

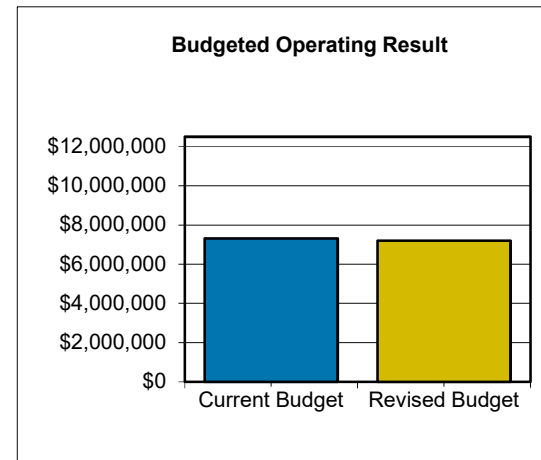
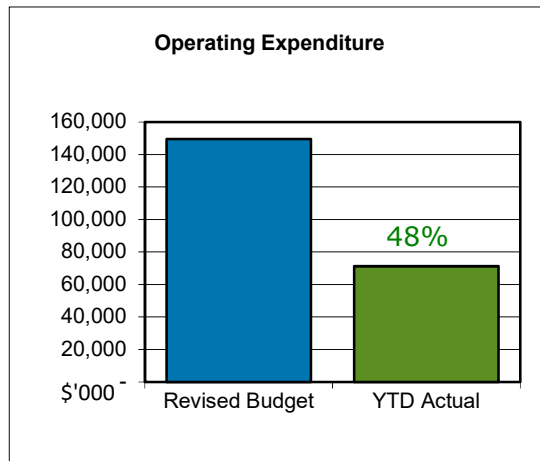
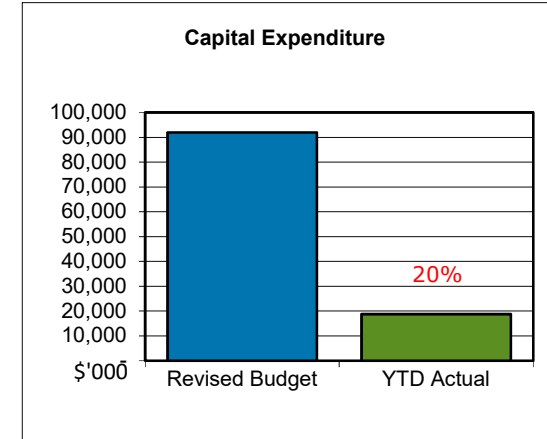
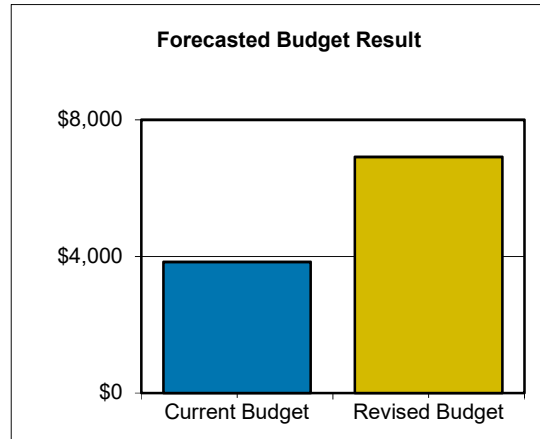
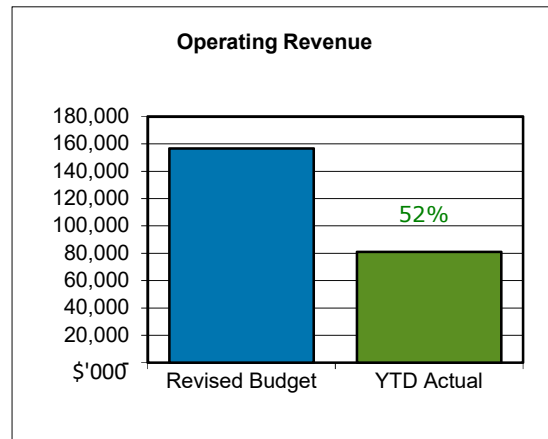


