

NARROMINE SHIRE COUNCIL
ORDINARY MEETING BUSINESS PAPER – 13 FEBRUARY 2019
REPORTS TO COUNCIL – FINANCE & CORPORATE STRATEGY

1. BUDGET REPORT – KEY PERFORMANCE INDICATORS – 31 JANUARY 2019

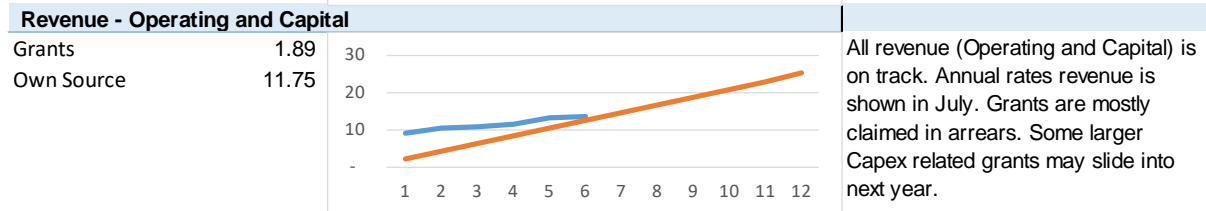
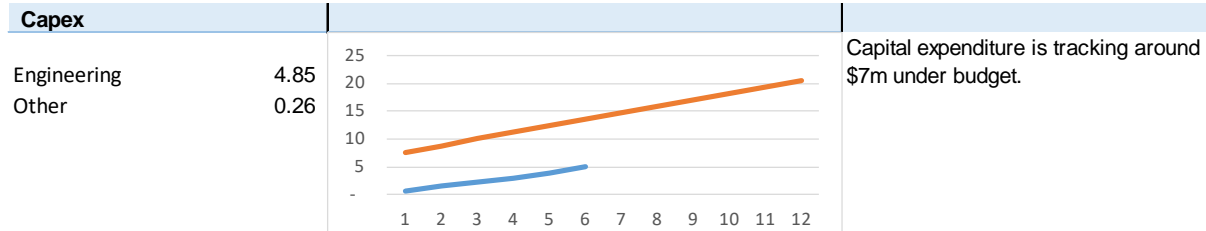
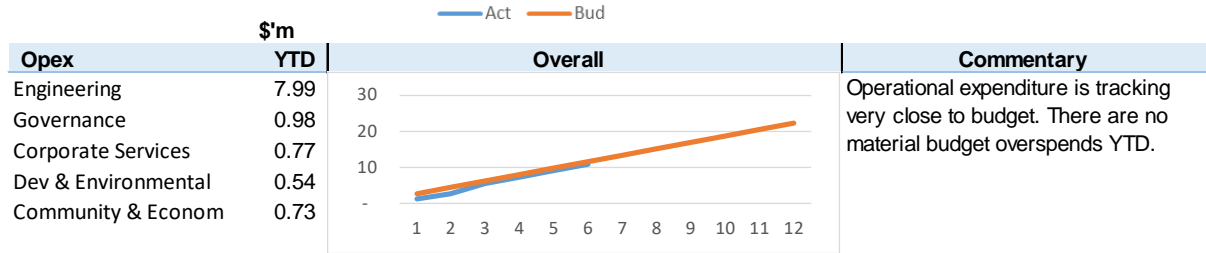
Author Director Finance and Corporate Strategy
 Responsible Officer Director Finance and Corporate Strategy
 Link to Strategic Plans CSP – 4.3.1 Operate and manage Council in a financially sustainable manner that meets all statutory and regulatory compliance and Council policies

Executive Summary

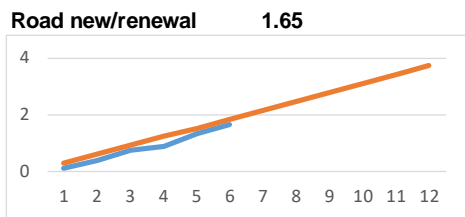
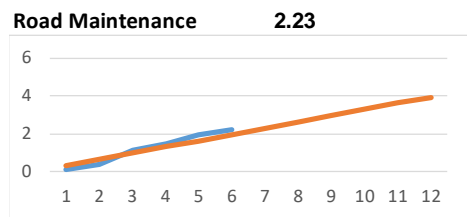
This report is presented to Council as a concise method of understanding Council's financial performance in key areas.

Report

A compact representation of the Council's performance to budget for key areas is shown below.



Roads **\$'m**



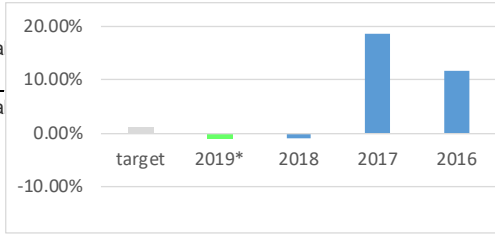
NARROMINE SHIRE COUNCIL
ORDINARY MEETING BUSINESS PAPER – 13 FEBRUARY 2019
REPORTS TO COUNCIL – FINANCE & CORPORATE STRATEGY

1. BUDGET REPORT – KEY PERFORMANCE INDICATORS – 31 JANUARY 2019 (cont'd)

Local government industry indicators – consolidated

1. Operating performance ratio

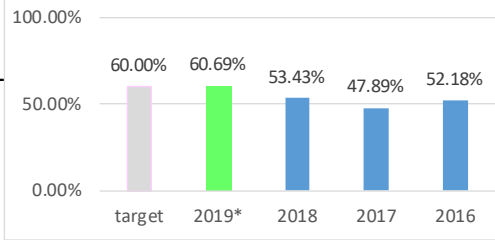
$$\frac{\text{Total continuing operating revenue excluding capital grants and contributions less operating expenses}}{\text{Total continuing operating revenue excluding capital grants and contributions}}$$



Favourable - OLG benchmark is to breakeven (0%) which NSC are on track to achieve.

