

ITEM 15 MAY 2021 FINANCIALS

The financial results for May 2021 compared to phased budget are favourable over the key performance indicators. The Operating Result [pre-capital] and the Funds Available from Operations show favourable variances of \$13.4M and \$7.5M respectively while the Funds Result shows a favourable variance of \$12.7M.

The Statement of Financial Position at the end of the period indicates that there is enough cash to support external restrictions.

Council has expended \$67.0M on its capital works program representing 74% of the annual budget. The year to date budget for the same period was \$76.1M.

RECOMMENDATION

- 1 The financials be received and noted.
- 2 Council approves the proposed changes to the Capital Budget for April and May 2021.

REPORT AUTHORISATIONS

Report of: Brian Jenkins, Chief Financial Officer

Authorised by: Renee Campbell, Director Corporate Services - Connected + Engaged City

ATTACHMENTS

- 1 Financial Statements - May 2021
- 2 Capital Project Report - April and May 2021

BACKGROUND

This report presents the Financial Performance of the organisation for May 2021. The below table provides a summary of the organisation's overall financial results for the year to date.

FORECAST POSITION	Original Budget	Revised Budget	YTD Forecast	YTD Actual	Variation
	\$M	\$M	\$M	\$M	\$M
KEY MOVEMENTS	1-Jul	28-May	28-May	28-May	
Operating Revenue	269.0	282.2	249.3	253.3	4.0
Operating Costs	(291.0)	(295.2)	(268.9)	(259.5)	9.4
Operating Result [Pre Capital]	(22.0)	(13.0)	(19.6)	(6.2)	13.4
Capital Grants & Contributions	35.5	31.6	14.6	15.7	1.0
Operating Result	13.4	18.6	(5.0)	9.5	14.5
Funds Available from Operations	56.9	66.5	52.5	60.0	7.5
Capital Works	93.4	91.6	76.1	67.0	9.1
Contributed Assets	11.6	11.6	0.0	0.0	-
Transfer to Restricted Cash	1.4	3.9	3.6	3.6	-
Borrowings Repaid	5.2	5.2	3.9	3.9	-
Funded from:					
- Operational Funds	56.9	66.5	52.5	60.0	7.5
- Other Funding	45.6	43.9	25.0	21.1	(3.9)
Total Funds Surplus/(Deficit)	(9.1)	(2.0)	(6.1)	6.5	12.7

FINANCIAL PERFORMANCE

The May 2021 Operating Result [pre-capital] shows a favourable variance compared to phased budget of \$13.4M. This variance predominately relates to improvement against the estimated impact of COVID-19 provisions for revenue items, additional operating grants, surplus on property sales and year to date expenditure in materials and contracts that is currently trending behind the phased budget by \$8.8M. The materials budget is offset in part by additional internal resourcing (employee costs) that has been applied to specific projects (\$2.7M).

The Operating Result of \$9.5M shows a positive variance of \$14.5M compared to phased budget. This includes the net variation above increased by a higher level of capital grants and contributions of \$1.0M. This is mainly due to the timing of developer contributions.

The Funds Available from Operations indicate a favourable variation of \$7.5M. This result excludes variations in non-cash transactions and transfers to and from Restricted Assets but includes the cash payments impact of Employee Entitlements to represent the operational budget variations that may impact our funding.

The Total Funds result as at 28 May 2021 shows a favourable variance of \$12.7M compared to phased budget.

At the end of May, Capital Projects shows an expenditure of \$67.0M compared to a phased budget of \$76.1M. Council has not yet considered the April Capital Projects Report and, therefore, two months of proposed variations are reported to this meeting. The April report, which was communicated through Councillor Information Note, recommends an adjustment from \$91.6M to \$90.2M and the May Capital Projects Report recommends further adjustment from \$90.2M to \$89M.

The resultant Capital Budget has \$4.8M in contingency that is not applied to specific projects. It is expected that there will be a level of general funds remaining available at year end from projects that have now been reprogrammed into future periods and included in the draft Infrastructure Delivery Programming for 2021-2022. It is proposed that consideration of any unexpended funds would be discussed with the end of year results for 2021 in July. It has previously been reported, through the March Quarterly Review, that consideration of any unexpended funds from operations should include the repayment of the internal debts of COVID-19. COVID-19 costs were funded from Restricted Assets and Available Funds that are currently budgeted to be repaid from future savings.

