

QUARTERLY BUDGET REVIEW STATEMENT - QUARTER ENDING JUNE 2016

Introduction

The Quarterly Budget Review Statement report provides Council's financial position for the quarter ending 30 June 2016. 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. Fourth Quarter 2015 – 16 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 June 2016 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: 26 September, 2016

Bradley Cutts
Chief Financial Officer
Responsible Accounting Officer

2. Income and Expenditure Budget Review

Overall Position

Council's operating position is presented by identifying the revenue and expense elements of the financial statements and is compared to the adopted budget for the 2015/16 financial year.

Income from Continuing Operations

Council's operating result for year-to-date to 30 June, 2016 (excluding capital items) is a surplus of \$20.266m compared to the budget surplus of \$0.463.

(More detailed commentary is explained below).

User Fees and Charges

Actual	Budget	Variance
\$17.787m	\$16.808m	\$0.979m

Major favourable variances include:

- \$0.323m Sundry Income (various debtor invoices raised + \$0.287m Insurance Equity Return from Westpool)
- \$0.229m Entry Fees – Leisure Centres (primarily Prairiewood)
- \$0.157m Development Application Fees
- \$0.106m Application Fees – Other
- \$0.100m Client Income
- \$0.083m Fees Income Miscellaneous
- \$0.068m Additional S149(5) Fees
- \$0.051m Building Inspection Fees
- \$0.045m Sponsorship Income

However, the above favourable variances are offset by unfavourable variances in:

- \$0.112m Child Care Centres Income
- \$0.081m Road Opening Permits
- \$0.068m S735A Certificate Fees

Other Revenue

Actual	Budget	Variance
\$26.299m	\$13.945m	\$12.354m

Major favourable variances include:

- \$6.299m Extra-ordinary item Profit on Sale of Diamond Crescent Land
- \$0.199m Councils' Equity Movement for YE 30/6/16 in Westpool Joint Venture
- \$0.441m Councils' Equity Movement for YE 30/6/16 in UIP Joint Venture
- \$0.207m Insurance Claims
- \$2.965m Fines Income (of which \$3.038m equates to Parking Enforcement and Ordinance Administration)
- \$0.249m Property rental income
- \$0.155m Fair value asset adjustment
- \$1.330m Recycling Income (dramatic increase in market-driven demand for crushed concrete and bricks supplied from the Sustainable Resource Centre)
- \$2.472m tipping Fees (offset by \$1.183m Cost of Goods Sold)

These are offset by an unfavourable variance of \$0.310m Car Park Operations and loss on disposal of Plant & Equipment of \$0.471m

Grant & Contribution – Operation

Actual	Budget	Variance
\$20.275m	\$19.483m	\$0.792m

The budget for receiving grants and contributions (Operations and Capital) is prepared based on the pattern of actual payments received in previous years. However, receipts do not always follow the same patterns, and as such, Council may experience timing difference between the budget and actual receipt of grants. Major favourable year to date variances include:

- \$0.722m Library Grants
- \$0.378m 'Other' Operating Grants received
- \$0.049m Financial Assistance Grants received
- \$0.092m DADHC Grants

These are offset by Long Day Care funding (\$0.362m)

Grant & Contribution – Capital

Actual	Budget	Variance
\$24.787m	\$24.189m	\$0.598m

As noted above, the budgeted pattern of receipting grants and contributions may not always reflect what actually happens, and timing differences will occur as a result. The favourable variances year to date are:

- \$2.283m – S94 Capital Contributions
- \$1.124m – 'Other' capital grants

These are offset by Grants expected but not received by close of June financial accounting period, including Grants for Roads and Bridges (\$2.712m) and Recreation Grants (\$0.097m).