2. Own source operating revenue ratio

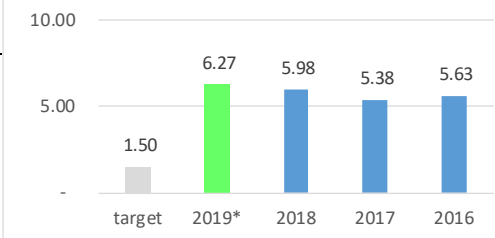
$$\frac{\text{Total continuing operating revenue excluding all grants and contributions}}{\text{Total continuing operating revenue}}$$



Favourable - OLG recommendation is 60% own sourced or higher. NSC is currently 60.7%.

3. Unrestricted current ratio

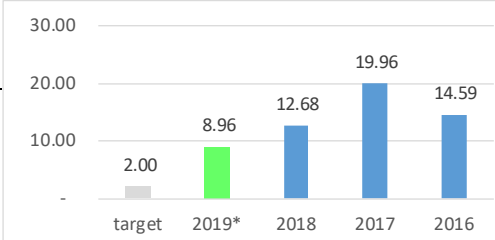
$$\frac{\text{Current assets less all external restrictions}}{\text{Current liabilities less specific purpose liabilities}}$$



Favourable - OLG recommendation is 1.5 times or higher. NSC is currently 6.3 times.

4. Debt service cover ratio

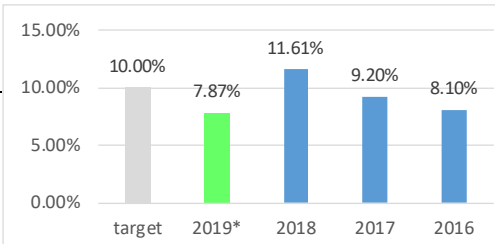
$$\frac{\text{Operating result before capital excluding interest and depreciation/impairment/amortisation}}{\text{Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)}}$$



Favourable - OLG recommendation is 2.0 times or higher. NSC is currently 9.0 times.

5. Rates, annual charges, interest and extra charges outstanding percentage

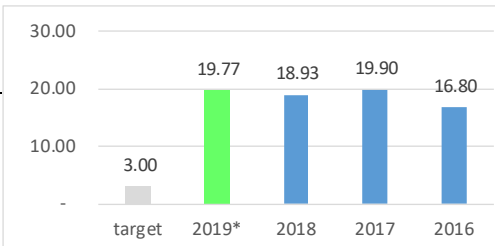
$$\frac{\text{Rates, annual and extra charges outstanding}}{\text{Rates, annual and extra charges collectible}}$$



Favourable - OLG recommendation is 10% overdue or less. NSC is currently 7.9% overdue.

6. Cash expense cover ratio

$$\frac{\text{Current year's cash and cash equivalents plus all term deposits}}{\text{Payments from cash flow of operating and financing activities}}$$



Favourable - OLG recommendation is 3.0 times or higher. NSC is currently 19.8 times.

1. BUDGET REPORT – KEY PERFORMANCE INDICATORS – 31 JANUARY 2019 (cont'd)

Financial Implications

Nil

Legal and Regulatory Compliance

- Local Government Act, 1993 – Section 748
- Local Government (General) Regulation, 2005 – Clause 202(b)

Risk Management Issues

Nil

Internal/External Consultation

Nil

Attachments

Nil

RECOMMENDATION

1. That the report regarding Council's Key Performance Indicators be received and noted.

2. INVESTMENT REPORT AS AT 31 DECEMBER 2018

Author	Director Finance & Corporate Strategy
Responsible Officer	Director Finance & Corporate Strategy
Link to Strategic Plans	CSP – 4.3 A financially sound Council that is responsible and sustainable DP - 4.3.1.5 Provide monthly cash balances and detailed quarterly financial reports to Council.

Executive Summary

Council's investments are made in accordance with legislative requirements and are certified as such by the Responsible Accounting Officer.

Report

Under the Local Government Act 1993 and Local Government (General) Regulation 2005, the Responsible Accounting Officer is required to report on Council's Investment portfolio on a monthly basis.

The management of Council's Investments is delegated by the General Manager to the Director of Finance and Corporate Strategy.

Council's current investment portfolio is diversified across a number of investment types and institutions. This includes term deposits, on-call accounts and managed funds. Investments are in accordance with the Office of Local Government's Guidelines and Council's Investment Policy.

The Government Guarantee on aggregated Investments up to \$1 million per account holder per institution expired 1 February 2012 and the new cap is \$250,000.

The investment portfolio decreased **\$807,670.78** during the reporting period. This decrease is due mostly to less Rates receipts than Capital and Operational Payments which was anticipated.

Financial Implications

The 2018/19 Budget estimates the total annual Investment Revenue as \$504,687 which represents an estimated return of 2.5% and is split proportionally across General, Water and Sewer Funds and changes on a monthly basis in accordance with cash flow requirements.

The market value of Council's Investments held as at **31 December 2018** is **\$20,849,914**. The full list of investments is in **Attachment No. 1**.

2. INVESTMENT REPORT AS AT 31 DECEMBER 2018 (Cont'd)

Legal and Regulatory Compliance

- Local Government Act, 1993 – Section 625
- Local Government (General) Regulation, 2005 – Clause 212
- Council Investment Policy adopted 11 March 2015
- Ministerial Investment Order – 12 January 2011

Risk Management Issues

Council's risk management strategy is to diversify the allocation of funds across different financial institutions and government authorities based on credit ratings as per the Investment Policy. The investment portfolio is regularly reviewed in order to maximise investment performance and minimise risk.

