



QUARTERLY BUDGET REVIEW STATEMENT

MARCH 2019

2019/254411

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Northern Beaches Council
Income and expenses budget review statement
For the period 1 July 2018 to 31 March 2019

	2017-18 Actual \$'000	Annual					Year to date			
		ORIGINAL	Approved changes to Budget	REVISED	Recommended changes for Council resolution	CURRENT	YTD Actual \$'000	YTD Approved Budget \$'000	YTD Variance \$'000	YTD %
		Budget \$'000	\$'000	Budget \$'000	\$'000	Forecast \$'000				
Income from continuing operations										
Rates and Annual Charges	210,095	210,460	588	211,048	(520)	210,528	211,117	210,654	462	0%
User Charges & Fees	80,066	79,538	1,021	80,559	(583)	79,976	62,308	61,061	1,246	2%
Investment Fees and Revenues	6,194	5,748	325	6,073	264	6,337	4,992	4,655	337	7%
Other Revenues	24,945	25,279	732	26,010	(95)	25,915	19,514	19,081	434	2%
Grants and Contributions - Operating Purposes	16,586	14,744	902	15,646	602	16,248	8,543	11,333	(2,789)	(25%)
Grants and Contributions - Capital Purposes	53,599	11,985	1,696	13,681	2,883	16,564	12,474	9,929	2,545	26%
Gains on disposal of Assets	(390)	765	(400)	365	935	1,300	883	234	649	278%
Total income from continuing operations	391,096	348,518	4,864	353,381	3,486	356,868	319,831	316,947	2,884	1%
Expenses from continuing operations										
Employee Benefits & Oncosts	(124,306)	(134,415)	3,809	(130,607)	1,941	(128,666)	(94,043)	(96,565)	2,522	(3%)
Borrowing Costs	(3,478)	(3,572)	120	(3,452)	167	(3,285)	(2,483)	(2,458)	(25)	1%
Materials and Contracts	(114,615)	(119,019)	270	(118,749)	1,154	(117,595)	(83,142)	(88,881)	5,739	(6%)
Depreciation and Amortisation	(34,914)	(35,386)	(1,966)	(37,353)	42	(37,311)	(27,450)	(27,826)	375	(1%)
Other Expenses	(35,454)	(35,401)	(183)	(35,584)	296	(35,288)	(25,904)	(26,950)	1,047	(4%)
Total expenses from continuing operations	(312,777)	(327,793)	2,049	(325,744)	3,600	(322,144)	(233,022)	(242,679)	9,658	(4%)
Surplus / (Deficit) from continuing operations	78,319	20,724	6,912	27,637	7,086	34,723	86,810	74,268	12,542	17%
Surplus / (Deficit) before Capital Grants & Contributions	24,720	8,739	5,216	13,956	4,203	18,159	74,335	64,338	9,997	16%
Less: Rates yet to be allocated							(40,022)	(40,022)	-	
Surplus / (Deficit) before Capital Grants & Contributions							34,314	24,317	9,997	41%

Northern Beaches Council

Income and expenses budget review statement excluding Kimbriki Environmental Enterprises

For the Period 1 July 2018 to 31 March 2019

Council is the majority shareholder (96%) in Kimbriki Environmental Enterprises Pty Ltd. Kimbriki operates a waste and recycling business with a 25-year lease over a Council owned site. As a subsidiary of the Council, the consolidated financial reports of the Council incorporate the Kimbriki operation. For the information of the Council, an Income Statement has been prepared to represent the financial results of the Council's operations, excluding Kimbriki.

	Annual				Year to date			
	ORIGINAL	Approved	REVISED	Proposed	CURRENT	YTD	YTD	%
	Budget	Change	Budget	Change	Forecast	Actual	Forecast	Variance
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from continuing operations								
Rates and Annual Charges	210,460	588	211,048	(520)	210,528	211,117	210,654	462
User Charges & Fees	57,270	1,478	58,748	(349)	58,399	45,245	44,974	271
Investment Fees and Revenues	5,651	260	5,911	227	6,138	4,818	4,517	301
Other Revenues ¹	25,377	800	26,178	(229)	25,948	19,217	19,035	181
Grants and Contributions - Operating Purposes	14,744	902	15,646	602	16,248	8,543	11,333	(2,789)
Grants and Contributions - Capital Purposes	11,985	1,696	13,681	2,883	16,564	12,474	9,929	2,545
Gains on disposal of Assets	765	(400)	365	935	1,300	883	234	649
Total income from continuing operations	326,252	5,324	331,576	3,549	335,125	302,296	300,677	1,620
Expenses from continuing operations								
Employee Benefits & Oncosts	(128,957)	3,400	(125,557)	1,997	(123,560)	(90,305)	(92,776)	2,471
Borrowing Costs	(2,459)	548	(1,912)	167	(1,745)	(1,327)	(1,410)	83
Materials and Contracts ²	(116,801)	(1,395)	(118,196)	1,154	(117,041)	(81,562)	(88,655)	7,093
Depreciation and Amortisation	(33,656)	(2,000)	(35,656)	-	(35,656)	(26,261)	(26,591)	330
Other Expenses	(26,586)	375	(26,211)	236	(25,975)	(19,173)	(20,051)	878
Total expenses from continuing operations	(308,459)	928	(307,531)	3,554	(303,977)	(218,629)	(229,483)	10,854
Surplus / (Deficit) from continuing operations	17,793	6,252	24,045	7,103	31,148	83,668	71,194	12,474
Surplus / (Deficit) before Capital Grants & Contributions	5,808	4,556	10,364	4,220	14,583	71,193	61,265	9,929
Less: Rates yet to be allocated						(40,022)	(40,022)	-
Surplus / (Deficit) before Capital Grants & Contributions						31,172	21,243	9,929
								47%

¹ Other Revenues includes lease income received from Kimbriki

² Materials and Contracts includes disposal costs charged to Council by Kimbriki

Northern Beaches Council

Income and Operating Expenses – proposed changes to budget

For the period 1 July 2018 to 31 March 2019

Budget variations being recommended include the following material items:

Note	Proposed variation		Details
	Fav / (Unfav)		
	\$'000	%	
1	(520)	-0.2%	Rates and Annual Charges Primarily credits for customers reducing their bin services - \$640,000
2	(583)	-0.7%	User Charges & Fees Decreases in : <ul style="list-style-type: none"> Development Applications related fees - \$624,000 Income from the Lakeside Caravan Park - \$280,000 Kimbriki tipping fees - \$233,885 Vacation Care income- \$201,593 and other childcare fees - \$100,000 Fees from planning proposals - \$115,309 User fees at Community Centres - \$78,000 Partially offset by Increases in: <ul style="list-style-type: none"> Additional income from parking stations - \$280,000 Road restorations income - \$250,648 Aquatic Centres fee income - net \$200,000 Cemetery fees - \$115,000 Currawong income - \$150,000
3	264	4.3%	Investment Fees and Revenues Investment income due to higher than anticipated investment funds available - \$263,698
4	(95)	-0.4%	Other Revenues Decreases in : <ul style="list-style-type: none"> Parking fines - \$1m and other fines - \$250,000 Largely offset by increases as a result of: <ul style="list-style-type: none"> Container Deposit Scheme (CDS) payments - \$420,000 More advertising on council structures - \$297,000 Higher patronage at the Manly Andrew Boy Charlton Aquatic Centre - \$200,000 Recycling income at Kimbriki - \$134,000 Various other revenues - \$150,000
5	602	3.8%	Grants and Contributions - Operating Purposes Additional operational grants and contributions relating to: <ul style="list-style-type: none"> Adshel - \$525,000 Plans of Management funding - \$100,000 Quality learning environments at pre-schools - \$77,352 The West Esplanade maritime precinct - \$50,000 Sand dune rehabilitation - \$20,000 Partially offset by reductions in Contributions for: <ul style="list-style-type: none"> Traffic facilities - \$130,000 Various flood studies - \$90,648 Memorial benches and plaques - \$28,000

Note	Proposed variation Fav / (Unfav)		Details
6	2,883	21.1%	Grants and Contributions - Capital Purposes Additional capital grants and contributions received including: <ul style="list-style-type: none"> • \$1.573m for the recognition of the fair value of land at Belrose TAFE purchased for a nominal amount of \$1 • \$627,500 for the Regional Road Repair Program • \$150,000 for the Glen Street synthetic playing fields • \$180,000 for the Coastal Walk Art Trail • \$90,909 for renovations at the Kangaroo Street Preschool
7	935	256.2%	Gains on disposal of Assets <ul style="list-style-type: none"> • Sale of three road reserves at Clontarf, Whale Beach and Palm Beach - \$422,500 • Additional fleet sales income - \$512,500
	3,486		TOTAL INCOME VARIATIONS
8	1,941	-1.5%	Employee Benefits & Oncosts A review of employee costs has resulted in a forecast decrease of 1.5%, with savings identified due to staff vacancies and staff leave. This has been partially offset with the use of contractors and labour hire.
9	167	-4.8%	Borrowing Costs Lower interest rates
10	1,154	-1.0%	Materials and Contracts Materials and Contracts expenditure is forecast to decrease by 1%, predominantly as a result of: Decreases in: <ul style="list-style-type: none"> • Domestic Waste Management waste disposal - \$1.3m • Other waste disposal - \$900,000 • Roadworks related materials - \$200,000 • IT contracts and software (transferred to CapEx) - \$330,000 • Floodplain program due to additional study scope - \$297,000 • Plant and fleet maintenance and fuel costs - \$280,000 Increases in: <ul style="list-style-type: none"> • Contract Services for Roadworks, restoration works and tidal pools - \$1.7m (partly connected to increase in incomes) • Agency Personnel - \$1.5m • Maintenance and operational works in Facilities, Property & Aquatic Centres - \$750,000 • Contract Services - Other - \$440,000 • Contract Services - LandUse Planning - \$152,000 Plus various adjustments between materials and contracts and other expenses.
11	42	-0.1%	Depreciation and Amortisation A review of depreciation has resulted in an immaterial decrease of 0.1% to the depreciation expense due to the timing of capital works.
12	296	-0.8%	Other Expenses Savings in: <ul style="list-style-type: none"> • Kimbriki expenses - \$160,000 • Corporate Services other expenses - \$97,000 • Advertising and Promotional Costs - \$67,378 • Electricity & Gas - \$44,623 Partially offset by: <ul style="list-style-type: none"> • Increase in Kimbriki Rent - \$71,239
	3,486		TOTAL OPERATING EXPENSES VARIATIONS
	7,086		TOTAL RECOMMENDED CHANGES TO INCOME AND OPERATING EXPENSES

Northern Beaches Council
Capital Budget Statement
For the Period 1 July 2018 to 31 March 2019