BUDGET 2018-19

Budget Review December 2018

Quarterly Budget Review Statement for the quarter ended 31 December 2018

Budget Review Key Performance Indicators



Variations

Responsibility Centre	Account/Project	Comment	Amount (\$)
Rates and Annual Charges			40,000
Financial Operations	Compulsory Pensioner Rebates - Rates	Pensioner Rebates adjustment for 2018-19 actuals.	40,000
User Fees and Charges			(82,906)
Property Management	Community Facility Hire Fees	Increase in usage of Council facilities such as community halls for hire.	(50,000)
Financial Operations	Section 603 Fees	Anticipated lower Section 603 Certificate fees due to the slow down of property market.	25,000
Sustainability Strategy	Event Fees	Stallholder fees from sustainability program which include the Best Gift Market and Summer Activities Program.	(4,906)
Integrated Transport	Paid Parking	Higher than anticipated paid parking revenue.	(45,000)
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 certificate fees.	(2,000)
Community Centre Management	Venue Hire - Commercial	Higher than anticipated venue hire revenue for the Prince Henry Centre for 2018-19.	(6,000)
Interest			(350,000)
Financial Operations	Interest on Investments	Higher than anticipated interest return on longer term investment portfolio.	(350,000)
Other Revenues			68,010
Property Management	Commercial Rentals	Adjustment of budget due to the loss of tenant at 34-38 Belmore Road, Randwick.	70,000
Property Management	Residential Rentals	Adjustment of budget due to bathroom renovation works required at 1/32 Belmore Road, Randwick.	10,000
Ranger Services	Fines -Derelict Vehicles	Adjustment of budget to align with revenue received in the 2nd quarter of the financial year.	(8,000)
La Perouse Museum	Kiosk Sales	Adjustment of budget for the La Perouse Museum Kiosk Café Sales.	(3,990)

Responsibility Centre	Account/Project	Comment	Amount (\$)
Operating Grants and Contributions			(256,468)
Financial Operations	Pensioners Rates Subsidies	Adjustment of budget to align Rates subsidy received for 2018-19 Financial Year.	(44,413)
Insurance Management	Operating Contributions - Other	Insurance Rebate for 2017 received from Statewide Mutual.	(51,627)
Technical Services	Operating Contribution - Street Lighting	Contributions received from Ausgrid for the removal of council owned Street Lighting Poles.	(45,327)
Roads Construction	Operating Contributions - Bus Route	Adjustment of budget to align Bus Route Contribution budget from State Government for 2018-19 Financial Year.	(22,268)
Library	Library Local Priority Grant	Adjustment of budget to based on the NSW State Library 2018-19 grant allocation.	8,623
Strategic Planning	Operating Contributions - Other	Operating Contribution received from the NSW Government Office of Local Government for the Crown Land Plans of Management development.	(45,093)
La Perouse Museum	Operating grants - Other	Operating grant received from the French Government for the La Perouse Monument in Botany Bay.	(1,818)
General Community	Operating Contribution- Other	Operating contribution received from the NSW South Eastern Sydney Local Health District for the Lexington Community Hub Project.	(54,545)
Capital Grants and Contributions			(13,667)
Roads Construction	Capital Grants and Contributions	Budget adjustment for Regional Road Block grant received from the NSW Roads and Maritime Services (RMS).	(13,667)
Gain on Disposal of Assets			0
No variations			

Responsibility Centre	Account/Project	Comment	Amount (\$)
Employee Costs			6,000
Health, Building & Regulation Services	Employee Costs	Expenditure related to additional out of hours inspections carried out by council Environmental Health Officers.	6,000
Materials and Contracts			560,230
Financial Operations	Postage	Lower than anticipated postage costs for 2018-19.	(40,000)
Financial Operations	Rate Notice Production Cost	Lower than anticipated rate notice production costs for 2018-19.	(30,000)
ICT Projects	Microsoft Office Template Refresh	Expenditure related to new Microsoft Office Template.	2,760
Strategic Planning	Consultant Expenses	Expenditure related to the grant received from NSW Office of Local Government for the Crown Land Reserve Plans of Management Study.	45,093
Ranger Services	Legal Expenses	Transfer the budget to Health Building and Regulatory Service Legal project.	(17,500)
City Planning Management	Legal Expenses	Expenditure related to the Development Assessment and Health, Building and Regulatory Services Legal cost.	475,000
Events	Materials and Contracts	Transfer the budget from Light Rail Support Plan - Open Space for the Kingsford Noodle Market event.	105,877
Technology Systems	Materials and Contracts	Transfer the budget from other expenses to software purchases.	19,000
Other Operating Expenditure			138,549
Administrative Services	Council Contingency Fund	Aligning budget with actual expenditure of the 2018-19 Council Contingency Fund.	97,211
Financial Operations	Investment Fees	Anticipated lower investment fees due to the new investment advisor.	(23,000)
Technology Systems	Fixed Line Voice and Data Services	Transfer the savings to material and contracts for software purchases.	(19,000)
Sustainability Strategy	Event/Function Expenses	Expenditure related to revenue received from stall holders from sustainability program which includes the Best Gift Market and Summer Activities Program.	4,906

