



Our home
Our City Our future

OPERATIONAL PLAN
2014-2015
WITH SRV



QUARTERLY REPORT

July 2014 – September 2014

THE INTEGRATED PLANNING AND REPORTING FRAMEWORK

The Local Government Integrated Planning and Reporting (IPR) Framework aims to ensure a more sustainable Local Government sector. All NSW Councils are required to develop a Community Strategic Plan (10 years) along with a Delivery Program (4 years) and Operational Plan (1 year). These documents are informed by a Resourcing Strategy (10 years) that is made up of a Long Term Financial Plan, Asset Management Strategy and Workforce Management Plan.



Figure 1: IPR Framework

In order to achieve the integration envisaged by the IPR framework, there is an alignment between the Fairfield City Plan, Resourcing Strategy, Delivery Program and the Operational Plan. This alignment is formed through the five themes identified by the community in the 2012-2022 Fairfield City Plan:

- **Theme 1: Community Wellbeing**
- **Theme 2: Places and Infrastructure**
- **Theme 3: Environmental Sustainability**
- **Theme 4: Local Economy and Employment**
- **Theme 5: Good Governance and Leadership**

The Delivery Program details the initiatives, programs and services Council will undertake during its term of office to help achieve the community outcomes identified in the Fairfield City Plan.

The 2014-2015 Operational Plan is a sub plan of the Delivery Program which outlines the initiatives, major programs and services which are to be undertaken during the financial year. It also includes the budget details for the year. Accordingly, this quarterly report focuses on the 2014-2015 Operational Plan implementation period of July 2014 to September 2014. This report will be publicly available and will be included in Council's Business Paper.

Developed by the Integrated Planning and Reporting Unit (2014)

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1. INTRODUCTION TO THE QUARTERLY REPORT

Fairfield City Council's 2014-2015 Operational Plan details the services, major programs and initiatives Council will complete in order to achieve the vision outlined by the community in the Fairfield City Plan 2012-2022. The Quarterly Report outlines the key achievements, and flags any issues, that have occurred in the third quarter of the financial year from July to September 2014.

The latter part of this report includes a detailed financial account of Council's financial position for the quarter. All projects within this report are grouped with the theme they relate to. These themes are described below:

THEME 1: COMMUNITY WELLBEING

Community Wellbeing relates to the quality of life we enjoy when we live, work, play, shop or visit the Fairfield City area. It's about a good relationship with our neighbours, the opportunities we have to meet our daily needs and achieve our ambitions, our sense of belonging, respect for the things we value, the support that's available when we need it, and the pride we feel in our diverse community and neighbourhoods.

THEME 2: PLACES AND INFRASTRUCTURE

Places and infrastructure are the buildings, facilities, open space, town centres, roads, footpaths, public transport and all other built structures that we use to meet our day to day and future needs. The availability of places and infrastructure in the community enables services to be provided and therefore contributes to our wellbeing. The quality of our places and infrastructure create a first impression for visitors to our City and help shape the care and pride we take in our area.

THEME 3: ENVIRONMENTAL SUSTAINABILITY

Our local environment and natural resources define our City and contribute to our wellbeing. In turn, our activities impact the quality and viability of many species and finite resources. Increasing awareness of environmental challenges such as climate change and water shortages has increased the pressure for protection and management of our bushland, local wildlife and waterways as well as improved design and operation of our built environment. Environmental sustainability is important at the local and global level and for the health and wellbeing of future generations.


THEME 4: LOCAL ECONOMY AND EMPLOYMENT

The businesses and industries in Fairfield City and the surrounding areas provide goods and services as well as local employment opportunities. The shopping centres not only provide a range of products and services, they are also important meeting places and often represent the identity of their suburb. The Smithfield-Wetherill Park industrial area is one of the largest industrial estates in Australia and therefore a major employer, traffic generator and economic powerhouse. Higher than average levels of unemployment, especially youth unemployment, place increased importance on access to education and training.

THEME 5: GOOD GOVERNANCE AND LEADERSHIP

As a democracy, we want our leaders to listen to us, represent our views with integrity and strive to achieve for the good of the community. Decision making, especially in the public sector, must be transparent, objective and accountable. Good governance and leadership ensures the community has access to information and participates in the development of policies and decisions that affect them. Across all sectors of our community we look for a high standard of ethics, justice and honesty to be reflected in the actions and behaviour of individuals, organisations, businesses and governments.

 **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.

 **Ceased**
 Project is recommended not to proceed

 **On Track**

2. QUARTERLY PROGRESS SUMMARY

This report provides advice on initiative status by exception – where an initiative is to be ceased, is behind schedule or has been achieved. The first quarterly report also includes the carried forward initiatives from 2013-2014. All of these initiatives are included with their final budget amount ie, they account for the actual expenditure of budget in 2013/14. Some anticipated carry forwards were completed prior to year end.

Project Status Summary by Quarter

Figure 2 displays the status of the 442 initiatives, major programs and carry forwards for the first quarter of the financial year (July - September 2014) which have been identified in the 2014-2015 Operational Plan.

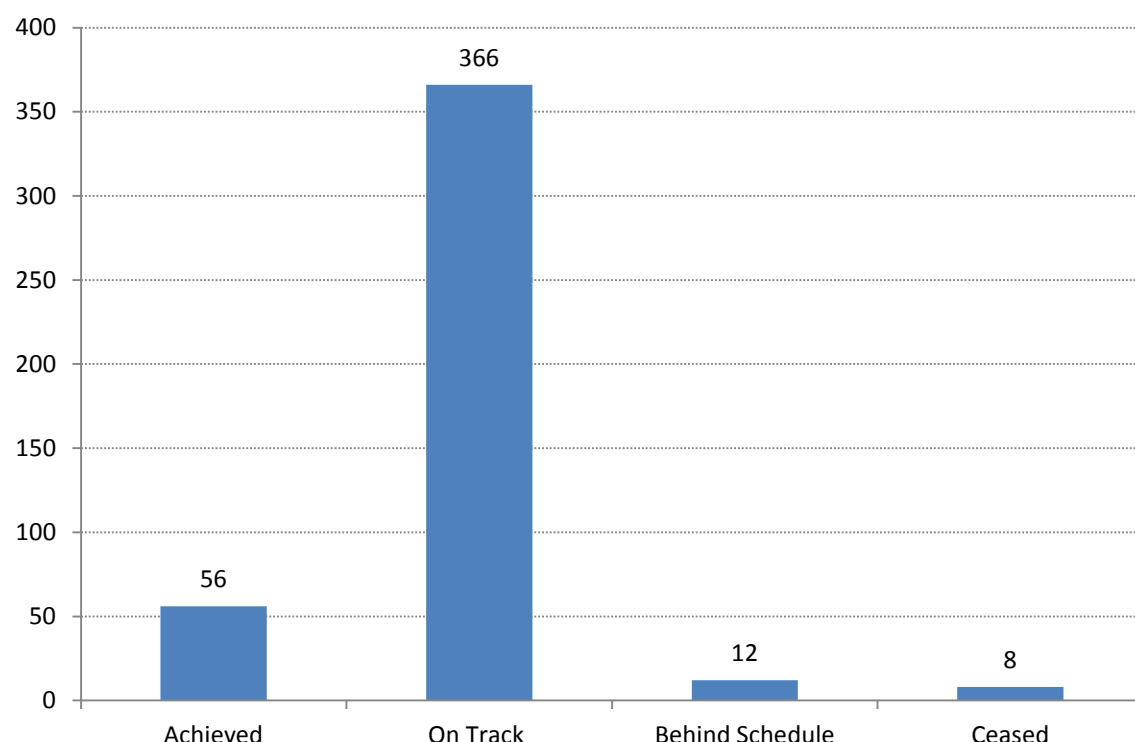



Figure 2: Status of all Initiatives, Major Programs and Carry Forwards in Quarter one (July – September 2014)

The status of Council's initiatives, major programs and carry forwards, to date is:

| STATUS | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 |
|-----------------|------------|-----------|-----------|-----------|
| Achieved | 56 | | | |
| On Track | 366 | | | |
| Behind Schedule | 12 | | | |
| Ceased | 8 | | | |
| TOTAL | 442 | | | |


Achieved
 Project is completed


Behind Schedule
 Project is behind schedule and expected to be delivered within agreed timeframe.


Ceased
 Project is recommended not to proceed



On Track

3. EXCEPTION COMMENTS BY THEME - MAJOR PROGRAMS AND INITIATIVES

This Quarterly Report contains the detailed financial report however for the projects component it is reported as an exception report. This means that the report only identifies initiatives, major programs or carry forwards that have been completed, are behind schedule or have been ceased. The following 5 tables separate these items by theme, detail the status and include comments.

| THEME 1: COMMUNITY WELLBEING | | | | | |
|------------------------------|---|---|----------------|--------|--|
| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
| MPDU1501 | Disability Upgrades – Access Improvement Program – Fairfield Community Hall. | Manager Social Development | \$60,603 | – | On 26 August 2014, Council resolved to replace these two disability upgrades in the 2014-2015 Operational Plan with access improvements (accessible toilet/kitchen) to Edensor Park Community Hall, in order to maintain accreditation for the Out Of School Hours (OOSH) service. These two projects will be rescheduled into future years. |
| MPDU1502 | Disability Upgrades – Access Improvement Program – Bossley Park Community Hall. | Manager Social Development | \$29,000 | – | |
| NEW | Disability Upgrades – Access Improvement Program – Edensor Park Community Hall. | Manager Social Development | \$89,603 | NEW | Designs for Edensor Park Community Hall are being reviewed by Environmental Standards. |
| CARRY FORWARDS | | | | | |
| CF1346 | Bossley Park Preschool and Cabramatta Preschool Construction. | Manager Children and Family Services | \$549,855 | → | This project was delayed due to continuing negotiations with the Department of Education and Training regarding these proposals. |
| IN14306 | Water Park Prairiewood Leisure Centre - design and approval. | Manager Showground, Leisure Centres and Golf Course | \$147,833 | → | Completed negotiation on the request for tender for the construction of the Water Park. This was unsuccessful and the delivery approach for the project was reviewed. |

 **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.

 **Ceased**
 Project is recommended not to proceed

 **On Track**

THEME 1: COMMUNITY WELLBEING

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|---------|--|--------------------------------------|----------------|--------|---|
| R130201 | Fairfield Early Learning Centre Extension. | Manager Children and Family Services | \$121,900 | → | Changes made to the Development Application and has been resubmitted for approval. This project was carried forward from 2013-2014 due to delayed funding from the Department of Education. |
| CF1306 | Fairfield Adventure Playground – design and procure major equipment. | Manager Asset Management Open Space | \$212,000 | → | The scope of works has been revised by Council. Design has now been completed. All major tenders have been awarded. |
| CF1417 | Fairfield Adventure Playground – build. | Manager Asset Management Open Space | \$734,637 | → | Ground works have commenced. |
| MPCTV | CCTV Major Program. | Manager Environmental Standards | \$293,255 | n/a | This carry forward included in the new CCTV Major Program and will be reported within projects MPCTV1501-03. |



Achieved
 Project is completed



Behind Schedule
 Project is behind schedule and expected to be delivered within agreed timeframe.



