



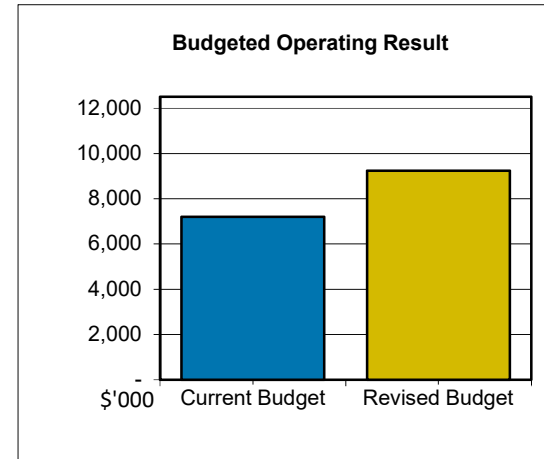
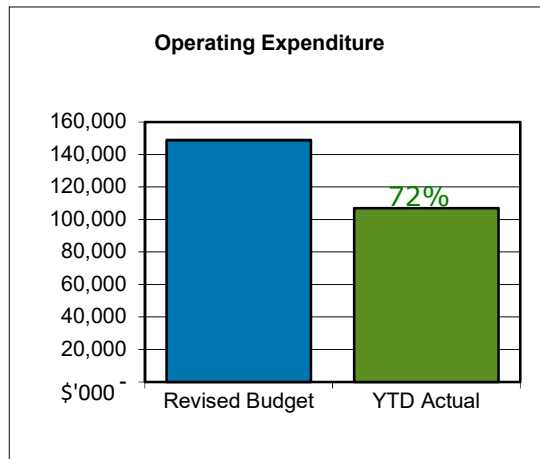
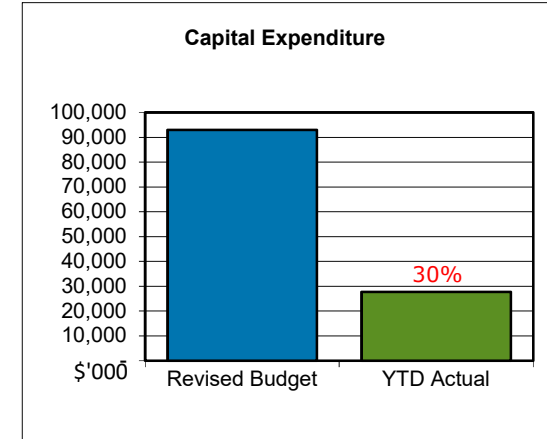
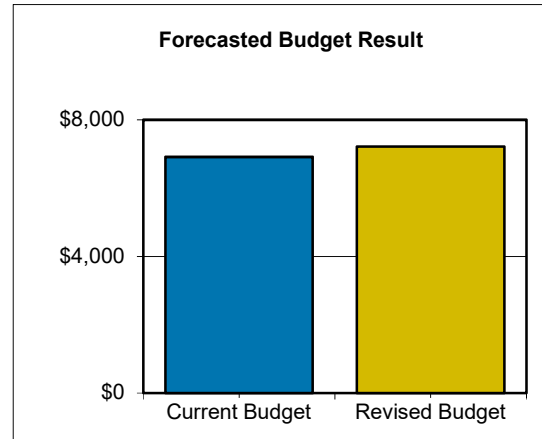
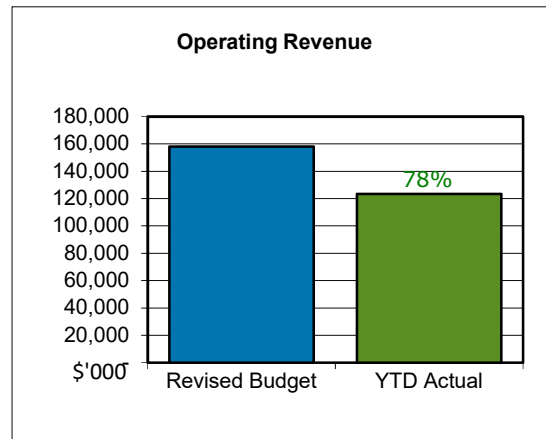
BUDGET 2018-19

