134,418	54,305	1,702,023	562,231
Community Care (CC)	8,914,089	855,944	-305,962	829	9,464,899	4,251,897
Community Facilities (CF)	2,605,305	0	107,600	4,900	2,717,805	1,229,156
Corporate & Community Leadership (CCL)	2,437,856	0	50,000	-96,709	2,391,147	1,135,349
Customer Assistance and Records (CAR)	1,046,822	0	0	12,196	1,059,018	482,252
Development Assessment & Building Certification (DABC)	4,071,795	0	127,958	0	4,199,753	1,750,325
Environmental Management (EM)	1,110,977	854,278	204,563	8,065	2,177,882	811,344
Finance and Central Treasury (FCT)	4,508,144	0	381,731	0	4,889,875	2,447,408
Fleet and Plant (FP)	219,585	0	36,671	0	256,256	677,125
Information Technology (IT)	3,250,858	0	-101,415	50,000	3,199,443	2,057,552
Libraries (L)	1,959,617	112,665	8,473	63,371	2,144,126	1,091,271
Property (P)	896,420	0	15,193	0	911,613	613,557
Public and Environmental Health (PEH)	978,189	3,384	-1,228	0	980,345	446,690
Public Order and Safety (POS)	3,138,379	0	183,991	-11,580	3,310,790	1,659,851
Recreation (R)	7,518,946	80,184	11,603	-9,643	7,601,090	3,681,161
Risk and Insurance (RI)	1,458,160	0	165,000	0	1,623,160	1,352,449
Sewer Services (SS)	20,086,708	37,413	-106,635	-20,000	19,997,486	9,224,974.49
Stormwater (S)	1,510,635	0	0	0	1,510,635	734,275
Strategic Planning (SP)	1,090,171	466,176	263,568	43,300	1,863,215	686,168
Technical Services (TS)	1,812,472	0	8,790	0	1,821,262	1,136,603
Tourism (T)	1,496,233	0	-52,888	-19,000	1,424,345	519,810
Transport (TR)	18,923,799	0	-823,059	25,998	18,126,737.84	9,065,227
Waste Management (WM)	11,268,627	0	0	0	11,268,627	4,383,948
Water Services (WS)	17,248,990	0	367,896	0	17,616,886.03	7,717,651
Works and Operations (WO)	3,729,398	18,500	162,071	11,947	3,921,916	2,185,002
Workforce Development (WD)	1,764,134	0	357,025	0	2,121,159	805,918
Youth Services (YS)	537,348	307,313	0	-109,362	735,300	250,293
Corporate Overheads	-16,887,161	0	0	0	-16,887,161	-8,551,327
Rates and General Revenue	140,566	0	0	0	140,566	-246,499
Total Expense	115,686,660	3,267,097	1,530,472	-34,684	120,449,544	56,023,902
Operating (Surplus)/Deficit before Capital	-4,033,637	2,761,656	5,293,089	-858,008	3,163,099	-31,169,681
Capital Income						
Developer Contributions	-2,997,646	0	0	0	-2,997,646	-983,855
Capital Grants & Contributions	-27,184,332	-433,325	4,801,796	7,043,470	-15,772,391	-1,048,169
Operating (Surplus)/Deficit after Capital	-34,215,615	2,328,331	10,094,885	6,185,462	-15,606,937	-33,201,705