FINANCIAL POSITION

Cash, Investments & Available Funds

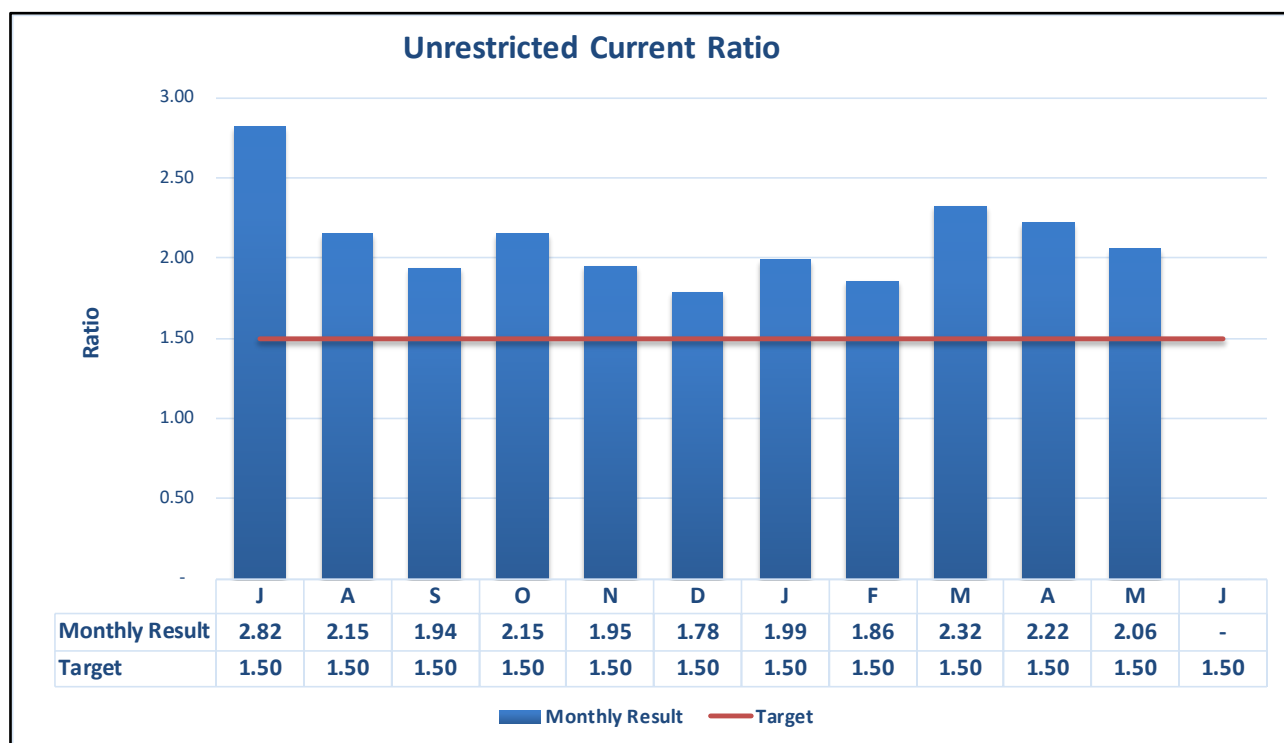
Council's cash and investments increased during May 2021 to holdings of \$156.5M compared to \$149.8M at the end of April 2021. A significant portion of these funds are subject to restriction meaning they can only be utilised for specific purposes. As a result, Council's true cash position is more accurately depicted by considering available funds that are uncommitted and not subject to restriction.

CASH, INVESTMENTS & AVAILABLE FUNDS				
	Actual 2019/20	Original Budget 2020/21	March QR 2020/21	Actual YTD May 2021
	\$M	\$M	\$M	\$M
Total Cash and Investments	157.5	114.2	132.3	156.5
Less Restrictions:				
External	74.7	73.7	69.3	75.8
Internal	62.7	39.0	49.5	55.0
Total Restrictions	137.4	112.7	118.8	130.8
Available Cash	20.1	1.6	13.5	25.8
Adjusted for :				
Payables	(30.6)	(26.2)	(26.6)	(24.9)
Receivables	21.7	23.7	24.5	21.1
Other	14.2	12.5	10.9	6.1
Net Payables & Receivables	5.3	10.1	8.8	2.3
Available Funds	25.4	11.6	22.2	28.0

External restrictions are funds that must be spent for a specific purpose and cannot be used by Council for general operations. Internal restrictions are funds that Council has determined will be used for a specific future purpose. Further details on the internal and external restrictions can be found in the Cash Flow Statement (Attachment 1).

The cash and investments have increased since April 2021 in line with anticipated cash flows created by rates instalment due dates. The level of cash and investments results in Council's available funds position is significantly higher than the Financial Strategy target range of 3.5% to 5.5% of operational revenue (pre-capital).

