



**Quarterly Budget Review Statement
December 2018**

2018-19 FINANCIAL YEAR



PO Box 492, Bega NSW 2550

P. (02) 6499 2222

F. (02) 6499 2200

E. council@begavalley.nsw.gov.au

W. begavalley.nsw.gov.au

ABN. 26 987 935 332

DX. 4904 Bega

Table of Contents

	page
1. Responsible Accounting Officer's Statement	1
2. Income & Expenses Budget Review Statement's	
- Income and Expenses - by Type	2
- Income and Expenses - by Activity	3
- Income and Expenses - Variation Detail	5
- Capital Budget Review Statement - by Type	8
- Capital Budget- Variance Detail	9
3. Cash & Investments Budget Review Statement	
- Cash and Investments Budget Review Statement	11
- Cash and Investments Budget- Variance Detail	12
4. Key Performance Indicator (KPI) Budget Review Statement	
Council KPIs	15
5. Contracts & Other Expenses Budget Review Statement	18

Report by Responsible Accounting Officer

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

It is my opinion that the Quarterly Budget Review Statement for Bega Valley Shire Council for the quarter ended 31/12/18 indicates that Council's projected financial position at 30/06/19 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.



Signed:

Graham Stubbs
Chief Financial Officer

Date:

01/03/2019

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2018

Income & Expenses - Council Consolidated

(\$000's)	Original Budget 2018/19	Approved Changes			Revised Budget 2018/19	Variations for this Dec Qtr	Notes	Projected Year End Result	Budget YTD figures	Actual YTD figures
		Sep QBRs	Dec QBRs	Mar QBRs						
Income										
Rates and Annual Charges	50,179	-	-	-	50,179	-	1	50,179	50,179	49,719
User Charges and Fees	19,635	-	-	-	19,635	-	2	19,635	9,818	9,100
Investment Income	1,441	-	-	-	1,441	-	3	1,441	721	515
Other Revenues	1,023	-	-	-	1,023	-		1,023	512	567
Grants and Contributions Operating	12,149	-	-	-	12,149	1,256	4	13,405	6,075	7,686
Grants and Contributions Capital	19,428	-	-	-	19,428	20,938	5	40,366	9,714	2,348
Net gain from disposal of assets	-	-	-	-	-	-		-	-	1,521
Share of Interests in Joint Ventures	-	-	-	-	-	-		-	-	-
Total Income from Continuing Operations	103,855	-	-	-	103,855	22,194		126,049	77,019	71,456
Expenses										
Employee Costs	33,084	-	-	-	33,084	325	6	33,409	16,542	20,801
Finance Costs	1,937	-	-	-	1,937	-	7	1,937	969	730
Materials & Contracts	22,052	-	-	-	22,052	651	8	22,703	11,026	23,414
Depreciation & Amortisation	20,490	-	-	-	20,490	-	9	20,490	10,245	10,245
Other Expenses	8,573	-	-	-	8,573	225	9	8,798	4,287	3,683
Net Loss from disposal of assets	-	-	-	-	-	-		-	-	-
Total Expenses from Continuing Operations	86,136	-	-	-	86,136	1,201		87,337	43,069	35,459
Net Operating Result from Continuing Operations	17,719	-	-	-	17,719	20,993		38,712	33,950	35,997
Discontinued Operations - Surplus/(Deficit)	-	-	-	-	-	-		-	-	-
Net Operating Result from All Operations	17,719	-	-	-	17,719	20,993		38,712	33,950	35,997
Net Operating Result before Capital Items	(1,709)	-	-	-	(1,709)	55		(1,654)	24,236	33,649

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2018

Income & Expenses - Council Consolidated

(\$000's)	Original Budget 2018/19	Approved Changes			Revised Budget 2018/19	Variations for this Dec Qtr	Notes	Projected Year End Result	Budget YTD Figures	Actual YTD figures
		Sep QBRS	Dec QBRS	Mar QBRS						
Income										
Children, Families and Ageing	2,927	-	-	-	2,927	-	10	2,927	1,464	945
Community, Culture and Information	703	-	-	-	703	-	11	703	352	218
Community, Relations & Leisure Coordination	6	-	-	-	6	-	12	6	3	3
Leisure and Recreation	2,089	-	-	-	2,089	255	13	2,344	1,045	388
Organisation Development & Governance	-	-	-	-	-	-	14	-	-	1
Building and Health Services	1,698	-	-	-	1,698	-	15	1,698	849	951
Environment Services	555	-	-	-	555	-	16	555	278	40
Planning Services	621	-	-	-	621	-	17	621	311	273
Planning & Environment Coordination	595	-	-	-	595	55	18	650	298	18
Business and Governance Coordination	-	-	-	-	-	-	19	-	-	1
Business Services	-	-	-	-	-	-	20	-	-	-
Economic Development	319	-	-	-	319	-	21	319	160	1,358
Financial Management	6	-	-	-	6	-	22	6	3	15
Civil Assets	-	-	-	-	-	-	23	-	-	-
Fire & Emergency Services	1,016	-	-	-	1,016	-	24	1,016	508	564
Sewer Services	18,492	-	-	-	18,492	1,132	25	19,624	16,643	16,460
Transport & Utility Group	-	-	-	-	-	-	26	-	-	-
Transport Services	8,240	-	-	-	8,240	1,332	27	9,572	4,120	1,512
Waste Services	11,524	-	-	-	11,524	2,895	28	14,419	5,762	9,436
Water Supplies	12,306	-	-	-	12,306	3,300	29	15,606	6,153	7,614
Works	10,631	-	-	-	10,631	13,225	30	23,856	5,316	3,171
Council Wide	47,047	-	-	-	47,047	-	31	47,047	23,524	29,394
Project Development Service	663	-	-	-	663	-	32	663	332	50
Strategy and Asset Services	762	-	-	-	762	-	33	762	381	326
Total Income from Continuing Operations	120,200	-	-	-	120,200	22,194		142,394	67,502	72,738

