



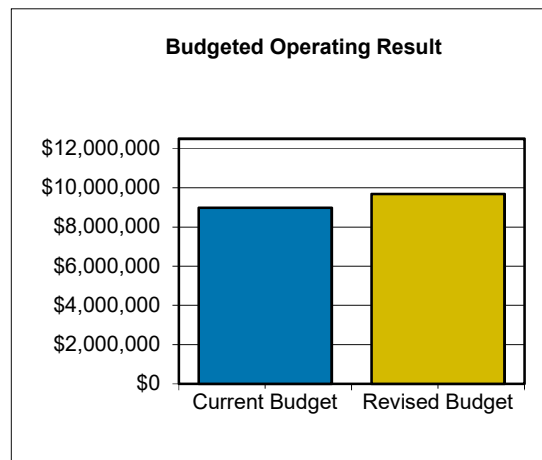
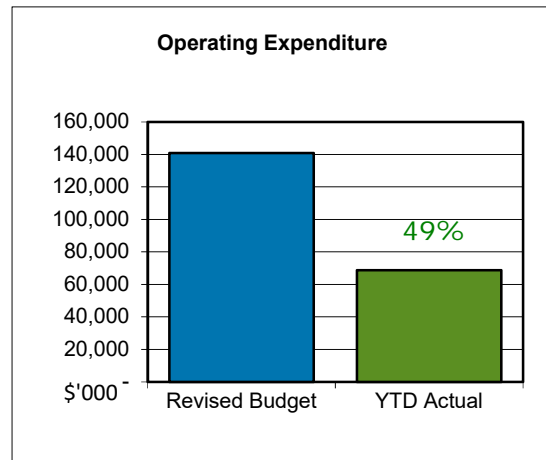
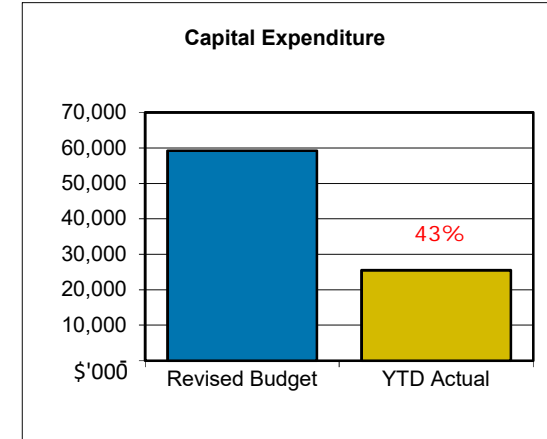
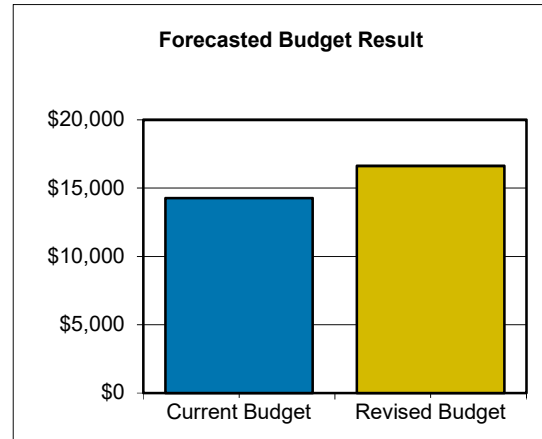
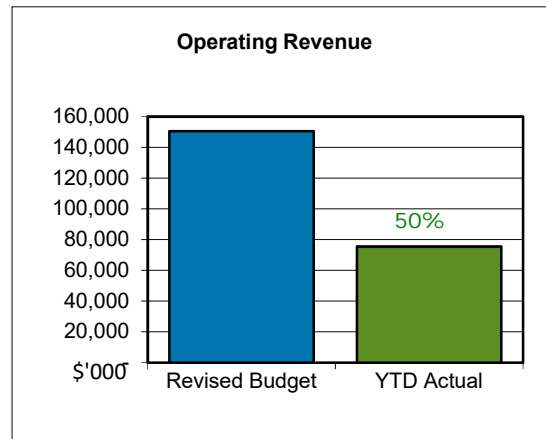
BUDGET 2017-18

# Budget Review December 2017

# Quarterly Budget Review Statement

for the quarter ended 31 December 2017

## Budget Review Key Performance Indicators



### Commentary

50% of the year has expired and therefore it is expected that the operating expenses and revenue YTD Actual figures would also be at this level.