Responsibility Centre	Account/Project	Comment	Amount (\$)
Community Development	Lexington Place Community Hub/Foodbank	Expenditure related to contribution received from the NSW South Eastern Sydney Local Health District to establishment of the Lexington Place Community Hub/Foodbank project.	54,545
Cultural Events and Venues	Event/Function Expenses	Expenditure required for the Council managed community events, which include Coogee Carols and NYE Fireworks.	17,287
La Perouse Museum	Event/Function Expenses	Saving related to the La Perouse Museum project Nadeena Dixon Event.	(2,400)
Ranger Services	Disposal Abandoned Vehicles	Additional expenditure required for the disposal of abandoned vehicles throughout the City.	9,000
Capital Works			211,419
ICT Projects	Business System Program	Transfer funding back to DWM reserve as the stage 1 of the Integrated Mobility of Work Systems (IMoWS) replacement program work plan for 2018-19.	(125,000)
ICT Projects	Community Security Program	Additional funding required for public safety CCTV, which includes Yarra Bay Carpark.	111,933
ICT Projects	Mobile Workforce Program	Additional funding required as part of Digital Strategy for 2018-19 Financial Year.	67,262
ICT Projects	Staff Collaboration & Reporting Program	Additional funding required for the development of a new council intranet.	142,000
ICT Projects	Technology Systems Equipment Program	Expenditure related to new printers and multifunction devices.	44,546
ICT Projects	Customer Portal Program	Reduce 2018-19 funding allocation for the Customer portal and CRM consolidation 2018-19 as extra time required to complete customer requirements and designs. Funding reallocate to Council new intranet, community security program and mobile workforce program.	(400,000)
Parks Construction	LightRail Support Plan - Open Space	Funding transfer over to event for the Kingsford Noodle Market as part of the LightRail Support Plan allocation.	(105,877)
Parks Construction	Parks Upgrade	Capital Expenditure related to the South Maroubra outdoor showers and Cromwell park seat installation.	32,000
Parks Construction	Kensington Oval	Kensington Oval sight screen project completed, and transfer the savings for general parks upgrade.	(32,000)
Parks Construction	Open Space Water Conservation Works	Funding transfer over to the Jack Vanny Reserve at Maroubra Beach for the irrigation works (CS41/18) .	(105,431)

Responsibility Centre	Account/Project	Comment	Amount (\$)
Capital Works			
Parks Construction	Jack Vanny Reserve Remediation	Capital expenditure related to the remediation of Jack Vanny Reserve at Maroubra Beach, funded by Domestic Waste Management Reserve, and irrigation works to be funded from Water Conservation Works project (CS41/18).	202,106
Roads Construction	Regional Road Block Grant Program	Increase in capital expenditure for the Regional Road Block grant received from the NSW Roads and Maritime Services (RMS).	13,667
Roads Construction	Bus Routes	Capital Expenditure related to the additional Bus Route Contribution from State Government for 2018-19 Financial Year.	22,268
Roads Construction	Footpath Network Extension	Project nearly completed, transfer the savings to Footpath Defects Program.	(38,050)
Roads Construction	Footpath Defects Program	Capital Expenditure related to additional footpath defects works across the LGA.	38,050
Building Construction	Lionel Bowen Library	Transfer the budget to Building WHS upgrade works for Lionel Bowen Library fire warning system.	(80,000)
Building Construction	Buildings WHS Upgrade	Capital expenditure related to WHS upgrade works at Lionel Bowen Library.	80,000
Building Construction	26-28 Waratah St Randwick	Capital Expenditure required for the restoration works for the vacant semi at 26-28 Waratah St to avoid the potential loss on rental income for next financial year. Advanced funding from infrastructure reserve and to be paid back in the 2019-20 budget allocation.	120,000
Building Construction	Works Depot Construction Works	Capital expenditure required for the new ICARE Signage works and the Works Depot painting, lighting, signage and trade office work.	145,000
Plant and Fleet	Mobility Assets	Continuing rollout of council's IMOWS(Integrated Mobility of Work System) across council fleet.	87,568
Library	Library Local Priority Grant	Reduce the capital expenditure based on the 2018-19 grant allocation.	(8,623)