Ceased
 Project is recommended not to proceed



On Track

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|-----------|---|-------------------------------------|----------------|--------|---|
| IN1595 | Survey and Spatial Data – provide a wide range of surveying and spatial data services to the Council and the community including surveys for traffic projects, catchment management projects, and property development etc. | Manager Built Systems | \$50,000 | ★ | Survey equipment has been purchased which has allowed Council to provide a wide range of surveying and spatial data services. |
| IN15273 | Community Centre/Halls – Installation of Air Conditioning – Bonnyrigg Heights. | Manager City Assets | \$10,000 | ★ | Works completed. |
| IN15311 | Additional Car Parking in Fairfield City Centre. | Manager Built Systems | \$720,000 | 🕒 | Awaiting confirmation from Transport for NSW to grant approval to Council for a 400m ² section of additional land needed to fit the angled car parks. |
| IN15325 | Community Energy Efficiency Program – Stage 1 - planning, programming and procurement. | Manager Civil and Built | \$15,000 | \$* | It is proposed to adjust the budget to be spent over the 2 years. Stage 1 in 2014-2015 for planning, programming and procurement - \$15,000. Stage 2 in 2015-2016 for the installation of the LED lights - \$699,000. |
| INSRV1502 | Fairfield Library Expansion – construction of a second storey to create additional study space to meet the Community's growing needs within the area. | Manager Major Projects and Planning | \$3,200,000 | 🕒 | Delayed due to disruption at Wetherill Park Library arising from Stocklands Wetherill Park upgrade and reduced car parking on site. |
| MPFRP1503 | Footpath Replacement Program - Broadmeadows Street, St Johns Park – both sides from Essendon Street to Kooyong Street (180m). | Manager Civil and Built | \$21,600 | ★ | Works completed. |

\$* Note this is a change in the budget amount for the current year

★ **Achieved**
 Project is completed

🕒 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.

■ **Ceased**
 Project is recommended not to proceed

➔ **On Track**

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|------------|---|-------------------------|----------------|--------|--|
| MPFRP1504 | Footpath Replacement Program - Brown Road, Bonnyrigg – left side from Montgomery Road to Merinda Place (140m). | Manager Civil and Built | \$16,800 | ★ | Works completed. |
| MPFRP1532 | Footpath Replacement Program - Melbourne Road, St Johns Park – left side from Edensor Road to Canley Vale Road (110m). | Manager Civil and Built | \$15,548 | ★ | Works completed. |
| MPLTM1503 | Local Area and Traffic Management Program – Melbourne Road, St Johns Park – traffic management devices. | Manager Built Systems | \$60,000 | ★ | Construction of raised threshold has been completed. |
| MPRMSR1501 | Roads and Maritime Services Repair Program – Railway Parade from bridge at Orphan School Creek to Stuart Street, Canley Vale - rebuilding of road base and resurfacing with hot mix asphalt (175m). | Manager Civil and Built | \$285,000 | ★ | Works completed. |
| MPNFC1501 | New Footpath Construction Program - Ada Street, Canley Vale – left side from Togil Street to Premier Street (230m). | Manager Civil and Built | \$23,046 | ★ | Works completed. |
| MPNFC1502 | New Footpath Construction Program -Brabyn Street, Fairfield West – right side from Corryong Street to Bramley Street (41m). | Manager Civil and Built | \$4,108 | ★ | Works completed. |
| MPNFC1503 | New Footpath Construction Program -Brigalow Street, Cabramatta – right side from Carabeen Street to Gidgee Street (80m). | Manager Civil and Built | \$8,016 | ★ | Works completed. |



Achieved
Project is completed



Behind Schedule
Project is behind schedule and expected to be delivered within agreed timeframe.



Ceased
Project is recommended not to proceed



On Track

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|-----------|--|-------------------------|----------------|--------|------------------|
| MPNFC1504 | New Footpath Construction Program - Cardwell Street, Fairfield Heights – left side from The Boulevarde to Sackville Street (490m). | Manager Civil and Built | \$49,098 | ★ | Works completed. |
| MPNFC1505 | New Footpath Construction Program - Delamere Street, Canley Vale – right side from The Boulevarde to Railway Parade (1,065m). | Manager Civil and Built | \$106,713 | ★ | Works completed. |
| MPNFC1518 | New Footpath Construction Program -Mallee Street, Cabramatta West – ride side from Huon Street to Church Street (100m). | Manager Civil and Built | \$10,020 | ★ | Works completed. |
| MPNFC1523 | New Footpath Construction Program - Nance Avenue, Cabramatta – both sides from Woods Avenue to Bowden Street (200m). | Manager Civil and Built | \$22,040 | ★ | Works completed. |
| MPNFC1531 | New Footpath Construction Program - Vancouver Place, Fairfield West – left side from Tasman Parade to cul-de-sac (155m). | Manager Civil and Built | \$15,531 | ★ | Works completed. |
| MPRR1501 | Road Rehabilitation - Schubert Place from Simpson Road to cul-de-sac, Bonnyrigg Heights – repair of pavement failures and resurfacing with hot mix asphalt (153m). | Manager Civil and Built | \$42,450 | ★ | Works completed. |



Achieved
Project is completed



Behind Schedule
Project is behind schedule and expected to be delivered within agreed timeframe.



Ceased
Project is recommended not to proceed




On Track

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|----------|---|-------------------------|----------------|--------|------------------|
| MPRR1502 | Road Rehabilitation - Booyong Street from Brigalow Street to Bolivia Street, Cabramatta – cement stabilisation, spray seal and resurfacing with hot mix asphalt (203m). | Manager Civil and Built | \$120,000 | ★ | Works completed. |
| MPRR1504 | Road Rehabilitation - Boundary Lane from Loloma Street to Lasa Street, Cabramatta – repair of pavement failures and resurfacing with hot mix asphalt (126m). | Manager Civil and Built | \$56,457 | ★ | Works completed. |
| MPRR1505 | Road Rehabilitation - Cumberland Street from Liverpool Street to Blair Place, Cabramatta – rebuilding of road base and resurfacing with hot mix asphalt (121m). | Manager Civil and Built | \$90,000 | ★ | Works completed. |
| MPRR1506 | Road Rehabilitation - Fairview Road from Longfield Street to Curtin Street, Cabramatta - repair of pavement failures and resurfacing with hot mix asphalt (236m). | Manager Civil and Built | \$106,130 | ★ | Works completed. |
| MPRR1507 | Road Rehabilitation - Fairview Road from Curtin Street to Bareena Street, Cabramatta - cement stabilisation, spray seal and resurfacing with hot mix asphalt (184m). | Manager Civil and Built | \$141,000 | ★ | Works completed. |

★ **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.


■ **Ceased**
 Project is recommended not to proceed

→ **On Track**

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|----------|---|-------------------------|----------------|--------|------------------|
| MPRR1509 | Road Rehabilitation - Longfield Street from Ralph Street to Hume Highway, Cabramatta - rebuilding of road base and resurfacing with hot mix asphalt (348m). | Manager Civil and Built | \$240,336 | ★ | Works completed. |
| MPRR1510 | Road Rehabilitation - Phillip Avenue from Cabramatta Road to cul-de-sac, Cabramatta - repair of pavement failures and resurfacing with hot mix asphalt (217m). | Manager Civil and Built | \$90,000 | ★ | Works completed. |
| MPRR1511 | Road Rehabilitation - Abercrombie Street from Deller Avenue to Bauer Road, Cabramatta West - repair of pavement failures and resurfacing with hot mix asphalt (223m). | Manager Civil and Built | \$94,022 | ★ | Works completed. |
| MPRR1512 | Road Rehabilitation - Carcoola Street from Fourth Avenue to Senior Street, Canley Heights - cement stabilisation, spray seal and resurfacing with hot mix asphalt (178m). | Manager Civil and Built | \$215,000 | ★ | Works completed. |
| MPRR1513 | Road Rehabilitation - Kiora Street from 104 Peel Street to Gladstone Street, Canley Heights - repair of pavement failures and resurfacing with hot mix asphalt (300m). | Manager Civil and Built | \$95,500 | ★ | Works completed. |

★ **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.


■ **Ceased**
 Project is recommended not to proceed

→ **On Track**

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|----------|--|-------------------------|----------------|--------|------------------|
| MPRR1515 | Road Rehabilitation - Torrens Street from Gladstone Street to Chatham Street, Canley Heights - repair of pavement failures and resurfacing with hot mix asphalt (113m). | Manager Civil and Built | \$71,857 | ★ | Works completed. |
| MPRR1520 | Road Rehabilitation - Eldershaw Road from Cucak Close to Keneally Crescent, Edensor Park - cement stabilisation, spray seal and resurfacing with hot mix asphalt (140m). | Manager Civil and Built | \$110,000 | ★ | Works completed. |
| MPRR1525 | Road Rehabilitation - The Grove from Railway Parade to Hampton Street, Fairfield - rebuilding of road base and resurfacing with hot mix asphalt (347m). | Manager Civil and Built | \$225,000 | ★ | Works completed. |
| MPRR1527 | Road Rehabilitation - Blackford Street from Cunningham Street to Nelson Street, Fairfield East - cement stabilisation, spray seal and resurfacing with hot mix asphalt (345m). | Manager Civil and Built | \$281,417 | ★ | Works completed. |
| MPRR1535 | Road Rehabilitation - Cheyenne Road from Arrowhead Road to Sweetheaven Road, Greenfield Park - rebuilding of road base and resurfacing with hot mix asphalt (196m). | Manager Civil and Built | \$96,683 | ★ | Works completed. |

★ **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.


■ **Ceased**
 Project is recommended not to proceed

→ **On Track**

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|----------|---|-------------------------|----------------|--------|------------------|
| MPRR1539 | Road Rehabilitation - Dargie Street from Oliphant Street to Townview Road, Mt Pritchard - rebuilding of road base and resurfacing with hot mix asphalt (313m). | Manager Civil and Built | \$248,457 | ★ | Works completed. |
| MPRR1542 | Road Rehabilitation - Hemphill Avenue from 33 Hemphill Avenue to Haig Street, Mt Pritchard - repair of pavement failures and resurfacing with hot mix asphalt (252m). | Manager Civil and Built | \$145,000 | ★ | Works completed. |
| MPRR1545 | Road Rehabilitation - Townview Road from Maggiotto Place to Oliphant Street, Mt Pritchard - rebuilding of road base and resurfacing with hot mix asphalt (350m). | Manager Civil and Built | \$161,882 | ★ | Works completed. |
| MPRR1552 | Road Rehabilitation - Koorinda Avenue from Denison Street to Koonoona Avenue, Villawood - rebuilding of road base and resurfacing with hot mix asphalt (250m). | Manager Civil and Built | \$75,000 | ★ | Works completed. |
| MPRR1556 | Road Rehabilitation - Hargraves Place from Elizabeth Street to cul-de-sac, Wetherill Park - rebuilding of road base and resurfacing with hot mix asphalt (330m). | Manager Civil and Built | \$245,000 | ★ | Works completed. |
| MPRR1557 | Road Rehabilitation - Brown Road from Elizabeth Street to Amaroo Street, Bonnyrigg Heights - rebuilding of road base and resurfacing with hot mix asphalt (90m). | Manager Civil and Built | \$84,050 | ★ | Works completed. |

★ **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.

■ **Ceased**
 Project is recommended not to proceed

→ **On Track**

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|-----------------------|--|--|---------------------------------|--------|--|
| MPSLUP1512 | Major Strategic Land Use Planning Projects - review the findings of Cabramatta Transport Management and Accessibility Study in regards to possible changes to Council's Local Environmental Plan, Development Control Plans and Contributions and Plans. | Manager strategic Land Use Planning | Within Service Statement Budget | → | Awaiting final endorsement from the Roads and Maritime Service to allow the results of the Study and its implications to be reported to Council. |
| CARRY FORWARDS | | | | | |
| CF1303 | Upgrade of Administration Building Fountain. | Manager Civil and Built | \$92,232 | → | This project was delayed due to changed legislative requirements regarding pool design specifications, water quality and drainage requirements. |
| CF1307 | Joe Broad Sportsground Upgrade – upgrade of the amenities building. | Manager City Assets | \$200,000 | 🕒 | The project required a revised scope of works. |
| CF1416 | Various Open Space capital improvements – including Knight and Avery Parks. | Manager City Assets | \$235,605 | → | Project scopes currently being developed. |
| CF1322 & IN1413 | Interwoven Arts Program in the Fairfield City Centre. | Manager Place Strategy | \$21,166 | → | Locations currently being reviewed for Arts program to be undertaken. |
| CF1324 & IN14182 | Cabramatta Footpath Upgrade. | Place Manager Cabramatta, Canley Vale and Canley Heights | \$519,162 | ★ | Paving works completed in Park Road for the Cabramatta Town Centre. The upgrade has improved the safety and amenity for pedestrians and the adjoining business premises. |
| IN14212 | Smithfield-Wetherill Park Heavy Vehicle Access Improvement Program. | Manager Place Strategy | \$40,000 | → | Project scope completed. |
| IN1422 | Fairfield City Centre Upgrade – Hamilton Road and The Crescent. | Manager Place Strategy | \$500,000 | → | Project scope completed and design underway. |

★ **Achieved**
 Project is completed

🕒 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.