Capital Expenditure is lower than 50% however, the practical completion of the program will not necessarily correlate with the amount of the year expired or with the amount of the budget expended.

# Variations

Responsibility Centre	Account	Comment	Amount (\$)
<b>Rates and Annual Charges</b>			<b>(66,469)</b>
Financial Operations	Compulsory Pensioner Rebates - Rates	Reduction in the number of eligible ratepayers receiving a Pensioner Rates Rebates in 2017-18.	(66,469)
<b>User Fees and Charges</b>			<b>(356,980)</b>
Property Management	Bus Shelter Fees	Bus Shelter Fees adjustment for 2017-18 based on the new schedule.	(235,000)
Health, Building & Regulatory Services	Various Income Accounts	Increased revenue from fees relating to services provided by the Health, Building & Regulatory Services department including Complying Development Certificates, Articles on Public Roads and Hoist on Public Roads regulatory fees.	(75,000)
General Community	Event Fees	Ticket sales revenue received from the Twilight Concert program including the concerts of Dreamer in the Deep, and Australian Voices.	(4,433)
Cultural Events and Venues	Event Fees	Event fee revenue received from Stall Holders at Council run major event Best Gift Market.	(7,547)
Cultural Events and Venues	Venue Hire - Commercial	Higher than anticipated venue hire revenue from Prince Henry Centre in 2017-18.	(35,000)
<b>Interest</b>			<b>0</b>
No variations required			
<b>Other Revenues</b>			<b>(737,971)</b>
Insurance Management	Insurance Recoveries	Revenue received (2nd and 3rd progress payment) from Council's insurers for claims associated with June 2016 storm damage.	(732,058)
Parks Construction	Misc. Reimbursements	Reimbursements received from commemorative plaque installed at Mahon Pool, Grant Reserve, Clovelly Beach Park and Burrows Park.	(5,913)

Responsibility Centre	Account	Comment	Amount (\$)
<b>Operating Grants and Contributions</b>			<b>(267,761)</b>
Financial Operations	Pensioners' Rates Subsidies	Adjusting Pensioners Rate Subsidies budget to the actual amount received for 2017-18.	60,718
Technology Systems	Operating Contributions - Other	Operating Contribution received from Council Staff under the IT Interest Free Loan Program.	(69,695)
Domestic Waste Management - Waste Development	Operating Contributions - Environmental	Grant funding received from NSW EPA (Environment Protection Authority) for Better Waste Recycling Program.	(165,838)
Drainage Construction	Operating Contributions - Environmental	Operating Contribution from the NSW Office of Environment and Heritage (OEH) for the Birds Gully and Bunnerong Creek Catchment Flood Study.	(33,607)
General Community	Operating Contribution- Other	Operating Grant received from Department of Family and Community Services for Council's Youth Week.	(5,439)
General Community	Operating Contribution- Other	Operating Grant received from Department of Family and Community Services for Council's Grandparents Fun Day.	(3,900)
General Community	Operating Contribution- Other	Operating Grant received from South Eastern Sydney Local Health Promotion Service NSW for its Healthy Grants Program.	(50,000)
<b>Capital Grants and Contributions</b>			<b>0</b>
No variations			
<b>Gain on Disposal of Assets</b>			<b>0</b>
No variations			