Expenses from Continuing Operations

The total expenditure for the twelve months to June 2016 is \$150.932m compared to the budget of \$156.722. The major variances are as follows:

Employee Costs

Actual	Budget	Variance
\$67.163m	\$69.724m	\$2.561m

The favourable variance is due to:

1. \$1.144m – resulting from capitalisation of salaries and wages to the end of June 2016 delivered at \$4.431m against a budget of \$3.287m
2. \$0.855m – in addition to the Salaries and Wages Budget saving for the year (\$3.691m), this figure represents additional savings realised in the Salaries and wages expense category.

During the year, the following Employee Costs have taken place:

1. \$0.507m revaluation of the leave liability provisions in line with the 2.7% award increase from 1 July 2015,
2. \$0.658m Fair Value adjustment as per AASB119 Employee Benefits accounting standard

EMPLOYEE COST	2015/2016		
	YTD Actual	YTD Budget	YTD Variance
	\$000's		
Full Salaries & Wages Budget allocated		62,263	
Additional Budget Savings		(3,691)	
Salaries & Wages (Net of savings)	56,186	58,572	2,385
Overtime	2,259	2,291	32
Super	6,322	6,674	352
Workers Compensation	1,361	923	(438)
Other	629	593	(36)
Training Cost	406	672	266
Total Employee Cost	67,163	69,724	2,561

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. The trend indicates a decrease in leave liability hours.

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.

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
Jun - 13	148,877	5,345,720
Jun - 14	147,915	5,517,463
Sep - 14	151,864	5,865,823
Dec - 14	151,408	6,050,201
Mar - 15	138,725	5,346,109
Jun - 15	143,719	5,522,260
Sep - 15	146,303	5,841,150
Dec - 15	145,460	5,819,088
Mar - 16	126,271	5,058,011
Jun - 16	130,024	5,149,551

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
Jun -13	298,109	11,174,998
Jun - 14	298,726	11,549,259
Sep - 14	291,613	11,623,175
Dec - 14	287,941	11,417,516
Mar - 15	289,047	11,505,070
Jun - 15	288,598	11,460,500
Sep - 15	287,978	11,821,749
Dec - 15	288,168	11,907,014
Mar - 16	289,816	11,977,220
Jun- 16	286,512	11,875,735

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
Jun - 13	-	3,046,800
Jun - 14	-	2,002,497
Sep - 14	-	1,753,423
Dec - 14	-	1,497,981
Mar - 15	-	1,199,770
Jun - 15	-	1,185,461
Sep - 15	-	1,203,738
Dec - 15	-	1,176,221
Mar - 16	-	1,074,088
Jun - 16		1,070,136

Note: Values sourced from Payroll Branch

Materials & Contracts

Actual	Budget	Variance
\$23.943m	\$24.890m	\$0.947m

Major favourable variances include:

- \$2.220m Materials & Consumables
- \$0.414m Fuels
- \$0.588m Consultancies
- \$0.356m Operating Leases
- \$0.084m Stock Write Off
- \$0.216m Legal Expenses
- \$0.107m Stationery

The above have been offset by an unfavourable variances in Contract work External \$1.234m, and Information & Technology Licences and Maintenance \$0.471m, Hire Plant Charges (\$2.512m), Materials M&R (\$0.157m) of which some is related to the higher sales volumes at SRC.

Depreciation

Actual	Budget	Variance
\$28.544m	\$30.415m	\$1.871m

Depreciation is currently \$1.871m below budget. In consultation with external auditors, a body of work was undertaken to review the depreciation methodology used at Council. This resulted in depreciation cost savings. Work continues on this exercise, particularly with infrastructure assets.