Certification – Responsible Accounting Officer

I hereby certify that the investments listed in the report have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2005 and Council's Investment Policy.

Attachments

- 1 Investments – 31 December 2018

RECOMMENDATION

1. That the report regarding Council's Investment Portfolio be received and noted;
2. That the certification of the Responsible Accounting Officer is noted and the report adopted.

3. INVESTMENT REPORT AS AT 31 JANUARY 2019

Author	Director Finance & Corporate Strategy
Responsible Officer	Director Finance & Corporate Strategy
Link to Strategic Plans	CSP – 4.3 A financially sound Council that is responsible and sustainable DP - 4.3.1.5 Provide monthly cash balances and detailed quarterly financial reports to Council.

Executive Summary

Council's investments are made in accordance with legislative requirements and are certified as such by the Responsible Accounting Officer.

Report

Under the Local Government Act 1993 and Local Government (General) Regulation 2005, the Responsible Accounting Officer is required to report on Council's Investment portfolio on a monthly basis.

The management of Council's Investments is delegated by the General Manager to the Director of Finance and Corporate Strategy.

Council's current investment portfolio is diversified across a number of investment types and institutions. This includes term deposits, on-call accounts and managed funds. Investments are in accordance with the Office of Local Government's Guidelines and Council's Investment Policy.

The Government Guarantee on aggregated Investments up to \$1 million per account holder per institution expired 1 February 2012 and the new cap is \$250,000.

The investment portfolio decreased **\$1,370,039** during the reporting period. This decrease is due mostly to less Rates receipts than Capital and Operational Payments which was anticipated.

Financial Implications

The 2018/19 Budget estimates the total annual Investment Revenue as \$504,687 which represents an estimated return of 2.5% and is split proportionally across General, Water and Sewer Funds and changes on a monthly basis in accordance with cash flow requirements.

The market value of Council's Investments held as at **31 January 2019** is **\$19,479,874**. The full list of investments is in ***Attachment No. 2***.

3. INVESTMENT REPORT AS AT 31 JANUARY 2019 (Cont'd)

Legal and Regulatory Compliance

- Local Government Act, 1993 – Section 625
- Local Government (General) Regulation, 2005 – Clause 212
- Council Investment Policy adopted 11 March 2015
- Ministerial Investment Order – 12 January 2011

Risk Management Issues

Council's risk management strategy is to diversify the allocation of funds across different financial institutions and government authorities based on credit ratings as per the Investment Policy. The investment portfolio is regularly reviewed in order to maximise investment performance and minimise risk.

Certification – Responsible Accounting Officer

I hereby certify that the investments listed in the report have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2005 and Council's Investment Policy.

Attachments

- 2 Investments – 31 January 2019

RECOMMENDATION

1. That the report regarding Council's Investment Portfolio be received and noted;
2. That the certification of the Responsible Accounting Officer is noted and the report adopted.

4. QUARTERLY BUDGET REVIEW STATEMENT – 31 DECEMBER 2018

Author	Director Finance and Corporate Strategy
Responsible Officer	Director Finance and Corporate Strategy
Link to Strategic Plans	CSP – 4.3.1 – Operate and manage Council in a financially sustainable manner that meets all statutory and regulatory compliance and Council policies. Delivery Program – 4.3.1.5 - Provide monthly cash balances and detailed quarterly financial reports to Council.

Executive Summary

The Quarterly Budget Review Statement (“QBR”) must be prepared by the Responsible Accounting Officer and presented to Council within two months of the end of the quarter.

Report

The Quarterly Budget Review Statement (QBR) has been prepared for the 31 December 2018 quarter and is presented to Council as **Attachment No.3**.

Council adopted a balanced cash based budget as part of the 2018-19 Operational Plan at the 28 June 2018 Council Meeting. Since then the following changes have occurred –

- a) Since the start of the financial year Council has adopted recommendations from staff which have also impacted on the budget result. These changes have already been approved by Council and are included in the “Approved Changes Column” in the Income and Expenditure Review Statement of the QBR document.
- b) A review of the last three months has been carried out by staff and the changes are included in the “Variations for this Quarter” column of the QBR document.

The net result of all changes for the year to the end of December 2018 is **Nil** as all adjustments have been funded from Reserves, Savings, Grants or Carryover Works approved by Council at the August 2018 meeting.

4. QUARTERLY BUDGET REVIEW STATEMENT – 31 DECEMBER 2018 (Cont.)

The adjustments which have been identified during the review are summarised below:

Summary	Budget Impact
Balanced budget at commencement of year	0
December 2018 QBR results	0
TOTAL CHANGE FOR YEAR TO DATE	0

The revised budget result following the December 2018 QBR is a balanced budget.

The financial position of Narromine Shire Council as at 31 December 2018 is considered to be satisfactory and is confirmed by the Report from the Responsible Accounting Officer.

Summary

The Office of Local Government released guidelines on the preparation of Quarterly Budget Review Statements (QBR) to Councils in December 2010 with mandatory reporting in line with the guideline which commenced in July 2011.

The QBR must show, by reference to the estimated income and expenditure that is set out in the operational plan adopted by Council for the relevant year, a revised estimate of income and expenditure for that year.

It also requires the Budget Review Statement to include a report by the Responsible Accounting Officer as to whether or not they consider the Statement indicates Council to be in a satisfactory financial position (with regard to its original budget) and if not, to include recommendations for remedial action.

Financial Implications

Council's original budget was adopted on 28 June 2018 and reflected a balanced overall cash based budget.

Legal and Regulatory Compliance

Local Government (General) Regulation 2005 (the Regulations) clause 203 requires a Council's Responsible Accounting Officer to prepare and submit a quarterly budget review statement to the governing body of Council within two months of the end of the quarter.