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2018

Income & Expenses - Council Consolidated

(\$000's)	Original Budget 2018/19	Approved Changes			Revised Budget 2018/19	Variations for this Dec Qtr	Notes	Projected Year End Result	Budget YTD Figures	Actual YTD figures
		Sep QBRS	Dec QBRS	Mar QBRS						
Expenses										
Children, Families and Ageing	2,927	-	-	-	2,927	-	10	2,927	1,464	1,111
Community, Culture and Information	3,170	-	-	-	3,170	-	11	3,170	1,585	1,635
Community, Relations & Leisure Coordination	261	-	-	-	261	-	12	261	131	101
Leisure and Recreation	2,885	-	-	-	2,885	-	13	2,885	1,443	587
Organisation Development & Governance	1,744	-	-	-	1,744	-	14	1,744	872	935
Building and Health Services	1,244	-	-	-	1,244	-	15	1,244	622	518
Environment Services	1,329	-	-	-	1,329	-	16	1,329	665	387
Planning Services	1,583	-	-	-	1,583	-	17	1,583	792	639
Planning & Environment Coordination	676	-	-	-	676	-	18	676	338	162
Business and Governance Coordination	353	-	-	-	353	-	19	353	177	188
Business Services	-	-	-	-	-	-	20	-	-	-
Economic Development	778	-	-	-	778	-	21	778	389	467
Financial Management	1,049	-	-	-	1,049	-	22	1,049	525	521
Civil Assets	-	-	-	-	-	-	23	-	-	-
Fire & Emergency Services	2,591	-	-	-	2,591	-	24	2,591	1,296	1,594
Sewer Services	18,482	-	-	-	18,482	-	25	18,482	9,241	5,704
Transport & Utility Group	-	-	-	-	-	-	26	-	-	-
Transport Services	16,358	-	-	-	16,358	-	27	16,358	8,179	7,736
Waste Services	11,524	-	-	-	11,524	976	28	12,500	5,762	6,325
Water Supplies	12,316	-	-	-	12,316	-	29	12,316	6,158	4,252
Works	11,699	-	-	-	11,699	-	30	11,699	5,850	4,289
Council Wide	16,937	-	-	-	16,937	-	31	16,937	8,469	5,319
Project Development Service	663	-	-	-	663	-	32	663	332	350
Strategy and Asset Services	1,952	-	-	-	1,952	-	33	1,952	976	518
Total Expenses from Continuing Operations	110,521	-	-	-	110,521	976		111,497	55,266	43,338
Net Operating Result from Continuing Operations before Capital Items	9,679	-	-	-	9,679	21,218		30,897	12,236	29,400

Note: Internal Income and Expenses has been included in this report. Expenses exclude depreciation.