Description	Original Budget	Approved Changes		Proposed Adjustments	Proposed Revised Budget	Actual YTD
		Carry Overs	QBRS - Sept			
Capital Expenditure						
Business Development (BD)	1,990,000	260,196	0	-1,650,196	600,000	0
Commercial Entities (CE)	4,704,415	431,755	-254,700	31,846	4,913,316	1,505,941
Community & Cultural Development (CCD)	8,120	57,119	-40,000	0	25,239	273,696
Community Care (CC)	0	0	0	0	0	18,577
Community Facilities (CF)	391,090	13,043	-270,210	10,000	143,923	58,663
Environmental Management (EM)	0	54,140	0	0	54,140	0
Finance and Central Treasury (FCT)	512,895	0	-512,895	0	0	0
Fleet and Plant (FP)	3,272,895	299,174	142,272	-215,000	3,499,341	1,316,099
Information Technology (IT)	755,983	0	730,000	0	1,485,983	701,914
Libraries (L)	176,049	50,969	0	0	227,018	42,136
Property (P)	0	0	0	0	0	13,545
Public Order and Safety (POS)	150,000	198,829	1,148,931	0	1,497,760	155,273
Recreation (R)	4,985,403	390,909	498,474	-2,820,231	3,054,555	1,012,597
Sewer Services (SS)	16,070,000	0	157,923	-9,040,723	7,187,200	2,951,644
Stormwater (S)	738,858	0	-256,501	0	482,357	320,722
Strategic Planning (SP)	18,700,000	1,475,799	-16,570,000	-64,360	3,541,439	857,857
Technical Services (TS)	507,450	0	0	0	507,450	0
Transport (TR)	13,425,168	748,467	1,846,527	-823,689	15,196,472	7,764,912
Waste Management (WM)	0	0	0	0	0	224,766
Water Services (WS)	8,295,000	0	-20,000	-4,000,000	4,275,000	1,456,532
Works and Operations (WO)	434,681	36,540	-40,000	0	431,221	38,544
Workforce Development (WD)	300,000	0	-300,000	0	0	0
Total Capital Expenditure	75,418,007	4,016,940	-13,740,180	-18,572,353	47,122,413	18,713,416

Projected Funds Balances Statement
for YTD Period Ending December 2019

Attachment 1(d)

Description	Opening Balances	Original Budget	Approved Changes		Proposed Adjustments	Forecast Budget	Closing Balances
			Carry Overs	QBRS - Sept			
Total Unrestricted Funds	915,375	-5,983,949	1,543,898	-870,857	503,084	-4,807,824	-3,892,449
Externally Restricted Funds							
Water Fund	30,778,005	4,827,239	0	-347,896	250,000	4,729,343	35,507,348
Sewer Fund	18,371,894	-2,203,109	0	14,582	6,019,386	3,830,860	22,202,754
Domestic Waste Fund	13,116,492	1,907,209	0	0	0	1,907,209	15,023,701
Section 94 Developer Contributions	10,079,799	472,908	0	0	0	472,908	10,552,707
Section 94A Developer Contributions	1,539,500	293,028	0	-53,000	0	240,028	1,779,528
Unexpended Grants	9,366,925	-537,421	-7,149,740	3,519,316	354,092	-3,813,752	5,553,173
Other Contributions	1,027,817	-300,000	0	118,180	-9,930	-191,750	836,067
General Loans External	883,855	0	0	-883,855	0	-883,855	0
StormwaterFund	87,096	125,125	-11,251	-23,103	0	90,771	177,867
Crown Reserve	4,496,722	552,824	0	761,366	0	1,314,190	5,810,912
Tree Fund	0	-5,391	0	0	5,391	0	0
CS Asset Replacement	374,403	0	0	0	0	0	374,403
Crown Reserve Loan Pool	153,228	2,061	0	0	0	2,061	155,289
Total Externally Restricted Funds	90,275,736	5,134,473	-7,160,991	3,105,591	6,618,939	7,698,012	97,973,748
Internally Restricted Funds							
Infrastructure Fund	1,339,849	-713,679	-247,132	-150,825	18,501	-1,093,135	246,714
Employee Leave Entitlements	4,231,924	77,267	0	0	0	77,267	4,309,191
Community Development Infrastructure Fund	58,164	0	0	0	0	0	58,164
Council Funded Loan Pool	143,143	3,503	0	0	0	3,503	146,646
Energy And Efficiency Fund	604,471	6,981	-91,553	0	-10,000	-94,572	509,899
Gravel Pits	614,910	0	0	0	0	0	614,910
Management Committees	188,395	8,363	-7,000	0	0	1,363	189,758
Sports Liason Committee	209,661	19,884	0	0	0	19,884	229,545
Unexpended General Loan Fund	-37,926	507,451	0	3,659,708	-4,000,000	167,159	129,233
Works Income Equalisation Fund	0	75,546	0	-75,546	0	0	0
Real Estate Disposal	1,880,135	0	0	0	0	0	1,880,135
Special Rate Variation	3,160,660	-2,206,653	-107,068	915,475	352,606	-1,045,640	2,115,020
Infrastructure Renewals (FFTF)	6,526,464	1,169,798	0	0	950,694	2,120,492	8,646,956
Recreation Strategy	275,160	-40,000	-207,709	0	0	-247,709	27,451
Other Internal Reserves	3,883,369	73,585	-67,716	31,799	48,707	86,375	3,969,744
Financial Assistance Grants	3,828,144	0	0	-3,828,144	0	-3,828,144	0
Total Internally Restricted Funds	26,906,523	-1,017,954	-728,177	552,466	-2,639,492	-3,833,157	23,073,366
Total Council Funds	118,097,634	-1,867,430	-6,345,270	2,787,200	4,482,531	-942,969	117,154,665