Office of Local Government – Quarterly Budget Review Guidelines issued December 2010.

4. QUARTERLY BUDGET REVIEW STATEMENT – 31 DECEMBER 2018 (Cont.)

Risk Management Issues

Nil

Internal/External Consultation

Nil

Attachments

- 3 Quarterly Budget Review Statement – December 2018

RECOMMENDATION

1. That the document entitled "Quarterly Budget Review Statement – December 2018", as attached to the report, be noted;
2. That the variations of income, operating expenditure, capital expenditure and reserves as identified in the "Quarterly Budget Review Statement – December 2018" be approved and voted.

5. GARBAGE COLLECTION AREAS

Author	Director Finance and Corporate Strategy
Responsible Officer	Director Finance and Corporate Strategy
Link to Strategic Plans	CSP – 3.1.7 Reduce waste to landfill through effective and efficient domestic waste and recycling services to the community. CSP – 4.3.1 Operate and manage a Council in a financially sustainable manner that meets all statutory and regulatory compliance and Council policies.

Executive Summary

This report is presented to Council to consider expanding the waste collection service areas in the townships of Narromine, Trangle and Tomingley. The service areas and any proposed changes should be placed on public exhibition for a period of 28 days with public submissions made to Council during this period.

Report

Under the Local Government Act, Council must make and levy an annual charge for the provision of domestic waste management services for each parcel of rateable land for which the service is available. This is whether or not the service is actually used.

In 2015, Council determined its current waste collection service areas. After Council decided to expand the waste collection service to include Food and Garden Organics, it was agreed that efforts should be made to ensure the cost of this additional service would be minimised over the next couple of years. As part of this initiative, it was suggested that there was an opportunity to review the existing waste collection areas with a prospect to expand the areas. As such it was determined that the options for the service expansion areas be considered in the new financial year.

Accordingly, the attached maps identify the proposed waste collection service areas for each of the townships within the Shire (**see Attachments No 4.2 to 4.4**). Additions/expansions to the existing collection service areas are highlighted for ease of reference. Existing collection areas are shaded in RED while the proposed new areas are shaded in YELLOW.

It is anticipated that following public exhibition and consideration of any submissions, the newly expanded areas be added to the existing garbage collection contract with effect from 1 July 2019.

5. GARBAGE COLLECTION AREAS (Cont'd)

Financial Implications

The 2018-19 Budget will not be impacted by a proposed change in the annual levy of domestic waste collection service areas as it is proposed to start 1 July 2019.

The 2019-20 Budget will be impacted for occupied lots as shown below. Revenue and costs will only be impacted for occupied addresses as those unoccupied will pay \$88.00 per annum which is the same as the current rural land waste depot charge.

	net increase
Revenue	\$ 18,870
Direct costs	10,217
net profit	<hr/> 8,653

Legal and Regulatory Compliance

Section 496(1)- Local Government Act 1993

Office of Local Government - Council Rating and Revenue Raising Manual

Existing Contract for Garbage Collection

Risk Management Issues

Nil

Internal/External Consultation

The proposed expanded areas will be placed on public exhibition for a period of 28 days, allowing for public submissions to be received and considered by Council at the April Ordinary Council Meeting.

Attachments

- 4.1 Financial Analysis
- 4.2 Proposed Narromine Waste Collection Areas
- 4.3 Proposed Trangie Waste Collection Areas
- 4.4 Proposed Tomingley Waste Collection Areas

5. GARBAGE COLLECTION AREAS (Cont'd)

RECOMMENDATION

1. That Council approve the proposed waste collection areas of Narromine, Trangie and Tomingley as attached to the report, to be placed on public exhibition for a period of 28 days with public submissions made to Council during this period.

John Sevil
Director Finance & Corporate Strategy
Responsible Accounting Officer

Financial Institution	Bank Rating	Investment Type/Maturity Date	Investment Rating	Current Rate	Term	Amount (\$)	Comment
Cash & At Call							
CBA	AA-	Business Online Saver - at call	A-1+	1.00%	N/A	1,094,270.65	S&P Short Term
CBA	AA-	Business Online Saver - at call	A-1+	1.00%	N/A	95,441.63	S&P Short Term
TOTAL						1,189,712.28	
Percentage Exposure of Total Portfolio						5.71%	
Average Investment Yield (annualised)						1.00%	
Term Deposits							
NAB	AA-	Term Deposit - 08/01/2019	A-1+	2.67%	120 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 16/01/2019	A-1+	2.81%	208 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 23/01/2019	A-1+	2.85%	210 Days	750,000.00	S&P Short Term
Bankwest	AA-	Term Deposit - 13/02/2019	A-1+	2.75%	180 Days	1,000,000.00	S&P Short Term
Bankwest	AA-	Term Deposit - 20/02/2019	A-1+	2.75%	183 Days	1,000,000.00	S&P Short Term
Bankwest	AA-	Term Deposit - 06/03/2019	A-1+	2.65%	154 Days	1,000,000.00	S&P Short Term
AMP Bank	A	Term Deposit - 13/03/2019	A-1	2.80%	182 Days	1,000,000.00	S&P Short Term
Bankwest	AA-	Term Deposit - 20/03/2019	A-1+	2.65%	189 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 10/04/2019	A-1+	2.70%	182 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 24/04/2019	A-1+	2.70%	154 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 17/04/2019	A-1+	2.71%	126 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 15/05/2019	A-1+	2.71%	161 Days	1,000,000.00	S&P Short Term
AMP Bank	A	Term Deposit - 29/05/2019	A-1	2.70%	182 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 05/06/2019	A-1+	2.73%	182 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 12/06/2019	A-1+	2.72%	182 Days	1,000,000.00	S&P Short Term
TOTAL						14,750,000.00	
Percentage Exposure of Total Portfolio						70.74%	
Average Investment Yield (annualised)						2.73%	
Pooled Managed Investments							
TCorp	AAA	T-CorpIM Long Term Growth Fund				Market Value 4,910,202	Balance from 2017/2018 5,070,102
Percentage Exposure of Total Portfolio						23.55%	
Average Investment Yield MTH						-1.18%	
Average Investment Yield FYTD						-3.15%	
Total Investment Portfolio						20,849,914	