The Unrestricted Current Ratio measures the Council's liquidity position or ability to meet short term obligations as they fall due. The below graph reflects Council's performance against the Local Government benchmark of greater than 1.5 times.



Borrowings

Council continues to have financial strength in its low level of borrowing. The Debt Service Cover Ratio measures the availability of operating cash to service debt including interest, principal and lease payments. Council's Debt Service Cover Ratio as at May 2021 is currently in line with the Local Government benchmark of greater than two times.

Council's Financial Strategy includes provision for additional borrowing in the future and Council will consider borrowing opportunities from time to time to bring forward the completion of capital projects where immediate funding is not available.

Infrastructure, Property, Plant & Equipment

The Statement of Financial Position shows that \$2.7B of assets (written down value) are controlled and managed by Council for the community as at 28 May 2021. The 2020-2021 capital works program includes projects such as the West Dapto Infrastructure Expansion, civil asset renewals including roads, car parks and buildings and purchase of library books. Council has expended \$67.0M on its capital works program representing 74% of the annual budget. The year to date budget for the same period was \$76.1M.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal '*We are a connected and engaged community*'. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2022	Operational Plan 2020-2021
Strategy	4 Year Action	Operational Plan Actions
4.3.2 Resources (finance, technology, assets and people) are effectively managed to ensure long term financial sustainability	4.3.2.1 Effective and transparent financial management systems are in place	Monitor and review achievement of Financial Strategy
		Continuous budget management is in place, controlled and reported
		Provide accurate and timely financial reports monthly, quarterly and via the annual statement
		Manage and further develop a compliance program to promote awareness and compliance with Council's procurement policies and procedures and other related policies

CONCLUSION

The financial result at the end of May is positive across the key performance indicators.

WOLLONGONG CITY COUNCIL					
1 July 2020 to 28 May 2021					
	Original Budget \$'000	Current Budget \$'000	YTD Budget \$'000	Actual YTD \$'000	Variance \$'000
Income Statement					
Income From Continuing Operations					
Revenue:					
Rates and Annual Charges	208,445	208,790	189,913	190,253	341
User Charges and Fees	27,034	30,430	28,259	27,621	(638)
Interest and Investment Revenues	2,343	2,343	2,143	1,959	(184)
Other Revenues	9,498	2,444	2,409	5,800	3,391
Rental Income	0	6,040	5,512	5,788	276
Grants & Contributions provided for Operating Purposes	21,679	32,161	21,066	21,791	725
Grants & Contributions provided for Capital Purposes	35,460	31,557	14,622	15,710	1,088
Profit/Loss on Disposal of Assets	0	0	0	71	71
Total Income from Continuing Operations	304,459	313,765	263,923	268,993	5,070
Expenses From Continuing Operations					
Employee Costs	140,635	143,562	130,773	129,965	808
Borrowing Costs	2,374	2,131	1,938	1,952	(14)
Materials, Contracts & Other Expenses	104,493	106,989	96,982	87,847	9,135
Depreciation, Amortisation + Impairment	63,702	63,335	58,129	55,580	2,549
Internal Charges (labour)	(18,432)	(18,751)	(17,055)	(14,304)	(2,751)
Internal Charges (not labour)	(1,733)	(2,058)	(1,872)	(1,568)	(304)
Total Expenses From Continuing Operations	291,038	295,207	268,894	259,472	9,422
Operating Result	13,421	18,557	(4,971)	9,521	14,492
Operating Result [pre capital]	(22,039)	(13,000)	(19,593)	(6,189)	13,404
Funding Statement					
Net Operating Result for the Year	13,421	18,557	(4,971)	9,521	14,492
Add back :					
- Non-cash Operating Transactions	82,363	82,215	75,520	72,353	(3,167)
- Restricted cash used for operations	29,815	30,931	28,205	23,493	(4,712)
- Income transferred to Restricted Cash	(54,169)	(50,638)	(32,634)	(32,402)	232
- Payment of Accrued Leave Entitlements	(14,533)	(14,533)	(13,614)	(12,966)	647
Funds Available from Operations	56,897	66,534	52,506	59,999	7,492
Borrowings repaid	(5,242)	(5,242)	(4,956)	(4,956)	(0)
Advances (made by) / repaid to Council	0	0	0	0	0
Operational Funds Available for Capital Budget	51,655	61,292	47,550	55,042	7,492
CAPITAL BUDGET					
Assets Acquired	(93,359)	(90,247)	(76,113)	(67,027)	9,085
Contributed Assets	(11,562)	(11,562)	(16)	(16)	0
Transfers to Restricted Cash	(1,447)	(3,947)	(3,590)	(3,590)	(0)
Funded From :-					
- Operational Funds	51,655	61,292	47,550	55,042	7,492
- Sale of Assets	1,801	1,662	1,305	1,093	(212)
- Internally Restricted Cash	13,371	8,179	6,765	6,109	(656)
- Borrowings	0	0	0	0	0
- Capital Grants	4,762	6,455	5,079	3,875	(1,204)
- Developer Contributions (Section 94)	11,931	11,391	10,069	8,442	(1,627)
- Other Externally Restricted Cash	1,170	1,785	1,763	1,757	(6)
- Other Capital Contributions	12,559	13,041	1,061	839	(222)
TOTAL FUNDS SURPLUS / (DEFICIT)	(9,119)	(1,952)	(6,127)	6,524	12,651