Responsibility Centre	Account	Comment	Amount (\$)
<b>Employee Costs</b>			<b>5,300</b>
Health, Building & Regulation Services	Employee Costs	Expenditure related to additional out of hours inspections carried out by council Environmental Health Officers.	5,300
<b>Materials and Contracts</b>			<b>728,140</b>
Financial Operations	Rate Notice Production	Expenditure related to the introduction of the new 4 page format of the rates notice.	15,000
Technology Systems	Materials and Contracts	Expenditures related to IT Equipment for Council Staff under the Employee Benefits Program.	69,695
Information Management	Courier Service	Expenditure related to the increase of postage.	5,000
Communications	Materials and Contracts	Advertising expenditure required for Queen's Baton Relay and Alcohol Ban across Council Beaches during holiday season period.	25,000
Domestic Waste Management - Waste Development	Materials and Contracts	Expenditure related to the 2017-18 Food Waste Trial continuation.	55,000
Domestic Waste Management - Waste Development	Materials and Contracts	Expenditure related to the Better Waste Recycling Program( <i>Grant Funded</i> ).	165,838
Property Management	Materials and Contracts	Expenditures required for Plan of Survey for lease purpose and Express of Interest Campaign( 23-27 Adina Ave, Philip Bay).	45,000
City Planning Management	Legal Expenses.	Higher than anticipated litigation associated with planning and development matters.	300,000
Drainage Construction	Materials and Contracts	Expenditure related to the Birds Gully and Bunnerong Creek Catchment Flood Study( <i>Grant Funded</i> ).	33,607
Drainage Construction	Materials and Contracts	Expenditure related to Audit of Council Gross Pollutant Traps.	14,000

Responsibility Centre	Account	Comment	Amount (\$)
<b>Other Operating Expenditure</b>			<b>(13,495)</b>
Insurance Management	Insurance Premiums	Aligning budget with actual expenditure of the 2017-18 Council insurance premiums.	(205,000)
Insurance Management	Insurance excess & claim	Reduction in budget allocation to align with a reduction in the number of claims made under Councils 2017-18 insurance policies.	(35,000)
Cultural Events and Venues	Event/Function Expenses	Expenditure required for the Council managed cultural and community events including expenditure relating to events risk assessment and Variable Message Signs (VMS) Boards around Coogee.	162,733
General Community	Event/Function Expenses	Expenditure related to the Twilight Concert Program and Randwick City Council Youth Week.	9,872
General Community	Event/Function Expenses	Expenditure related to the Council's Grandparents Fun Day.	3,900
Community Development	Event/Function Expenses	Expenditure related to the Operating Grant received from South Eastern Sydney Local Health Promotion Service NSW for its Healthy Grants Program.	50,000
<b>Capital Works</b>			<b>29,822</b>
Technology Systems	Building Access Control Infrastructure	Funding required to finalise the security upgrade Clovelly Beach Lifeguard office and open space staff room at Clovelly Beach.	2,880
Technology Systems	IT Equipment	Additional funding required for the purchase of necessary IT Equipment that was not anticipated.	10,000
Parks Construction	Maroubra Beach	Surplus funding transferred to parks upgrade project for Clovelly Accessible Boardwalk and Alcohol Restriction Signage.	(18,280)
Parks Construction	Latham Park	Surplus funding transferred to parks upgrade project for Clovelly Accessible Boardwalk and Alcohol Restriction Signage.	(35,020)
Parks Construction	Sports Committee Works	Surplus funding transferred to parks upgrade project for Clovelly Accessible Boardwalk and Alcohol Restriction Signage.	(3,258)
Parks Construction	Parks Upgrade	Expenditure related to Clovelly Accessible Boardwalk and Alcohol Restriction Signage ( <i>GM 19/17</i> ).	87,500
Parks Construction	Open Space Water Conservation Works	Funding transferred to the Drainage for Audit of Council Gross Pollutant Traps.	(14,000)

Responsibility Centre	Account	Comment	Amount (\$)
<b>Reserves</b>			<b>677,058</b>
Insurance Management	Internal Reserve - Infrastructure Reserve	Insurance claim recoveries associated with June 2016 storm to be transferred to the Infrastructure Reserve which funded the original expenditure in previous financial years.	732,058
Parks Construction	External Reserve - Environmental Levy	Transfer funding from Open Space Water Conservation Works to Drainage for Audit of Council Gross Pollutant Traps.	14,000
Parks Construction	External Reserve - Environmental Levy	Transfer funding from Open Space Water Conservation Works to Drainage for Audit of Council Gross Pollutant Traps.	(14,000)
Domestic Waste Management	External Reserve - Domestic Waste Management	Transfer funding from the Domestic Waste Management Reserve for 2017-18 Food Waste Trial continuation.	(55,000)
<b>Net Deficit/(Surplus)</b>			<b>(2,356)</b>
Add Current 2017-18 Budget Deficit/(Surplus)			(14,268)
<b>Total Revised 2017-18 Budget Deficit/(Surplus)</b>			<b>(16,624)</b>