Responsibility Centre	Account/Project	Comment	Amount (\$)
Reserves			(324,243)
ICT Projects	External Reserve - Domestic Waste Management	Transfer funding back to DWM reserve as the stage 1 of the Integrated Mobility of Work Systems (IMoWS) replacement program work plan for 2018-19.	125,000
Parks Construction	External Reserve - Domestic Waste Management	Funds transferred from Domestic Waste Management Reserve for the remediation of Jack Vanny Reserve at Maroubra Beach. (CS41/18)	(96,675)
Building Construction	Internal Reserve - Infrastructure Reserve	Internal borrowing from infrastructure reserve for restoration works at 26-28 Waratah St Randwick and repay back to Infrastructure Reserve via 2019-20 Budget allocation.	(120,000)
Plant and Fleet	External Reserve - Domestic Waste Management	Transfer funding from Domestic Waste Management Reserve to continuing rollout of council's IMOWS(Integrated Mobility of Work System) across Domestic Waste fleet.	(37,996)
Plant and Fleet	Internal Reserve - Operational Plant Replacement	Transfer funding from Operational Plant Reserve to continuing rollout of council's IMOWS(Integrated Mobility of Work System) across council operational fleet.	(49,572)
Building Construction	Internal Reserve - Operational Plant Replacement	Transfer disposal of sale proceeds for the redundant plant from Operational Plant Reserve to fund the Works Depot painting, lighting, signage and trade office work.	(145,000)
Net Deficit/(Surplus)			(3,076)
Add Current 2018-19 Budget Deficit/(Surplus)			(3,837)
Total Revised 2018-19 Budget Deficit/(Surplus)			(6,913)

Budget Review

for the quarter ended 31 Dec 2018

Income and Expenses

	Approved Changes				Current Budget (\$'000s)	Recommended Dec Review for Council Resolution	Total Revised Budget (\$'000s)	YTD December Actuals (\$'000s)
	Original Budget (\$'000s)	Carry Over 2017-18 (\$'000s)	Sept Review (\$'000s)					
REVENUE FROM CONTINUING OPERATIONS								
Rates And Annual Charges	116,286	-	-	116,286	(40)	116,246	60,217	
User Charges And Fees	18,593	-	682	19,275	83	19,358	10,647	
Interest	1,625	-	-	1,625	(350)	1,975	1,042	
Other Revenues	9,053	-	63	9,116	(68)	9,048	4,525	
Operating Grants and Contributions	6,759	-	(1,721)	5,038	256	5,294	3,075	
Capital Grants and Contributions	4,196	-	590	4,786	14	4,800	1,299	
Gain on Disposal of Fleet Assets	-	-	-	-	-	-	137	
Total Revenue from Continuing Operations	156,513	-	(387)	156,126	595	156,721	80,941	
EXPENSES FROM CONTINUING OPERATIONS								
Employee Costs	64,719	-	434	65,153	6	65,159	31,158	
Borrowing Costs	1,281	-	-	1,281	-	1,281	-	
Materials & Contracts	37,976	362	1,259	39,597	560	40,157	20,079	
Depreciation & Amortisation	23,702	-	-	23,702	-	23,702	11,928	
Other Operating Expenses	15,465	103	447	16,014	139	16,153	8,076	
Losses from Disposal of Assets	3,069	-	-	3,069	-	3,069	-	
Total Expenses from Continuing Operations	146,211	465	2,140	148,816	705	149,521	71,241	
Net Operating Result - Surplus/(Deficit)	10,302	(465)	(2,527)	7,310	(110)	7,200	9,700	
Net Operating Result Before Capital Items	6,106	(465)	(3,117)	2,524	(123)	2,400	8,401	

Notes:

ORIGINAL Budget +/- approved budget changes in previous quarters = Current Budget
 Current Budget +/- recommended changes this quarter = Total Revised Budget