■ **Ceased**
 Project is recommended not to proceed

→ **On Track**

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|--------|---|---|----------------|--------|---|
| CF1326 | Canley Heights Town Centre Improvements – traffic management works on pedestrian safety. | Place Manager Cabramatta, Canley Vale and Canley Heights | \$250,173 | → | Project still awaiting Roads and Maritime Services advice on installation of 40km per hour high pedestrian speed zones. |
| CF1347 | Bonnyrigg Park Bush Tucker Trail - Construction of a walkway including landscaping, planting of edible native plants (bush tucker) and signage at Bonnyrigg Park. | Place Manager Parks | \$158,000 | ★ | Works completed. |
| CF1401 | Works - Plant Replacement – replacement of 4 x 2 tipper trucks. | Manager Construction and Maintenance | \$139,350 | ★ | Tipper trucks have been delivered and are now operational. |
| CF1402 | Works - Plant Replacement – replacement of 4 x 2 tipper trucks. | Manager Construction and Maintenance | \$139,350 | ★ | Tipper trucks have been delivered and are now operational. |
| CF1403 | Works - Plant Replacement – replacement of 4 x 2 tipper trucks. | Manager Construction and Maintenance | \$139,350 | ★ | Tipper trucks have been delivered and are now operational. |
| CF1404 | Works - Plant Replacement – replacement of 4 x 2 tipper trucks | Manager Construction and Maintenance | \$139,350 | ★ | Tipper trucks have been delivered and are now operational. |
| CF1405 | Works - Plant Replacement – replacement of 6 x 2 tipper trucks. | Manager Construction and Maintenance | \$170,957 | ★ | Tipper trucks have been delivered and are now operational. |
| CF1406 | Parks - Plant Replacement – replacement of Table Top truck. | Manager Construction and Maintenance | \$70,014 | → | Purchase order raised and awaiting delivery of trucks. |
| CF1407 | Parks - Plant Replacement – replacement of Table Top truck. | Manager Construction and Maintenance | \$70,014 | → | Purchase order raised and awaiting delivery of trucks. |
| CF1408 | Bushfire Prone Land Map. | Manager Strategic Land Use Planning | \$23,468 | → | Bushfire Prone Land map is currently being developed in conjunction with the Rural Land Study. |
| CF1409 | Smithfield / Wetherill Park Landscaping Project. | Manager Place Strategy | \$0 | ★ | Landscaping was completed at Elizabeth Street, Wetherill Park. |

★ **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.


■ **Ceased**
 Project is recommended not to proceed

→ **On Track**

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|---------|--|--|----------------------|--------|--|
| CF1410 | Support Bonnyrigg Town Centre. | Manager Place Strategy | \$15,057 | → | Preliminary design of artworks completed. |
| CF1411 | Waste Services Heavy Plant Replacement – purchase of a side loader garbage truck (Plant No. 586). | Manager Construction and Maintenance | \$344,508 | → | Purchase order raised and awaiting truck to be delivered as there is a delay in some of the components required on the truck. |
| CF1412 | Waste Services Heavy Plant Replacement – purchase of a side loader garbage truck (Plant No. 587). | Manager Construction and Maintenance | \$344,508 | → | Purchase order raised and awaiting truck to be delivered as there is a delay in some of the components required on the truck. |
| CF1414 | Upgrade of Rosford Reserve Athletics field. | Manager City Assets | \$33,000 | → | Construction is underway. |
| IN14301 | Gateway Entrances in Horsley Park – installation of gateway signage with lighting and landscaping at Wallgrove Road and The Horsley Drive intersection, to highlight and improve the appearance of the entrance to Horsley Park Village. | Manager Place Strategy | \$39,569 | ★ | Works completed. |
| IN14117 | Canley Heights Town Centre Improvement Program – Stages 4 and 5. | Place Manager Cabramatta, Canley Vale and Canley Heights | \$270,414 | → | Still awaiting approval by the Roads and Maritime Services (RMS) due to the conducting of research/review on 40kph zoning. Once review is completed, works can commence. |
| IN14131 | Fairfield Library Expansion - design and approval. | Manager Major Projects and Planning | \$76,600 | → | This project is currently on hold until December 2014, pending Council's resolution of project scope requirements. |
| IN14134 | Fairfield Youth and Community Centre – Fairfield District Park | Manager Major Projects and Planning | \$278,500 | n/a | This project was completed in Quarter 4 of the 2013-2014 Operational Plan. |
| IN14148 | Fairfield City Centre – Connecting Footpath Upgrades. | Manager Place Strategy | \$50,000 | → | Project scope has been developed. |

★ **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.


■ **Ceased**
 Project is recommended not to proceed

→ **On Track**

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|-----------|--|-------------------------------------|----------------|--------|---|
| IN14138 | Public Domain Infrastructure. | Manager Place Strategy | \$105,497 | → | Scope completed for electricity improvement in Cabramatta Town Centre for events, including renewal of switch box in Dutton Lane. |
| IN1471 | New Fairfield Centre Park - The Crescent - Design and Approval. | Manager Major Projects and Planning | \$30,000 | → | Project concept development commenced. |
| IN14178 | Multi Deck Car Parks - upgrade the Nelson and Downey Lane Car Parks. | Manager City Assets | \$52,524 | → | Nelson Street car park is completed but Downey Lane works still to be finalised. |
| CF1415 | Air Conditioning System – Administration Building - Final Stage. | Manager Major Projects and Planning | \$200,000 | → | This project carried forward due to minor works in air conditioning system to be finalised. |
| IN14286 | Barbara Street Car Park – Fairfield. | Manager Major Projects and Planning | \$477,892 | → | This project was delayed to address issues with Review of Environmental Factors (REF). |
| MPBAR1415 | Building Assets Renewal – Hartley Oval Amenity Building. | Manager Civil and Built | \$146,383 | → | Plans have been developed and Development Application has been approved. |
| MPBP1405 | Blackspot Program – shoulder widening - Ferrers Road between Chandos Road and Fairfield LGA – Horsley Park. | Manager Built Systems | \$154,909 | → | Works have been completed with the finalisation of invoices still required. |
| MPBP1406 | Blackspot Program – removal of existing refuge island and conversion of Smithfield Road into four-lane-two- way road. Incorporate Bicycle Phase into traffic control signal at Mimosa Road and construction of a new cycleways to maintain existing cycleway link – Smithfield Road between Edensor Road and Gretel Street, Greenfield Park. | Manager Built Systems | \$99,023 | → | Works have been completed with finalisation of invoices still required. |



 **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.

 **Ceased**
 Project is recommended not to proceed

 **On Track**

THEME 2: PLACES AND INFRASTRUCTURE

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|-----------|--|-------------------------|----------------|---|---|
| MPPIP1404 | Park Improvement Program – Adams Park, Canley Vale. | Manager Built Systems | \$79,565 |  | Project scope has been modified. Design completed and issued for implementation. |
| MPRR1419 | Road Rehabilitation – Arundel Street, The Horsley Drive – House Number 87 – resealing. | Manager Civil and Built | \$67,030 |  | Council continues to liaise with Sydney Water on the timing of their works to allow the rehabilitation works to be scheduled. |



Achieved
Project is completed



Behind Schedule
Project is behind schedule and expected to be delivered within agreed timeframe.







Ceased
Project is recommended not to proceed





On Track

THEME 3: ENVIRONMENTAL SUSTAINABILITY

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|------------|--|------------------------------|----------------|---|---|
| IN15316 | Stormwater drainage - Wetherill Park - identification, design and works to reduce the risk of major flooding within the catchment, including water quality improvements. | Manager Catchment Management | \$203,600 |  | Project is awaiting completion of MPFMP1414 – Wetherill Park Catchment Management Plan to identify mitigation measures. |
| MPESMP1502 | Existing Stormwater Management Program - Horsley Park Stormwater Drainage Works, Horsley Park and Cecil Park. | Manager Catchment Management | \$210,000 |  | Project is awaiting completion of MPESMP1402 – Reduction in nuisance flooding - Horsley Park Village and Horsley Park. |
| MPESMP1503 | Existing Stormwater Management Program - Prospect Creek Bank Rehabilitation Works - 1 Bromley Street, Canley Vale. | Manager Catchment Management | \$250,000 |  | Project is awaiting completion of MPESMP1404 – Stabilised creek bank with reduced risk of erosion and improve biodiversity and amenity. |
| MPFMP1501 | Flood Mitigation Program – voluntary house raising – new project to raise the property to reduce the risk of flood damage – 15 Moore Street Canley Vale. | Manager Catchment Management | \$56,700 | – | Property owner is unable to complete house raising works this financial year. |
| MPFMP1503 | Flood Mitigation Program – continuation of voluntary house raising works to raise the property to reduce the risk of flood damage - 16C Knight Street, Lansvale. | Manager Catchment Management | \$81,000 |  | Project delayed as property owner is confirming funding. Project will be reassessed during Quarter 2. |
| MPFMP1504 | Flood Mitigation Program - continuation of voluntary house raising works to raise the property to reduce the risk of flood damage - 8 Riverside Street, Lansvale. | Manager Catchment Management | \$56,700 | – | Property owner is unable to complete house raising works this financial year. |
| MPFMP1509 | Flood Mitigation Program - Parks Catchment - an Overland Flood Study to describe flood behaviour and identify areas at risk of flooding. | Manager Catchment Management | \$10,000 | – | Project not yet commenced. Recommend project be deferred until future financial years. |

 **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.


 **Ceased**
 Project is recommended not to proceed

 **On Track**

THEME 3: ENVIRONMENTAL SUSTAINABILITY

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|-----------------------|---|------------------------------|----------------|--------|---|
| CARRY FORWARDS | | | | | |
| MPESMP1401 | Existing Stormwater Management Program – investigate, design, construction of stormwater works at Rosina Street, Fairfield West. | Manager Catchment Management | \$28,038 | ★ | Stormwater drainage works at Rosina Street, Fairfield West have been completed. |
| MPESMP1402 | Existing Stormwater Management Program – Council's existing Stormwater Improvement Program comprises of a series of major and minor works to reduce stormwater flooding, improve water quality and reduce creek bank erosion. These high priority projects have been selected from Council's Water Management Plan, which has categorised, assessed and prioritised them. | Manager Catchment Management | \$65,066 | → | Structural options for flood mitigation and stormwater drainage improvement in Horsley Village have been identified and are being assessed. |
| MPESMP1403 | Existing Stormwater Management Program – upgrade of stormwater table drain – Lincoln Road, Horsley Park. | Manager Catchment Management | \$72,450 | → | The design for stormwater drainage improvement works at Lincoln Road, Horsley Park, was delayed due to road safety matters. Project approval now completed. |
| MPESMP1404 | Existing Stormwater Management Program - investigate and design of bank stabilisation works on Orphan School Creek – Bromley Street, Canley Vale. | Manager Catchment Management | \$49,103 | → | Designs for the rehabilitation of Prospect Creek bank at Bromley Street, Canley Vale have been completed. |
| MPFMP1403 | Flood Mitigation Program – voluntary house raising at selected property – property raised to reduce risk of flood damage. | Manager Catchment Management | \$48,600 | - | Project ceased as no suitable property has been identified. |
| MPFMP1413 | Flood Mitigation Program – Smithfield West Overland Study. | Manager Catchment Management | \$52,870 | → | This project was carried forward due to late announcement on grant funding. |




★ **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.