# Budget Review March 2019

# Quarterly Budget Review Statement

for the quarter ended 31 March 2019

## Budget Review Key Performance Indicators



# Variations

Responsibility Centre	Account/Project	Comment	Amount (\$)
<b>Rates and Annual Charges</b>			<b>0</b>
No variations			
<b>User Fees and Charges</b>			<b>(387,538)</b>
Des Renford Leisure Centre	Learn to Swim School Program	Higher than anticipated learn to swim school program fees received.	(72,899)
Sustainability Strategy	Event Fees	Stallholder fees from Best Gift Market and ticket sales from Marine and Coastal Program.	(3,289)
Ranger Services	Companion Animal Fees	Anticipate higher companion animal registration fees for 2018-19 Financial Year.	(15,000)
Health, Building & Regulatory Services	Various Income Accounts	Increased revenue from fees relating to services provided by the Health, Building & Regulatory Services department including development compliance enforcement fee.	(81,032)
Strategic Planning	Rezoning Fee	Revenue associated with fees charged for Local Environment Plan (LEP) rezoning applications.	(26,368)
Strategic Planning	Enquiry & Change of Street Address Fees	Revenue associated with fees charged for the conduct of property related research and change of street address provided by council staff.	(19,501)
Development Assessments	Subdivision Fees	Increased revenue from fees relating to subdivision certificate.	(98,562)
Events	Event Fees	Stall holder fees received from The Spot Festival 2019.	(35,666)
Community Centre Management	Venue Hire - Commercial	Higher than anticipated venue hire revenue from the Prince Henry Centre for 2018-19.	(35,221)
<b>Interest</b>			<b>(185,000)</b>
Financial Operations	Interest on Investments	Higher than anticipated interest return on longer term investment portfolio.	(185,000)

Responsibility Centre	Account/Project	Comment	Amount (\$)
<b>Other Revenues</b>			<b>(9,625)</b>
City Planning Management	Legal Cost Recovery	Legal cost reimbursements received from Land and Environmental Court finalised cases.	(26,500)
Parks Construction	Misc. Reimbursements	Reimbursement received for a commemorative bench and plaque.	(5,625)
Ranger Services	Fines -Other	Adjustment of enforcement fines budget to align with revenue received in the 3rd quarter of the financial year.	7,500
Health, Building & Regulation Services	Fines - Building	Adjustment of budget to align with revenues received in the 3rd quarter of the financial year.	15,000
<b>Operating Grants and Contributions</b>			<b>(582,273)</b>
ICT Projects	Operating grants - Other	Grant funding received from Federal Government Department of Industry for Smart Beach Coogee project.	(226,167)
ICT Projects	Operating grants - Other	Grant funding received from Federal Government Department of Industry for Smart Parking project.	(210,000)
Human Resources	Operating Contributions - Other	Paid Parental Leave Payment contribution from the Federal Government.	(25,897)
Integrated Transport	Operating Contributions - Other	Contributions received for driveway line marking and traffic management services.	(14,637)
Drainage Construction	Operating Contributions - Environmental	Operating contribution from the NSW Office of Environment and Heritage (OEH) for the Kensington Centennial Park Catchment Flood Study.	(16,405)
Drainage Construction	Operating Contributions - Environmental	Operating contribution from the NSW Office of Environment and Heritage (OEH) for the Maroubra Beach Promenade Drainage Investigation.	(39,167)
General Community	Operating Contribution- Other	Operating contribution received from the NSW South Eastern Sydney Local Health District for the Lexington Community Hub Project.	(50,000)
<b>Capital Grants and Contributions</b>			<b>(200,000)</b>
Parks Construction	Capital Grants and Contributions	Capital Grant received from Greater Sydney Commission under the Metropolitan Greenspace Program for the works on the NSW Golf Club Coastal Walkway.	(200,000)