Entity	Program Description	Fund Flow Type	(Favourable)/ Unfavourable	Quarterly Budget Review Comments Q2
	Invasive Species	Operating Grants & contributions	(89,162)	Grant funded work for various environmental programs
		Other Costs (incl materials & contracts)	89,162	
	Natural Resource Management	Operating Grants & contributions	80,872	Various minor adjustments this quarter
		Other Costs (incl materials & contracts)	(80,872)	
	Various	Various	(38,942)	
Environment Fund Total			(38,942)	
	New Sewer Schemes	Capital Grants & Contributions	541,337	Revised timing and associated funding of sewer treatment works at Potato Point (to 2020-21)
		Purchase of Assets	(3,060,723)	
		Transfers from (to) Restricted Investments	2,500,000	
	Sewer Treasury	Proceeds from Borrowings	2,500,000	
		Transfers from (to) Restricted Investments	(2,500,000)	Revised timing of sewer treatment plant capital works at Batemans Bay & Tuross (to 2020-21)
	Sewerage System Augmentations	Purchase of Assets	(6,000,000)	
Sewer Fund Total			(6,019,386)	
	New Water Supply Scheme	Purchase of Assets	500,000	Revised timing of Nelligen Water capital works
	Water Supply New Assets	Capital Grants & Contributions	2,500,000	Revised timing and associated funding of Southern Water Storage Facility (to 2020-21)
		Purchase of Assets	(4,500,000)	
		Transfers from (to) Restricted Investments	1,250,000	
	Water Treasury	Proceeds from Borrowings	1,250,000	
		Transfers from (to) Restricted Investments	(1,250,000)	
Water Fund Total			(250,000)	

Entity	Program Description	Fund Flow Type	(Favourable)/ Unfavourable	Quarterly Budget Review Comments Q2
	Airport	Capital Grants & Contributions	1,650,196	Continuation of grant funded Shelfish Hatchery works in 2020-21
		Purchase of Assets	(1,650,196)	
		User Charges & Other	130,700	Revised airport lease revenue
	Community Development & Youth	Other Costs (incl materials & contracts)	(150,000)	Funded works for Eurobodalla Youth Employment Strategy program
		Transfers from (to) Restricted Investments	150,000	
	Environmental Services	User Charges & Other	60,000	Revised parking infringement revenue
	Facilities Management	Capital Grants & Contributions	966,579	Revised timing of Recreational capital works including upgrades at Bill Smyth Oval, Gundry Oval, Captain Oldrey Reserve and Moruya Shared Maintenance Facility
		Purchase of Assets	(1,993,759)	
		Transfers from (to) Restricted Investments	717,180	
	Finance	Investment Revenues	(950,694)	Investment income received for sale of Southern Phone to AGL Energy
		Operating Grants & contributions	(55,000)	Local Infrastructure Renewal Scheme funding
		Proceeds from Borrowings	4,150,000	Revised timing of funding for Batemans Bay Regional Aquatic, Arts and Leisure Centre (BBRAALC) and other minor programs
		Transfers from (to) Restricted Investments	(3,199,306)	Variation required to ensure balanced restriction accounting for BBRAALC current funding and investment proceeds received from sale of Southern Phone
	Governance & Administration	Other Costs (incl materials & contracts)	50,000	Information Technology GIS works deferred from 2018-19
		Purchase of Assets	(255,000)	Revised plant capital expenditure
	Library & Cultural Services	Operating Grants & contributions	(56,747)	Funded expenditure for South East Zone E-Resources License program and other minor variations
		Other Costs (incl materials & contracts)	51,863	
	Property Services	User Charges & Other	71,450	Recognise lease income received in advance
	Recreation	Capital Grants & Contributions	719,650	Continuation of Observation Point Viewing Platform funded works deferred to 2020-21
		Purchase of Assets	(828,151)	
	Strategic Development	Purchase of Assets	(64,360)	Revised timing of BBRAALC project and associated grant funding
		Transfers from (to) Restricted Investments	(241,439)	
	Transport	Capital Grants & Contributions	691,708	Continuation of Garlandtown Bridge Widening funded works deferred to 2020-21
		Purchase of Assets	(780,469)	
		Other Costs (incl materials & contracts)	(89,209)	Revised 2019-20 Block Grant estimates based on actuals
		Transfers from (to) Restricted Investments	150,000	
	Various	Various	290,861	Various minor adjustments this quarter
General Fund Total			(464,143)	
Total Budget Amendments			6,772,470	