Budget Review

for the quarter ended 31 Dec 2018

Income and Expenses by Directorate

	Approved Changes						
	Original Budget (\$'000s)	Carry Over 2017-18 (\$'000s)	Sept Review (\$'000s)	Current Budget (\$'000s)	Recommended Dec Review for Council Resolution	Total Revised Budget (\$'000s)	YTD December Actuals (\$'000s)
REVENUE FROM CONTINUING OPERATIONS							
Office of the General Manager	-	-	-	-	-	-	-
Corporate Services	90,951	-	(1,549)	89,402	351	89,753	47,641
City Services	51,982	-	988	52,971	118	53,088	26,289
City Planning	13,579	-	174	13,753	126	13,880	7,011
Total Revenue from Continuing Operations	156,513		(387)	156,126	595	156,721	80,941
EXPENSES FROM CONTINUING OPERATIONS							
Office of the General Manager	3,615	-	(214)	3,401	-	3,401	1,374
Corporate Services	29,759	-	(245)	29,519	7	29,526	14,165
City Services	95,162	205	1,677	97,044	-	97,044	46,126
City Planning	17,676	255	921	18,852	698	19,550	9,575
Total Expenses from Continuing Operations	146,211	465	2,140	148,816	705	149,521	71,241
Net Operating Result - Surplus/(Deficit)	10,302	(465)	(2,527)	7,310	(110)	7,200	9,700

Notes:

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

Current Budget +/- recommended changes this quarter = Total Revised Budget



Budget Review

for the quarter ended 31 Dec 2018

Capital Budget

	Approved Changes			Current Budget (\$'000s)	Recommended Dec Review for Council Resolution	Total Revised Budget (\$'000s)	YTD December Actuals (\$'000s)
	Original Budget (\$'000s)	Carry Over 2017-18 (\$'000s)	Sept Review (\$'000s)				
CAPITAL EXPENDITURE							
Parks Construction Projects	7,388	4,942	2,549	14,879	(9)	14,870	5,788
Roads Construction Projects	13,257	5,111	(665)	17,703	36	17,739	7,743
Drainage Construction Projects	1,225	1,477	(80)	2,622		2,622	481
Building Construction Projects	37,745	7,557	(944)	44,358	265	44,623	1,722
Library Resources	516	180	-	696	(9)	687	109
Plant & Equipment Purchases	7,259	-	-	7,259	88	7,346	1,641
Vehicular Access	325	-	-	325		325	47
Sustaining Our City Capital Projects	250	-	-	250		250	26
IT Equipment	1,915	-	1,712	3,627	(159)	3,468	1,151
Total Capital Expenditure	69,879	19,267	2,573	91,719	211	91,930	18,710

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 2018

Capital Budget

	Original Budget (\$'000s)	Approved Changes		Current Budget (\$'000s)	Recommended Dec Review for Council Resolution	Total Revised Budget (\$'000s)	YTD December Actuals (\$'000s)
		Carry Over 2017-18 (\$'000s)	Sept Review (\$'000s)				
CAPITAL FUNDING							
Rates and Other Untied Funding	22,495	-	(247)	22,248	120	22,368	7,184
Capital Grants and Contributions	996	-	590	1,586		1,586	
Loan Borrowings	27,000	-	-	27,000		27,000	
External Restrictions							
Domestic Waste	3,020	956	2,096	6,072	(28)	6,044	2,989
Specific Purpose Unexpended Grants		418	-	418		418	
Section 94	3,450	1,872	-	5,322		5,322	3,527
Stormwater Management	913	1,976	(80)	2,809		2,809	609
Environment Levy	1,647	2,832		4,479		4,479	1,739
Internal Restrictions							
Infrastructure Reserves	-	-	(134)	134	120	(14)	-
Plant Replacement	3,008	-		3,008		3,008	979
Works Incomplete/Future Works Reserve	-	7,050		7,050		7,050	1,114
Des Renford Leisure Centre	251	-		251		251	48
Information and Communication Technology Reserve	180	-	348	528		528	334
Building Levy	1,090	1,233		2,323	-	2,323	175
The Heffron Centre Reserve	3,599	2,928		6,527	-	6,527	12
Income from Sale of Plant	2,231	-		2,231	-	2,231	
Total Capital Funding	69,879	19,267	2,573	91,719	211	91,930	18,710