Back to report

Attachment 2 Investments – 31 January 2019

Financial Institution	Bank Rating	Investment Type/Maturity Date	Investment Rating	Current Rate	Term	Amount (\$)	Comment
Cash & At Call							
CBA	AA-	Business Online Saver - at call	A-1+	1.00%	N/A	320,398.66	S&P Short Term
CBA	AA-	Business Online Saver - at call	A-1+	1.00%	N/A	95,441.63	S&P Short Term
TOTAL						415,840.29	
Percentage Exposure of Total Portfolio						2.13%	
Average Investment Yield (annualised)						1.00%	
Term Deposits							
Bankwest	AA-	Term Deposit - 13/02/2019	A-1+	2.75%	180 Days	1,000,000.00	S&P Short Term
Bankwest	AA-	Term Deposit - 20/02/2019	A-1+	2.75%	183 Days	1,000,000.00	S&P Short Term
Bankwest	AA-	Term Deposit - 06/03/2019	A-1+	2.65%	154 Days	1,000,000.00	S&P Short Term
AMP Bank	A	Term Deposit - 13/03/2019	A-1	2.80%	182 Days	1,000,000.00	S&P Short Term
Bankwest	AA-	Term Deposit - 20/03/2019	A-1+	2.65%	189 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 10/04/2019	A-1+	2.70%	182 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 24/04/2019	A-1+	2.70%	154 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 17/04/2019	A-1+	2.71%	126 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 08/05/2019	A-1+	2.71%	112 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 15/05/2019	A-1+	2.71%	161 Days	1,000,000.00	S&P Short Term
AMP Bank	A	Term Deposit - 29/05/2019	A-1	2.70%	182 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 05/06/2019	A-1+	2.73%	182 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 12/06/2019	A-1+	2.72%	182 Days	1,000,000.00	S&P Short Term
NAB	AA-	Term Deposit - 19/06/2019	A-1+	2.72%	162 Days	1,000,000.00	S&P Short Term
TOTAL						14,000,000.00	
Percentage Exposure of Total Portfolio						71.87%	
Average Investment Yield (annualised)						2.71%	
Pooled Managed Investments							
						Market Value	Balance from 2017/2018
TCorp	AAA	T-CorpIM Long Term Growth Fund				5,064,034	5,070,102
Percentage Exposure of Total Portfolio						26.00%	
Average Investment Yield MTH						3.13%	
Average Investment Yield FYTD						-0.12%	
Total Investment Portfolio						19,479,874	

Back to report



Narromine Shire Council

Quarterly Budget Review

2018-2019

Second Quarter (Q2)

31 December 2018



Table of Contents

page

1. Responsible Accounting Officer's Statement
2. Income & Expenses Budget Review Statement's
3. Capital Budget Review Statement
4. Cash & Investments Budget Review Statement
5. Contracts & Other Expenses Budget Review Statement
6. Consultancy & Legal Costs

3
4
8
10
12
13

Report by Responsible Accounting Officer

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

31 December 2018

It is my opinion that the Quarterly Budget Review Statement for Narromine Shire Council for the quarter ended 31/12/18 indicates that Council's projected financial position at 30/6/19 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

John Sevil
Responsible Accounting Officer

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	Actual YTD figures
		Carry Forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
Income											
Development and Environmental Services						-				-	
Building	230					230				230	57
Fire Prevention and Emergency Services	210					210				210	0
Planning	25					25				25	2
Regulatory Services	91					91				91	11
Manager Development and Environmental Servic	1					1				1	-
Public Health	3					3				3	1
Engineering						-				-	
Water	1,729					1,729	41	13		1,770	607
Roads Bridges Footpaths	2,523			-		2,523	405	15		2,928	462
Manager Engineering Office	14					14				14	7
Parks and Reserves	6			927		933				933	0
Sport and Recreation Facilities	131					131	904	12,15,17		1,035	23
Mining	130					130				130	-
Street Lighting	44					44				44	-
Stormwater Drainage	225					225	93	18		318	328
Aerodrome	103					103				103	24
Quarry Operations	308					308				308	76
Cemeteries	72					72				72	25
Plant Operations	2,219					2,219				2,219	332
Private Works	102					102				102	89
Sewer	1,437					1,437				1,437	1,069
Waste Management	1,584					1,584				1,584	1,502
Buildings and Property	22			82		104	85	15		189	4
Governance	-					-				-	
CEO Office	68					68				68	21
Corporate Services	-					-				-	
Manager Corporate Service Office	-					-				-	41
Finance	3,849			114		3,963				3,963	572
Human Resources	23					23				23	7
Rates	5,598					5,598				5,598	5,586
Community & Economic Development	-					-				-	