Responsibility Centre	Account/Project	Comment	Amount (\$)
<b>Gain on Disposal of Assets</b>			<b>0</b>
No variations			
<b>Employee Costs</b>			<b>20,000</b>
Health, Building & Regulation Services	Employee Costs	Expenditure related to additional out of hours inspections carried out by council Rangers.	20,000
<b>Borrowing Costs</b>			<b>(1,281,274)</b>
Financial Operations	Interest on loans	Savings of the loan interest for 2018-19 financial year due to the delay of the drawn down of \$27 million loan.	(1,281,274)
<b>Materials and Contracts</b>			<b>470,209</b>
City Planning Management	Legal Expenses	Expenditure related to the Development Assessment Legal cost.	400,000
Integrated Transport	Materials and Contracts	Expenditure related to the Traffic Management Service, funded by the contribution funding.	14,637
Drainage Construction	Materials and Contracts	Expenditure related to the Maroubra Beach Promenade Drainage Investigation ( <i>Grant Funded</i> ).	39,167
Drainage Construction	Materials and Contracts	Expenditure related to the Kensington Centennial Park Catchment Flood Study ( <i>Grant Funded</i> ).	16,405
<b>Other Operating Expenditure</b>			<b>115,704</b>
Administrative Services	Council Contingency Fund	Aligning budget with actual expenditure of the 2018-19 Council Contingency Fund.	39,784
Insurance Management	Plant and MV Insurance Premium	Lower than anticipated plant and motor vehicle insurance premium for 2018-19.	(75,360)
Sustainability Strategy	Event/Function Expenses	Expenditure related to revenue received from stall holders and ticket sales from sustainability program which includes the Best Gift Market and Marine and Coastal Program.	3,289
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.	50,000

Responsibility Centre	Account/Project	Comment	Amount (\$)
Community Development	Event/Function Expenses	Expenditure required for the Council managed community events, which include The Spot Festival and ANZAC Day Celebrations.	110,491
Ranger Services	Disposal Abandoned Vehicles	Reduced expenditure required for the disposal of abandoned vehicles throughout the City.	(12,500)
<b>Capital Works</b>			<b>1,062,354</b>
ICT Projects	Smart City Program	Reallocate the funding to Mobile Workforce Program as part of the Digital Strategy for 2018-19 Financial Year.	(40,624)
ICT Projects	Community Security Program	Reallocate the funding to Mobile Workforce Program as part of the Digital Strategy for 2018-19 Financial Year.	(25,192)
ICT Projects	Mobile Workforce Program	Additional funding required as part of Digital Strategy for 2018-19 Financial Year.	65,816
ICT Projects	Smart Beach Coogee Project	Expenditure related to the grant funded Smart Beach Coogee Project.	226,167
ICT Projects	Smart Parking Project	Expenditure related to the grant funded Smart parking Project.	210,000
ICT Projects	Technology Systems Equipment Program	Expenditure related to Council building security and network equipment and links.	72,026
Parks Construction	Sports Committee Works	Saving related to the Latham Park additional storage facilities project.	(11,909)
Parks Construction	Parks Upgrade	Capital expenditure related to the South Maroubra outdoor showers and Cromwell park seat installation.	46,874
Parks Construction	Frenchmans Bay Reserve	Capital expenditure related to the Frenchmans Bay Reserve sewerage upgrade and boardwalk.	32,516
Parks Construction	Coastal Walkway	Capital expenditure related to the NSW Golf Club coastal walkway, funded by the NSW Metropolitan Greenspace Program grant and Infrastructure reserve (CS25/18).	336,217
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).	95,890
Roads Construction	Footpath Network Extension	Project completed, transfer the savings to Footpath Defects Program.	(106,499)
Roads Construction	Footpath Defects Program	Capital Expenditure related to additional footpath defects works across the LGA.	161,072