	Original Budget \$'000	Changes Approved By Council \$'000	Approved Forecast \$'000	Recommended changes for Council Resolution \$'000	Current Forecast \$'000	1 July 2018 to 31 March 2019 \$'000	Actual March 2019 \$'000
Capital Funding (by Type)							
Working Capital	13,205	1,402	14,607	(15)	14,592	14,592	5,431
Depreciation	37,849	5,813	43,662	(1,855)	41,807	41,807	25,028
Capital Grants & Contributions	4,210	696	4,906	3,346	8,252	8,252	6,105
External Restrictions							
- Development contributions	12,802	1,514	14,317	(1,731)	12,585	12,585	7,211
- Domestic waste management	19,500	-	19,500	(7,500)	12,000	12,000	3,136
- Unexpended Capital Grants & Contributions (incl SCF)	11,011	(2,020)	8,990	(4,516)	4,474	4,474	4,966
- Other	21	0	21	122	143	143	12
Internal Restrictions							
- Merger Savings Fund	3,781	158	3,939	(1,249)	2,690	2,690	201
- Other	5,823	(187)	5,636	(71)	5,565	5,565	3,079
Income from Sale of Assets							
- Plant and equipment	3,081	77	3,158	-	3,158	3,158	2,393
Total Capital Funding	111,283	7,453	118,736	(13,470)	105,267	105,267	57,564
Capital Expenditure (by Service)							
Children's Services	1,550	(140)	1,410	9	1,419	1,419	944
Community, Arts and Cultural Services	1,749	173	1,922	(287)	1,635	1,635	818
Corporate Support Services	2,369	(202)	2,167	585	2,752	2,752	1,580
Economic Development, Events and Engagement Services	8,732	382	9,114	(364)	8,750	8,750	4,086
Environment and Sustainability Services	8,725	1,143	9,869	(1,416)	8,453	8,453	4,894
Kimbriki Resource Recovery Centre	3,542	660	4,202	1,850	6,052	6,052	3,013
Library Services	2,018	94	2,112	(423)	1,689	1,689	857
Parks and Recreation Services	21,107	912	22,019	(665)	21,353	21,353	13,694
Property and Facilities Services	7,106	184	7,290	(1,184)	6,106	6,106	3,767
Transport, Traffic and Active Travel	34,815	4,247	39,062	(4,075)	34,987	34,987	20,714
Waste and Cleansing Services	19,570	-	19,570	(7,500)	12,070	12,070	3,196
Total Capital Expenditure	111,283	7,453	118,736	(13,470)	105,267	105,267	57,564

Northern Beaches Council

Capital Expenditure - proposed changes to budget

For the Period 1 July 2018 to 31 March 2019

	YTD Actual \$	YTD Forecast \$	Variance \$
Total Capital Expenditure	(57,563,572)	(64,612,491)	(7,048,919)

	Annual Budget \$	Approved Forecast \$	Approved Budget Variations \$	Current Forecast \$	Proposed March Review Variations \$
Total Capital Expenditure	(111,282,815)	(118,736,243)	(7,453,423)	(105,266,522)	13,469,720

Description	\$
Changes by Council Resolution during the first quarter:	(7,744,439)
Changes by Council Resolution in the September 2018 Budget Review:	(1,297,764)
Changes by Council Resolution in the December 2018 Budget Review:	1,588,780
Approved Capital Expenditure forecast changes	(7,453,423)
Proposed Changes to the Approved Capital Expenditure Forecast	
<u>Budget funding reallocation between projects</u>	
Glen St Masterplan Implementation	150,000
Connecting all Through Play - Active Play	(150,000)
Forestville War Memorial Fields Masterplan	150,000
Sport Buildings Works Program	(150,000)
Recreational Trails Renewal Program	110,000
Dinghy Storage	31,950
Reserves Renewal Program	(141,950)
Bus Stop Renewal	29,321
Car Park Renewal	99,424
Retaining Wall Renewal	134,937
Bridge Renewal	87,106
Tidal Pools Refurbishment	(350,788)
Retaining Wall Renewal	53,440
Footpath Renewal	(11,661)
Kerb and Gutter Renewal	(41,779)
	-
<u>Rollover to 2019/20</u>	
Collaroy-Narrabeen Coastal Protection Works	1,166,000
Dee Why Town Centre – Construction – Phase 1	238,773
Dee Why Children's Centre Design Works	40,000
Connecting Communities - Footpaths Programs	688,712
Connecting Communities - Cycleways Program	1,633,790
Connecting all Through Play - Active Play	1,692,793
Reserves - New and Upgrades	60,000
Warriewood Valley - Public Space and Recreation	374,156
Narrabeen Lagoon Trail - Aquatic Boardwalk	304,856
New Infrastructure for Church Point	115,000
Theo Batten Bequest Purchases	9,031
Warriewood Valley Community Centre	33,000
Church Point Masterplan Wharf Extension	1,634,756
Creative Arts Space - Merger Savings Fund	68,650
Youth Friendly Spaces - Merger Savings Fund	189,000
Terrey Hills Emergency Services Headquarters Design Works	100,000
Currawong Cottages New Cottages, Games Room and Amenities	350,000
New Library Technology	228,563
Mona Vale Surf Lifesaving Club	368,000

Description	\$
Long Reef Surf Lifesaving Club	105,000
Planned Stormwater Renewals	300,000
Public Amenities Works Program	447,428
Nolans Reserve Sports Amenities Works	639,000
North Narrabeen Rock Pool Amenities Works	266,173
Beacon Hill Community Centre and Youth Club	373,001
Manly Library	216,000
Cemetery Works Program	90,000
Bin Replacements	3,000,000
Sydney Lakeside Holiday Park Renewal Works	53,000
	14,784,682
<u>Brought forward from 2019/20</u>	
Library Buildings Works Program	(11,000)
Glen Street Theatre Renewal Works	(17,000)
Warringah Aquatic Centre Renewals	(55,179)
Manly Aquatic Centre Renewals	(16,695)
Manly Laneways - Renewals	(210,000)
	(309,874)
<u>Increase in Capital Works Budget</u>	
Collaroy Beach Accessible Toilet and accessibility upgrades	(4,648)
New Traffic	(130,000)
IT Software – New Works	(434,608)
Foreshores - New and Upgrades	(400,000)
Library Bookstock	(10,743)
Land - Belrose TAFE	(1,573,000)
Sportsfield Renewal Program	(150,000)
Reserves Renewal Program	(61,050)
Road Resheeting	(639,500)
Children's Centres Works Program	(49,000)
Operational Buildings Works Program	(430,000)
Sport Buildings Works Program	(110,000)
Warriewood Rugby Park Clubhouse	(39,000)
Energy Saving Initiatives Works Program (SRV)	(50,000)
IT Service Delivery - Replacement	(150,000)
	(4,231,549)
<u>Decrease in Capital Works Budget</u>	
Dee Why Town Centre – Design	334,800
Warriewood Valley - MacPherson St Bridge	100,594
Warriewood Valley – Traffic and Transport Infrastructure	207,327
Bike Plan Implementation - New	84,519
Bayview to Church Point Timber Walkway	29,000
Bin Replacements	4,500,000
	5,256,240
<u>Grant and Contribution funded increases / decreases</u>	
Coast Walk Art Trail - Merger Savings Fund	(180,000)
	(180,000)
<u>Kimbriki</u>	
Kimbriki High Level Drain	60,000
Kimbriki Landfill Cell Development Area 4A	(1,925,843)
Kimbriki Landfill Resource Recovery Facility	16,064
	(1,849,779)
TOTAL RECOMMENDED CHANGES TO CAPITAL EXPENDITURE AND FUNDING	13,469,720