(\$000's)	Original Budget 2018/19	Approved Changes					Revised Budget 2018/19	Variations for this Dec Qtr	Notes	Projected Year End Result	Actual YTD figures
		Carry Forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
Business and Economic Development						-	752	14	752	-	
Libraries	31					31			31	-	
Manager Community Services Office	20					20			20	5	
Health Services	102					102			102	24	
Children Youth and Family Services	1					1			1	-	
Tourism and Events	7					7	6	15	13	1	
Total Income from Continuing Operations	20,909	-	-	1,123	-	-	22,032		2,286	24,318	10,874
Expenses											
Development and Environmental Services						-			-		
Building	75					75			75	14	
Fire Prevention and Emergency Services	479					479			479	81	
Planning	225		-	84		141			141	86	
Regulatory Services	422			12		434			434	95	
Manager Development and Environmental Serv	22		-	2		20			20	7	
Public Health	188					188			188	40	
Engineering						-			-		
Water	1,431			27		1,458	41	13	1,499	359	
Roads Bridges Footpaths	1,730					1,730	270	15	2,000	593	
Depot Operations	231					231			231	100	
Manager Engineering Office	855		-	115		740			740	211	
Parks and Reserves	505			60		565			565	195	
Sport and Recreation Facilities	471					471	5	4,15	476	186	
Mining	132					132			132		
Street Lighting	133					133			133	34	
Stormwater Drainage	236		-	60		176	93	18	269	18	
Aerodrome	219					219			219	81	
Quarry Operations	308					308			308	71	
Cemeteries	109					109			109	21	
Plant Operations	1,100					1,100			1,100	382	
Private Works	32					32			32	203	
Sewer	955			27		982			982	222	
Waste Management	1,601					1,601			1,601	305	
Buildings and Property	16					16			16	19	
Governance						-			-		
CEO Office	1,746			8		1,754	1	5	1,753	314	
Elected Members	239					239			239	68	
Governance	69					69			69	40	
Corporate Services						-			-		

(\$000's)	Original Budget 2018/19	Approved Changes					Revised Budget 2018/19	Variations for this Dec Qtr	Notes	Projected Year End Result	Actual YTD figures
		Carry Forwards	Other than by QBRS	Sep QBRS	Dec QBRS	Mar QBRS					
Manager Corporate Service Office	171						171			171	177
Finance	294			30			324			324	137
Information Technology	623						623			623	295
Records Management	182						182			182	43
Human Resources	619						619			619	154
Community & Economic Development							-			-	
Business and Economic Development	22			197			219	25	15	244	5
Community and Social Development	83		-	2			81			81	52
Libraries	429			2			431			431	106
Manager Community Services Office	28						28			28	20
Health Services	45						45			45	21
Children Youth and Family Services	2						2			2	-
Tourism and Events	336			25			361			361	122
Total Expenses from Continuing Operations	16,364	-	-	125	-	-	16,489	433		16,922	4,607
Net Operating Result from Continuing Operator	4,545	-	-	998	-	-	5,543	1,853		7,396	6,267
Discontinued Operations - Surplus/(Deficit)							-			-	
Net Operating Result from All Operations	4,545	-	-	998	-	-	5,543	1,853		7,396	6,267
Funding											
Rates & Other Untied Funding							-				
Capital Grants & Contributions							-	(2,001)			
Reserves:											
- External Resrtictions/Reserves		-					-				
- Internal Restrictions/Reserves		-					-	148			
New Loans							-			-	
Total Funding	-	-	-	-	-	-	-	(1,853)		-	-
Net Funding - Surplus/(Deficit)	-	-	-	-	-	-	-	-		-	-

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details

Revenue

- 12 New grant to part fund Learn to Swim Pool \$300,000
- 13 New grant to part fund Narromine water supply scoping study \$41,250
- 14 New grant to part fund Narromine Aerodrome Industrial Park development \$752,000
- 15 Drought Communities grant \$1,000,000
- 17 Reallocate SCC R2 grant to Burns Oval from Streets \$100,000
- 18 New grant to part fund Narromine Flood Plain Risk Assessment \$92,571

Expenses

- 13 Narromine water supply scoping study \$55,000 part funded by grant \$41,250
- 15 Shire Pool fun days \$6,000, Roads Maintenance \$270,000, Buy Local Christmas promotion \$25,000 funded by Drought grant
- 18 Narromine Flood Plain Risk Assessment \$108,000 part funded by grant of \$92,571

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	Actual YTD figures
		Carry Forwards	Sep QBRS	Dec QBRS	Mar QBRS					
Capital Expenditure										
New Assets										
- Plant & Equipment	179	27	(3)		203	102	15	305	213	
- Land & Buildings	4,032	98	-		4,131	604	14	4,735	99	
- Roads, Bridges, Footpaths	91	487	-		579			579	250	
- Other Infrastrucure	2,632	93	7		2,731	352	12,15	3,083	37	
- Water & Sewer	265	335	-		600			600	-	
Renewal Assets (Replacement)										
- Plant & Equipment	1,204	-	22		1,226	125	15	1,351	656	
- Land & Buildings	104	151	-		255	72	15	327	330	
- Roads, Bridges, Footpaths	2,980	109	-		3,089			3,089	1,533	
- Other Infrastrucure	355	1,105	1,021		2,481	450	2,7,15,17	2,931	2,354	
- Water & Sewer	2,323	3,088	(37)		5,375			5,375	1,464	
Total Capital Expenditure	14,165	5,494	1,010	-	20,669	1,705		22,374	6,937	
Capital Funding										
Rates & Other Untied Funding					-			-		
Capital Grants & Contributions		539	1,010		1,549	1,705		3,254		
Reserves:										
- External Resrtictions/Reserves		3,614			3,614			3,614		
- Internal Restrictions/Reserves		1,340			1,340			1,340		
New Loans					-			-		
Receipts from Sale of Assets										
- Plant & Equipment					-			-		
- Land & Buildings					-			-		
Total Capital Funding	-	5,493	1,010	-	6,503	1,705		8,208	-	
Net Funding - Surplus/(Deficit)	(14,165)	-	-	-	(14,165)	-		(14,165)	(6,937)	