Responsibility Centre	Account/Project	Comment	Amount (\$)
<b>Payables</b>			<b>(826,342)</b>
Financial Operations	Loan Principal Payable	Savings of the loan principal payment for 2018-19 financial year due to the delay of the drawn down of \$27 million loan.	(826,342)
<b>Reserves</b>			<b>1,803,483</b>
Financial Operations	Internal Reserve -Our Community Our Future Reserve	Transfer savings from loan interest and principal payment to Our Community Our Future Reserve for 2018-19 financial year.	2,107,616
ICT Projects	Internal Reserve - ICT Reserve	Transfer funding from Information and Communication Technology (ICT) Reserve for Council building security and network equipment and links.	(72,026)
Parks Construction	Internal Reserve - Infrastructure Reserve	Funds transferred from Infrastructure Reserve for the NSW Golf Course Coastal Walkway, the borrowed amount is to be repaid from the 2019-20 capital works budget. <b>(CS25/18)</b>	(136,217)
Parks Construction	External Reserve - Domestic Waste Management	Funds transferred from Domestic Waste Management Reserve for the remediation of Jack Vanny Reserve at Maroubra Beach. <b>(CS41/18)</b>	(95,890)
<b>Net Deficit/(Surplus)</b>			<b>(302)</b>
Add Current 2018-19 Budget Deficit/(Surplus)			(6,913)
<b>Total Revised 2018-19 Budget Deficit/(Surplus)</b>			<b>(7,215)</b>

# Budget Review

for the quarter ended 31 Mar 2019

## Income and Expenses

	Approved Changes				Current Budget (\$'000s)	Recommended Mar Review for Council Resolution	Total Revised Budget (\$'000s)	YTD March Actuals (\$'000s)
	Original Budget (\$'000s)	Carry Over 2017-18 (\$'000s)	Sept Review (\$'000s)	Dec Review (\$'000s)				
<b>REVENUE FROM CONTINUING OPERATIONS</b>								
Rates And Annual Charges	116,286	-	-	(40)	116,246		116,246	88,191
User Charges And Fees	18,593	-	682	83	19,358	388	19,746	16,867
Interest	1,625	-	-	(350)	1,975	185	2,160	1,815
Other Revenues	9,053	-	63	(68)	9,048	10	9,058	6,487
Operating Grants and Contributions	6,759	-	(1,721)	256	5,294	582	5,876	4,781
Capital Grants and Contributions	4,196	-	590	14	4,800	200	5,000	5,168
Gain on Disposal of Fleet Assets	-	-	-	-	-			160
<b>Total Revenue from Continuing Operations</b>	<b>156,513</b>	<b>-</b>	<b>(387)</b>	<b>595</b>	<b>156,721</b>	<b>1,364</b>	<b>158,085</b>	<b>123,470</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>								
Employee Costs	64,719	-	434	6	65,159	20	65,179	46,711
Borrowing Costs	1,281	-	-		1,281	(1,281)	-	-
Materials & Contracts	37,976	362	1,259	560	40,157	470	40,627	30,747
Depreciation & Amortisation	23,702	-	-		23,702		23,702	17,877
Other Operating Expenses	15,465	103	447	139	16,153	116	16,269	11,396
Losses from Disposal of Assets	3,069	-	-		3,069		3,069	299
<b>Total Expenses from Continuing Operations</b>	<b>146,211</b>	<b>465</b>	<b>2,140</b>	<b>705</b>	<b>149,521</b>	<b>(675)</b>	<b>148,845</b>	<b>107,030</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>10,302</b>	<b>(465)</b>	<b>(2,527)</b>	<b>(110)</b>	<b>7,200</b>	<b>2,040</b>	<b>9,240</b>	<b>16,440</b>
<b>Net Operating Result Before Capital</b>	<b>6,106</b>	<b>(465)</b>	<b>(3,117)</b>	<b>(123)</b>	<b>2,400</b>	<b>1,840</b>	<b>4,240</b>	<b>11,272</b>