WOLLONGONG CITY COUNCIL		
as at 28 May 2021		
	Actual 2020/21 \$'000	Actual 2019/20 \$'000
Statement of Financial Position		
Current Assets		
Cash Assets	37,834	56,050
Investment Securities	106,709	97,422
Receivables	21,124	21,668
Inventories	455	381
Current Contract Assets	2,735	5,669
Other	7,209	10,572
Total Current Assets	176,065	191,761
Non-Current Assets		
Non Current Cash Assets	12,000	4,000
Non-Current Inventories	5,972	5,972
Property, Plant and Equipment	2,666,203	2,655,487
Investment Properties	5,000	5,000
Westpool Equity Contribution	3,484	3,484
Intangible Assets	162	254
Right-Of-Use Assets	1,456	1,790
Total Non-Current Assets	2,694,275	2,675,987
TOTAL ASSETS	2,870,341	2,867,748
Current Liabilities		
Current Payables	24,946	30,592
Current Contract Liabilities	3,872	3,571
Current Lease Liabilities	3	341
Current Provisions payable < 12 months	15,621	13,272
Current Provisions payable > 12 months	47,811	47,811
Current Interest Bearing Liabilities	5,260	5,260
Total Current Liabilities	97,513	100,848
Non-Current Liabilities		
Non Current Interest Bearing Liabilities	7,483	12,439
N/C Lease Liabilities	1,519	1,519
Non Current Provisions	41,139	39,775
Total Non-Current Liabilities	50,142	53,734
TOTAL LIABILITIES	147,655	154,582
NET ASSETS	2,722,686	2,713,166
Equity		
Accumulated Surplus	1,379,027	1,360,922
Asset Revaluation Reserve	1,214,797	1,214,858
Restricted Assets	128,862	137,386
TOTAL EQUITY	2,722,686	2,713,166

WOLLONGONG CITY COUNCIL		
CASH FLOW STATEMENT		
as at 28 May 2021		
	YTD Actual 2020/21 \$ '000	Actual 2019/20 \$ '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts:		
Rates & Annual Charges	191,429	203,414
User Charges & Fees	28,153	29,485
Interest & Interest Received	2,499	4,130
Grants & Contributions	41,717	68,993
Other	12,068	25,886
Payments:		
Employee Benefits & On-costs	(113,547)	(118,396)
Materials & Contracts	(54,958)	(73,390)
Borrowing Costs	(588)	(910)
Other	(32,137)	(46,162)
Net Cash provided (or used in) Operating Activities	74,635	93,050
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts:		
Sale of Investments	-	-
Sale of Infrastructure, Property, Plant & Equipment	1,093	958
Deferred Debtors Receipts	-	-
Payments:		
Purchase of Infrastructure, Property, Plant & Equipment	(71,365)	(83,558)
Purchase of Interests in Joint Ventures & Associates	-	-
Net Cash provided (or used in) Investing Activities	(70,273)	(82,600)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts:		
Proceeds from Borrowings & Advances	-	-
Payments:		
Repayment of Borrowings & Advances	(4,956)	(7,935)
Repayment of Finance Lease Liabilities	(338)	(312)
Net Cash Flow provided (used in) Financing Activities	(5,294)	(8,247)
Net Increase/(Decrease) in Cash & Cash Equivalents	(932)	30,865
plus: Cash & Cash Equivalents and Investments - beginning of year	157,475	126,610
Cash & Cash Equivalents and Investments - year to date	156,543	157,475