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details

2	Trangie Showground Grandstand Seating cost increase \$3,000 funded from LTP reserve
7	Relocation of Glenn McGrath nets \$64,822 funded by grants
12	Narromine Learn to Swim pool State grant funding \$300,000
14	Narromine Aerodrome Capital Grant \$752,000, less reserves \$150,000
15	Projects funded by Drought Communities grant \$1,000,000

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	Notes	Projected Year End Result
		Carry Forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs				
Externally Restricted ⁽¹⁾										
Developers Contributions	259					259			259	
Special Purpose Unexpended Grants	4,065	(190)		(12)		3,863			3,863	
Street Lighting - Unexpended Loan	5					5			5	
Domestic Waste Management	807					807			807	
Domestic Waste Unexpended Grants	109					109			109	
OROC Surplus Operating Funds	205					205			205	
OROC - Unexpended Grant	135					135			135	
NSRAC - Operating Funds	93					93			93	
TSRAC - Operating Funds	11					11			11	
TSRAC - Bonds	1					1			1	
WATER FUND	-					-			-	
Water Network - Operating Funds	2,302					2,302			2,302	
Water Network - S64 Contributions	141					141			141	
Water Network - Capital Works Carried Forward	1,805	(1,805)				-			-	
SEWERAGE FUND	-					-			-	
Sewerage - Operating Funds	3,894					3,894			3,894	
Sewerage Funds - S64 Contributions	75					75			75	
Sewerage Fund - Capital Works Carried Forward	1,619	(1,619)				-			-	
.	-					-			-	
.	-					-			-	
Total Externally Restricted	15,525	(3,614)	-	(12)	-	11,899	-		11,899	
(1) Funds that must be spent for a specific purpose										
Internally Restricted ⁽²⁾										
Executive Services						-			-	
Election Expenses	19					19			19	
Financial Management						-			-	
Employee Leave Entitlements	545					545			545	
Capital Works Carried Forward	1,340	(1,340)				-			-	
OHS Bonus	84					84			84	
Environment						-			-	
Wetlands Development	46					46			46	
Youth Services						-			-	
Youth Education Activities (Mac 2100 Grant)	18					18			18	
Health Facilities						-			-	
Medical Centre	91					91			91	
Cultural Development						-			-	
Trangie Local History Group	1					1			1	
Aerodrome						-			-	
Aerodrome Development	2					2			2	
Natfly	4					4			4	
Mining						-			-	
Alkane - Roads Contribution	87					87			87	

(\$000's)	Original Budget 2018/19	Approved Changes					Revised Budget 2018/19	Variations for this		Notes	Projected Year End Result
		Carry Forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs		Dec	Qtr		
Alkane - Community Contributions (future fund)	69						69				69
Alkane - Environmental Monitoring	55						55				55
Alkane - Tomingley Water Tanks Project	60						60				60
Economic Development							-				-
Economic Development Reserve	12						12				12
Real Estate Development							-				-
Land Development	499						499	150	14		649
MVFDC							-				-
Family Day Care - Operating Account	199						199				199
Long Term Asset Plans							-				-
Office Equipment (LTP)	21						21				21
IT Strategy (LTP)	129						129				129
Administration Buildings (LTP)	33						33				33
Pound Improvements (LTP)	16						16				16
Community Hall Upgrades (LTP)	34						34	(2)	2		32
Public Amenities Upgrades (LTP)	35						35				35
Library Improvements (LTP)	140						140				140
Cemetery Improvements (LTP)	26						26				26
Council Buildings	52						52				52
Depot Improvements (LTP)	62						62				62
Plant and Vehicle Replacement (LTP)	306						306				306
Quarries	485						485				485
Footpaths (LTP)	5						5				5
Street Lighting Works	9						9				9
Drainage Construction (LTP)	122						122				122
Kerb & Gutter Construction - Narromine (LTP)	91						91				91
Kerb & Gutter Construction - Trangie (LTP)	143						143				143
Kerb & Gutter Construction - Tomingley (LTP)	5						5				5
Stormwater Levee Bank	2						2				2
Aerodrome Capital Improvements (LTP)	151						151				151
Playground Equipment Upgrades (LTP)	50						50				50
Playground Shade Structure Upgrades (LTP)	49						49				49
Playground/Sporting Fields Fencing (LTP)	33						33				33
Park Amenities (LTP)	95						95				95
Street Tree Planting Program	2						2				2
Street Tree Irrigation Program	7						7				7
Softfall Establishment (LTP)	73						73				73
Sporting Facility Upgrades (LTP)	146						146				146
Irrigation System Establishment (LTP)	72						72				72
Sports Centre Upgrades (LTP)	26						26				26
Trangie Showground Pavilion	1						1				1
Swimming Facilities Upgrade (LTP)	25						25				25
Total Internally Restricted	5,575	(1,340)	-	-	-	-	4,235	148			4,383
(2) Funds that Council has earmarked for a specific purpose											
Unrestricted (ie. available after the above Restrict	3,255	4,954	-	12	-	-	8,221	(148)			8,073
Total Cash & Investments	24,355						24,355				24,355

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	Start Date	Duration of Contract	Budgeted (Y/N)	Notes
Rosmech Sales & Services Pty Ltd	Supply One Street Sweeper	\$ 327,633	01/10/18	on supply	Y	
Stanaway Pty Ltd t/a David Payne Constructions	Construction/Redevelopment of Alan Burns Oval, Trangie	\$ 918,111	01/10/18	16 weeks	Y	
Simtec Surveillance and Security	CCTV Works Narromine	\$ 176,748	01/10/18	on completion	Y	

Consultancy & Legal Expenses Budget Review Statement

Consultancy & Legal Expenses Overview

Expense	YTD Expenditure (Actual Dollars)	Budgeted (Y/N)
Consultancies	143,168	Y
Legal Fees	9,008	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.