### 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 Mar 2019

### Capital Budget

	Original Budget (\$'000s)	Approved Changes			Current Budget (\$'000s)	Recommended Mar Review for Council Resolution	Total Revised Budget (\$'000s)	YTD March Actuals (\$'000s)
		Carry Over * 2017-18 (\$'000s)	Sept Review (\$'000s)	Dec Review (\$'000s)				
<b>CAPITAL EXPENDITURE</b>								
Parks Construction Projects	7,388	4,942	2,549	(9)	14,870	500	15,369	7,378
Roads Construction Projects	13,257	5,111	(665)	36	17,739	55	17,793	10,010
Drainage Construction Projects	1,225	1,477	(80)	-	2,622	-	2,622	554
Building Construction Projects *	37,745	7,557	(944)	265	44,623	-	44,623	3,648
Library Resources	516	180	-	(9)	687	-	687	183
Plant & Equipment Purchases	7,259	-	-	88	7,346	-	7,346	3,618
Vehicular Access	325	-	-	-	325	-	325	79
Sustaining Our City Capital Projects	250	-	-	-	250	-	250	26
ICT Equipment	1,915	-	1,712	(159)	3,468	508	3,976	2,210
<b>Total Capital Expenditure</b>	<b>69,879</b>	<b>19,267</b>	<b>2,573</b>	<b>211</b>	<b>91,930</b>	<b>1,062</b>	<b>92,992</b>	<b>27,706</b>

#### Notes:

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

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

\* Carry Over 2017-18 refer to the projects allocated funding in 2017-18 budget carried over to 2018-19 budget

\* Buildings Construction Projects includes : Heffron Centre Project \$25.6m and \$6.8m Admin Building

# Budget Review

for the quarter ended 31 Mar 2019

## Capital Budget

	Original Budget (\$'000s)	Approved Changes			Current Budget (\$'000s)	Recommended Mar Review for Council Resolution	Total Revised Budget (\$'000s)	YTD March Actuals (\$'000s)
		Carry Over 2017-18 (\$'000s)	Sept Review (\$'000s)	Dec Review (\$'000s)				
<b>CAPITAL FUNDING</b>								
Rates and Other Untied Funding	22,495	-	(247)	120	22,368	558	22,926	13,360
Capital Grants and Contributions	996	-	590	-	1,586	200	1,786	670
Loan Borrowings	27,000	-	-	-	27,000	-	27,000	
<b>External Restrictions</b>								
Domestic Waste	3,020	956	2,096	(28)	6,044	96	6,140	3,108
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	816
Environment Levy	1,647	2,832	-	-	4,479	-	4,479	1,990
<b>Internal Restrictions</b>								
Infrastructure Reserves	-	-	(134)	120	14	136	122	132
Plant Replacement	3,008	-	-	-	3,008	-	3,008	
Works Incomplete/Future Works Reserve	-	7,050	-	-	7,050	-	7,050	2,362
Des Renford Leisure Centre	251	-	-	-	251	-	251	
Information and Communication Technology Reserve	180	-	348	-	528	72	600	348
Building Levy	1,090	1,233	-	-	2,323	-	2,323	192
The Heffron Centre Reserve	3,599	2,928	-	-	6,527	-	6,527	16
Income from Sale of Plant	2,231	-	-	-	2,231	-	2,231	1,187
<b>Total Capital Funding</b>	<b>69,879</b>	<b>19,267</b>	<b>2,573</b>	<b>211</b>	<b>91,930</b>	<b>1,062</b>	<b>92,992</b>	<b>27,706</b>