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Note	Sub-Note Details	
1	Rates and Annual Charges Annual Rates and charges are 0.9% lower than budget as at 31/12/18. The expectation is that this variance will be eliminated by small charge adjustments in the second half of the year.	
2	User Charges and Fees User Charges and Fees is tracking within budget.	
3	Investment Income Investment Income is tracking below the original budget. It is expected that this difference will be recovered in the second half of the year as additional grant funds are invested.	
4	Grants and Contributions Operating Income from operating Grants and Contributions are tracking slightly higher than the original budget. Current budget adjustments for Operating grants and contribution relates to: Adjustment of FAG Grant- received in advance in FY17/18 after the original budget was approved. This additional amount is expected to be received again this year. There is also a request for a revote of funds for thewaste services section to fund additional and unbudgetted operations. There is also a request for a revote of funds for the Community, Environment & Planning section to fund the RID program that was not included in the original budget	225k 976k 55k
5	Grants and Contributions Capital Income from capital Grants and Contributions is tracking well below the original budget, however since 31/12/18 large grants have been announced and funding deeds are starting to be received leading to the proposed increase in the projected year end result. One of the challenges in this category is that until the funding deeds are recieved and evaluated, it is difficult to forecast the level of income attributable to this years result. New Major grant funding for capital works include \$25m for water treatment plants and \$10m for West kamerooka Road Upgrade. Staff are also starting discussions with the NSW Audit Office and their sub contractors to ensure that all parties are in agreement on the interpretation of the treatment of these exceptionally high levels of grant funding for capital works. Other Contributions in this income category are revotes for deferred projects or projects that have been added to the asset management plna since the original budget for: - Leisure & Recreation projects - Waste Services projects - Water Supplies projects - Sewer Services projects - Transport Services projects	13,000k 8,914k
6	Employee Costs Employee costs are tracking over budget at this stage. This major category of expenditure will come back in line with budget as further evaluation is undertaken to ensure all appropriate capital works related employee costs are moved to their capital works projects and out of the operating result. Waste Services are expecting their employee costs to exceed the original budget. This increase in expenditure linked to the revote for additional income request	325k
7	Finance Costs Finance costs are under budget to date. The annual result is not anticipated to be a significant variation by years end. This category may be impacted by the detail of the funding deeds which are currently starting to be received and evaluated for major projects, e.g. if more than anticipated council contributions are required.	

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Note	Sub-Note	Details	
8		<p>Materials & Contracts</p> <p>Materials & Contracts expenditure is over budget to date. Staff are currently investigating this with the expectation that the majority of this overrun is likely to be capital works that have been misclassified as operating expenditure.</p> <p>Due to this level of uncertainty, it would not be prudent to adjust the projected result until current investigations are complete. This will be reported to Councillors at the earliest opportunity, and by the March 2019 quarterly review at the latest.</p> <p>Waste Services are expecting their Material and Contract costs to exceed the original budget. This increase in expenditure linked to the revote for additional income request.</p>	651k
9		Depreciation and Other Expenses	
	a	Depreciation: Depreciation expense is tracking in line with the original budget at this stage.	
	b	Other Expenses: Other expenses below budget and can accommodate the proposed expenditure of additional FAG funding without a need to adjust the projected year end result.	
10		<p>Children, Families and Ageing</p> <p>These services are tracking near to budget to date with both income and expenditure levels below budget. No adjustment to budget is recommended this quarter.</p>	
11		<p>Community, Culture and Information</p> <p>While expenditure is slightly above budget to date, it is expected that operations will be in line with the original budget for the full year.</p>	
12		<p>Community, Relations & Leisure Coordination</p> <p>Expenditure is slightly below budget to date, and it is expected that operations will be in line with the original budget for the full year.</p>	
13		<p>Leisure and Recreation</p> <p>Additional funds for capital revotes are being requested for several projects, but the expenditure will not be operating.</p> <p>Lower than anticipated revenues and expenditure within this section are being followed up as they appear to be timing related and do not require an adjustment to the full year projection.</p>	255k
14		<p>Organisation Development & Governance (ODG)</p> <p>Expenditure to date in this section is slightly above budget, but is expected to fall within budget for the full year.</p>	
15		<p>Building and Health Services</p> <p>This section is within budget and is expected to continue within budget for the remainder of the year.</p>	
16		<p>Environment Services</p> <p>This section is within budget and is expected to continue within budget for the remainder of the year.</p>	
17		<p>Planning Services</p> <p>This section is within budget and is expected to continue within budget for the remainder of the year.</p>	
18		<p>Planning & Environment Coordination</p> <p>This section is within budget and is expected to continue within budget for the remainder of the year.</p>	
19		<p>Strategy and Business Services Coordination</p>	

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Note	Sub-Note Details	
	This section is slightly over budget and is expected to return to budget for the full year.	
21	Economic Development The economic development section currently has the proceeds of a property sale included in the income. This excess income will be transferred to reserves in the coming quarter. Expenditure is slightly above budget at this point and may need to be revised in the coming quarterly review.	
22	Financial Management This section is within budget and is expected to continue within budget for the remainder of the year.	
24	Fire & Emergency Services Fire and Emergency Services expenditure is over the budget at this stage. This is mainly due to Tathra bushfire related expenses captured in this cost centre. Council will continue to recoup the maximum amount of this expenditure periodically.	
25	Sewer Services Sewer Services revenue is tracking below the budget which is a timing related issue and is expected to return to budget for the full year. Revotes for several sewer related capital projects has been requested. Operating expenditure is in line with the budget and is expected to remain within budget for the full year.	1,132k
27	Transport Services Revenue is tracking below the budget which is a timing related issue and is expected to return to budget for the full year. Revotes for transport related capital projects has been requested.	1,332k
28	Waste Services Waste Services revenue is tracking above the budget. Operating expenditure is also above the budget resulting in a positive net result to date. It is expected that the full year result will be in line with budget. Revotes related to a number of waste services capital projects have been requested.	2,895k
29	Water Supplies Water supply revenue is tracking above the budget while expenditure is below budget to the end of December. The overall results for water supply is expected to return to budget for the full year. Revotes for several water related capital projects has been requested.	3,300k
30	Works Works income and expenditure levels are both below budget and are expected to remain within budget as an overall result for the full year.	
31	Council Wide Council wide is currently tracking better than budget on both income and expenditure. Most of this variance is expected to be related to timing differences and consequently the full year result is expected to be in line with budget.	
32	Project Development Service This section is close to budget and is expected to be within budget for the full year.	
33	Strategy and Asset Services This section is close to budget and is expected to be within budget for the full year.	