Comments

Expenditure included in the above YTD figure but not budgeted includes:

Details

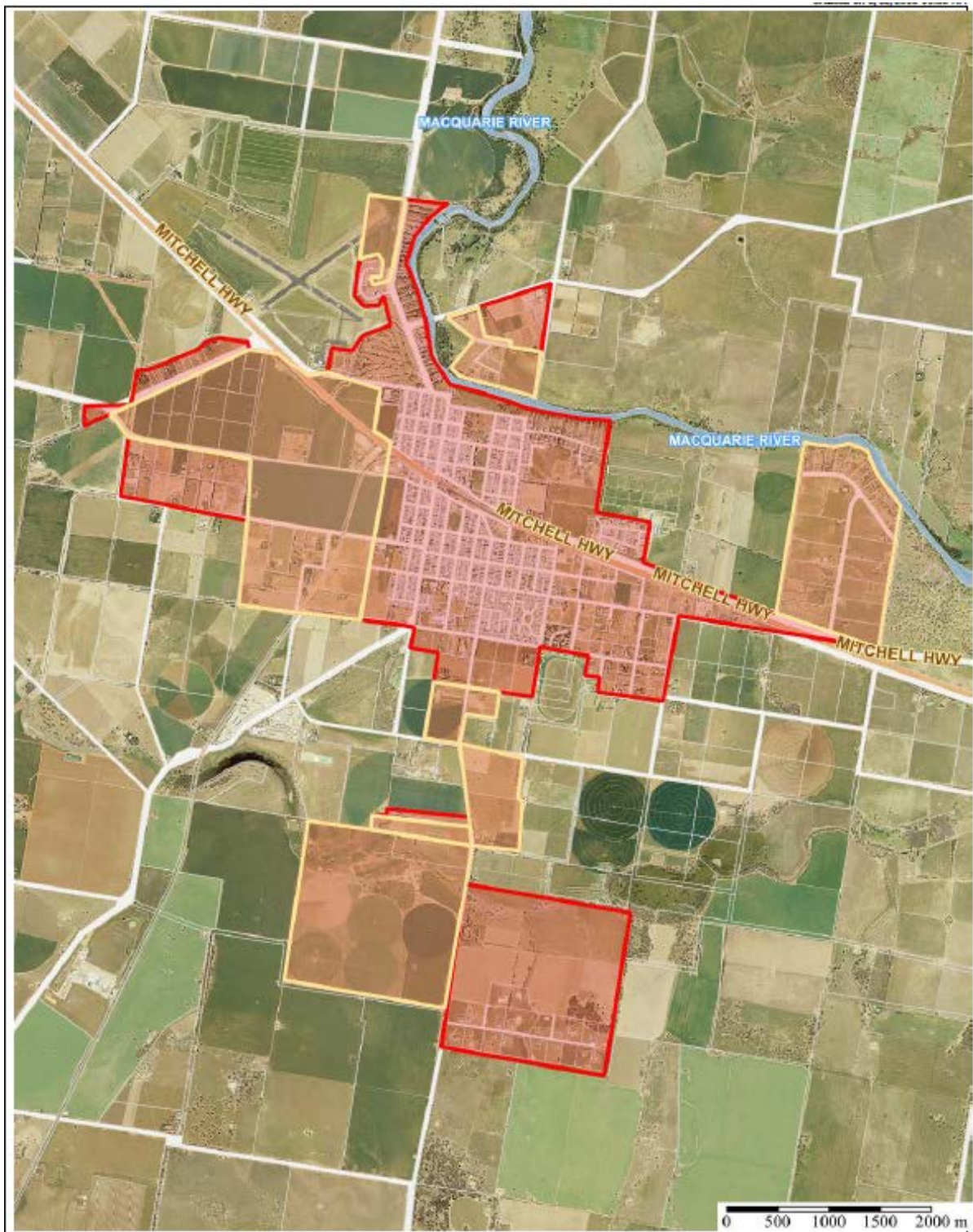
[Back to report](#)

Attachment 4.1 - Financial Analysis

Lots added				New Charges:				Total change
	Total	occupied	unoccupied		Mixed Red	Recycling Yellow	FOGO Green	
				<i>Revenue p.a.</i>	\$ 375.00	\$ 98.00	\$ 82.00	
Narromine	39	34	5		12,750.00	3,332.00	2,788.00	
Trangie	1	-	1		-	-	-	
Tomingley	-	-	-		-	-	-	
	40	34	6	Total Revenue	12,750.00	3,332.00	2,788.00	18,870.00
				<i>Costs p.a.</i>	\$ 85.24	\$ 94.01	\$ 121.25	
Narromine	39	34	5		2,898.11	3,196.18	4,122.66	
Trangie	1	-	1		-	-	-	
Tomingley	-	-	-		-	-	-	
	40	34	6	Total Costs	2,898.11	3,196.18	4,122.66	10,216.94
				Gross Margin	9,851.89	135.82	- 1,334.66	8,653.06
				Gross Margin	77%	4%	-48%	46%
DWM charges - from 2018/19 Fees & Charges (excl. GST)								
				Waste Management Domestic - occupied	\$ 375.00			
				Waste Management Domestic - unoccupied	\$ 88.00			
				Recycling - Domestic	\$ 98.00			
				FOGO - Residential	\$ 82.00			
				Waste Depot Charge - all rural land	\$ 88.00			

[Back to report](#)

Attachment 4.2 – Proposed new areas – Narromine (yellow)



[Back to report](#)

Attachment 4.3 – Proposed new areas – Trangie (yellow)



[Back to report](#)

Attachment 4.4 – Proposed new areas – Tomingley (yellow)



[Back to report](#)