Northern Beaches Council
Capital Expenditure - proposed changes to budget - funding and comments
For the Period 1 July 2018 to 31 March 2019

Description	Budget Variation (INCR) / - DECR	Commentary	FUNDING - INCREASE / (DECREASE)					Depreciation/ Working Capital
			Developer Contributions	Unexpended Grants	Externally Restricted Reserves	Internally Restricted Reserves	Grants and Contributions - Capital	
Budget funding reallocation between projects								
Glen St Masterplan Implementation	150,000	Wakehurst Soccer Club contribution received through the Asia Cup Legacy Fund (working capital funds redistributed to Connecting Communities - Active Play)						(150,000)
Connecting all Through Play - Active Play	(150,000)	Working capital funds redistributed from Glen St Masterplan Implementation following their receipt of external contribution.						150,000
Forestville War Memorial Fields Masterplan	150,000	Project has been complete with savings; as per Council resolution 175/18 funding allocated to Sport Buildings Works Program	(150,000)					
Sport Buildings Works Program	(150,000)	Council Resolution 175/18: To progress the upgrade of Change rooms at Melwood Oval	150,000					
Recreational Trails Renewal Program	110,000	Works deferred for Manly Dam to prioritise the Central Road Bridge works; funding allocated to Reserves Renewal Program due to urgent works						(110,000)
Dinghy Storage	31,950	Program reduced to prioritise the Central Road Bridge works; funding allocated to Reserves Renewal Program due to urgent works						(31,950)
Reserves Renewal Program	(141,950)	Unscheduled renewal of Central Road Bridge due to urgent works						141,950
Bus Stop Renewal	29,321	Program delivered under budget; funding allocated to Tidal Pools Refurbishment job						(29,321)
Car Park Renewal	99,424	Program delivered under budget; funding allocated to Tidal Pools Refurbishment job						(99,424)
Retaining Wall Renewal	134,937	Program delivered under budget; funding allocated to Tidal Pools Refurbishment, Footpath Renewal and Kerb and Gutter Renewal jobs						(134,937)

Description	Budget Variation (INCR) / - DECR	Commentary	FUNDING - INCREASE / (DECREASE)					Depreciation/ Working Capital
			Developer Contributions	Unexpended Grants	Externally Restricted Reserves	Internally Restricted Reserves	Grants and Contributions - Capital	
Bridge Renewal	87,106	Lower than anticipated cost expected to complete design investigations for Ocean Street Bridge; funding allocated to Tidal Pools Refurbishment job						(87,106)
Tidal Pools Refurbishment	(350,788)	Additional funding required for Tidal Pool refurbishments at 40 Baskets Beach Pool and Clontarf Reserve Pool						350,788
Retaining Wall Renewal	53,440	Program delivered under budget; funding allocated to Tidal Pools Refurbishment, Footpath Renewal and Kerb and Gutter Renewal jobs						(53,440)
Footpath Renewal	(11,661)	Additional costs due to a contract variation on the renewal of the footpath on Pacific Parade Dee Why.						11,661
Kerb and Gutter Renewal	(41,779)	Slightly higher costs than anticipated for kerb and gutter renewals associated with the road resheet program.						41,779
TOTAL Budget funding reallocation between projects	-		-	-	-	-	-	-
Rollover to 2019/20								
Collaroy-Nairabreen Coastal Protection Works	1,166,000	Construction delayed due to finalisation of grant funding, design and contractor engagement		(583,000)				(583,000)
Dee Why Town Centre – Construction – Phase 1	238,773	Delay in delivery of pavers for works on Pittwater Road east.	(238,773)					
Dee Why Children's Centre Design Works	40,000	This is a multi-year project. The funds proposed to be used for concept design in 18/19 will now be used in 19/20 due to longer than anticipated community consultation on the location of this proposed building.						(40,000)
Connecting Communities - Footpaths Programs	688,712	Whale Beach Road and Newport to Avalon projects to undergo additional consultation			(688,712)			
Connecting Communities - Cycleways Program	1,633,790	Pittwater Rd Collaroy works delayed by Sydney Water. Newport to Avalon shared path pushed out to 2019/20 for further consultation.		(3,703,147)	819,357		1,250,000	

Description	Budget Variation (INCR) / - DECR	Commentary	FUNDING - INCREASE / (DECREASE)					Depreciation/ Working Capital
			Developer Contributions	Unexpended Grants	Externally Restricted Reserves	Internally Restricted Reserves	Grants and Contributions - Capital	
Connecting all Through Play - Active Play	1,692,793	SLSC projects at North Steyne, Warriewood and Queenscliff on hold awaiting lease agreements/MOUs. The roll over of these funds is due to the finalisation of project scopes with the relevant surf life saving clubs which has delayed the projects deliveries		(801,793)		(891,000)		
Reserves - New and Upgrades	60,000	Delay in finalising Lagoon Park Landscape Plan, with the shared path lighting to undergo further community consultation.	(60,000)			(100,000)		100,000
Warriewood Valley - Public Space and Recreation	374,156	Delay in detailed design for 3 Boondah Rd means construction won't start until 19/20. 374k to be rolled over	(374,156)					
Narrabeen Lagoon Trail - Aquatic Boardwalk	304,856	Delay in acceptance of detailed design will push back commencement by 1 month	(304,856)					
New Infrastructure for Church Point	115,000	Works behind program due to delays in Heritage approvals.		100,000				(215,000)
Theo Batten Bequest Purchases	9,031	Ceramic art purchases planned for 2018/19 with remaining funds to roll over towards purchases in 2019/20			(9,031)			
Warriewood Valley Community Centre	33,000	Forecast expenditure for 2018-19 has been revised down. A Project Steering Group has been appointed and work will progress into the new financial year.	(33,000)					
Church Point Masterplan Wharf Extension	1,634,756	Works behind program due to delays in crown land acquisition					(534,000)	(1,100,756)
Creative Arts Space - Merger Savings Fund	68,650	Project has been delayed due to changes in scope				(68,650)		
Youth Friendly Spaces - Merger Savings Fund	189,000	Project rescheduled to allow for the delay in the Lionel Watts synthetic field. New cricket nets need to be ready before old ones can be demolished to make way for the skate park.				(189,000)		
Terrey Hills Emergency Services Headquarters Design Works	100,000	This project has been placed on hold while the emergency services agencies that are involved in the project seek to find agreement on the projects scope of delivery					(100,000)	