Description	SRV Funding Amount	Current Revised Budget	Actual YTD Costs	\$ Remaining	% Spent	Progress Update
Recreation Admin						
Kyla Park Hall Thermal Efficiency Upgrade	-9,886	12,291	0	12,291	0.00%	In progress - works commenced in 2018/19
Total Recreation Admin	-9,886	12,291	0	12,291	0.00%	
Facilities Management						
Captain Oldrey Amenities Disabled Toilet, Security	-21,119	21,119	0	21,119	0.00%	In progress - works commenced in 2018/19
Gundry Oval Amenities Ext. With Extra Changerooms	-12,099	31,166	12,099	19,067	38.82%	In progress - works commenced in 2018/19 - Project to be continued in 2020/21
Batemans Bay Tennis - Access Upgrade	-50,000	50,000	0	50,000	0.00%	Yet to commence
Dalmeny Tennis - Court Repairs	-10,000	10,000	1,022	8,978	10.22%	In progress
Moruya Pool - Clubroom Access Upgrade	-20,000	20,000	0	20,000	0.00%	Yet to commence
Total Facilities Management	-113,218	132,285	13,121	119,164	9.92%	
Transport						
Gravel Resheet - Unsealed Roads Resheeting	-113,000	1,174,895	724,375	450,520	61.65%	In progress
Rural Road Reconstruction - Congo Rd South	-880,000	854,319	12,027	842,292	1.41%	In progress - works commenced in 2018/19 (Funding to support 2017/18 Expenses)
Reseal - Local Urban Sealed	-450,000	1,856,915	409,953	1,446,962	22.08%	In Progress
South Durras Bridge Repairs and Guardrail Durras D	-50,000	50,000	7,864	42,136	15.73%	In progress - works commenced in 2018/19
Tuross Head Boat Ramp - Dredging	-32,537	32,029	0	32,029	0.00%	In progress - works commenced in 2018/19 (Funding to support 2017/18 Expenses)
Cycleways	-56,000	479,537	196,406	283,131	40.96%	In Progress
Total Transport	-1,581,537	4,447,696	1,350,625	3,097,071	30.37%	