Other Expenses

Actual	Budget	Variance
\$31.233m	\$31.636m	\$0.403m

Major favourable variances include:

- \$0.700m Waste Recycling Charges
- \$0.658m Street Lighting
- \$0.514m Publicity and Promotion
- \$0.282m Donations and Contributions
- \$0.261m Electricity & Heating
- \$0.210m Replacement of rubbish bins
- \$0.172m Advertising
- \$0.140m Conferences, Functions, Seminars, Meetings
- \$0.097m Councillor Fees and Expenses
- \$0.057m Contribution to Fire Brigade
- \$0.056m Valuation Fees

The above are offset by unfavourable variances in Waste disposal charge (\$1.165m), Insurances (\$0.412m), Provision for Doubtful Debts (\$0.304m), Commission Processing Fees (\$0.218m), Other Miscellaneous Expenses (\$0.181m), Subscription & Memberships (\$0.152m), Equipment under \$1,000 (\$0.135m), , Telephone Communication (\$0.106m), Water Rates (\$0.94m) and Financial Charges (\$0.065m).

Income & Expenditure Statement and Graphs

Council's Income and Expenditure statement as at end of June 2016 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 Council's income and expenditure.

FAIRFIELD CITY COUNCIL

Budget review for the Quarter ended - 30 June 2016

Unfavourable variance between 0 and 10%

Unfavourable variance greater than 10%

	Full Financial Year 2015-2016							12 month period ended - 30 June 2016			
	Original Budget 2015/2016 \$000's	Approved Changes					Projected Year End Result 2015/2016 \$000's	Actual \$000's	Budget \$000's	Variance \$000's	Variance (%)
		Carry Forwards \$000's	Sep-2015 Review \$000's	Dec-2015 Review \$000's	Mar-2016 Review \$000's	Jun-2016 Review \$000's					
Income from Continuing Operations											
Ordinary Rates	75,208						75,208	74,660	75,208	(548)	-0.7
Domestic Waste	27,097						27,097	27,457	27,097	360	1.3
Drainage Stormwater Levy	1,558						1,558	1,511	1,558	(47)	-3.0
User Charges and Fees	16,808						16,808	17,787	16,808	979	5.8
Interest & Investment Income	3,086						3,086	3,209	3,086	123	4.0
Other Revenue	13,992		(46)				13,945	26,299	13,945	12,354	88.6
Grant & Contribution - Operations	19,479	36	(6)	115	(140)	68	19,551	20,275	19,483	792	4.1
Grant & Contribution - Capital	20,470	244	2,128	(188)	1,535	(721)	23,468	24,787	24,189	598	2.5
Total Income from continuing operations	177,697	280	2,076	(73)	1,395	(653)	180,721	195,985	181,374	14,611	8.1
Expenses from Continuing Operations											
Employee Costs	68,277	271	(63)	1,186	52		69,724	67,163	69,724	2,561	3.7
Debt Servicing Costs	57	0		0			57	49	57	8	14.0
Materials & Contracts	24,742	314	(8)	(7)	(152)	68	24,958	23,943	24,890	947	3.8
Depreciation, Amortisation & Impairment	30,415	0		0			30,415	28,544	30,415	1,871	6.2
Other Expenses	31,129	95	336	55	21		31,636	31,233	31,636	403	1.3
Total Expenses from continuing operations	154,620	680	265	1,234	(79)	68	156,789	150,932	156,722	5,790	3.7
Operating Surplus/(Deficit)	23,077	(400)	1,810	(1,308)	1,474	(721)	23,932	45,053	24,652	20,401	
Less: Grant & Contribution - Capital	20,470	244	2,128	(188)	1,535	(721)	23,468	24,787	24,189	598	
Net Operating Surplus/(Deficit) before capital income	2,607	(645)	(318)	(1,120)	(61)	0	464	20,266	463	19,803	