WOLLONGONG CITY COUNCIL		
CASH FLOW STATEMENT		
as at 28 May 2021		
	YTD Actual 2020/21 \$ '000	Actual 2019/20 \$ '000
Total Cash & Cash Equivalents and Investments - year to date	156,543	157,475
Attributable to:		
External Restrictions (refer below)	78,832	75,470
Internal Restrictions (refer below)	54,973	62,675
Unrestricted	22,738	19,330
	156,543	157,475
External Restrictions		
Developer Contributions	39,871	35,099
RMS Contributions	332	350
Specific Purpose Unexpended Grants	8,055	3,568
Special Rates Levy Wollongong Mall	268	214
Special Rates Levy Wollongong City Centre	25	49
Local Infrastructure Renewal Scheme	277	274
Unexpended Loans	972	2,686
Domestic Waste Management	11,379	14,216
Private Subsidies	5,641	6,167
West Dapto Home Deposit Assistance Program	9,639	10,987
Stormwater Management Service Charge	2,373	1,860
Total External Restrictions	78,832	75,470
Internal Restrictions		
Property Investment Fund	4,710	7,889
Strategic Projects	35,261	42,900
Sports Priority Program	1,082	938
Car Parking Strategy	1,490	2,195
MacCabe Park Development	1,577	1,440
Darcy Wentworth Park	171	171
Garbage Disposal Facility	3,190	561
West Dapto Development Additional Rates	6,872	6,067
Southern Phone Natural Areas	173	173
Lake Illawarra Estuary Management Fund	447	341
Total Internal Restrictions	54,973	62,675

Manager Project Delivery Division Commentary on April 2021 Capital Budget Report

On 29 June 2020, Council approved a Capital budget for 2020-2021 of \$93.4M. As of the end of April 2021, the approved Capital Budget has been decreased from the previously adjusted \$91.6M to \$90.2M due primarily to rephasing of funding for projects which are supported by the following funding:

- Strategic Projects Reserve
- Section 7.11 (Developer Contributions) Reserve
- Streets as Shared spaces (NSW Government - DPIE) Funding

Council achieved expenditure at the end of April 2021 of \$57.7M compared to the phased budget expenditure of \$63.8M. A review of the expenditure compared to phased budget has identified that the majority of this shortfall in YTD expenditure is due to:

- Delays in procurement and delivery of various equipment, vehicles and hardware used by Council.
- NSW Government – Department of Planning Industry and Environment has advised funding for the Voluntary Purchasing Scheme of flood affected properties will not be available in 2020-2021. The 33% contribution of Council revenue allocated this year for this program is not required this financial year.
- Rephasing of various design and construction projects throughout the Infrastructure Delivery Program.

Program	Major Points of change to Capital Budget
Traffic Facilities	Reallocate budget from Traffic Facilities program to Capital Contingency. Rephase grants for TfNSW Safer roads program for existing projects
Public Transport Facilities	Reallocate budget from Public Transport Facilities to Capital Contingency.
Roadworks	Introduce R2R funding for an existing project. Introduce Block Grant funding for existing projects. Reallocate budget from Roadworks program to Capital Contingency.
Bridges, Boardwalks and Jetties	Reallocate budget from Bridges, Boardwalks and Jetties program to Capital Contingency.
West Dapto	Rephase West Dapto Interest Free loan to future years program.
Footpaths	Reallocate budget from Footpaths program to Capital Contingency. Rephase Section 7.11 into future years program.
Cycle/Shared Paths	Rephase Streets as Shared Spaces Funding into future years program. Rephase Section 7.11 Funding into future years program. Rephase LR&CI funding into future years program. Introduce Safer Roads Program funding for an existing project. Reallocate budget from Cycle/Shared Paths program to Capital Contingency
Commercial Centre Upgrades - Footpaths and Cycleways	Reallocate budget from Commercial Centre Upgrades - Footpaths and Cycleways to Capital Contingency.
Carpark Construction/Formalising	Reallocate budget from Carpark Construction/Formalising to Capital Contingency.