Capital Budget Review Statement

Budget review for the quarter ended 31 December 2018

Capital Budget - Council Consolidated

(\$000's)	Original Budget 2018/19	Approved Changes			Revised Budget 2018/19	Variations for this Dec Qtr	Notes	Projected Year End Result	Budget YTD figures	Actual YTD figures
		Sep QBRs	Dec QBRs	Mar QBRs						
Income										
New Loans	-	-	-	-	-	-	1	-	-	-
Receipts from Sale of Assets	1,350	-	-	-	1,350	171	2	1,521	625	1,521
Reserves Transfer From	15,511	-	-	-	15,511	-	3	15,511	7,755	25
Grants and Contributions Capital	19,428	-	-	-	19,428	21,914	4	41,342	9,964	2,348
Total Income from Continuing Operations	36,289	-	-	-	36,289	22,085		58,374		3,894
Expenses										
Employee Costs	1,027	-	-	-	1,027	-		1,027	505	1,205
Materials & Contracts	32,078	-	-	-	32,078	20,688	5	52,766	20,155	9,180
Loan Repayments (Principal)	4,003	-	-	-	4,003	-	6	4,003	1,874	-
Reserves Transfer To	9,389	-	-	-	9,389	-	7	9,389	4,888	358
Total Expenses from Continuing Operations	46,497	-	-	-	46,497	20,688		67,185	27,422	10,743
Net Operating Result from Continuing Operations	(10,208)	-	-	-	(10,208)	1,397		(8,811)	(27,422)	(6,849)
Discontinued Operations - Surplus/(Deficit)					-			-	-	-
Net Operating Result from Capital Operations	(10,208)	-	-	-	(10,208)	1,397		(8,811)	(27,422)	(6,849)
Total capital expense is made up of:										
Renewals	32,059	-	-	-	32,059	14,443		46,502		6,345
New Assets	14,438	-	-	-	14,438	6,245		20,683		4,398
Total	46,497	-	-	-	33,105	20,688		53,793		10,743

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Note	Sub-Note	Details	
1		New Loans No new loans are expected to be required this year. However, funding deeds are being received for the additional grant funding which will need to be examined to determine if there are unexpected timing requirements for matching funding. This situation will be clarified by the March 2019 quarterly report.	
2		Receipts from Sale of Assets Budgeted Sale of assets income has been exceeded due to the sale of fleet in addition to the Main Street Merimbula property that was budgeted. At this stage no additional asset sales have been identified that are likely to be realised by the end of this financial year.	171k
3		Reserves Transfer From To date transfers from reserves to fund capital projects has not been completed, but will be reconciled and reported in detail in the coming months. Councils investments continue to exceed the balance of reserves and will continue to do so for the rest of the year.	
4		Grants and Contributions Capital The increase in Grants and capital contributions are made up of the following items Expected additional grant funds from State and Federal Governments that will be verified during the coming month and reported once associated funding deeds are received and accepted. Revotes for projects not completed last financial year, or not included in the current year's budget in June 2018.	13,000k
		Leisure and Recreation projects	255k
		Boating & Marine Upgrades	154k
		Shelters & Park Furniture Shire-Wide	50k
		Upgrades to Bega Sporting Complex Master Plan	15k
		Pambula Sporting Complex Master Plan	15k
		Moveable Grandstands - Shire-Wide	21k
		Waste Services projects	1,919k
		Central Waste Facility Cell 1 Capping Project	430k
		Construction works at Eden Waste Transfer Station	67k
		Central Waste Facility Leachate Treatment Plant & Irrigation	500k
		Bermagui Landfill Upgrades	85k
		Central Waste Facility Cell 3 Construction	837k
		Water Supplies projects	3,300k
		Bemboka Water Filtration Plant	2,200k
		Water Asset Renewal Program - Shire-Wide	500k
		Brogo Water Treatment Plant Options Assessment	115k
		Bega Water Filtration Plant	50k
		Yellow Pinch Dam Water Filtration Plant	35k
		Bega Bores Clean and Condition Assessment Project	200k
		Nutleys Creek Reservoir Construction	200k
		Sewer Services projects	1,132k
		Merimbula STP & Ocean Outfall	1,100k
		Biosolids & STP Hi-Flow Treatment Options Assessment	65k
		Pambula SPS 5 Mechanical Renewal	(94k)
		SCADA Upgrade	30k
		GIS Mapping project	19k
		Review of PRP 100 SOIR	12k
		Transport Services projects	1,332k
		Bridge Renewal - 218 Snake Track	150k
		Bridge Renewal - 131 Snake Track	155k
		Pavement Stabilisation - Monara Street	140k
		Bridge Renewal - Pretty Point Bridge	255k
		Pavement Stabilisation - Sapphire Coast Drive	105k
		Bridge Renewal - Brockelos Bridge - Tathra Bermagui Road	170k
		Pavement Stabilisation - Bunga St Bermagui	180k