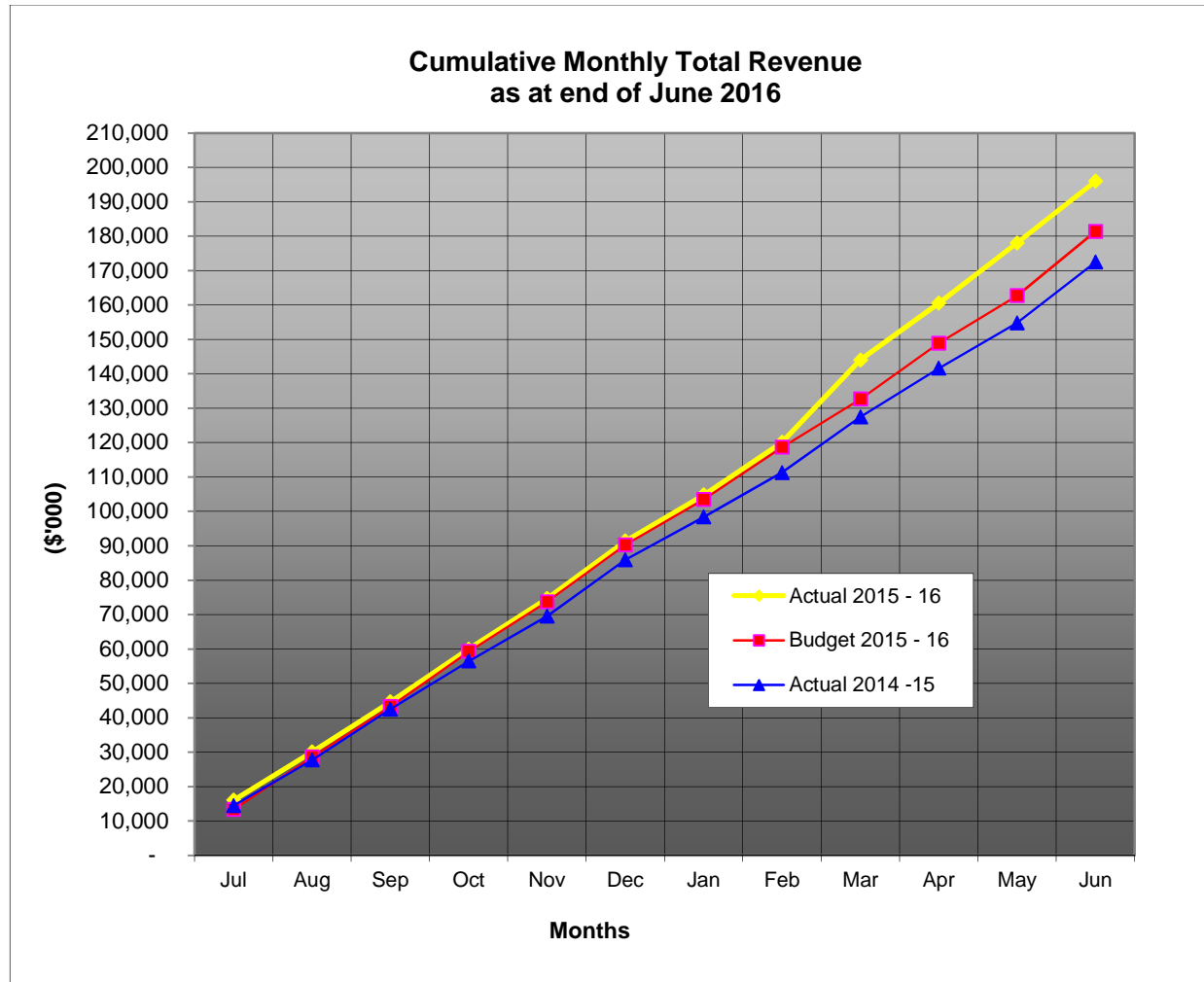
INCOME AND EXPENDITURE BUDGET REVIEW

Cumulative Monthly Total Revenue

The following graph plots the monthly revenue on a cumulative basis. It graphs three separate sets of figures.

1. Actual revenue for the previous financial year 2014/15 (blue)
2. Cumulative budgeted revenue for the current financial year 2015/16 (red)
3. Actual year-to-date revenue to June 2016 (yellow)

The graph indicates that the revenue to June 2016 is trending ahead of budget and last year.