Budget Review

for the quarter ended 31 Dec 2018

Cash and Investments

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

CURRENT Budget +/- recommended changes this quarter = REVISED Budget

	Approved Changes								
	Opening Balance as at 1 July 2018	Original Budget (\$'000s)	Carry Over 2017-18 (\$'000s)	Sept Review (\$'000s)	Current Budget (\$'000s)	Proposed Dec Review (\$'000s)	Total Revised Budget (\$'000s)	Projected Closing Balance 30 June 2018	YTD December Actuals (\$'000s)
Externally Restricted									
Domestic Waste	6,550	96	(956)	(2,782)	(3,643)	(10)	(3,652)	2,898	1,252
Specific Purpose Unexpended Grants	738	-	(738)	-	(738)	-	(738)	-	(83)
Section 94	4,529	(213)	(1,872)	(50)	(2,135)	-	(2,135)	2,394	(2,468)
s93D Reserve	4,575	-	-	-	-	-	-	4,575	84
Stormwater Management	1,976	-	(1,976)	-	(1,976)	-	(1,976)	-	(169)
Environment Levy	2,929	-	(2,929)	-	(2,929)	-	(2,929)	-	(820)
Total Externally Restricted	21,297	(117)	(8,472)	(2,832)	(11,421)	(10)	(11,430)	9,867	(2,205)
Internally Restricted									
Des Renford Leisure Centre	251	(151)	-	-	(151)	-	(151)	100	2
Election of Councillors	-	207	-	-	207	-	207	207	104
Employee Leave Entitlements	7,825	500	-	-	500	-	500	8,325	250
Information & Communication Technology	933	(180)	-	(348)	(528)	-	(528)	405	(334)
Infrastructure Reserves	1,077	-	-	134	134	(120)	14	1,092	1,852
Insurance Claims /Risk	172	-	-	-	-	-	-	172	-
Plant Replacement	3,708	268	-	(12)	256	(195)	62	3,769	638
Property Development Reserves	1,404	-	-	-	-	-	-	1,404	-
Refundable Bonds & Deposits	3,146	-	-	-	-	-	-	3,146	-
Works Incomplete/Future Works Reserve	9,142	-	(7,099)	(2,043)	(9,142)	-	(9,142)	-	(3,164)
Prince Henry Centre	62	(18)	-	-	(18)	-	(18)	44	(12)
Randwick Environmental Park	1,541	(129)	-	-	(129)	-	(129)	1,412	(43)
Heffron Centre	6,527	(3,599)	(2,928)	-	(6,527)	-	(6,527)	-	-
Affordable Housing Rental Scheme	899	-	-	-	-	-	-	899	-
Economic Development	98	(98)	-	-	(98)	-	(98)	-	-
Randwick Literary Institute	87	-	-	-	-	-	-	87	-
Building Levy	5,694	(1,090)	(1,233)	-	(2,323)	-	(2,323)	3,371	(175)
Total Internally Restricted	42,564	(4,289)	(11,260)	(2,269)	(17,817)	(315)	(18,132)	24,433	(883)
Total Restricted	63,862	(4,406)	(19,732)	(5,101)	(29,238)	(324)	(29,562)	34,299	60,774
Total Cash and Investments	65,360	(4,403)	(19,732)	(5,099)	(29,234)	(321)	(29,555)	35,804	75,576
Available Cash	1,498	2		1	4	3	7	1,505	14,802

Note: Although there is a YTD Balance of \$14.8m as at 31 December 2018, these funds have already been committed through Council's 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 available cash remains \$1.5m.

Budget Review

for the quarter ended 31 Dec 2018

Consultancy and Legal Expenses

Expense	Expenditure YTD December \$	Budgeted (Y/N)
Consultancies	775,017	Y
Legal Fees	691,637	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 advice to assist decision-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 2018
Contracts and Other Expenses

Contractor	Contract Detail & Purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
NTT COM ICT Solutions (Australia) P/L	T2019-07 Colocation and Communication Services	\$601,751	2/10/2018	5 Years + 2 x 1 year options	Y
Harbour IT P/L	T2019-08 Server Infrastructure and Associated Maintenance Services	\$1,036,056	8/10/2018	5 Years + 2 x 1 year options	Y
Echelon Australia Pty Ltd	T2019-02 Claims Management Services	\$405,000	23/10/2018	5 Years	Y
CSM Office Furniture Solutions Pty Ltd	T2019-01 Compactus Shelving Replacement at Lionel Bowen Library	\$166,315	14/12/2018	10 Years	Y
RMA CONTRACTING PTY LTD	Asbestos Clean Up as per EPA Clean Up Notice - Jack Vanny Reserve	\$1,966,667	10/10/2018	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 2018

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 2018 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 2018).

Council's bank account in the general ledger and the cashbook has been reconciled with bank statements as at 31/12/2018.



Jeff Smith

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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