# Budget Review

for the quarter ended 31 Dec 2017

## Income and Expenses

	Approved Changes				Recommended Changes for Council Resolution	Total Revised Budget (\$'000s)	YTD December Actuals (\$'000s)
	Original Budget (\$'000s)	Carry Over 2016- 17 (\$'000s)	Sept Review (\$'000s)	Current Budget (\$'000s)			
<b>REVENUE FROM CONTINUING OPERATIONS</b>							
Rates And Annual Charges	108,227			108,227	66	108,294	55,008
User Charges And Fees	17,947		336	18,282	357	18,639	10,240
Interest	1,806			1,806		1,806	1,005
Other Revenues	8,542			8,542	738	9,280	4,952
Operating Grants and Contributions	6,464		(1,500)	4,963	268	5,231	2,239
Capital Grants and Contributions	5,086		868	5,955		5,955	1,950
Gain/(Loss) on Disposal of Assets	1,321			1,321		1,321	62
<b>Total Revenue from Continuing Operations</b>	<b>149,393</b>		<b>(297)</b>	<b>149,096</b>	<b>1,429</b>	<b>150,526</b>	<b>75,456</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>							
Employee Costs	62,034	220		62,254	5	62,259	29,722
Materials & Contracts	36,665	827	775	38,267	728	38,995	19,080
Depreciation & Amortisation	23,529			23,529		23,529	11,811
Other Operating Expenses	15,886	13	170	16,070	(13)	16,056	8,153
<b>Total Expenses from Continuing Operations</b>	<b>138,114</b>	<b>1,060</b>	<b>945</b>	<b>140,119</b>	<b>720</b>	<b>140,839</b>	<b>68,767</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>11,279</b>	<b>(1,060)</b>	<b>(1,242)</b>	<b>8,977</b>	<b>709</b>	<b>9,686</b>	<b>6,689</b>
<b>Net Operating Result Before Capital Items</b>	<b>6,193</b>	<b>(1,060)</b>	<b>(2,110)</b>	<b>3,023</b>	<b>709</b>	<b>3,732</b>	<b>4,739</b>

### Notes:

ORIGINAL Budget +/- approved budget changes in previous quarters = REVISED Budget  
 REVISED Budget +/- recommended changes this quarter = PROJECTED year end result



# Budget Review

for the quarter ended 31 Dec 2017

## Income and Expenses by Directorate

	Approved Changes						
	Original Budget (\$'000s)	Carry Over 2016-17 (\$'000s)	Sept Review (\$'000s)	Current Budget (\$'000s)	Recommended Changes for Council Resolution	Total Revised Budget (\$'000s)	YTD December Actuals (\$'000s)
<b>REVENUE FROM CONTINUING OPERATIONS</b>							
Office of the General Manager	-		60	60	70	129	124
Governance and Financial Services	84,222		(1,709)	82,512	973	83,485	42,820
City Services	52,508		994	53,501	205	53,707	25,654
City Planning	12,664		359	13,023	181	13,205	6,858
<b>Total Revenue from Continuing Operations</b>	<b>149,393</b>		<b>(297)</b>	<b>149,096</b>	<b>1,429</b>	<b>150,526</b>	<b>75,456</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>							
Office of the General Manager	10,948		110	11,058	95	11,153	5,444
Governance and Financial Services	20,481		294	20,995	(175)	20,820	10,326
City Services	90,381	230	320	90,931	268	91,200	43,796
City Planning	16,304	610	221	17,135	532	17,667	9,202
<b>Total Expenses from Continuing Operations</b>	<b>138,114</b>	<b>1,060</b>	<b>945</b>	<b>140,119</b>	<b>720</b>	<b>140,839</b>	<b>68,767</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>11,279</b>	<b>(1,060)</b>	<b>(1,242)</b>	<b>8,977</b>	<b>709</b>	<b>9,686</b>	<b>6,689</b>

**Notes:**

ORIGINAL Budget +/- approved budget changes in previous quarters = REVISED Budget