Description	Budget Variation (INCR) / - DECR	Commentary	FUNDING - INCREASE / (DECREASE)					Developer Contributions	Unexpended Grants	Externally Restricted Reserves	Internally Restricted Reserves	Grants and Contributions - Capital	Depreciation/ Working Capital
Currawong Cottages New Cottages, Games Room and Amenities	350,000	Delay in design and approvals.							(378,000)			28,000	
New Library Technology	228,563	Revised project timeline for the technology solution to manage loans, returns and security processes for the libraries due to aligning the project with the refurbishments underway at Manly and Mona Vale											(228,563)
Mona Vale Surf Lifesaving Club	368,000	Delay due to changes in DA approval. \$368k to be rolled over to second half of 2019/20							(400,000)		32,000		
Long Reef Surf Lifesaving Club	105,000	This is a multi-year project. The funds to be rolled over are part of the total budget for this new building and reflect the current project timeline and expenditure phasing for the new surf life saving club's delivery							(105,000)				
Planned Stormwater Renewals	300,000	Construction phase delayed for the Fairy Bower Pool stormwater outlet works and other planned renewal projects.											(300,000)
Public Amenities Works Program	447,428	East Esplanade Public Amenities design is currently being finalised, however works will be slightly delayed due to the requirement to remove redundant underground services.											(447,428)
Nolans Reserve Sports Amenities Works	639,000	The project is behind schedule as the contracted builder was unable to proceed with the project.											(639,000)
North Narrabeen Rock Pool Amenities Works	266,173	Works were delayed at the request of the users of the building and are now due for completion in August 2019.											(266,173)
Beacon Hill Community Centre and Youth Club	373,001	The project is behind schedule as the contracted builder was unable to proceed with the project.											(373,001)
Manly Library	216,000	A delay in the availability of the interior designer impacted the timeline for this project.											(216,000)
Cemetery Works Program	90,000	The works to improve the Mona Vale cemetery are tracking behind schedule and will be finalised in the 19/20 year and this roll over of funds reflects the project timeline.									(170,000)		80,000
									11				

Description	Budget Variation (INCR) / - DECR	Commentary	FUNDING - INCREASE / (DECREASE)					Depreciation/ Working Capital
			Developer Contributions	Unexpended Grants	Externally Restricted Reserves	Internally Restricted Reserves	Grants and Contributions - Capital	
Bin Replacements	3,000,000	Reforecast of the bin replacement program to reflect the lower than anticipated contract expenses. Reallocate \$3M to 19/20 to fund the remainder of the bin rollout, and transfer the balance of funds that are not required to the Domestic Waste Reserve.			(3,000,000)			
Sydney Lakeside Holiday Park Renewal Works	53,000	Approximately half the work has been completed to improve various cabins and shared amenities with the remainder scheduled for the quieter winter period.						(53,000)
TOTAL Rollover to 2019/20	14,784,682		(1,010,785)	(5,870,940)	(2,878,386)	(1,386,650)	644,000	(4,281,921)
Brought forward from 2019/20								
Library Buildings Works Program	(11,000)	Funding brought forward to fund an additional section of concrete wall and 150m2 of turf for the new Dee Why Library outdoor reading area.						11,000
Glen Street Theatre Renewal Works	(17,000)	Funding brought forward to fund additional roof repairs costs.						17,000
Warringah Aquatic Centre Renewals	(55,179)	Bring forward funds from 19/20 for ceiling inspections and potential repairs					10,000	45,179
Manly Aquatic Centre Renewals	(16,695)	Bring forward funds from 19/20 to complete works required in 18/19 including upgrading the plant room for the 50m pool.						16,695
Manly Laneways - Renewals	(210,000)	The Whistler Street Car park remediation project spans two financial years and works are progressing ahead of schedule.						210,000
TOTAL Brought forward from 2019/20	(309,874)		-	-	-	-	10,000	299,874
Increase in Capital Works Budget								
Collaroy Beach Accessible Toilet and accessibility upgrades	(4,648)	Minor increase in the allocation from developer contributions to match the expenditure on this completed project.	4,648					
New Traffic	(130,000)	Additional allocation from the RMS Block Grant	(10,000)				165,000	(25,000)

Description	Budget Variation (INCR) / - DECR	Commentary	FUNDING - INCREASE / (DECREASE)					Depreciation/ Working Capital
			Developer Contributions	Unexpended Grants	Externally Restricted Reserves	Internally Restricted Reserves	Grants and Contributions - Capital	
IT Software – New Works	(434,608)	Additional funds required for new systems (offset by reductions in IT operating expenses): timesheets (\$222,336), facilities bookings (\$50,000), NAR (\$26,872), Library (\$5,400) and HR (\$130,000)						434,608
Foreshores - New and Upgrades	(400,000)	Utilisation of the additional allocation from the Stronger Communities Fund for South Palm Beach as a result of the re-distribution of the Pasadena funds.	(83,242)	552,800				(69,558)
Library Bookstock	(10,743)	Higher costs than anticipated for library resources	10,743					
Land - Belrose TAFE	(1,573,000)	Recognition of the fair value of land dedicated to the Council by Belrose TAFE for a nominal amount of \$1.					1,573,000	
Sportsfield Renewal Program	(150,000)	Unexpected costs associated with renewal of Bantley Bay Oval lighting which was not on the program of works - urgent works required.						150,000
Reserves Renewal Program	(61,050)	Unscheduled renewal of Central Road Bridge due to urgent works						61,050
Road Resheeting	(639,500)	Additional funds from RMS Block Grant and the Regional Road Repair Program		801,718			639,500	(801,718)
Children's Centres Works Program	(49,000)	Additional funds required for landscape refurbishments at Brookvale Children's Centre and Interior refurbishments at Roundhouse Children's Centre. Funding provided through operational expenditure savings in the Children's Services budget.						49,000
Operational Buildings Works Program	(430,000)	Additional funding required for operational building works including implementation of a single security access card for staff.						430,000
Sport Buildings Works Program	(110,000)	Adjustment up by \$110,000 to cover urgent works at "Steve Temple Bar", Pittwater Park (\$60k) and costs of works at Melwood Oval (\$50k)				46,300	14,064	49,636
Warriewood Rugby Park Clubhouse	(39,000)	Capital contribution received for additional costs, including final keying costs.					51,000	(12,000)