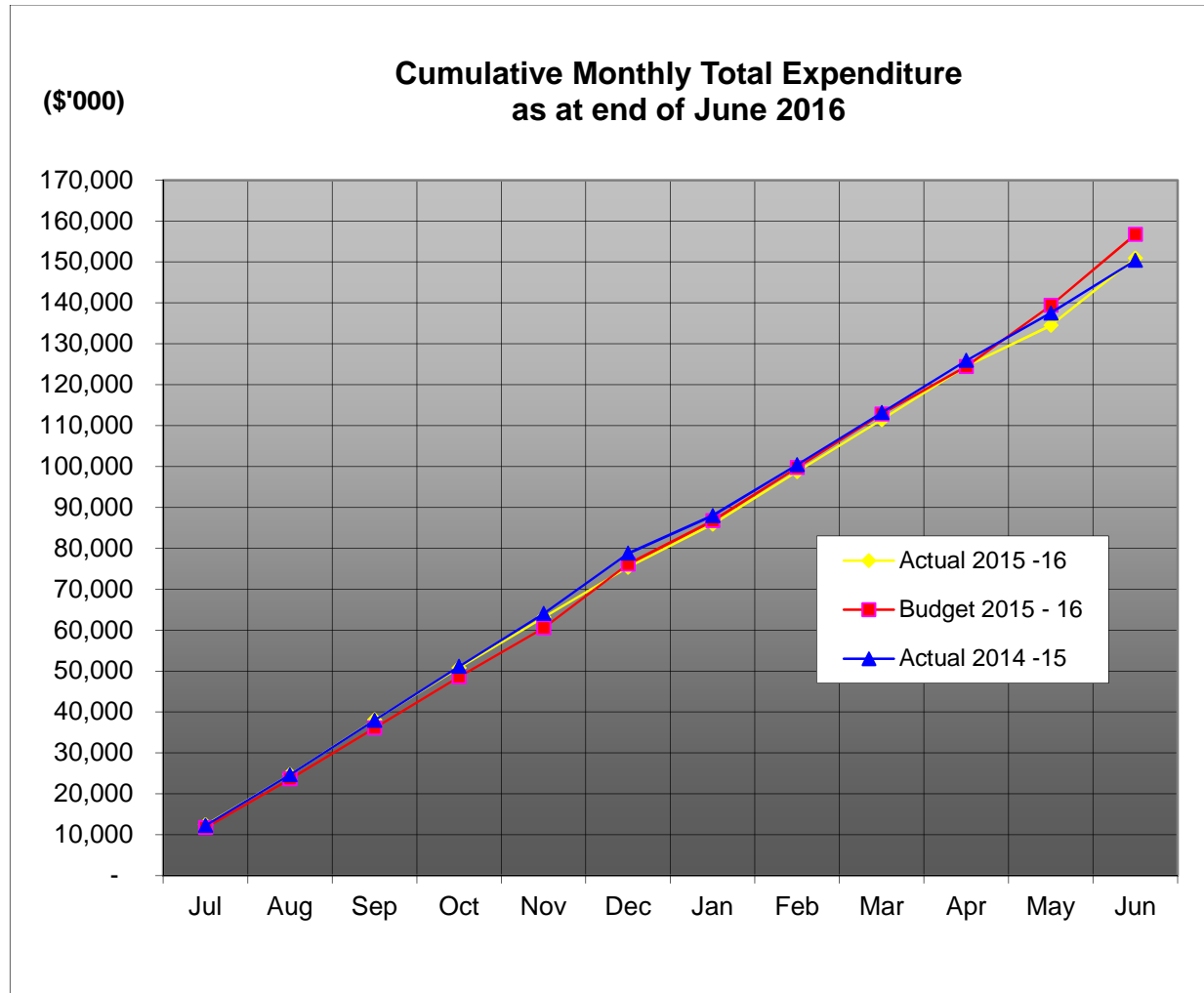
INCOME AND EXPENDITURE BUDGET REVIEW

Cumulative Monthly Total Expenditure

Similarly, the following graph projects monthly expenditure on a cumulative basis. It graphs three separate sets of figures.