Program	Major Points of change to Capital Budget
Carpark Reconstruction or Upgrading	Reallocate budget from Carpark Reconstruction or Upgrading to Capital Contingency.
Floodplain Management	Reallocate budget from Floodplain Management Program to Capital Contingency
Stormwater Management	Reallocate budget from Stormwater Management program to Capital Contingency.
Cultural Centres	Reallocate budget from Cultural Centres to Capital Contingency.
Administration Buildings	Reallocate budget from Administration Buildings to Capital Contingency.
Community Buildings	Rephase Strategic Projects Reserve funding into future years program. Reallocate budget from Community Buildings Program to Capital Contingency. Reallocate budget from Community Buildings Program to Library Books Program.
Public Facilities	Reallocate budget from Public Facilities to Capital Contingency.
Tourist Park - Upgrades and Renewal	Reallocate budget from Tourist Park - Upgrades and Renewal to Capital Contingency.
Crematorium/Cemetery - Upgrades and Renewal	Reallocate budget from Crematorium/Cemetery - Upgrades and Renewal to Capital Contingency.
Play Facilities	Reallocate budget from Play Facilities to Capital Contingency.
Recreation Facilities	Rephase Strategic Project reserve funding to future years program. Introduce Local Roads and Community Infrastructure – Phase 2 funding for existing project. Rephase Section 7.11 funding to future years program.
Sporting Facilities	Reallocate budget from Sporting Facilities to Capital Contingency. Rephase Strategic Projects Reserve to future years program.
Beach Facilities	Reallocate budget from Beach Facilities to Capital Contingency.
Rock/Tidal Pools	Reallocate budget from Rock/Tidal Pools to Capital Contingency.
Treated Water Pools	Reallocate budget from Treated Water Pools to Capital Contingency.
Whytes Gully New Cells	Rephase Garbage Disposal Facility Funding to future years program.
Information Technology	Reallocate budget to Information Technology program from Capital contingency.
Library Books	Reallocate budget from Community Buildings Program to Library Books Program.
Capital Project Contingency	Reallocate budget to Capital Project Contingency to and from multiple program areas as detailed above.

CAPITAL PROJECT REPORT							
period ended 30 April 2021							
ASSET CLASS PROGRAMME	\$'000		\$'000		YTD EXPENDITURE	\$'000	
	CURRENT BUDGET		PROPOSED BUDGET			VARIATION	
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING		EXPENDITURE	OTHER FUNDING
Roads And Related Assets							
Traffic Facilities	1,917	(1,405)	1,743	(1,321)	909	(174)	84
Public Transport Facilities	335	0	225	0	87	(110)	0
Roadworks	13,448	(2,371)	13,369	(2,420)	8,899	(79)	(48)
Bridges, Boardwalks and Jetties	2,030	0	1,700	0	1,113	(330)	0
TOTAL Roads And Related Assets	17,730	(3,776)	17,037	(3,741)	11,068	(693)	36
West Dapto							
West Dapto Infrastructure Expansion	6,962	(6,962)	6,912	(6,912)	5,049	(50)	50
TOTAL West Dapto	6,962	(6,962)	6,912	(6,912)	5,049	(50)	50
Footpaths And Cycleways							
Footpaths	7,797	(2,902)	7,143	(2,848)	5,090	(654)	54
Cycle/Shared Paths	5,436	(3,101)	4,756	(2,606)	3,230	(680)	435
Commercial Centre Upgrades - Footpaths and Cycleway	3,951	(1,496)	3,870	(1,495)	3,086	(81)	1
TOTAL Footpaths And Cycleways	17,184	(7,499)	15,769	(7,009)	11,405	(1,415)	490
Carparks							
Carpark Construction/Formalising	915	(400)	813	(400)	568	(102)	0
Carpark Reconstruction or Upgrading	1,465	(280)	1,527	(280)	1,201	62	(0)
TOTAL Carparks	2,380	(680)	2,340	(680)	1,769	(40)	(0)
Stormwater And Floodplain Management							
Floodplain Management	1,143	(133)	643	(133)	472	(500)	0
Stormwater Management	4,376	0	4,279	0	2,615	(97)	0
Stormwater Treatment Devices	13	0	13	0	7	0	0
TOTAL Stormwater And Floodplain Man	5,532	(133)	4,935	(133)	3,095	(597)	0
Buildings							
Cultural Centres (IPAC, Gallery, Townhall)	1,420	0	1,208	0	865	(212)	0
Administration Buildings	1,615	0	1,363	0	404	(252)	0
Community Buildings	12,182	(1,365)	11,205	(1,265)	7,995	(978)	100
Public Facilities (Shelters, Toilets etc.)	230	0	150	0	33	(80)	0
TOTAL Buildings	15,447	(1,365)	13,926	(1,265)	9,296	(1,522)	100
Commercial Operations							
Tourist Park - Upgrades and Renewal	870	0	794	0	743	(76)	0
Crematorium/Cemetery - Upgrades and Renewal	265	0	263	0	228	(2)	0
Leisure Centres & RVGC	170	0	170	0	297	0	0
TOTAL Commercial Operations	1,305	0	1,227	0	1,268	(78)	0
Parks Gardens And Sportfields							
Play Facilities	2,108	(308)	2,088	(308)	826	(20)	0
Recreation Facilities	2,645	(1,945)	2,098	(1,398)	823	(548)	548
Sporting Facilities	2,393	(670)	2,046	(570)	1,193	(347)	100
Lake Illawarra Foreshore	10	0	10	0	0	0	0
TOTAL Parks Gardens And Sportfields	7,157	(2,924)	6,242	(2,276)	2,842	(915)	648