■ **Ceased**
 Project is recommended not to proceed


→ **On Track**

THEME 3: ENVIRONMENTAL SUSTAINABILITY

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|------------|---|------------------------------|----------------|---|---|
| MPFMP1414 | Flood Mitigation Program – Wetherill Park Catchment Management Plan. | Manager Catchment Management | \$76,543 |  | Review of Wetherill Park Flood study model and report are completed. Mitigation options to reduce flood risk have been identified and are being assessed. |
| MPFMP1415 | Flood Mitigation Program – Prospect Creek Floodway Rectification. | Manager Catchment Management | \$148,847 |  | Tendering process has been completed. |
| MPHPD1401 | Horsley Park Drainage Improvement - investigation works carried out into the options to minimise stormwater runoff, mitigate flooding, protect roads and enhance road safety. | Manager Catchment Management | \$199,858 |  | Project flood modelling completed. |
| MPWSIP1402 | Waste and Sustainability Improvement Payment (WaSIP) Program – Sustainable Early Learning Centres. | Manager Waste Sustainability | \$48,613 | → | Conducted two Waste and Recycling Education Workshops for 70 students at Bonnyrigg Heights and Wakeley Early Learning Centres. |
| MPWSIP1415 | Waste and Sustainability Improvement Payment (WaSIP) Program – Big Belly solar compacting bins. | Manager Waste Sustainability | \$100,000 | → | Currently reviewing the financial and technical effectiveness of the Big Belly Solar Bins. |
| MPWSIP1416 | Waste and Sustainability Improvement Payment (WaSIP) Program – Environmental Management Plan review. | Manager Waste Sustainability | \$30,000 | → | Project brief has been finalised. |
| MPWSIP1409 | Waste and Sustainability Improvement Payment (WaSIP) Program – portable CCTV cameras and handheld devices. | Manager Waste Sustainability | \$311,361 | | This project was completed in Quarter 4 of 2013-2014 and was incorrectly listed in the Carry Forward program. |

 **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.


 **Ceased**
 Project is recommended not to proceed

 **On Track**

THEME 4: LOCAL ECONOMY AND EMPLOYMENT

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|---|--|--|----------------|--------|--|
| There are no 2014-2015 initiatives or major programs that need to be included in this report for Theme 4. All within this theme are on track. | | | | | |
| CARRY FORWARDS | | | | | |
| MPCIP1401-05 | Centre Improvement Program - continue the upgrade of Local and Neighbourhood Centre public domain to improve and maintain the visual attractiveness, general amenity, accessibility and level of safety. | Manager Place Strategy | \$76,797 | ★ | Works completed in various locations including Street tree planting in Fairfield Street and Polding Street, footpath repairs in Brenan Street, landscaping in Loscoe Street as well as a major upgrade to Villawood Shopping Centre. |
| IN1420 | Fairfield City Centre Tourism Pedestrian Signage. | Manager Place Strategy | \$20,000 | → | Project scope completed. Input from Transport for NSW for Interchange precinct signage is still to be provided and may delay the project. |
| IN14183 | Online Information Point for Canley Heights Town Square. | Place Manager Cabramatta, Canley Vale and Canley Heights | \$50,000 | → | Advice regarding external panels suitable for outdoor use is currently being sought. |

★ **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.


■ **Ceased**
 Project is recommended not to proceed

→ **On Track**

THEME 5: GOOD GOVERNANCE AND LEADERSHIP

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|-----------|--|---|---------------------------------|--------|---|
| IN1510 | Fairfield City Council Open Day - this is an annual open day for the community where they can visit Council's Administration Building and learn more about Council services. This will include information and activities the community can participate in during Local Government Week. | Communications and Marketing Manager | \$6,000 | ★ | Councils Open Day was held on 6 August 2014. The day was well attended by community groups and residents. Positive feedback received by all in attendance. Media coverage was positive. |
| MPPIC1501 | Productivity Improvements and Cost Containment – multi-skilling – cross training of staff. | Group Manager Information Management Services | Within Service Statement Budget | – | Investigation determined the cross-training would not lead to any efficiencies or productivity gains due to the restructure in July 2013. |
| MPPIC1502 | Productivity Improvements and Cost Containment – sundry debtors system – business case to establish the benefits of integrating sundry debtors and City Financials. | Group Manager Information Management Services | Within Service Statement Budget | – | Investigation determined the option of integrating debtors system with Peoplesoft was not an efficient or productive change to pursue. |
| MPPIC1519 | Productivity Improvements and Cost Containment – process improvement - refinement of first tranche quality management processes. | Group Manager City Development | Within Service Statement Budget | ★ | The Certification process review has been completed and now implemented. |
| MPPIC1524 | Productivity Improvements and Cost Containment – Fleet - review of remuneration strategy for light vehicle fleet. | Manager Procurement Fleet and Stores | Within Service Statement Budget | ★ | The remuneration strategy for light vehicle fleet has been completed as part of the Fleet Renewal Program - Stage 1. |
| MPWMP1501 | Workforce Management Plan - Council Success - Capability Risk - develop a profiling tool for organisational wide analysis of role succession and capability risks. | Human Resources and Customer Service | Within Service Statement Budget | ★ | A profiling tool has been developed and workforce data collected for analysis of role succession and capability risks. |

★ **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.


■ **Ceased**
 Project is recommended not to proceed

➔ **On Track**

THEME 5: GOOD GOVERNANCE AND LEADERSHIP

| No. | Name | Responsible Officer | 2014/15 Budget | Status | Comments |
|-----------------------|--|--------------------------------------|---------------------------------|--------|--|
| MPWMP1502 | Workforce Management Plan - Council Culture and Leadership - Fairfield City Council (FCC) Leadership Capability - establish and embed a formal system of coaching and mentoring. | Human Resources and Customer Service | Within Service Statement Budget | ★ | A coaching and mentoring program has been established in conjunction with an Emerging Leaders Program. |
| CARRY FORWARDS | | | | | |
| MPFRP1401 | Fleet Renewal Program. | Manager Procurement Fleet and Stores | \$49,015 | ★ | The first stage of the fleet renewal program has been completed. |
| MPWMP1403 | Workforce Management Plan Self Insurance Audit Licence Retention. | Human Resources and Customer Service | Within Service Statement Budget | ★ | Achieved 100% in all aspects of the WorkCover Audit resulting in retention of the Self Insurers Licence. |
| IN1428 | Fairfield City Council Website upgrade. | Communications and Marketing Manager | \$121,557 | → | Website contracts currently being finalised. |
| IN14289 | Sub-Division of 65 The Avenue, Canley Vale. | Manager City Assets | \$28,939 | n/a | This project was brought forward in the Quarter 3 Report 2013-2014 Operational Plan, and is now listed as IN15289 in the 2014-2015 Operational Plan. |
| IN14290 | Sale of 171 Cowpasture Road, Wetherill Park. | Manager City Assets | \$38,000 | → | Viability of the site for development is still being determined. |
| CF1413 | City Financials Upgrade – migration of assets system with financial system. | Infrastructure Operations | \$102,000 | → | Two departments - Parks and Gardens and Assets Open Space operations have been migrated to PeopleSoft Maintenance Management system. |

★ **Achieved**
 Project is completed

 **Behind Schedule**
 Project is behind schedule and expected to be delivered within agreed timeframe.

■ **Ceased**
 Project is recommended not to proceed

→ **On Track**

4. QUARTERLY BUDGET REVIEW STATEMENT

QUARTERLY BUDGET REVIEW STATEMENT - QUARTER ENDING SEPTEMBER 2014

Introduction

The Quarterly Budget Review Statement report provides Council's financial position for the quarter ending 30th September 2014. It includes:

1. Statement by the Responsible Accounting Officer on Council's Financial Position
2. Income and Expenditure Budget Review
3. Capital Budget Review
4. Cash and Investment Budget Review
5. First Quarter 2014 – 15 Budget Review
6. Key Performance Indicators Budget Review
7. Contracts and Other Expenses Budget Review
8. Statutory Investment Report

1. Statement by the Responsible Accounting Officer

The purpose of the Responsible Accounting Officer (RAO) considering council's financial position with regard to the original estimate of income and expenditure (original budget) is to assess whether or not council's projected year end result as at the end of each quarter has any likely impact on council's estimated financial position as determined in its Operational Plan. The RAO provides assurance of a satisfactory financial position and any remedial action if unsatisfactory. The following statement is made in accordance with Clause 203(2) of the Local Government (General) regulations 2005.

"It is my opinion that the Quarterly Budget Review Statement for Fairfield City Council for the quarter ended 30 September 2014 indicates that Council's financial position is satisfactory at year end, having regard to the income and expenditure and the budgeted income and expenditure."

Signed:

date: 27 October 2014

Bradley Cutts
Chief Financial Officer
Responsible Accounting Officer

2. Income and Expenditure Budget Review

Overall Position

Council's Operating result before capital items for the three months to 30th September, 2014 is a surplus of \$0.634m compared to budget deficit of \$0.193m. The key components that have contributed to the change in operating position are from the receipt of operating grants from Environmental Protection Authority for Better Waste & Recycling program, unexpected large S94 developer contribution and gain on sale of property at 18 Riverview Rd, Fairfield. (More detailed commentary is explained below).

Revenue

The revenue from continuing operations (i.e. including Capital Grants and Contributions) is \$42.571m against budget of \$40.046m. The major variances are as follows:

User Fees and Charges

The User Fees and Charges income has an unfavourable variance of (\$0.636m) with actuals of \$4.059m against budget of \$4.695m. The unfavourable variance is mainly from Roads opening permit fees under the Regulatory & Statutory fees income category (\$0.253m) and other unfavourable variance (\$0.197m) is made up of smaller unfavourable variance in all other items under Regulatory & Statutory category. The other (\$0.186m) is from child care income. These variances are due to the budget seasonality based on the last year trend and are a timing difference, however, full year budget expected.

Other Revenue

Other Revenue has a favourable variance of \$0.741m with actuals of \$3.347m against budget of \$2.606m. Major favourable variances are noted from Fines of \$0.306m, Car Park operations \$0.119m, gain on sale of property at 18 Riverview Rd, Fairfield \$0.340m and Rental Property income of \$0.058m and others of \$0.084m.

There is net unfavourable variance of (\$0.166m) in the Sustainable Resource Centre that is made up of \$0.357m reduced sales. This is offset by savings in cost of sales.

The remittance of the fines by the State Debt Recovery has been higher than expected. The Fines budget is based on an estimate average monthly forecast while actual receipts vary based on when fines are paid.

Improved efficiency in operations at the Car Park (Nelson Street, Cabramatta multi-storey and Downey Lane) has resulted in increased volume of parking activities.

Grant & Contribution Operation

Grant and Contribution Operation category has a favourable variance of \$0.843m with actuals of \$5.523m compared to a budget of \$4.680m. The favourable variance is made up of timing differences of \$0.466m due to the receipt of the 2nd payment of grant from Environmental Protection Authority for Better Waste & Recycling Fund, the receipt of Age, Disability & Home Care grant \$0.145m. The timing of the payments of the Financial Assistance grant contributed and Pensioner rebate \$0.232m.

Grant & Contribution Capital

Grant & Contribution Capital category has a favourable variance of \$1.684m with actuals of \$4.004m compared to a budget of \$2.320m. The favourable variance is mainly from the receipt of three large developer contributions totalling \$1.356m and capital grants from NSW Communities for CBPP project, Department of Planning & Environment for Metropolitan Greenspace program and RMS for road works totalling \$0.328m.

Expense

The total expenditure for the first three months is \$37.933m compared to the budget of \$37.919m. The major variances are as follows:

Employee Costs

Employee Cost has a favourable variance of \$0.277m with actuals of \$18.221m compared to a budget of \$18.498m. The favourable variance in Employee Cost is attributed to the following:

| EMPLOYEE COST | YTD Actual 2014/15 \$000 | YTD Budget 2014/15 \$000 | YTD Variance 2014/15 \$000 |
|---|-----------------------------------|-----------------------------------|-------------------------------------|
| Full Salaries & Wages Budget allocated | | 17,026 | |
| Less: Additional Budget Savings assigned and achieved | | (918) | |
| Salaries & Wages (Net of savings) | 15,773 | 16,108 | 335 |
| Overtime | 512 | 492 | (20) |
| Super | 1,597 | 1,620 | 23 |
| Workers Compensation | 96 | 160 | 64 |
| Other | 133 | 65 | (68) |
| Training Cost | 110 | 53 | (57) |
| Total Employee Cost | 18,221 | 18,498 | 277 |

The Salaries and Wages budget includes a target saving \$3.691m for the 2014-15 financial year, of which \$0.918m has been realised for the first quarter. This saving has eventuated through the delay in recruiting vacated positions and capitalising on the restructure changes by not recruiting certain positions at all.