1. Actual expense for the previous financial year 2014/15 (blue)
2. The cumulative budgeted expense for the current financial year 2015/16 (red)
3. The actual year-to-date expenditure to June 2016 (yellow)

As can be seen, expenditure to end June 2016 is trending just below budget for the current year and below the comparative actual for last financial year.



3. Capital Budget Review

The following Capital Budget Review Statement shows

- I. Actual capital expenditure as at end of June 2016 of \$75.746m
- II. Revised budget of \$93.548m is inclusive of 2014/15 carry overs

Capital Budget Review Statement

FAIRFIELD CITY COUNCIL

Budget review for the 12 month period ended 30 June, 2016

	Full Financial Year 2015-2016							12 month period ended - 30 June 2016		
	Original Budget Year 2015/2016 \$000's	Approved Changes					Revised Budget 2015/2016 \$000's	Actual 2015/2016 \$000's	Revised Budget 2015/2016 \$000's	Variance 2015/2016 \$000's
		Carry Forwards \$000's	Sep-2015 Review \$000's	Dec-2015 Review \$000's	Mar-2016	Jun-2016 Review \$000's				
Capital Funding										
Rates and other untied funding	16,091	2,627	1,067	419	(521)	(970)	18,713	39,592	18,713	20,879
Capital Grants	16,168	244	2,128	(188)	1,535	(721)	19,165	18,201	19,165	(964)
Capital Contributions - Other	4,302						4,302	6,586	4,302	2,283
Sale Proceeds	3,630	15,700					19,330	0	19,330	(19,330)
Funded by borrowing	0						0	0	0	0
Transfers to/from Grants	1,458	1,669			64	32	3,223	(1,670)	3,223	(4,893)
Transfers to/from S94	3,459	1,188			(150)		4,497	2,763	4,497	(1,735)
Transfers - Town Centres	1,404	15					1,419	346	1,419	(1,073)
Transfers - Other Reserves	24,546	(4,460)	100		2,514	198	22,898	9,927	22,898	(12,971)
Total Capital Funding	71,059	16,983	3,295	231	3,442	(1,461)	93,548	75,746	93,548	(17,802)
Capital Expenditure										
Asset Purchases	6,332	2,463		16			8,812	4,650	8,812	(4,162)
WIP - Infrastructure Assets	61,116	14,520	3,301	215	3,442	(1,461)	81,133	65,523	81,133	(15,610)
Capitalised Employee Costs	3,293		(6)				3,287	4,431	3,287	1,144
Capitalised Material Costs	0						0	1,133	0	1,133
Loans Principal Repayments	317						317	9	317	(308)
Total Capital Expenditure	71,059	16,983	3,295	231	3,442	(1,461)	93,548	75,746	93,548	(17,802)

Note: The actual reflects the current position (as per supplier invoices received and processed) whilst the budget reflects the expected full year result.

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 fourth quarter of the 2015-16 financial year.