CAPITAL PROJECT REPORT							
period ended 30 April 2021							
ASSET CLASS PROGRAMME	\$'000		\$'000		YTD EXPENDITURE	\$'000	
	CURRENT BUDGET		PROPOSED BUDGET			VARIATION	
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING		EXPENDITURE	OTHER FUNDING
Beaches And Pools							
Beach Facilities	627	0	583	0	377	(45)	0
Rock/Tidal Pools	1,120	0	1,088	0	982	(32)	0
Treated Water Pools	1,045	0	1,032	0	627	(13)	0
TOTAL Beaches And Pools	2,792	0	2,703	0	1,985	(90)	0
Waste Facilities							
Whyles Gully New Cells	2,747	(2,747)	2,701	(2,701)	1,891	(46)	46
TOTAL Waste Facilities	2,747	(2,747)	2,701	(2,701)	1,891	(46)	46
Fleet							
Motor Vehicles	1,450	(670)	1,450	(670)	882	(0)	(0)
TOTAL Fleet	1,450	(670)	1,450	(670)	882	(0)	(0)
Plant And Equipment							
Mobile Plant (trucks, backhoes etc.)	4,380	(853)	4,380	(853)	2,810	(0)	0
TOTAL Plant And Equipment	4,380	(853)	4,380	(853)	2,810	(0)	0
Information Technology							
Information Technology	1,984	0	2,375	0	1,397	391	0
TOTAL Information Technology	1,984	0	2,375	0	1,397	391	0
Library Books							
Library Books	1,251	0	1,322	0	1,058	71	0
TOTAL Library Books	1,251	0	1,322	0	1,058	71	0
Public Art							
Art Gallery Acquisitions	100	0	100	0	91	(0)	0
TOTAL Public Art	100	0	100	0	91	(0)	0
Emergency Services							
Emergency Services Plant and Equipment	20	0	20	0	13	(0)	0
TOTAL Emergency Services	20	0	20	0	13	(0)	0
Land Acquisitions							
Land Acquisitions	2,317	(2,267)	2,319	(2,269)	1,709	2	(2)
TOTAL Land Acquisitions	2,317	(2,267)	2,319	(2,269)	1,709	2	(2)
Non-Project Allocations							
Capital Project Contingency	839	0	4,453	0	0	3,614	0
Capital Project Plan	36	0	36	0	35	0	0
TOTAL Non-Project Allocations	875	0	4,489	0	35	3,614	0
GRAND TOTAL	91,614	(29,875)	90,248	(28,509)	57,660	(1,366)	1,366

Manager Project Delivery Division Commentary on May 2021 Capital Budget Report

On 29 June 2020, Council approved a Capital budget for 2020-2021 of \$93.4M. As at the end of May 2021, the approved Capital Budget has been proposed to decrease from the previously adjusted \$90.25M to \$89.03M due primarily to rephasing of funding for projects which are supported by the following funding:

- Section 7.11 (Developer Contributions) West Dapto Residential Roads
- Waste facility restricted asset

Council achieved expenditure at the end of May 2021 of \$66.86M compared to the phased budget expenditure of \$76.09M. A review of the expenditure compared to phased budget has identified that the majority of this delay in achieving phased expenditure is due to:

- Supply chain delivery issues for various items of Major Mobile Plant and Council fleet vehicles related to COVID-19.
- Adjustments to the program for the procurement and delivery of Information Technology Network upgrade hardware.
- Rephasing of various design and construction projects throughout the Infrastructure Delivery Program.

Program	Major Points of change to Capital Budget
Traffic Facilities	Reallocate budget from Capital Contingency to the Traffic Facilities program. Rephase grants from NSW Govt Resources for Regions funding program for existing projects. Rephase funding from Sect 7.11 to future year for an existing project.
Public Transport Facilities	Reallocate budget from Capital Contingency to the Public Transport Facilities Program.
Roadworks	Reallocate budget from Capital Contingency to the Roadworks program.
Bridges, Boardwalks and Jetties	Reallocate budget from Bridges, Boardwalks and Jetties program to Capital Contingency.
West Dapto	Rephase Section 7.11 West Dapto Residential Roads funding to future years program.
Footpaths	Reallocate budget from Footpaths program to Capital Contingency. Rephase Strategic Projects funding for existing projects into future years program.
Cycle/Shared Paths	Introduce additional Section 7.11 Funding for existing projects. Introduce additional PKCI Funding for existing project.
Commercial Centre Upgrades - Footpaths and Cycleways	Reallocate budget from Commercial Centre Upgrades - Footpaths and Cycleways to Capital Contingency. Rephase funding from Sect 7.11 to future year for an existing project. Rephase funding from Resources for Regions to future year for an existing project. Rephase funding from City Centre parking Strategy Reserve to future year for an existing project.
Carpark Construction/Formalising	Reallocate budget from Capital Contingency to Carpark Construction/Formalising Program.
Carpark Reconstruction or Upgrading	Reallocate budget from Carpark Reconstruction or Upgrading to Capital Contingency. Introduce additional Resources for Regions Funding for existing project.
Floodplain Management	Reallocate budget from Capital Contingency to Floodplain Management Program.
Stormwater Management	Reallocate budget from Capital Contingency to Stormwater Management program.