# Budget Review

## for the quarter ended 31 Mar 2019

### Cash and Investments

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

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

	Opening Balance as at 1 July 2018	Original Budget (\$'000s)	Approved Changes			Current Budget (\$'000s)	Proposed Mar Review (\$'000s)	Total Revised Budget (\$'000s)	Projected Closing Balance 30 June 2018	YTD March Actuals (\$'000s)
			Carry Over 2017-18 (\$'000s)	Sept Review (\$'000s)	Dec Review (\$'000s)					
<b>Externally Restricted</b>										
Domestic Waste	6,550	96	(956)	(2,782)	(10)	(3,652)	(96)	(3,748)	2,802	1,499
Specific Purpose Unexpended Grants	738	-	(738)	-	-	(738)	-	(738)	-	(79)
Section 94	4,529	(213)	(1,872)	(50)	-	(2,135)	-	(2,135)	2,394	(1,881)
s93D Reserve	4,575	-	-	-	-	-	-	-	4,575	281
Stormwater Management	1,976	-	(1,976)	-	-	(1,976)	-	(1,976)	-	(148)
Environment Levy	2,929	-	(2,929)	-	-	(2,929)	-	(2,929)	-	(477)
<b>Total Externally Restricted</b>	<b>21,297</b>	<b>(117)</b>	<b>(8,472)</b>	<b>(2,832)</b>	<b>(10)</b>	<b>(11,430)</b>	<b>(96)</b>	<b>(11,526)</b>	<b>9,771</b>	<b>(805)</b>
<b>Internally Restricted</b>										
Des Renford Leisure Centre	251	(151)	-	-	-	(151)	-	(151)	100	20
Election of Councillors	-	207	-	-	-	207	-	207	207	156
Employee Leave Entitlements	7,825	500	-	-	-	500	-	500	8,325	375
Information & Communication Technology	933	(180)	-	(348)	-	(528)	(72)	(600)	333	(348)
Infrastructure Reserves	1,077	-	-	134	(120)	14	(136)	(122)	955	937
Insurance Claims /Risk	172	-	-	-	-	-	-	-	172	-
Plant Replacement	3,708	268	-	(12)	(195)	62	-	62	3,769	1,015
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)	-	(4,411)
Prince Henry Centre	62	(18)	-	-	-	(18)	-	(18)	44	-
Randwick Environmental Park	1,541	(129)	-	-	-	(129)	-	(129)	1,412	(60)
Heffron Centre	6,527	(3,599)	(2,928)	-	-	(6,527)	-	(6,527)	-	(16)
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	(192)
Our Community Our Future Reserve	-	-	-	-	-	-	2,108	2,108	2,108	1,031
<b>Total Internally Restricted</b>	<b>42,564</b>	<b>(4,289)</b>	<b>(11,260)</b>	<b>(2,269)</b>	<b>(315)</b>	<b>(18,132)</b>	<b>1,899</b>	<b>(16,233)</b>	<b>26,332</b>	<b>(1,494)</b>
<b>Total Restricted</b>	<b>63,862</b>	<b>(4,406)</b>	<b>(19,732)</b>	<b>(5,101)</b>	<b>(324)</b>	<b>(29,562)</b>	<b>1,803</b>	<b>(27,759)</b>	<b>36,103</b>	<b>61,563</b>
<b>Total Cash and Investments</b>	<b>65,360</b>	<b>(4,403)</b>	<b>(19,732)</b>	<b>(5,099)</b>	<b>(324)</b>	<b>(29,234)</b>	<b>1,804</b>	<b>(27,752)</b>	<b>37,608</b>	<b>74,400</b>
<b>Available Cash</b>	<b>1,498</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>7</b>	<b>1,505</b>	<b>12,837</b>			

**Note:** Although there is a YTD Balance of \$12.8m as at 31 Mar 2019, 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 Mar 2019  
**Consultancy and Legal Expenses**

<b>Expense</b>	<b>Expenditure YTD December \$</b>	<b>Budgeted (Y/N)</b>
Consultancies	1,248,565	Y
Legal Fees	1,175,658	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-making management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

*Note: The Consultancy and legal expenses report is part of Quarterly Budget Review Statements (QBRs) requirements from Office of Local Government.*



Quarterly Budget Review Statement  
for the quarter ended 31 Mar 2019  
Contracts and Other Expenses

Contractor	Contract Detail & Purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
Not Applicable					

**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 March 2019

### 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 March 2019 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 31/03/2019.



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David MacNiven

**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

[www.randwick.nsw.gov.au](http://www.randwick.nsw.gov.au)