Cash and Investment Budget Review Statement

FAIRFIELD CITY COUNCIL

Budget Review as at 30 June, 2016

	Projected Balances as at 30 June, 2016							Actual 30 June 2016 \$000's
	Original Forecast To Jun 2016 \$000's	Approved Changes					Revised Forecast Jun-16 \$000's	
		Carry Forwards \$000's	Sep-15 Review \$000's	Dec-15 Review \$000's	Mar-16 Review \$000's	Jun-16 Review \$000's		
Unrestricted								
Unrestricted Cash and Investments	4,831	2,617	40	1,475	-3,413		5,549	19,049
Total Unrestricted	4,831	2,617	40	1,475	-3,413	0	5,549	19,049
Externally Restricted								
Grants	2,384	2,055	-36		1,459	-686	5,176	6,903
Domestic Waste	20,282	1,808	-39			-198	21,853	20,867
Section 94	25,511	1,188	1,106	150	-110		27,845	29,996
Stormwater Levy	2,238	1,302	20	-151	75		3,484	2,022
Other Contributions	0				-81		-81	760
Total Externally Restricted	50,415	6,353	1,052	-1	1,343	-883	58,279	60,548
Internally Restricted								
Internally Restricted	5,900	7,287	100	29	2,520		15,836	20,899
Total Internally Restricted	5,900	7,287	100	29	2,520	0	15,836	20,899
Total Restricted	56,315	13,640	1,152	28	3,863	-883	74,115	81,447
Total Cash & Investments	61,146	16,257	1,192	1,503	450	-883	79,664	100,496
Available Cash & Investments	10,731	9,904	140	1,504	-893	0	21,385	39,948

Note: The actual reflects the current position while the budget is the expected full year result.

5. (a) Fourth Quarter 2015 – 16 Budget Review Adjustments

The following adjustments have already been adopted by Council during this period (April – June 2016) for inclusion into the 2015-2016 Operational Plan. There are no other budget change requests received from staff for this quarter.

Operational Expense							
Project ID	Project Title	Meeting Date:	Agenda Item Number	Expense	Funding Source	Project -New, Ceased/ Deferred or Changed	Reason for Revision
		Apr-Jun 16		Inc/(Dec) \$			
				0			

Operational Revenue							
Project ID	Project Title	Meeting Date:	Agenda Item Number	Revenue	Funding Source	Project -New, Ceased/ Deferred or Changed	Reason for Revision
		Apr-Jun 16		(Inc)/Dec \$			
IN16414	20 Million Trees - Fairfield Park	May	SUP 58	(34,875)	Grant	Changed	Council adopted in the February 2016 Council Meeting to include this project into the 2015/2016 Operational Plan
IN16415	20 Million Trees - Prout Park	May	SUP 58	(22,500)	Grant	Changed	Council adopted in the February 2016 Council Meeting to include this project into the 2015/2016 Operational Plan
IN16416	Greater Western Sydney Weeds Action Program	May	SUP 58	(10,500)	Grant	Changed	Council adopted in the February 2016 Council Meeting to include this project into the 2015/2016 Operational Plan
				(67,875)	Increase in Income		

Capital Expense							
Project ID	Project Title	Meeting Date:	Agenda Item Number	Expense	Funding Source	Project -New, Ceased/ Deferred or Changed	Reason for Revision
		Apr-Jun 16		Inc/(Dec) \$			
IN16367	Air Conditioning System	May	SUP 58	(197,757)	Waste Reserve	Changed	This project is to be ceased as funds for this project have been included in IN15347
MPRR1643	Road Rehabilitation	May	SUP 58	(192,710)	General	Changed	This project is deferred for consideration in the 2016/2017 Operational Plan
MPRR1668	Road Rehabilitation	May	SUP 58	(297,386)	General	Changed	This project is deferred for consideration in the 2016/2017 Operational Plan
MPFMP1608	Flood Mitigation - Smithfield West Floodplain Risk Management Study and Plan	May	SUP 58	0	General \$20,000 Grants \$40,000	Changed	This project is deferred for consideration in the 2016/2017 Operational Plan
				(687,853)	Decrease in Expenses		