Description	SRV Funding Amount	Current Revised Budget	Actual YTD Costs	\$ Remaining	% Spent	Progress Update
Recreation						
Burri Point, Guerrilla Bay	-127,219	127,219	0	127,219	0.00%	Yet to commence
Observation Point, Batehaven Viewing Platform	-75,000	75,000	190	74,810	0.25%	In progress - works commenced in 2018/19. Project to continue in 2020/21.
Parks Facilities Renewals - Seats/Tables	-53,767	142,666	82,959	59,707	58.15%	In progress - works commenced in 2018/19
Riverside Park Improvements	-212,032	212,032	0	212,032	0.00%	Yet to commence
Moruya Showground - Construct Parking	-110,847	249,744	29,699	220,045	11.89%	In progress - works commenced in 2018/19
Evans Road Tuross Playground Upgrade	-91,136	163,689	163,690	-1	100.00%	Completed
Captain Oldrey Park - Field 2 Refurbishment	0	0	0	0	0.00%	Project deferred to 2020/21
Gundry Oval - Fields 2 & 3 Refurbishment	-580	580	580	0	100.07%	Project deferred to 2020/21. \$580 actuals incurred prior to this decision
Heath Street Reserve Upgrade	-11,306	30,000	0	30,000	0.00%	Yet to commence
Total Recreation	-681,887	1,000,930	277,117	723,813	27.69%	
Public Conveniences						
Drainage Renewals - Shirewide	-323,000	684,357	388,083	296,274	56.71%	In Progress
Total Public Conveniences	-323,000	684,357	388,083	296,274	56.71%	
Corporate Administration						
Narooma Depot Workshop	-108,454	178,340	750	177,590	0.42%	Yet to commence
Total Corporate Administration	-108,454	178,340	750	177,590	0.42%	
Environment Works						
Beach Road (Caseys Beach) Rockwall St 1	-125,888	67,833	26,199	41,634	38.62%	In progress - works commenced in 2018/19 (Funding to support 2017/18 Expenses)
Total Environment Works	-125,888	67,833	26,199	41,634	38.62%	
Total SRV Program	-2,943,870	6,523,732	2,055,895	4,467,836	31.51%	



Consultancy, Legal and Contractors Expenses
for the quarter ending 31 December 2019

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>
FX BUSINESS CENTRE	Photocopier Rentals - Main Admin Building, Moruya & Narooma Depot, Moruya Sewer Plant & Northern Water	\$ 144,936	04-Nov-19	5 Years	Yes
SEAPERFECT(NSW) PTY LTD	Design and build Shellfish Hatchery	\$ 341,902	25-Oct-19	On completion of work	Yes
SQUIZ AUSTRALIA PTY LTD	Software licence	\$ 62,975	09-Oct-19	1 year	Yes

Consultancy and Legal Expenses Incurred

	<u>December Quarter</u>	<u>Budgeted (Y/N)</u>	<u>Comments</u>
Consultants	1,408,699	Y	Architect fees, design works and environmental assessments.
Legal Fees	186,412	Y	Legal fees for recovery of rates and legal advice on Development Approval issues

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

Eurobodalla Shire Council

Key Performance Indicators : Consolidated Results for the quarter ended December 2019

Indicator	Target	Original Budget 2019-20	Projected FY 2019-20
Unrestricted Current Ratio	> 1.5	> 1.9	> 1.8
Operating Performance Ratio	minimum 0%	3.37%	-2.70%
Buildings & Infrastructure Renewals Ratio	= > 100%	84%	61%

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 2018-19 Financial Statements

Notes:

(a) Budgeted ratios are based on the original budgets for 2019-20.

(b) Projected ratios are based on the revised budgets for 2019-20.



Mayoral and Councillor Fees and Expenses Statement
For the quarter ended 31 December 2019

Councillor	Councillor Allowance	Conference / Delegate Costs	Travelling Expenses	Phone / Fax/ Internet etc	Training / Skill Development	Other Costs	Total
Cr L Brown	5,070	0	706	179	0	0	5,955
Cr L Innes	16,133	0	3,887	292	3,912	0	24,223
Cr Constable	5,070	0	454	183	0	0	5,707
Cr Mayne	5,070	0	0	382	0	0	5,452
Cr McGinlay	5,070	0	855	205	0	0	6,130
Cr Nathan	5,070	0	915	179	0	0	6,164
Cr Tait	5,070	0	287	179	0	0	5,536
Cr J Thomson	5,070	621	1,294	180	0	0	7,165
Cr Pollock	5,070	247	950	180	0	0	6,447
Total	56,693	868	9,349	1,959	3,912	0	72,780

Notes:

Travelling Expenses includes mayoral lease back arrangements