Description	Budget Variation (INCR) / - DECR	Commentary	FUNDING - INCREASE / (DECREASE)					Depreciation/ Working Capital
			Developer Contributions	Unexpended Grants	Externally Restricted Reserves	Internally Restricted Reserves	Grants and Contributions - Capital	
Energy Saving Initiatives Works Program (SRV)	(50,000)	Funding allocation towards the new Urban Night Sky Park initiative - see Council resolution (Item 11.1 - 16 Apr 2019)				50,000		
IT Service Delivery - Replacement	(150,000)	Additional funds required to finalise the SOE roll out across the Council						150,000
TOTAL Increase in Capital Works Budget	(4,231,549)		(77,851)	1,354,518	-	96,300	2,442,564	416,018
Decrease in Capital Works Budget								
Dee Why Town Centre - Design	334,800	Design work for Link Road has been deferred pending resolution of Site A. Funds to be returned to the S7.12 reserve to be drawn upon in the future.	(334,800)					
Warriewood Valley - MacPherson St Bridge	100,594	Project delivered under budget.	(100,594)					
Warriewood Valley - Traffic and Transport Infrastructure	207,327	Project on hold due to a delay in land acquisition. Funds to be returned to the Warriewood Valley Developer Contributions reserve to be drawn upon in the future.	(207,327)					
Bike Plan Implementation - New	84,519	Additional RMS grant funding received. Reduction in scope for Campbell Pde Manly Vale shared path.				(29,721)	69,549	(124,347)
Bayview to Church Point Timber Walkway	29,000	Design and investigations for this project will be delivered under budget.						(29,000)
Bin Replacements	4,500,000	Reforecast of the bin replacement program to reflect the lower than anticipated contract expenses. Reallocate \$3M to 19/20 to fund the remainder of the bin rollout, and transfer the balance of funds that are not required to the Domestic Waste Reserve.			(4,500,000)			
TOTAL Decrease in Capital Works Budget	5,256,240		(642,721)	-	(4,500,000)	(29,721)	69,549	(153,347)

Description	Budget Variation (INCR) / - DECR	Commentary	FUNDING - INCREASE / (DECREASE)					Depreciation/ Working Capital
			Developer Contributions	Unexpended Grants	Externally Restricted Reserves	Internally Restricted Reserves	Grants and Contributions - Capital	
Grant and Contribution funded increases / decreases								
Coast Walk Art Trail - Merger Savings Fund	(180,000)	Project commencement delayed, awaiting adoption of strategic plan. To be implemented in 2019/20. Grant funds received from the Dept of Industry towards this project					180,000	
TOTAL Grant and Contribution funded increases / decreases	(180,000)		-	-	-	-	180,000	-
Kimbriki								
Kimbriki High Level Drain	60,000	Revised program for the rest of the financial year						(60,000)
Kimbriki Landfill Cell Development Area 4A	(1,925,843)	After gaining approval in February, construction of the 4A landfill cell has accelerated and is ahead of schedule by 3 months.						1,925,843
Kimbriki Landfill Resource Recovery Facility	16,064	No further purchases are forecast in 2019						(16,064)
TOTAL Kimbriki	(1,849,779)		-	-	-	-	-	1,849,779
TOTAL RECOMMENDED CHANGES TO CAPITAL EXPENDITURE AND FUNDING								
	13,469,720		(1,731,357)	(4,516,422)	(7,378,386)	(1,320,071)	3,346,113	(1,869,597)

Summary of net changes identified in the proposed forecast

Rollover to / brought forward from 2019/20	14,474,808	(1,010,785)	(5,870,940)	(2,878,386)	(1,386,650)	654,000	(3,982,047)
Budget adjustments within 2018/19	844,691	(720,572)	1,354,518	(4,500,000)	66,579	2,692,113	262,671
Kimbriki	(1,849,779)	-	-	-	-	-	1,849,779
Total Net Changes identified in the proposed forecast	13,469,720	(1,731,357)	(4,516,422)	(7,378,386)	(1,320,071)	3,346,113	(1,869,597)