In addition to this saving, there is a further \$0.277m favourable variance, which offsets against the agency cost for Waste Services charged to Materials & Contracts category for street cleaning resourcing.

Leave Liability

Management continues its efforts to reduce outstanding leave throughout the organisation. Council's annual leave policy (i.e. maximum accrued annual leave of 8 weeks) remains a priority. It is anticipated that the usual trend of decreasing leave liability will take place as staff utilise their leave entitlements towards the holiday periods of the year mostly between December to February.

The Sick Leave value was decreased significantly due to the Attendance Productivity Payment Enterprise Agreement 2013. The value has been preserved as Preserved Paid Out Sick Leave (PPOS�). This outstanding balance will then be paid out as per options stipulated in the PPOS� 2013.

| Sick Leave | Hours | Cost \$ |
|------------|---------|-----------|
| Jun - 09 | 246,676 | 8,097,203 |
| Jun - 10 | 237,079 | 8,064,615 |
| Jun - 11 | 221,960 | 7,951,024 |
| Jun - 12 | 200,469 | 7,323,341 |
| Mar - 13 | - | 6,853,223 |
| Jun - 13 | - | 3,046,800 |
| Sep - 13 | - | 2,628,887 |
| Dec - 13 | - | 2,606,603 |
| Mar - 14 | - | 2,025,014 |
| Jun - 14 | - | 2,002,497 |
| Sep - 14 | - | 1,753,423 |

| Annual Leave | Hours | Cost \$ |
|--------------|---------|-----------|
| Jun - 09 | 169,461 | 5,267,108 |
| Jun - 10 | 162,988 | 5,281,258 |
| Jun - 11 | 151,854 | 5,119,334 |
| Jun - 12 | 147,294 | 5,096,636 |
| Mar - 13 | 141,188 | 5,092,099 |
| Jun - 13 | 148,877 | 5,345,720 |
| Sep - 13 | 153,520 | 5,706,173 |
| Dec - 13 | 157,979 | 5,880,925 |
| Mar - 14 | 139,469 | 5,202,852 |
| Jun - 14 | 147,915 | 5,517,463 |
| Sep - 14 | 151,864 | 5,865,823 |

| Long Service Leave | Hours | Cost \$ |
|--------------------|---------|------------|
| Jun - 09 | 297,198 | 9,490,863 |
| Jun - 10 | 306,367 | 10,157,728 |
| Jun - 11 | 303,144 | 10,530,221 |
| Jun - 12 | 298,519 | 10,712,869 |
| Mar - 13 | 298,346 | 11,179,971 |
| Jun - 13 | 298,109 | 11,174,998 |
| Sep - 13 | 296,466 | 11,512,842 |
| Dec - 13 | 297,923 | 11,591,606 |
| Mar - 14 | 297,782 | 11,522,355 |
| Jun - 14 | 298,726 | 11,549,259 |
| Sep - 14 | 291,613 | 11,623,175 |

Materials & Contract

The Materials and Contract expense has an unfavourable variance of (\$0.425m) with actuals of \$4.750m compared to budget of \$4.325m. The major unfavourable variances totalling (\$0.856m) are noted in 'Contract Works External' and all maintenance and repair categories. The variance in 'Contracts Work External' is due to Agency costs charged for street cleaning, offset by savings shown in Salaries and Wages. Variance in maintenance and repairs is due to timing difference with full year expected to fall within budget.

The above unfavourable variance is offset by favourable variances noted in consultancies (\$0.226m), legal expenses (\$0.144m) and fleet running expenses (\$0.061m) – primarily due to the timing of payments.

Other Expenses

Other Expenses has a favourable variance of \$0.301m with actuals of \$7.264m compared to a budget of \$7.565m. Major favourable variance of \$0.056m is noted from contribution to NSW Rural Fire Services, membership & subscription \$0.071m and \$0.067m from Insurances. These are considered timing differences. The remainder of the favourable variance is made up of smaller variances in other categories such as postage and advertising.

Income & Expenditure Statement and Graphs

The Councils Income and Expenditure statement as at end of first quarter appears on the next page. This is followed by two graphs; the Cumulative Monthly Total Revenue and Cumulative Monthly Total Expenditure. These graphs indicate the trend and comparisons of the Councils income and expenditure.

Income & Expenditure Statement

FAIRFIELD CITY COUNCIL

Budget review for the 3 month period ended 30 September, 2014

Favourable Variance

Unfavourable variance between 0 and 10%

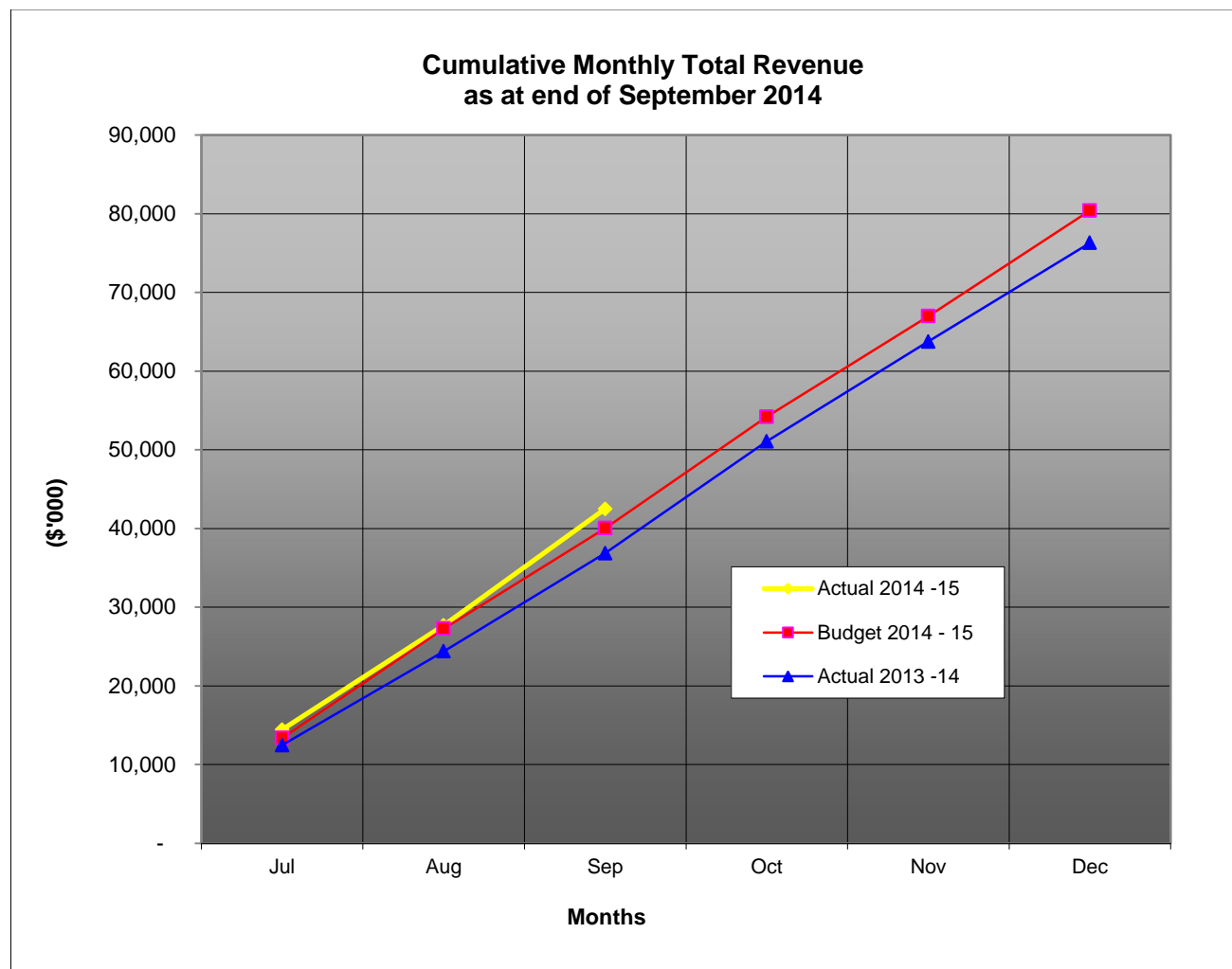
Unfavourable variance greater than 10%

| | Full Financial Year 2014-2015 | | | | | 3 month period ended - 30 September 2014 | | | |
|--|--|---------------------------------|--------------------------------|--------------------------------|---|--|-------------------|---------------------|-----------------|
| | Original Budget 2014/15 \$000's | Approved Changes | | | Projected Year End Result 2014/15 \$000's | Actual \$000's | Budget \$000's | Variance \$000's | Variance (%) |
| | | Sept. 2014 Review \$000's | Dec. 2014 Review \$000's | Mar. 2015 Review \$000's | | | | | |
| Income from Continuing Operations | | | | | | | | | |
| Ordinary Rates | 72,825 | | | | 72,825 | 18,179 | 18,211 | (32) | -0.2 |
| Domestic Waste | 24,953 | | | | 24,953 | 6,279 | 6,314 | (35) | -0.6 |
| Drainage Stormwater Levy | 1,600 | | | | 1,600 | 368 | 396 | (28) | -7.1 |
| User Charges and Fees | 17,897 | | | | 17,897 | 4,059 | 4,695 | (636) | -13.5 |
| Interest & Investment Income | 3,472 | | | | 3,472 | 812 | 824 | (12) | -1.5 |
| Other Revenue | 13,251 | | | | 13,251 | 3,347 | 2,606 | 741 | 28.4 |
| Grant & Contribution - Operations | 20,893 | 149 | | | 21,042 | 5,523 | 4,680 | 843 | 18.0 |
| Grant & Contribution - Capital | 10,490 | (3) | | | 10,487 | 4,004 | 2,320 | 1,684 | 72.6 |
| Total Income from continuing operations | 165,381 | 146 | 0 | 0 | 165,527 | 42,571 | 40,046 | 2,525 | 6.3 |
| Expenses from Continuing Operations | | | | | | | | | |
| Employee Costs | 71,183 | 21 | | | 71,204 | 18,221 | 18,498 | 277 | 1.5 |
| Debt Servicing Costs | 103 | | | | 103 | 29 | 17 | (12) | -70.6 |
| Materials & Contracts | 23,809 | 213 | | | 24,022 | 4,750 | 4,325 | (425) | -9.8 |
| Depreciation, Amortisation & Impairment | 30,343 | | | | 30,343 | 7,669 | 7,514 | (155) | -2.1 |
| Other Expenses | 31,433 | | | | 31,433 | 7,264 | 7,565 | 301 | 4.0 |
| Total Expenses from continuing operations | 156,871 | 234 | 0 | 0 | 157,105 | 37,933 | 37,919 | (14) | 0.0 |
| Operating Surplus/(Deficit) | 8,511 | (88) | 0 | 0 | 8,423 | 4,638 | 2,127 | 2,511 | |
| Less: Grant & Contribution - Capital | 10,490 | (3) | 0 | 0 | 10,487 | 4,004 | 2,320 | 1,684 | |
| Net Operating Surplus/(Deficit) before capital income | (1,979) | (85) | 0 | 0 | (2,064) | 634 | (193) | 827 | |