REVISED Budget +/- recommended changes this quarter = PROJECTED year end result

# Budget Review

for the quarter ended 31 Dec 2017

## Capital Budget

	Original Budget (\$'000s)	Approved Changes		Current Budget (\$'000s)	Recommended Changes for Council Resolution	Total Revised Budget (\$'000s)	YTD December Actuals (\$'000s)
		Carry Over 2016-17 (\$'000s)	Sept Review (\$'000s)				
<b>CAPITAL EXPENDITURE</b>							
Parks Construction Projects	8,307	4,135	11,929	24,371	17	24,388	15,982
Roads Construction Projects	12,611	5,818	(4,941)	13,489		13,489	3,820
Drainage Construction Projects	1,225	1,476		2,701		2,701	521
Building Construction Projects	5,750	6,183	1,488	13,421		13,421	3,242
Library Resources	421	90		511		511	139
Plant & Equipment Purchases	3,402			3,402		3,402	1,167
Vehicular Access	505			505		505	57
Sustaining Our City Capital Projects	245			245		245	160
IT Equipment	245		275	520	13	533	390
<b>Total Capital Expenditure</b>	<b>32,712</b>	<b>17,702</b>	<b>8,751</b>	<b>59,165</b>	<b>30</b>	<b>59,195</b>	<b>25,479</b>

**Notes:**

ORIGINAL Budget +/- approved budget changes in previous quarters = REVISED Budget

REVISED Budget +/- recommended changes this quarter = PROJECTED year end result

# Budget Review

for the quarter ended 31 Dec 2017

## Capital Budget

	Original Budget (\$'000s)	Approved Changes		Current Budget (\$'000s)	Recommended Changes for Council Resolution	Total Revised Budget (\$'000s)	YTD December Actuals (\$'000s)
		Carry Over 2016-17 (\$'000s)	Sept Review (\$'000s)				
<b>CAPITAL FUNDING</b>							
Rates and Other Untied Funding	20,495		60	23,376	30	23,406	11,133
Capital Grants and Contributions	2,236		584				231
<b>External Restrictions</b>							
Domestic Waste	1,325	1,055	146	2,526		2,526	217
Specific Purpose Unexpended Grants		328		328		328	
Section 94	2,800	1,000		3,800		3,800	1,805
Stormwater Management	913	1,476		2,389		2,389	210
Environment Levy	1,865	2,764		4,629		4,629	1,271
<b>Internal Restrictions</b>							
Information Technology							
Infrastructure Reserves			754	754		754	754
Plant Replacement	1,756			1,756		1,756	545
Works Incomplete/Future Works Reserve		7,679		7,679		7,679	257
Des Renford Aquatic Centre Upgrade			242	242		242	216
Town Hall/Council Chambers							
Building Levy		3,400	995	4,395		4,395	2,643
Prince Henry Centre							
Light Rail Support Plan			5,970	5,970		5,970	5,970
Economic Development							
Income from Sale of Plant	1,321			1,321		1,321	226
<b>Total Capital Funding</b>	<b>32,712</b>	<b>17,702</b>	<b>8,751</b>	<b>59,165</b>	<b>30</b>	<b>59,195</b>	<b>25,479</b>