Northern Beaches Council
Cash and investments

For the period 1 July 2018 to 31 March 2019

	ACTUAL Balance 30 June 2018 \$'000	Annual						ACTUAL Balance 31 March 2019 \$'000
		ORIGINAL Budget Closing Balance 30 June 2019 \$'000	Approved changes		REVISED Budget Closing Balance 30 June 2019 \$'000	Recommended changes for Council resolution \$'000	CURRENT Forecast Closing Balance 30 June 2019 \$'000	
			Sept Review	Dec Review				
Total cash and investments	214,923	159,313	1,500	9,049	169,862	20,598	190,460	208,882
represented by:								
Externally restricted								
Development contributions	36,184	31,722	(1,597)	83	30,207	1,354	31,562	35,908
Specific purpose unexpended grants	3,611	(442)	(100)	175	(367)	6,481	6,115	3,858
Stronger Communities Fund	31,310	22,399	99	1,846	24,345	(1,378)	22,966	26,045
New Council Implementation Fund	1,266	1,266	(41)	41	1,266	(1,235)	31	1,056
Domestic waste management	20,319	819	-	-	819	12,315	13,134	17,183
Stormwater management	645	475	-	-	475	20	495	658
Other	732	711	-	-	711	30	741	735
Total externally restricted	94,067	56,950	(1,639)	2,145	57,456	17,587	75,043	85,442
Internally restricted								
Balgowlah Area Improvements	295	295	(160)	-	135	-	135	295
Cemetery Reserve	3,683	3,553	(147)	-	3,407	100	3,507	3,724
Deposits, retentions and bonds	12,599	12,599	-	-	12,599	-	12,599	12,599
Employee leave entitlements	6,180	6,180	-	-	6,180	-	6,180	6,180
Manly Meals on Wheels	230	230	-	-	230	-	230	230
Merger savings fund	9,596	8,415	(258)	100	8,256	(1,267)	6,989	8,917
Unexpended loans	1,479	1,479	-	-	1,479	-	1,479	1,479
Other	6,832	3,262	370	124	3,756	3,680	7,436	4,573
Total internally restricted	40,896	36,014	(195)	224	36,043	2,513	38,556	37,997
Total restricted cash	134,963	92,964	(1,834)	2,369	93,499	20,100	113,599	123,440
Total unrestricted / available cash	79,960	66,349	3,334	6,680	76,364	498	76,861	85,442

Northern Beaches Council
Cash flow statement
For the period 1 July 2018 to 31 March 2019

Original Budget 2018/19 \$'000	Actual For the period 1 July 2018 to 31 March 2019 \$'000
Cash Flows from Operating Activities	
Receipts:	
210,460 Rates & Annual Charges	167,718
79,144 User Charges & Fees	64,268
5,748 Interest & Investment Revenue Received	4,992
26,729 Grants & Contributions	21,018
- Deposits & Retentions Received	-
25,279 Other	19,514
Payments:	
(134,690) Employee Benefits & On-Costs	(94,043)
(121,019) Materials & Contracts	(87,973)
- Borrowing Costs	(2,483)
- Deposits & Retentions Received	150
(36,206) Other	(27,514)
55,445 Net Cash provided (or used in) Operating Activities	65,647
Cash Flows from Investing Activities	
Receipts:	
- Sale of Investment Securities	189,192
2,415 Sale of Infrastructure, Property, Plant & Equipment	5,204
- Sale of Non-current assets classified as "held for resale"	-
Payments:	
- Purchase of Investment Securities	(202,720)
(109,867) Purchase of Infrastructure, Property, Plant & Equipment	(57,564)
- Purchase of Intangibles	-
- Inventory	-
(107,452) Net Cash provided (or used in) Investing Activities	(65,888)
Cash Flows from Financing Activities	
Receipts:	
- Proceeds from Borrowings & Advances	-
Payments:	
(6,965) Repayment of Borrowings & Advances	(3,839)
- Repayment of Finance Lease Liabilities	-
- Dividends Paid to Minority Interests	-
(6,965) Net Cash Flow provided (used in) Financing Activities	(3,839)
(58,972) Net Increase/(Decrease) in Cash & Cash Equivalents	(4,079)
- Net Increase/(Decrease) in Investments	-
218,285 Plus Cash & Cash Equivalents at beginning of year	6,037
159,313 Cash & Investments - end of the period	1,958
- Plus: Investments on Hand - end of period	229,200
159,313 Cash, Cash Equivalents & Investments - end of year	231,157

Northern Beaches Council
Balance sheet
As at 31 March 2019

Original Budget as at 30 June 2019 \$'000	Actual at at 31 Mar 2019 \$'000	Actual as at 30 June 2018 \$'000
ASSETS		
Current Assets		
7,168 Cash & Cash Equivalents	1,958	6,037
136,191 Investments	228,333	208,886
19,387 Receivables	59,818	18,379
82 Inventories	211	203
1,510 Other	1,586	1,375
- Non Current Assets Classified as "held for sale"	-	-
164,338 Total Current Assets	291,905	234,880
Non-Current Assets		
954 Investments	867	3,371
1,751 Receivables	1,234	1,234
4,835,092 Infrastructure, Property, Plant & Equipment	4,933,163	4,907,625
23 Investments Accounted for using the equity method	-	-
2,080 Investment Property	6,085	6,085
- Intangible Assets	-	-
4,839,900 Total Non-Current Assets	4,941,349	4,918,315
5,004,238 TOTAL ASSETS	5,233,254	5,153,195
LIABILITIES		
Current Liabilities		
42,858 Payables	36,449	41,671
6,384 Borrowings	1,386	5,225
29,240 Provisions	29,052	29,502
78,482 Total Current Liabilities	66,888	76,398
Non-Current Liabilities		
- Payables	-	-
26,177 Borrowings	32,369	32,358
39,387 Provisions	41,914	39,098
65,564 Total Non-Current Liabilities	74,283	71,456
144,046 TOTAL LIABILITIES	141,171	147,854
4,860,192 Net Assets	5,092,083	5,005,341
EQUITY		
4,700,936 Retained Earnings	4,932,756	4,846,014
158,417 Revaluation Reserves	158,417	158,417
4,859,353 Council Equity Interest	5,091,173	5,004,431
839 Minority Equity Interest	910	910
4,860,192 Total Equity	5,092,083	5,005,341

Northern Beaches Council

Contracts Listing

For the Period 1 January to 31 March 2019

Contracts entered into during the three months to 31 March 2019 that exceed \$50,000 are detailed below.