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Note	Sub-Note	Details	
		Bridge Renewal - Murrabrine Bridge - Wandella Road	55k
		Pavement Stabilisation - Welshes Sub Division	70k
		Pavement Stabilisation - Golf Roads	52k
5		Materials and Contract	
		While capital expenditure on materials and contracts is less than budgetted to date, it is expected that with projects already underway, plus projects with revoted budgets coming on line and the exceptionally high level of grant funding being received in the second half of the year, that the budget will need to be increase by an amount corrsponding the the increased Grant and Contributions income described above.	21,664k
6		Loan Repayments (Principal)	
		Loan payments for capital projects need to be transferred out of the operating account in the coming months to provide a better projection. However, the impacts of the exceptional levels of grant funding and the conditions of Council commitments required will need to be establish before a new projection is made. This will be made available as soon as is practical.	
7		Reserves Transfer To	
		To date transfers to reserves from capital funding sources has not been completed, but will be reconciled and reported in detail in the coming months.	
		Councils investments continue to exceed the balance of reserves and will continue to do so for the rest of the year.	

Cash & Investments Budget Review Statement

Budget review for the quarter ended 31 December 2018

Cash & Investments - Council Consolidated

(\$000's)	Original Budget 2018/19	Approved Changes			Revised Budget 2018/19	Variations for this Dec Qtr	Projected Year End Result	Budget YTD figures	Actual YTD figures
		Sep QBRS	Dec QBRS	Mar QBRS					
Externally Restricted ⁽¹⁾									
Asset Replacement Reserve [Sewer Fund]	18,336	-	-	-	18,336	-	18,336	18,336	18,194
Asset Replacement Reserve [Water Fund]	9,016	-	-	-	9,016	-	9,016	9,016	9,016
Other Contribution - Tathra Estate	41	-	-	-	41	-	41	41	41
S64 - Sewer Headworks	5,036	-	-	-	5,036	-	5,036	5,036	4,436
S64 - Water Headworks	4,466	-	-	-	4,466	-	4,466	4,466	3,866
S94 - Carparking	709	-	-	-	709	-	709	709	659
S94 - Land Acquisitions	23	-	-	-	23	-	23	23	17
S94 - Open Space and Recreation	201	-	-	-	201	-	201	201	157
S94 - Public Reserve Acquisition	400	-	-	-	400	-	400	400	400
S94 - Roads	117	-	-	-	117	-	117	117	-
S94 - Streetscapes	13	-	-	-	13	-	13	13	-
S94- Woodlands Lane	20	-	-	-	20	-	20	20	20
S94 - Community Facilities	27	-	-	-	27	-	27	27	27
S94A	12	-	-	-	12	-	12	12	12
Unspent Grants	5,300	-	-	-	5,300	-	5,300	5,300	1,538
Unspent Loans	(1,157)	-	-	-	(1,157)	-	(1,157)	(1,157)	43
Waste Management [Domestic]	5,989	-	-	-	5,989	-	5,989	5,989	5,989
Water Fund - Unrestricted	3,229	-	-	-	3,229	-	3,229	3,229	3,229
Sewer Fund - Unrestricted	1,682	-	-	-	1,682	-	1,682	1,682	1,682
Total Externally Restricted	53,460	-	-	-	53,460	-	53,460	53,460	49,326
(1) Funds that must be spent for a specific purpose									
Internally Restricted ⁽²⁾									
Access Committee Reserve	38	-	-	-	38	-	38	38	38
Airport Reserve	272	-	-	-	272	-	272	272	272
Animal Control Reserve	42	-	-	-	42	-	42	42	42
Asset Replacement Reserve [General Fund]	943	-	-	-	943	-	943	943	1,289
Brighter Futures [Vehicle Replacement]	30	-	-	-	30	-	30	30	30
Candelo Park Maintenance	22	-	-	-	22	-	22	22	22
Children Services Reserve	527	-	-	-	527	-	527	527	527
Committee Funds [Cemetery]	430	-	-	-	430	-	430	430	430
Committee Funds [Halls]	166	-	-	-	166	-	166	166	166
Election Expenses	55	-	-	-	55	-	55	55	-
E-Levy Reserve	201	-	-	-	201	-	201	201	101
Employee Leave Entitlement	1,932	-	-	-	1,932	-	1,932	1,932	1,582
Foreshore Reserves	25	-	-	-	25	-	25	25	25
Gallery Donations	10	-	-	-	10	-	10	10	10