# Budget Review

for the quarter ended 31 Dec 2017

## Cash and Investments

Approved Changes

	Opening Balance as at 1 July 2017	Original Budget (\$'000s)	Carry Over 2016-17 (\$'000s)	Sept Review (\$'000s)	Current Budget (\$'000s)	Recommen ed Changes for Council Resolution	Total Revised Budget (\$'000s)	Projected Closing Balance 30 June 2018	YTD December Actuals (\$'000s)
<b>Unrestricted Cash</b>									
<b>Externally Restricted</b>									
Domestic Waste	4,287	1,092	(1,055)	(146)	(109)	(55)	(164)	4,123	4,145
Specific Purpose Unexpended Grants	557		(557)		(557)		(557)	-	(33)
Section 94	2,395	86	(1,000)		(914)		(914)	1,482	(451)
93D Reserves	4,169			284	284		284	4,453	284
Stormwater Management	1,476		(1,476)		(1,476)		(1,476)	-	246
Environment Levy	3,350		(3,350)		(3,350)		(3,350)	-	(427)
<b>Total Externally Restricted</b>	<b>16,233</b>	<b>1,178</b>	<b>(7,437)</b>	<b>138</b>	<b>(6,121)</b>	<b>(55)</b>	<b>(6,176)</b>	<b>10,057</b>	<b>3,765</b>
<b>Internally Restricted</b>									
Des Renford Leisure Centre	491	100		(242)	(142)		(142)	350	(166)
Election of Councillors	562	(562)			(562)		(562)	-	
Employee Leave Entitlements	7,882	500			500		500	8,382	250
Information Technology	707	300		(195)	105		105	812	105
Infrastructure Reserves	1,997			(754)	(754)	732	(22)	1,976	(22)
Insurance Claims /Risk	172				-		-	172	
Plant Replacement	2,398	694			694		694	3,092	680
Property Development Reserves	1,144				-		-	1,144	
Refundable Bonds & Deposits	2,996				-		-	2,996	
Works Incomplete/Future Works Reserve	9,988		(7,925)	(1,978)	(9,902)		(9,902)	86	(2,457)
Prince Henry Centre	62				-		-	62	
Randwick Environmental Park	1,687	(126)			(126)		(126)	1,562	(48)
Heffron Centre	3,599				-		-	3,599	
Affordable Housing Rental Scheme	724				-		-	724	
Economic Development	98				-		-	98	
Land Acquisition	260				-		-	260	
Randwick Literary Institute	87				-		-	87	
Building Levy	8,641		(3,400)	(995)	(4,395)		(4,395)	4,245	(2,643)
Light Rail Support Plan	5,970			(5,970)				5,970	(5,970)
<b>Total Internally Restricted</b>	<b>49,465</b>	<b>906</b>	<b>(11,325)</b>	<b>(10,134)</b>	<b>(14,582)</b>	<b>732</b>	<b>(13,850)</b>	<b>35,615</b>	<b>(10,270)</b>

Total Restricted	65,698	2,084	(18,762)	(9,996)	(26,673)	677	(25,996)	39,702	59,193
Total Cash and Investments	70,093	2,097	(18,762)	(9,994)	(26,659)	679	(25,980)	44,114	69,739
Available Cash	4,395	12		2	14	2	17	4,412	10,546

**Notes:**  
**Although there is a YTD Balance of \$10,546K as at 31 December 2017, these funds have already been committed through Councils capital works program and/or normal operations. The balance of available cash will decrease as the financial year progresses and capital works projects are completed. The projected closing balance of of available cash still remains \$4,412K.**

ORIGINAL Budget +/- approved budget changes in previous quarters = REVISED Budget  
 REVISED Budget +/- recommended changes this quarter = PROJECTED year end result

# Budget Review

for the quarter ended 31 Dec 2017

## Consultancy and Legal Expenses

Expense	Expenditure YTD \$	Budgeted (Y/N)
Consultancies	1,159,439	Y
Legal Fees	913,625	Y

**Definition of consultant:**

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



Quarterly Budget Review Statement  
for the quarter ended 31 Dec 2017  
Contracts and Other Expenses

Contractor	Contract Detail & Purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
Insync Surveys Pty Limited	Employee Opinion Survey	\$75,000	3/10/2017	2 years	Y
MGM Publicity & Promotions	Seniors Christmas Concerts	\$55,545	20/10/2017	3 months	Y

**Notes:**

1. Minimum reporting level is 1% of estimated income from continuing operations or \$50,000 whichever is the lesser.
2. Contracts to be listed are those entered into during the quarter and have yet to be fully performed, excluding contractors that are on Council's Preferred supplier list'.
3. Contracts for employment are not required to be included.
4. Where a contract for services etc was not included in the budget, an explanation is to be given (or reference made to an explanation in another Budget Review Statement).

## Randwick City Council

### Quarterly Budget Review Statements

for the period ending 31 December 2017

### Statement by Responsible Accounting Officer

made pursuant to Clause 203(2) of the Local Government (General) Regulations 2005

It is my opinion that the Quarterly Budget Review Statement for Randwick City Council for the quarter ended 31 December 2017 indicates that Council's projected financial position at year end will be satisfactory, having regard to the projected estimates.

The restricted funds of Council have been invested in accordance with Council's current Investment Policy (adopted December 2016).

Council's bank account in the general ledger and the cashbook has been reconciled with bank statements as at 31/12/2017.



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Mitchel Woods

**RESPONSIBLE ACCOUNTING OFFICER**



Randwick City Council  
30 Frances Street  
Randwick NSW 2031

Hours of operation:  
8:30am - 5:00pm, Monday to Friday

Call centre: 1300 722 542

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