Program	Major Points of change to Capital Budget
Cultural Centres	Reallocate budget from Cultural Centres to Capital Contingency.
Administration Buildings	Reallocate budget from Administration Buildings to Capital Contingency.
Community Buildings	Rephase Shark Observation Grant funding into future years program for existing project. Reallocate budget from Community Buildings Program to Capital Contingency.
Public Facilities	Reallocate budget from Public Facilities to Capital Contingency.
Play Facilities	Reallocate budget from Lake Illawarra Foreshore to Play Facilities Program.
Recreation Facilities	Introduce additional Strategic Project Reserve funding for existing projects. Introduce additional Section 7.11 funding for existing project.
Sporting Facilities	Reallocate budget from Sporting Facilities to Capital Contingency. Rephase Strategic Projects Reserve to future years program.
Lake Illawarra Foreshore	Reallocate budget from Lake Illawarra Foreshore to Play Facilities Program
Beach Facilities	Reallocate budget from Beach Facilities to Capital Contingency.
Rock/Tidal Pools	Reallocate budget from Rock/Tidal Pools to Capital Contingency.
Treated Water Pools	Reallocate budget from Treated Water Pools to Capital Contingency.
Whytes Gully New Cells	Rephase Garbage Disposal Facility Funding to future years program.
Capital Project Contingency	Reallocate budget to and from multiple program areas to and from Capital Project Contingency as detailed above.

CAPITAL PROJECT REPORT							
period ended 28 May 2021							
ASSET CLASS PROGRAMME	\$'000		\$'000		YTD EXPENDITURE	\$'000	
	CURRENT BUDGET		WORKING BUDGET			VARIATION	
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING		EXPENDITURE	OTHER FUNDING
Beaches And Pools							
Beach Facilities	583	0	434	0	430	(149)	0
Rock/Tidal Pools	1,088	0	991	0	991	(97)	0
Treated Water Pools	1,032	0	884	0	881	(148)	0
TOTAL Beaches And Pools	2,703	0	2,309	0	2,102	(394)	0
Waste Facilities							
Whytes Gully New Cells	2,701	(2,701)	2,422	(2,422)	2,007	(279)	279
TOTAL Waste Facilities	2,701	(2,701)	2,422	(2,422)	2,007	(279)	279
Fleet							
Motor Vehicles	1,450	(809)	1,450	(809)	952	0	(0)
TOTAL Fleet	1,450	(809)	1,450	(809)	952	0	(0)
Plant And Equipment							
Mobile Plant (trucks, backhoes etc.)	4,380	(853)	4,380	(853)	3,907	0	(0)
TOTAL Plant And Equipment	4,380	(853)	4,380	(853)	3,907	0	(0)
Information Technology							
Information Technology	2,375	0	2,375	0	1,829	0	0
TOTAL Information Technology	2,375	0	2,375	0	1,829	0	0
Library Books							
Library Books	1,322	0	1,322	0	1,211	0	0
TOTAL Library Books	1,322	0	1,322	0	1,211	0	0
Public Art							
Art Gallery Acquisitions	100	0	100	0	91	0	0
TOTAL Public Art	100	0	100	0	91	0	0
Emergency Services							
Emergency Services Plant and Equipment	20	0	20	0	14	0	0
TOTAL Emergency Services	20	0	20	0	14	0	0
Land Acquisitions							
Land Acquisitions	2,319	(2,269)	1,773	(1,759)	1,709	(546)	510
TOTAL Land Acquisitions	2,319	(2,269)	1,773	(1,759)	1,709	(546)	510
Non-Project Allocations							
Capital Project Contingency	4,453	0	4,834	0	0	382	0
Capital Project Plan	36	0	36	0	35	0	0
TOTAL Non-Project Allocations	4,489	0	4,870	0	35	382	0
GRAND TOTAL	90,247	(28,648)	89,032	(27,432)	67,022	(1,216)	1,216