Contract Number	Contractor	Contractor Detail & Purpose	Value \$	Start Date	Expected Finish Date	Budgeted (Y/N)
2018/036	SMC Marine Pty Ltd	Narrabeen Lagoon Multi-Use Trail Stage 3 Overwater Boardwalk	1,980,490	4/02/2019	31/10/2019	Y
2018/062	Sulo MGB Australia Pty Ltd	Replacement of Residential Waste Bins	12,044,130	18/01/2019	30/08/2019	Y
2018/146	Bucher Municipal	Purchase of Road Sweeper	350,000	14/01/2019	31/01/2019	Y
2018/183	Downer EDI Works Pty Ltd, OzPave (Aust) Pty Ltd, Fulton Hogan Industries Pty Ltd	Road Resheeting Program 2018/2019	2,960,116	12/02/2019	31/03/2019	Y
2018/196	Shelmerdines Consulting Engineers	New Traffic Lighting Designs	67,900	4/02/2019	3/07/2019	Y
2018/200	2020 Projects Pty Ltd	North Narrabeen Rockpool Amenities Renewal	584,999	26/02/2019	9/05/2019	Y
2018/253	Mansour Paving (AUST) Pty Ltd	Balgowah Street Scape Upgrades	124,917	18/02/2019	30/04/2019	Y
2018/269	Rees Electrical Pty Ltd	Peninsula and Pacific Waves Carpark Lighting Upgrade - Installation	167,930	16/01/2019	30/06/2019	Y
2018/274	Polyseal Building & Remedial Services Pty Ltd	Whistler Street Carpark Stage 1 Remediation	1,418,496	4/02/2019	4/10/2019	Y
2018/281	Haskoning Australia Pty Ltd	Taylors Point Seawall Design	83,491	7/01/2019	13/05/2019	Y
2018/293	Hill PDA Pty Ltd	Strategic Property Review	149,950	1/01/2019	30/07/2019	Y
2018/295	TCM Construction Group Pty Ltd	Lionel Watts Western Clubhouse Upgrade Design and Construction	678,188	8/03/2019	20/12/2019	Y
2018/300	Complete Contracting Pty Ltd	Collaroy SLSC Part Re-Roof	76,487	1/02/2019	30/04/2019	Y
2018/303	Lloyds Drilling Constructions Pty Ltd	Brands Lane Bridge	157,841	11/03/2019	30/06/2019	Y
2018/306	SGS Economics and Planning Pty Ltd	Northern Beaches Local Housing Strategy	121,198	22/01/2019	22/05/2020	Y
2018/307	Thompson Berrill landscape Design Pty Ltd	Detailed Documentation Multiuse Courts 3 Boondah Road	65,565	31/01/2019	30/04/2019	Y
2018/315	Interflow Pty Ltd	Stormwater Relining Package 2 2018/19	113,215	21/02/2019	30/06/2019	Y
2018/325	Insituform Pacific Pty Ltd	Stormwater Relining Package 3	148,017	1/02/2019	30/06/2019	Y
2019/010	GRANTGURU Pty Ltd	Grant Services Solution - Grant Seeking Software	15,375	9/01/2019	31/12/2022	Y
2019/013	Technology One Limited	Technology One AMS (Application Managed Services)	122,400	1/02/2019	30/01/2020	Y
2019/016	Allcom Networks Pty Ltd	Cybersecurity Detection and Response Software Licenses	79,050	30/01/2019	29/01/2020	Y
2019/019	Kelbon Pty Ltd	Kooloora Avenue Drainage Improvements, Freshwater	62,170	25/02/2019	31/03/2019	Y
2019/022	Pinpoint HRM	Configuration & Implementation of Employee Central Success Factors Module	415,880	4/02/2019	3/11/2019	Y
2019/027	Terra Australis Regeneration Pty Ltd	Restoring Pride in Curl Curl Lagoon - Bush Regeneration Component	86,950	1/03/2019	1/06/2019	Y
2019/030	Kelbon Pty Ltd	Ocean Road Drainage Improvements, Palm Beach	178,000	13/03/2019	30/04/2019	Y
2019/052	IntegraPay Pty Ltd	iPay Direct Debit for Child Care Fees	150,000	7/02/2019	6/02/2022	Y

Contract Number	Contractor	Contractor Detail & Purpose	Value \$	Start Date	Expected Finish Date	Budgeted (Y/N)
2019/057	TGB Pty Ltd	Narrabeen Ward Kerb & Gutter Renewal	157,716	4/03/2019	31/03/2019	Y
2019/071	Anchor Security	Security Services - Interim Contract	152,000	27/02/2019	30/09/2019	Y
2019/072	Paul Innes Plumbing Pty Ltd, Brad Palmer Plumbing, Innuku	Plumbing and Electrical Services - Interim Contract	320,000	27/02/2019	30/09/2019	Y
2018/316	Telstra Corporation Limited	Unified Communications Solution	1,512,213	28/03/2019	27/03/2021	Y
2018/326	Ethos Urban Pty Ltd	Northern Beaches Social Infrastructure Study	120,000	15/03/2019	14/09/2019	Y
2018/328	SGS Economics and Planning Pty Ltd	Northern Beaches Employment Study	130,931	15/03/2019	14/09/2019	Y
2018/230	Australian Areas, Danalig Pty Ltd, I&B Maintenance Services, Landscape Productions Pty Ltd, P C Landscapes, Plateau Tree Services, Skyline Landscape Services, The Organic Mechanics Ground Maintenance Pty Ltd, Waratah Eco Works, Design Landscapes Pty Ltd, Dragonfly Environmental Pty Ltd, Image Property Detailing Pty Ltd, Marsupial Landscape Management	Reactive Vegetation and Landscape Maintenance	150,001	1/01/2019	31/12/2021	Y

Tenders approved under delegation during the three months to 31 March 2019

Tender	Description	Date Approved	Value \$	Contingency \$
2018/298	Supply and Delivery of Small Loads of Ready Mixed Concrete and Concrete Pump Hire	4/03/2018	2,750,000	N/A
2018/074	Services Panel Provision of Wet and Dry Plant Hire	29/01/2019	2,750,000	N/A
2018/295	Lionel Watts Western Clubhouse Upgrade Design and Construction	21/02/2019	678,189	74,601

Northern Beaches Council
Budget review of Consultancy and Legal Expenses
For the Period 1 July 2018 to 31 March 2019

The table below discloses expenditure to date on Consultancies and Legal Expenses:

Expense	1 July 2018 to 31 March 2019	Budgeted (Y/N)
Consultancies	317,746	Y
Legal Fees	2,758,957	Y