Cash & Investments Budget Review Statement

Budget review for the quarter ended 31 December 2018

Cash & Investments - Council Consolidated

(\$000's)	Original	Approved Changes			Revised	Variations	Projected	Budget	Actual
	Budget	Sep	Dec	Mar	Budget	for this	Year End	YTD	YTD
	2018/19	QBRS	QBRS	QBRS	2018/19	Dec Qtr	Result	figures	figures
Information Technology Facilities	163	-	-	-	163	-	163	163	288
Insurance Claims [Unspent]	72	-	-	-	72	-	72	72	72
Insurance Excess Reserve	100	-	-	-	100	-	100	100	100
Merimbula Jetty Maintenance and Improve	46	-	-	-	46	-	46	46	46
Mirador Asset Protection Developmen	150	-	-	-	150	-	150	150	150
Narira Village	106	-	-	-	106	-	106	106	106
Old Bega Racecourse Development	33	-	-	-	33	-	33	33	33
Operational Examination Contingency	27	-	-	-	27	-	27	27	27
Plant Replacement Reserve	320	-	-	-	320	-	320	320	46
Property Development Reserve	182	-	-	-	182	-	182	182	182
Property Sale 73 Upper St	164	-	-	-	164	-	164	164	164
Quarries and Gravel Pits	724	-	-	-	724	-	724	724	724
Revotes	536	-	-	-	536	-	536	536	536
Saleyard Reserve	58	-	-	-	58	-	58	58	58
SV - Airport	83	-	-	-	83	-	83	83	83
SV - Armco Culvert Restoration	319	-	-	-	319	-	319	319	191
SV - Public Domain and Buildings	751	-	-	-	751	-	751	751	303
SV - Sportsground	98	-	-	-	98	-	98	98	98
SV - VIC and Tourism	650	-	-	-	650	-	650	650	650
SV - Recreation Facilities	469	-	-	-	469	-	469	469	469
Tura Beach Country Club Crown Land	22	-	-	-	22	-	22	22	22
Waste Management [Other]	483	-	-	-	483	-	483	483	483
Budget Contingency Reserve	-	-	-	-	-	-	-	-	281
Total Internally Restricted	10,249	-	-	-	10,249	-	10,249	10,249	9,646
(2) Funds that Council has earmarked for a specific purpose									
Unrestricted (i.e. available after the above Restricti	(1,600)				(1,600)		(1,600)	(1,600)	19,473
Total Cash & Investments	62,109	-	-		62,109	-	62,109	62,109	78,445

Cash & Investments Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Sub-note	Details
		<p>To date transfers to reserves from capital funding sources has not been completed, but will be reconciled and reported in detail in the coming months.</p> <p>Councils investments continue to exceed the balance of reserves and will continue to do so for the rest of the year.</p>

Cash & Investments Budget Review Statement**Comment on Cash & Investments Position****Investments**

Investments have been invested in accordance with Council's Investment Policy.

The Cash at Bank figure included in the Cash & Investment Statement totals \$78,444,593

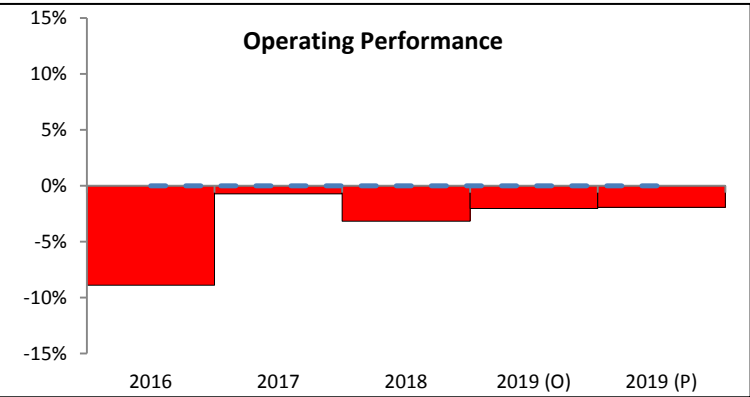
This Cash at Bank amount has been reconciled to Council's physical Bank Statements.
The date of completion of this bank reconciliation is 31/12/19

Reconciliation Status

The YTD Cash & Investment figure reconciles to the actual balances held as follows:

		\$ 000's
Cash at Bank (as per bank statements)		3,289,697
Investments on Hand		75,983,957
less: Unpresented Cheques	(Timing Difference)	(942)
add: Undeposited Funds	(Timing Difference)	24,982
less: Identified Deposits (not yet accounted in Ledger)	(Require Actioning)	-
add: Identified Outflows (not yet accounted in Ledger)	(Timing Difference)	(853,101)
less: Unidentified Deposits (not yet actioned)	(Require Investigation)	-
add: Unidentified Outflows (not yet actioned)	(Require Investigation)	-
Reconciled Cash at Bank & Investments		78,444,593
Balance as per Review Statement:		78,444,593

Key Performance Indicators (KPIs)

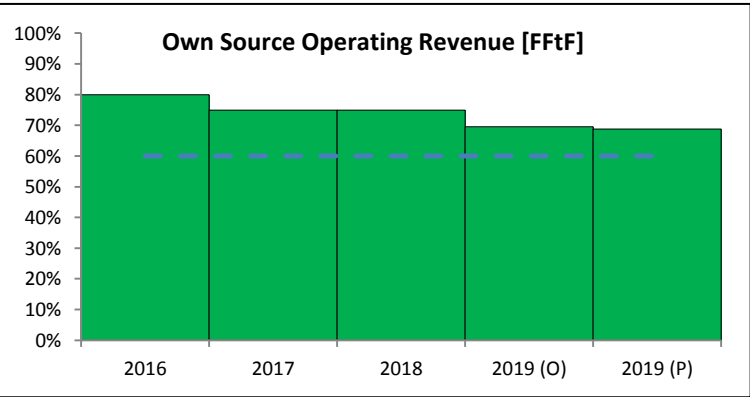


Source of Benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose
The ratio measures Council's achievement of containing operating expenditure within operating revenue

Commentary
<p>This KPI shows that while council remains in a small deficit position this year, the general trend over the series is toward a breakeven point.</p> <p>The impact of large volumes of additional capital funding may divert some expenditure from operating into capital once the funding deeds are received and evaluated, but the longer term impact may be negative on this KPI due to increased maintenance and depreciation associated with the additional assets funded by this years exceptionally high level of grant funding.</p>

Ratio achieves benchmark
Ratio is outside benchmark



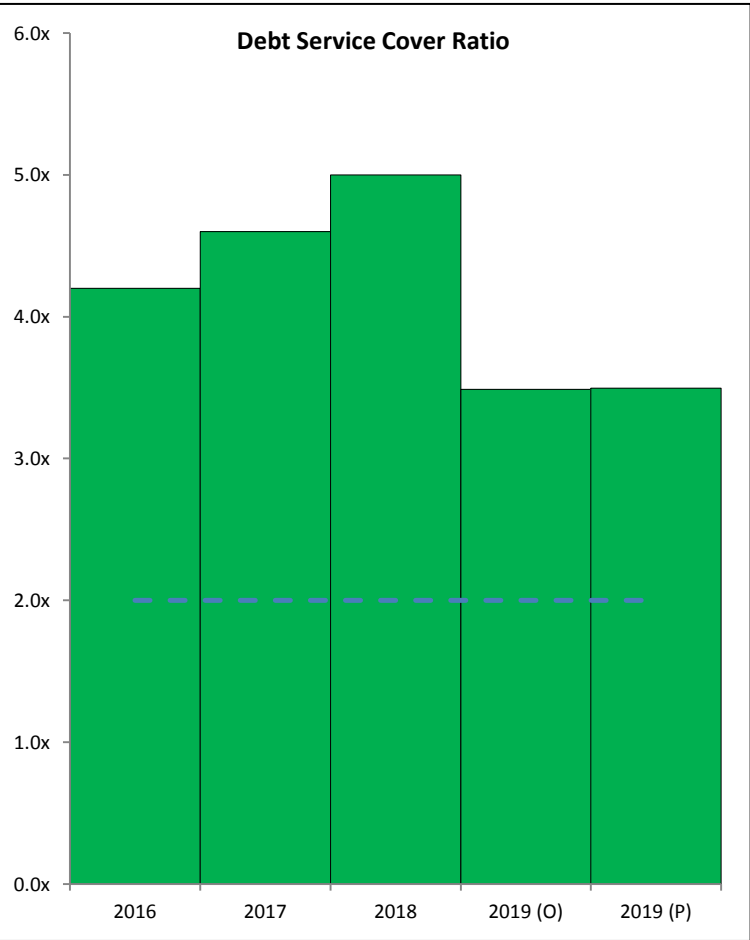
Source of Benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose
This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary
Council's own source revenue is over the benchmark of 60% and is expected to continue to exceed the benchmark.