INCOME AND EXPENDITURE BUDGET REVIEW

Cumulative Monthly Total Revenue

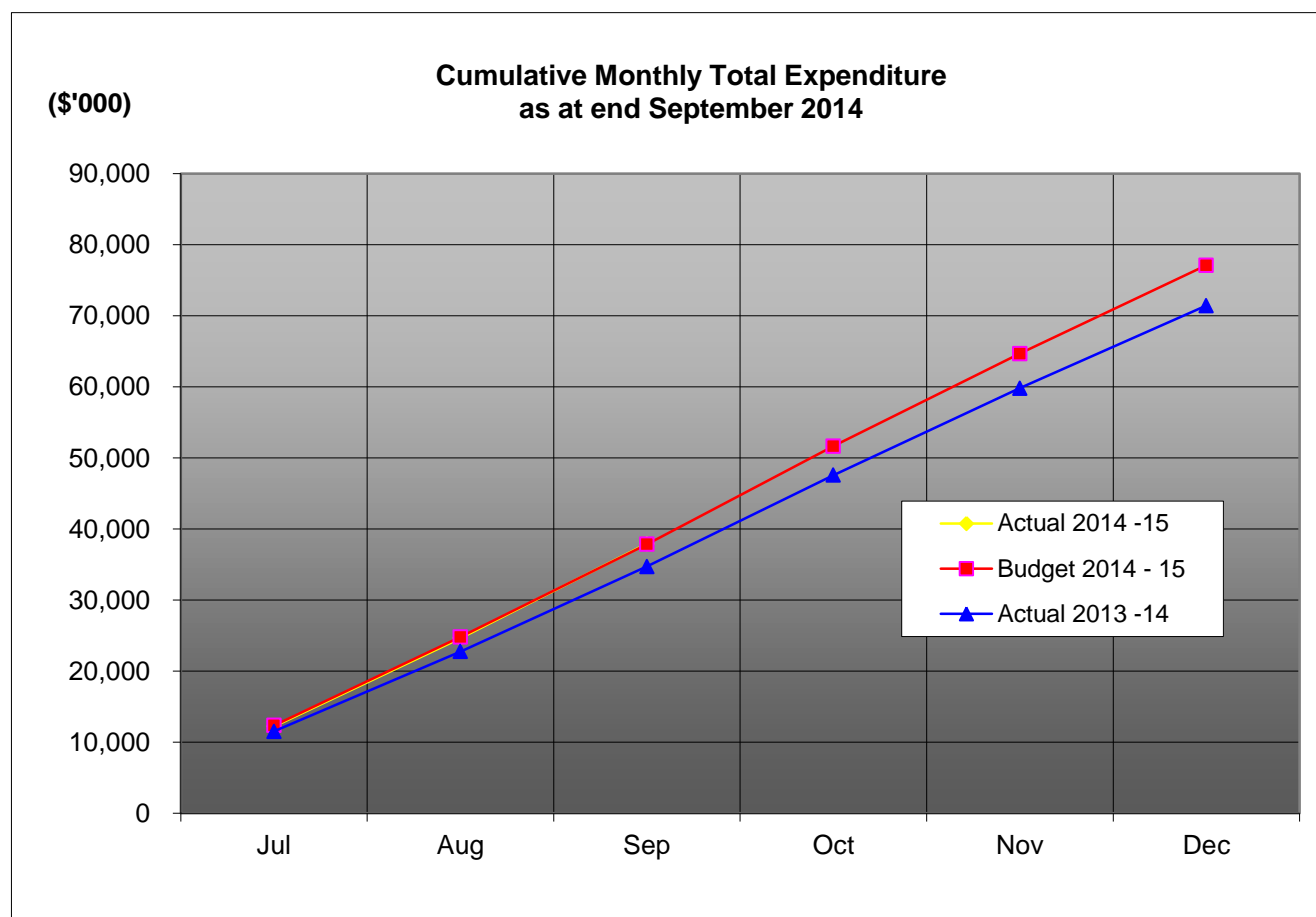
The following graph indicates the cumulative monthly actual total revenue for the whole 2013/14 financial year (blue), the 2014/15 cumulative monthly budgeted total revenue (Red) and the actual year to date result to September 2014 (yellow). The trend indicates that the actual to September 2014 is well ahead of budget.



INCOME AND EXPENDITURE BUDGET REVIEW

Cumulative Monthly Total Expenditure

Similarly, the following graph projects monthly expenditure on a cumulative basis. It graphs three separate sets of figures. The first is the actual expense for the financial year 2013/14 (blue). The second is the cumulative budgeted expense for the financial year 2014/15 (red), and the third is the actual year-to-date expenditure to September 2014 (yellow). As can be seen, the current year expenditure is trending close to budget.



3. Capital Budget Review

The following Capital Budget Review Statement shows

- I. Actual capital expenditure to date of \$4.766m.
- II. Revised budget of \$71.390m inclusive of carry forward.

| Capital Budget Review Statement | | | | | | | | |
|---|--|---------------------------------|--------------------------------|--------------------------------|---|--|---|--------------------------------|
| FAIRFIELD CITY COUNCIL | | | | | | | | |
| Budget review for the 3 month period ended 30 September, 2014 | | | | | | | | |
| | Full Financial Year 2014-2015 | | | | | 3 month period ended - 30 September 2014 | | |
| | Original Budget Year 2014/15 \$000's | Approved Changes | | | Revised Budget 2014/15 \$000's | Actual 2014/15 \$000's | Revised Budget 2014/15 \$000's | Variance 2014/15 \$000's |
| | | Sept. 2014 Review \$000's | Dec. 2014 Review \$000's | Mar. 2015 Review \$000's | | | | |
| Capital Funding | | | | | | | | |
| Rates and other untied funding | 40,290 | 4,473 | | | 44,763 | (7,182) | 52,763 | (59,945) |
| Capital Grants | | 496 | | | 496 | 2,085 | 496 | 1,589 |
| Capital Contributions - Other | 11 | | | | 11 | 1,919 | 11 | 1,908 |
| Sale Proceeds | 3,400 | | | | 3,400 | 1,009 | 3,400 | (2,391) |
| Funded by borrowing | 8,000 | | | | 8,000 | | | |
| Transfers to/from Grants | 8,240 | | | | 8,240 | 1,359 | 8,240 | (6,881) |
| Transfers to/from S94 | 7,582 | 1,360 | | | 8,942 | 1,750 | 8,942 | (7,192) |
| Transfers - Town Centres | 881 | 607 | | | 1,488 | 810 | 1,488 | (678) |
| Transfers - Other Reserves | 777 | 1,112 | | | 1,889 | 3,810 | 1,889 | 1,921 |
| Total Capital Funding | 69,181 | 8,048 | 0 | 0 | 77,229 | 5,560 | 77,229 | (71,669) |
| Capital Expenditure | | | | | | | | |
| Asset Purchases | 9,384 | 1,557 | | | 10,941 | 1,926 | 10,941 | (9,015) |
| WIP - Infrastructure Assets | 55,706 | 6,491 | | | 62,197 | 3,173 | 62,197 | (59,024) |
| Capitalised Employee Costs | 3,750 | | | | 3,750 | 397 | 3,750 | (3,353) |
| Capitalised Material Costs | 0 | | | | 0 | 0 | 0 | 0 |
| Loans Principal Repayments | 341 | | | | 341 | 64 | 341 | (277) |
| Total Capital Expenditure | 69,181 | 8,048 | 0 | 0 | 77,229 | 5,560 | 77,229 | (71,669) |

4. Cash and Investment Budget Review

The table below shows the original budgeted cash and investment position, the revised position and the actual position as at end of the quarter. It also shows the actual year end available cash position. The table below reflects that the Council has a healthy cash position as at end of the first quarter of 2014-15 financial year.

| Cash and Investment Budget Review Statement | | | | | | |
|---|---|---------------------------------|--------------------------------|--------------------------------|------------------------------|-------------------------------------|
| FAIRFIELD CITY COUNCIL | | | | | | |
| Budget Review as at 30 September, 2014 | | | | | | |
| | Projected Balances as at 30 September, 2014 | | | | | Actual 30-Sep 2014 \$000's |
| | Original Budget \$000's | Approved Changes | | | Revised Budget \$000's | |
| | | Sept. 2014 Review \$000's | Dec. 2014 Review \$000's | Mar. 2015 Review \$000's | | |
| Unrestricted | | | | | | |
| Unrestricted Cash and Investments | 10,935 | (4,659) | | | 6,276 | 9,345 |
| | | | | | | |
| Total Unrestricted | 10,935 | (4,659) | 0 | 0 | 6,276 | 9,345 |
| Externally Restricted | | | | | | |
| Grants | 3,959 | (412) | | | 3,547 | 6,618 |
| Domestic Waste | 15,445 | | | | 15,445 | 14,987 |
| Section 94 | 17,849 | (1,439) | | | 16,410 | 27,268 |
| Stormwater Levy | (20) | 24 | | | 4 | 1,811 |
| Other Contributions | 0 | (515) | | | (515) | |
| Total Externally Restricted | 37,233 | (2,342) | 0 | 0 | 34,891 | 50,684 |
| Internally Restricted | | | | | | |
| Internally Restricted | 24,627 | (1,136) | | | 23,491 | 29,566 |
| | | | | | | |
| Total Internally Restricted | 24,627 | (1,136) | 0 | 0 | 23,491 | 29,566 |
| | | | | | | |
| Total Restricted | 61,860 | (3,478) | 0 | 0 | 58,382 | 80,250 |
| | | | | | | |
| Total Cash and Investments | 72,795 | (8,137) | | | 64,658 | 89,595 |
| | | | | | | |
| Available Cash and Investments | 35,562 | (5,795) | 0 | 0 | 29,767 | 38,911 |

5. First Quarter 2014 – 15 Budget Review

It is recommended that following Quarter one (1) amendments to the current 2014 -15 budget be adopted by Council:

| Project ID | New, Ceased or Changed | Project Title | Reason for Revision | Report to Council | Operating | | Capital | | Funding Source |
|-------------------------|---------------------------------|--|--|----------------------|-----------|-----------|-----------|-----------|----------------|
| | | | | | Revenue | Expense | Revenue | Expense | |
| | | | | | Inc/(Dec) | Inc/(Dec) | Inc/(Dec) | Inc/(Dec) | |
| New | New | Local Priority Grant | State Government Grant to fund additional shelving and study desks | | | | | 48,903 | Grant |
| Service Statement | Changed | Local Priority Grant | State Government Grant to fund additional shelving and study desks | | | | 48,903 | | Grant |
| IN15107 | Changed | Retail & Commercial centre study | As Council has been successful in applying for a grant from the Department of Planning and Environment for \$100,000, Council will no longer require \$100,000 from general revenue to fund the project. | | 100,000 | | | | Grant |
| Service Statement | New | Objective System Maintenance | The change in responsibility for the Objective system maintenance from Information Technology division to Information Management and Records division. | | | 80,000 | | | General |
| MPRMSR1501 & MPRNSR1502 | Changed | Roads and Maritime Services Repair Program | RTA Grant noted in Operational Plan as \$300k - grant received was \$297,500 | Sep-14 | (2,500) | | | | Grant |

| Project ID | New, Ceased or Changed | Project Title | Reason for Revision | Report to Council | Operating | | Capital | | Funding Source |
|------------|---------------------------------|-------------------------------------|---|----------------------|-----------|-----------|-----------|-----------|----------------|
| | | | | | Revenue | Expense | Revenue | Expense | |
| | | | | | Inc/(Dec) | Inc/(Dec) | Inc/(Dec) | Inc/(Dec) | |
| MPFMP1501 | Ceased | VHR at 15 Moore Street, Canley Vale | The owner of 15 Moore Street advised he cannot proceed with works this financial year. Request funds be withdrawn and reallocated to property owner at 11 Moore Street, Canley Vale who is ready to proceed with VHR. | September | | (56,700) | | | VHR Reserve |
| New | New | VHR at 11 Moore Street, Canley Vale | Property owner at 11 Moore Street, Canley Vale is ready to proceed with VHR. | September | | 56,700 | | | VHR Reserve |
| MPFMP1502 | Ceased | VHR at selected property | No property owners, who may be eligible for a VHR subsidy, have approached Council in Quarter 1. Allocated funds are therefore unlikely to be expended in the remainder of the financial year. Recommend funding be deferred until 2015/16. | | | (56,700) | | | VHR Reserve |
| MPFMP1504 | Ceased | VHR at 8 Riverside Street, Lansvale | The owner of 8 Riverside Crescent advised he cannot proceed with works this financial year. Request funds be withdrawn and reallocated to property owner at 47 Waterside Crescent, Carramar who is ready to proceed with VHR. | September | | (56,700) | | | VHR Reserve |