Ratio achieves benchmark
Ratio is outside benchmark

Key Performance Indicators (KPIs)



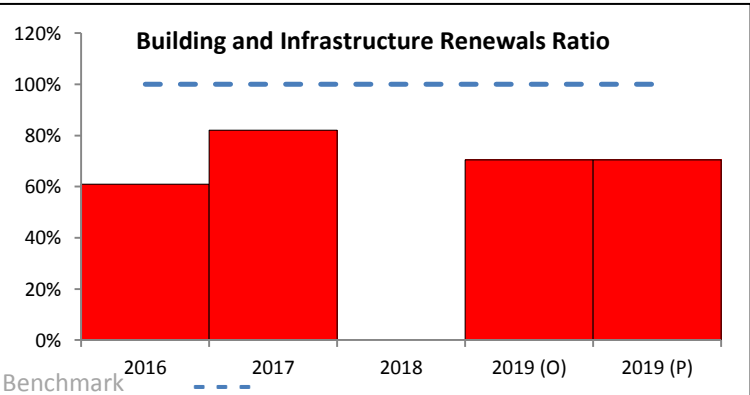
Source of Benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose
This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary
Council's debt service ratio is above the benchmark indicating strong capacity of Council to service its borrowing repayments. This KPI is not likely to fall below the benchmark in the foreseeable future.

Ratio achieves benchmark
Ratio is outside benchmark

Key Performance Indicators (KPIs)

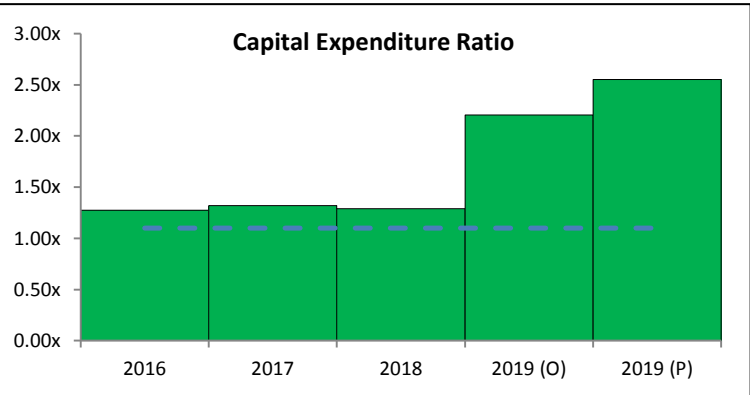


Source of Benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose
To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating

Commentary
Council has not been able to achieve the benchmark of 100%. The proposed budget continues on the same trend.
This KPI is not likely to be met by this council on an ongoing basis into the future as our relatively small population will struggle to fund renewals across our broad and growing asset portfolio under current funding regimes.

Ratio achieves benchmark
Ratio is outside benchmark



Source of Benchmark: T-Corp Financial Assessment and Benchmarking Report 2013

Purpose
This ratio assesses the extent to which a Council is expanding its asset base with capital expenditure (on new assets, replacement & renewal of existing assets).

Commentary
Council's capital expenditure ratio is above the benchmark indicating Council is expanding its assets base with capital expenditure.

Ratio achieves benchmark
Ratio is outside benchmark

Contracts Budget Review Statement

Budget review for the quarter ended 31 December 2018
Part A - Contracts Listing - contracts entered into during the quarter

Contractor	Contract detail & purpose	Contract Value (Inc. GST) in '000	Acceptance Date	Budgeted (Y/N)
Nowra Toyota	Purchase of Vehicle - Toyota	\$ 171	08/11/2018	Y
Bega Valley Motors	Purchase of Vehicle - Holden	\$ 63	08/11/2018	Y
Momsen Motors	Purchase of Vehicle - Nissan	\$ 81	08/11/2018	Y
Ron Doyle Motors	Purchase of Vehicle - Isuzu	\$ 221	08/11/2018	Y
Rieck Building Design	Expansion of Eden Child Care Centre	\$ 13	15/11/2018	Y
Arkwood (Gloucester) Pty Ltd	Mechanical Dewatering, Removal and Beneficial Reuse of Bio solids	\$ 880	21/11/2018	Y
Waste Initiatives	Design, delivery, installation of a static compaction unit for Wallagoot Transfer Station	\$ 105	11/12/2018	Y
RD Miller Pty Ltd	Tathra to Kalaru Bike Track - Kalaru Section	\$ 512	13/12/2018	Y
Kane Mckill Tree Services	Timber Milling Services	\$ 72	20/12/2018	Y
JustWaste Consulting	Residential and Commercial Kerbside Bin Audits'	\$ 92	20/12/2018	Y

Consultancy & Legal Expenses Budget Review Statement

Consultancy & Legal Expenses Overview

Expense	Quarter Expenditure (Actual Dollars)	YTD Expenditure (Actual Dollars)	Budgeted (Y/N)
Consultancies	1,004,918	1,811,110	Y
Legal Expenses	208,526	297,706	Y

Definition of a consultant:

A consultant is a person or organisation engaged under 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.