| Project ID | New, Ceased or Changed | Project Title | Reason for Revision | Report to Council | Operating | | Capital | | Funding Source |
|------------|---------------------------------|---|--|----------------------|-----------|-----------|-----------|-----------|------------------------------|
| | | | | | Revenue | Expense | Revenue | Expense | |
| | | | | | Inc/(Dec) | Inc/(Dec) | Inc/(Dec) | Inc/(Dec) | |
| MPFMP1509 | Ceased | Parks Overland Flood Study | Resourcing issues have delayed the start of this project. Recommend project be deferred until future financial years. | | | (10,000) | | | General |
| MPFMP1414 | Changed | Wetherill Park Catchment Management Plan - Flood Mitigation Study | This is a carry forward project. The 2014/15 budget of \$76,543 shown is the expected carry-forward budget. A consultant was engaged in 2013/14 for a price greater than the allocated 2013/14 budget. The consultant is also undertaking additional work related to reporting the outcomes of the study, as well as modelling of additional scenarios. The additional funds requested are to be sourced from Section 94 Reserve No. S8299 Stormwater Drainage - Wetherill Park. | | | 37,844 | | | S94 - Developer Contribution |

| Project ID | New, Ceased or Changed | Project Title | Reason for Revision | Report to Council | Operating | | Capital | | Funding Source |
|-------------------|---------------------------------|--|---|----------------------|-----------|-----------|-----------|-----------|-----------------|
| | | | | | Revenue | Expense | Revenue | Expense | |
| | | | | | Inc/(Dec) | Inc/(Dec) | Inc/(Dec) | Inc/(Dec) | |
| MPFMP1415 | Changed | Prospect Creek Floodway Rectification | This was a carry forward project that was completed in September. The 2014/15 budget of \$148,847 shown is the expected carry forward budget. However a flood damaged the works during plant establishment. Additional consultant's advice has been obtained and additional planting and rockwork will be scheduled. Of the revised budget of \$227,905, a total of \$102,129 will be funded from general funds while the remaining \$125,776 is proposed to be drawn from the 2014/15 Stormwater Levy. | September | | | | 79,058 | Stormwater Levy |
| MPSLP1514 | Changed | Construction of major gross pollutant trap on Stimsons Drain | The tendered construction price was less than the allocated budget. | | | | | (150,000) | Stormwater Levy |
| Service Statement | New | Citizen Ceremonies | Overtime for staff on Citizenship Ceremonies nights not previously budgeted (includes 4 x additional ceremonies) | | | 21,330 | | | General |
| New | New | Community Building Upgrade | Prairiewood Leisure Centre mechanical services upgrade is part of the SRV program in 2015/16. However, this work needs to be completed in 2014/15 | | | | | 330,000 | General - SRV |

| Project ID | New, Ceased or Changed | Project Title | Reason for Revision | Report to Council | Operating | | Capital | | Funding Source |
|--------------|---------------------------------|---|--|----------------------|---------------|---------------|---------------|------------------|---------------------------------|
| | | | | | Revenue | Expense | Revenue | Expense | |
| | | | | | Inc/(Dec) | Inc/(Dec) | Inc/(Dec) | Inc/(Dec) | |
| | | | in preparation for the Water Park project | | | | | | |
| IN15325 | Changed | Community Energy Efficiency Program – Stage 1 - planning, programming and procurement | It is proposed to adjust the budget to be spent over the 2 years. Stage 1 in 2014-2015 for planning, programming and procurement - \$15,000. Stage 2 in 2015-2016 for the installation of the LED lights - \$699,000 | | | | | (699,000) | General \$274k Grants \$425k |
| TOTAL | | | | | 97,500 | 15,774 | 48,903 | (391,039) | |

6. Key Performance Indicators Budget review

Key financial indicators and principles were adopted in the Long Term Financial Plan to ensure Council achieves a sustainable financial position over the next 10 years. This section of the Quarterly Report provides details regarding Council's performance against these targets. As at the end of the last quarter, most of Council's indicators are better than industry benchmarks and within targets set in the Long Term Financial Plan.

| Financial Sustainability Indicators | | | | | | |
|---|-----------|--|-----------|--------|--|--|
| Indicator 1 Operating Surplus/(Deficit) Ratio | | | | | | |
| | Principle | Council is to maintain an operating surplus position. Impact on the overall Council operating surplus should be considered with all financial decisions. | | | | |
| | Target | An operating surplus of about 3.0% of own sourced income achieved and sustained by 2014/15 | | | | |
| | Result | 2014/15 | 3 Months | 1.92% | Comment: 3 months actual is an operating surplus of \$0.634m. | |
| | | 2013/14 | Full Year | -4.94% | | |
| | | 2012/13 | Full Year | 1.31% | | |
| Indicator 2 Gearing Ratio (Net Financial Liabilities Ratio) | | | | | | |
| | Principle | Fairfield City Council looks to increase its gearing by taking opportunities to fund its capital purchases (new and replacement) and capital renewals through loan borrowings subject to maintenance of operating surpluses. | | | | |
| | Target | Maximum 20% (currently less than 3%) with increases subject to maintenance of operating surpluses. | | | | |
| | Result | 2014/15 | 3 Months | 1.49% | Comment: Indebtedness stable at a low level. | |
| | | 2013/14 | Full Year | 1.53% | | |
| | | 2012/13 | Full Year | 1.31% | | |
| Indicator 3 Net Interest Cover Ratio | | | | | | |
| | Principle | Increases in debt burden will be considered provided it does not result in an operating deficit. | | | | |
| | Target | No target - only to increase if operating surplus maintained. 100% means that interest income exceeds interest expense and Council is a net lender. | | | | |
| | Result | 2014/15 | 3 Months | 100% | Comment: Council is a net lender. | |
| | | 2013/14 | Full Year | 100% | | |
| | | 2012/13 | Full Year | 100% | | |
| Indicator 4 Net Borrowing Ratio | | | | | | |
| | Principle | Increases in net borrowing ratio will be considered provided it does not result in an operating deficit. | | | | |
| | Target | No target - only to increase if operating surplus maintained. | | | | |
| | Result | 2014/15 | 3 Months | 0.09% | The net borrowing is marginal in comparison to the Capital (Net Worth) of the Council. | |
| | | 2013/14 | Full Year | 0.08% | | |
| | | 2012/13 | Full Year | 0.18% | | |
| Indicator 5 Infrastructure Asset Renewal/Replacement Ratio | | | | | | |
| | Principle | Council's annual renewal/replacement expenditure should at least equal its annual depreciation expense until and unless specific asset management plans provide evidence of a more accurate ratio. | | | | |
| | Target | 1:1 ratio | | | | |
| | Result | 2014/15 | 3 Months | 0.38:1 | Comment: This result indicates that the overall renewals are below 50% of target of 1.0. The ratio is expected to improve as the year progresses and capital works get completed. | |
| | | 2013/14 | Full Year | 0.65:1 | | |
| | | 2012/13 | Full Year | 0.79:1 | | |

| Financial Sustainability Indicators (cont'd) | | | | | | | | | | |
|---|---|--|-----------|--------------------------|---|------|----------------|------|----------------|------|
| Indicator 6 Unrestricted Current Ratio | | | | | | | | | | |
| | Principle | Council must maintain sufficient liquid assets to pay its commitments when due and payable. | | | | | | | | |
| | Target | above 2:1 ratio | | | | | | | | |
| | Result | 2014/15 | 3 Months | 1.84:1 | Comment: This indicator measures Council's ability to pay its commitments as and when due. The result indicates that Council is maintaining liquidity and has sufficient funds to pay its bills. | | | | | |
| | | 2013/14 | Full Year | 2.22:1 | | | | | | |
| | | 2012/13 | Full Year | 2.31:1 | | | | | | |
| Indicator 7 Sources of Ordinary Revenue | | | | | | | | | | |
| | Principle | Changes to the distribution of revenue will be considered in conjunction with Council's position concerning the tax burden for residents. | | | | | | | | |
| | Target | No target - but comparatives and trends considered. | | | | | | | | |
| | Result | Category of Ordinary Revenue | | Group 3 Councils 2010/11 | Fairfield City Council | | | | | |
| | | | | | 30th September 2014 | | 30th June 2014 | | 30th June 2013 | |
| | | | | | \$'000's | % | \$'000's | % | \$'000's | % |
| | | Rates and Annual Charges | | 57% | 24,826 | 58% | 95,092 | 62% | 90,994 | 60% |
| | | User Charges and Fees | | 11% | 4,059 | 9% | 15,808 | 11% | 16,845 | 11% |
| | | Interest | | 4% | 812 | 2% | 3,734 | 2% | 3,927 | 3% |
| | | Grants | | 11% | 6,629 | 16% | 15,267 | 10% | 21,812 | 14% |
| | | Contributions | | 11% | 2,898 | 7% | 7,791 | 5% | 6,183 | 4% |
| | | Other Revenue | | 6% | 3,349 | 8% | 14,872 | 10% | 12,149 | 8% |
| | | Total | | 100% | 42,573 | 100% | 152,564 | 100% | 151,910 | 100% |
| | Comment: This indicator tracks the trend in Council's major revenue categories. The revenue distribution is expected to trend towards the past years experience. | | | | | | | | | |
| Indicator 8 Dissection of Expenses from Continuing Operations | | | | | | | | | | |
| | Principle | Changes to the level and distribution of expenses will be considered in conjunction with major decisions concerning service and efficiency levels. | | | | | | | | |
| | Target | No target - but comparatives and trends considered. | | | | | | | | |
| | Result | Category of Expenses from Continuing Operations | | Group 3 Councils 2010/11 | Fairfield City Council | | | | | |
| | | | | | 30th September 2014 | | 30th June 2013 | | 30th June 2012 | |
| | | | | | \$'000's | % | \$'000's | % | \$'000's | % |
| | | Employee Costs | | 43% | 18,221 | 49% | 64,275 | 43% | 63,573 | 44% |
| | | Materials and Contracts | | 23% | 4,750 | 13% | 24,830 | 17% | 23,696 | 17% |
| | | Borrowing Costs | | 1% | 29 | 0% | 121 | 0% | 226 | 0% |
| | | Depreciation | | 17% | 7,669 | 19% | 29,195 | 19% | 25,432 | 18% |
| | | Impairment | | 0% | | 0% | | 0% | | 0% |
| | | Other Expenses | | 16% | 7,264 | 19% | 31,123 | 21% | 30,510 | 21% |
| | | Total | | 100% | 37,933 | 100% | 149,544 | 100% | 143,437 | 100% |
| | Comment: This indicator tracks the trend in Council's major expenditure categories. The expenditure distribution is expected to trend towards the past years experience. | | | | | | | | | |

| Other Indicators | | | | | | |
|--|---|---|-----------|--------|--|--|
| Indicator A Asset Maintenance/Maintenance Required | | | | | | |
| | Principle | Compares the maintenance expended against the maintenance level required to achieve the useful life of the assets | | | | |
| | Target | 1:1 ratio | | | | |
| | Result | 2014/15 | 3 Months | 0.99:1 | Comment: This result indicates that Council is achieving close to the benchmark of 1.0 in annual maintenance against maintenance required. | |
| | | 2013/14 | Full Year | 0.93:1 | | |
| | | 2012/13 | Full Year | 0.9:1 | | |
| Indicator B Outstanding Rates, Charges & Fees | | | | | | |
| | Principle | Compares the outstanding rates, charges and fees against total rates charges and fees annual income | | | | |
| | Target | less than 5% | | | | |
| | Result | 2014/15 | 3 Months | 3.85% | Comment: This ratio is within the benchmark. Increased use of Legal Force (Council's Recovery Agent) has achieved the ratio being within the benchmark. | |
| | | 2013/14 | Full Year | 3.27% | | |
| | | 2012/13 | Full Year | 3.74% | | |
| | Results below are adjusted for ratepayers who have arrangements, including pensioners | | | | | |
| | Result | 2014/15 | 3 Months | 2.68% | Comment: As above | |
| | | 2013/14 | Full Year | 1.91% | | |
| | | 2012/13 | Full Year | 2.36% | | |
| Indicator C Other Debtors Outstanding Ratio | | | | | | |
| | Principle | Compares the outstanding Other Debtors against total invoices raised. | | | | |
| | Target | less than 10% | | | | |
| | Result | 2014/15 | 3 Months | 12.66% | Comment: Debtors Ratio is 12.66%. A major portion of the outstanding debt is the Secure Parking debt. This is in Arbitration. Without this \$0.4m the ratio will be within the benchmark. | |
| | | 2013/14 | Full Year | 12.59% | | |
| | | 2012/13 | Full Year | 13.53% | | |

7. Contracts and Other Expenses Budget Review

7a. Contracts Budget Review

The Contracts Budget Review shows contracts entered into by Council in excess of \$50,000 which are not from Councils preferred Supplier List. The purpose is to make Councillors aware of other material contracts entered into by Council.

| Fairfield City Council | | | | |
|--|---------------------------|----------------|-------------------|----------------|
| Budget review for the quarter ended - 30/09/2014 | | | | |
| Contracts | | | | |
| Contractor | Contract detail & purpose | Contract value | Commencement date | Budgeted (Y/N) |
| Nil | | | | |
| | | | | |

7b Other Expenses Budget Review

Listed below for information is year to date expenditure for Consultancies and External Legal Fees.

For the purpose of this report, 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.

| FAIRFIELD CITY COUNCIL | | |
|---|-----------------------|-------------------|
| Budget review for the Period ended - 30 September, 2014 | | |
| Consultancy and Legal Expenses | | |
| Expense | Expenditure YTD \$ | Budgeted (Y/N) |
| Consultancies | 155,261 | Y |
| Legal Fees | 210,664 | Y |

8. Statutory Investment Report

This is a statutory report on Council's Investment, submitted pursuant to the Local Government Act and Regulations, 1993. The investments listed on the attachments 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.

Council invests its funds that are surplus to current requirements with financial institutions and receives interest income from those investments. Compliance with Council's Investment Policy is required and there are limits as to where investments can be placed. Limits include the risk rating of the institution, the value of the portfolio that can be placed with 1 institution and value of the portfolio that can be invested for periods over 12 months.

Council places investments to meet its liquidity requirements and times maturities to occur where the most outflow of funds is expected (i.e. outside the months where rates instalments are required). It also looks for the best rate available to increase Council's income.

Council's Investment Portfolio return for the month of September 2014 was 3.52% against an average benchmark of 2.55%. The average benchmark performance is UBS (Union Bank of Switzerland) Bank Bill Index, which is used as a benchmark by Australian Institutional investors and professional funds managers.

The actual earning on investment for the month of September was \$0.266m. This was \$0.026m under budget for the month (based on an average investment portfolio of \$85m).

Year to date actual earnings at end of September 2014 is \$0.752m against budgeted earnings of \$0.766m, under budget by \$0.014m. During the month of September 2014, two term deposits matured, totalling \$8m with \$18m being reinvested in five term deposits. This including \$10m from additional funds that are surplus to current requirements. These additional funds resulted due to the payment in full of Annual Rates in quarter one.

**Fairfield City Council
Investment Report Summary
Sep-14**

| Borrower | Rating | Value as at | Value as at | % of Portfolio | Purchase Price | Purchase Date | Maturity Date | Current Month | Financial YTD |
|---|--------|--------------|--------------|----------------|----------------|---------------|---------------|---------------------|---------------------|
| | | 31-Aug-14 | 30-Sep-14 | | | | | (annualised) Return | (annualised) Return |
| Direct Investments | | | | | | | | | |
| <u>Investments at Face Value - Original Maturity Term Less than 1 year</u> | | | | | | | | | |
| NAB TD | A-1+ | \$3,000,000 | | 0.00% | \$3,000,000 | 19-Jun-14 | 17-Sep-14 | 3.50% | 3.50% |
| NAB TD | A-1+ | \$4,000,000 | \$4,000,000 | 4.48% | \$4,000,000 | 12-Dec-13 | 11-Dec-14 | 3.75% | 3.75% |
| NAB TD | A-1+ | \$3,000,000 | \$3,000,000 | 3.36% | \$3,000,000 | 10-Jul-14 | 15-Oct-14 | 3.50% | 3.50% |
| NAB TD | A-1+ | \$4,000,000 | \$4,000,000 | 4.48% | \$4,000,000 | 17-Jul-14 | 20-Nov-14 | 3.50% | 3.50% |
| NAB TD | A-1+ | \$2,078,400 | \$2,078,400 | 2.33% | \$2,078,400 | 07-Aug-14 | 12-Feb-15 | 3.60% | 3.60% |
| Bank West | A-1+ | | \$4,000,000 | 4.48% | \$4,000,000 | 03-Sep-14 | 05-Mar-15 | 3.35% | 3.35% |
| NAB | A-1+ | | \$2,000,000 | 2.24% | \$2,000,000 | 03-Sep-14 | 04-Dec-14 | 3.50% | 3.50% |
| NAB | A-1+ | | \$4,000,000 | 4.48% | \$4,000,000 | 03-Sep-14 | 02-Jun-15 | 3.61% | 3.61% |
| NAB | A-1+ | | \$5,000,000 | 5.60% | \$5,000,000 | 03-Sep-14 | 01-Sep-15 | 3.65% | 3.65% |
| NAB | A-1+ | | \$3,000,000 | 3.36% | \$3,000,000 | 17-Sep-14 | 17-Dec-14 | 3.45% | 3.45% |
| <u>Total - Investments at Face Value - Original Maturity Term Less than 1 yr.</u> | | \$16,078,400 | \$31,078,400 | 34.82% | | | | | |
| <u>Investments at Face Value - Original Maturity Term Greater than 1 year</u> | | | | | | | | | |
| Westpac TD | A-1+ | \$5,000,000 | \$5,000,000 | 5.60% | \$5,000,000 | 06-Dec-11 | 05-Jan-15 | 5.70% | 5.70% |
| ANZ Snr Debt | AA- | \$2,000,000 | \$2,000,000 | 2.24% | \$2,000,000 | 26-Oct-11 | 26-Oct-15 | 4.00% | 4.01% |

QUARTERLY REPORT
JULY 2014 – SEPTEMBER 2014

| | | | | | | | | | |
|---|------|---------------------|---------------------|----------------|-------------|-----------|-----------|-------|-------|
| NAB Snr Debt | AA- | \$2,000,000 | \$2,000,000 | 2.24% | \$2,000,000 | 05-Nov-10 | 05-Nov-15 | 3.85% | 3.86% |
| Westpac Snr Debt | AA- | \$2,000,000 | \$2,000,000 | 2.24% | \$2,000,000 | 07-Feb-11 | 07-Nov-15 | 3.73% | 3.75% |
| Westpac Snr Debt | AA- | \$1,000,000 | \$1,000,000 | 1.12% | \$1,000,000 | 30-Jan-12 | 09-May-16 | 3.76% | 3.78% |
| Rabobank Aus Snr Debt | AA- | \$3,000,000 | \$3,000,000 | 3.36% | \$3,000,000 | 27-Jul-11 | 27-Jul-16 | 3.80% | 3.81% |
| CBA Snr Debt | AA- | \$5,000,000 | \$5,000,000 | 5.60% | \$5,000,000 | 12-Sep-11 | 02-Aug-16 | 3.81% | 3.82% |
| <u>Investments at Face Value - Original Maturity Term Greater than 1 year (continued from previous page)</u> | | | | | | | | | |
| NAB Snr Debt | AA- | \$4,290,000 | \$4,290,000 | 4.81% | \$4,290,000 | 26-Mar-12 | 21-Jun-16 | 3.86% | 3.87% |
| NAB TD | A-1+ | \$3,000,000 | \$3,000,000 | 3.36% | \$3,000,000 | 05-Mar-13 | 05-Mar-15 | 4.46% | 4.46% |
| WBC TD | A-1+ | \$2,000,000 | \$2,000,000 | 2.24% | \$2,000,000 | 15-May-13 | 15-May-15 | 4.35% | 4.35% |
| WBC TD | A-1+ | \$2,000,000 | \$2,000,000 | 2.24% | \$2,000,000 | 11-Jun-13 | 11-Jun-15 | 4.20% | 4.20% |
| ANZ Snr Debt | AA- | \$4,000,000 | \$4,000,000 | 4.48% | \$4,000,000 | 06-Nov-13 | 06-Nov-18 | 3.52% | 3.53% |
| ANZ Snr Debt | AA- | \$1,000,000 | \$1,000,000 | 1.12% | \$1,000,000 | 25-Jul-14 | 25-Jul-19 | 3.47% | 3.47% |
| NAB TD | A-1+ | \$5,000,000 | | 0.00% | \$5,000,000 | 03-Sep-12 | 03-Sep-14 | 4.88% | 4.88% |
| <u>Total - Investments at Face Value - Original Maturity Term Greater than 1 yr</u> | | \$41,290,000 | \$36,290,000 | 40.66% | | | | | |
| <u>Investments at Current Value</u> | | | | | | | | | |
| Emerald Reverse 2007-1 Class C | A | \$237,308 | \$243,528 | 0.27% | \$500,695 | 21-Jul-11 | 21-Jul-27 | 3.58% | 3.59% |
| CBA Zero Coupon Bond | AA- | \$3,464,151 | \$3,467,800 | 3.89% | \$2,000,000 | 21-Jan-08 | 22-Jan-18 | | |
| Commonwealth Bank of Australia | A-1+ | \$24,869,624 | \$18,164,562 | 20.35% | | | | 2.50% | 2.50% |
| <u>Total - Investments at Current Value</u> | - | \$28,571,083 | \$21,875,889 | 24.51% | | | | | |
| TOTAL - Direct Investments | | \$85,939,483 | \$89,244,289 | 100.00% | | | | | |

INVESTMENT POLICY – Investment Guidelines

In terms of Council's Investment Strategy and Policy the following indicators are reported. Investments held are within the policy guidelines and limits set.

Direct Investments

1. Maximum Weighting as % of Total Investment Portfolio.

| POLICY | | | ACTUAL |
|--------------------------|---------------------------|---------------------------|-------------------|
| Long Term Credit Ratings | Short Term Credit Ratings | Direct Securities Maximum | 30 September 2014 |
| AAA Category | A-1+ | 100% | 68.62% |
| AA Category | A-1 | 100% | 31.20% |
| Less than AA Category | | 0% | 0.27% |

2. Maximum Percentage with one Financial Institution.

| POLICY | | | ACTUAL |
|--------------------------|---------------------------|---------------------------|-------------------|
| Long Term Credit Ratings | Short Term Credit Ratings | Direct Securities Maximum | 30 September 2014 |
| AAA Category | A-1+ | 45% | 33.70% |
| AA Category | A-1 | 35% | 9.49% |
| Less than AA Category | | 0% | 0.27% |

3. Term to maturity.

| POLICY | | ACTUAL |
|---|---------|-------------------|
| Overall Portfolio Term to Maturity Limits | Maximum | 30 September 2014 |
| Portfolio % < 1 year | 100% | 68.62% |
| Portfolio % > 1 year < 3 years | 60% | 21.61% |
| Portfolio % > 3 years < 5 years | 30% | 9.49% |
| Portfolio % > 5 years | 0% | 0.27% |

2014/2015 Cumulative Earnings on Investment