Capital Revenue							
Project ID	Project Title	Meeting Date:	Agenda Item Number	Revenue	Funding Source	Project -New, Ceased/ Deferred or Changed	Reason for Revision
		Apr-Jun 16		(Inc)/Dec \$			
MPSRVLPF1603	Makepeace Oval spectator seating upgrade	April	47	(10,000)	Grant	Changed	A grant of \$10,000 offered by the Australian Government's Stronger Communities Program for Makepeace Oval spectator seating upgrade
IN15260	Prairiewood Youth and Community Centre to resurface basketball courts and provide seating	April	47	(19,000)	Grant	Changed	A grant of \$19,000 offered by the Australian Government's Stronger Communities Program for Prairiewood Youth and Community Centre to resurface basketball courts and provide seating
MPSRVOS1601	Nelson Park playground renewal	April	47	(20,000)	Grant	Changed	A grant of \$20,000 offered by the Australian Government's Stronger Communities Program for Nelson Park playground renewal
MPBAR1612	Marlborough Street child care centre upgrade	April	47	(20,000)	Grant	Changed	A grant of \$20,000 offered by the Australian Government's Stronger Communities Program for Marlborough Street child care centre upgrade
MPRRP1607-1612	Roads to Recovery	May	SUP 58	(734,522)	Grant	Changed	Additional funding received from the Federal Government as part of the Roads to Recovery Program. Funds used to repair, rebuild and / or resurface various roads in the LGA
MPSRVOS1605	Adams Park - Cricket Wicket Renewal	June	87	(10,000)	Grants	Changed	Contribution from Fairfield Liverpool Cricket Association through the Community Building Partnership
				(813,522)	Increase in Income		

5 (b) Carry over projects to 2016/2017

The preliminary advice indicated in the Outcomes Committee report (number 72) of 14 June 2016, regarding projects to be carried over into the 2016/2017 financial year, is now confirmed as noted below. It is recommended that Council formally adopt the carry over projects in order that they may be completed and delivered.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec) \$			
MPFR1601	Fleet Renewal - Replace Councils light vehicles	386,014	General	Carry Over	Fleet replacement is on target in accordance with the vehicle replacement schedules and budget. It is proposed that the remaining funds of \$386,014 from General funds be carried over into the MPFR1701 in the 2016-2017 Operational Plan.
CF1326	Canley Heights Town Centre Improvements	195,090	Grants	Carry Over	The project was delayed due to the late receipt of grant funding from the Roads and Maritime Service. It is proposed that this project and its remaining funds of \$195,090 from General funds be carried over into the 2016-2017 Operational Plan.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
IN14117 & IN15117	Canley Heights Town Centre Improvements - Stages 4 and 5	321,463	General	Carry Over	Fountain works and tree lighting have been delayed due to competing priorities. It is proposed that this project and its remaining funds of \$321,463 from General funds be carried over into the 2016-2017 Operational Plan.
IN16183	Online Information Point for Canley Heights Town Square	50,000	Reserves	Carry Over	The project scope changed after a decision was made at March 2016 Outcomes Committee for an e-kiosk and wifi trial to proceed. It is proposed that this project and its remaining funds of \$50,000 from Reserves be carried over into the 2016-2017 Operational Plan.
IN16315	Cabramatta Town Centre Streetscape Upgrade	184,439	Property Development Fund	Carry Over	This project is being implemented in conjunction with the Dutton Lane Redevelopment project and has been delayed as a result. It is proposed that this project and its remaining funds of \$184,439 from the Property Development Fund be carried over into the 2016-2017 Operational Plan.
INSRV1605	Cabramatta Town Centre upgrade	859,357	SRV	Carry Over	The exeloo toilet in Cabravale Park has been delayed due to late delivery. It is proposed that this project and its remaining funds of \$859,357 from SRV be carried over into the 2016-2017 Operational Plan.
INSRV1601	Water Park	3,174,753	3,174,753 SRV 108,593.77 Future Works Reserve 377,226.50 General 88,833 Sale Proceeds 2,600,000	Carry Over	Due to the extensive detail of works required in the design stage, the initial commencement of works was delayed. It is proposed that this Project and its remaining funds of \$3,174,753 (SRV: \$108,593.77, FWR \$377,226.50, General \$88,833, Sale Proceeds \$2,600,000) be carried over into the 2016-2017 Operational Plan.
INSRV1603	Fairfield City Centre Plaza - The Crescent	1,122,519	SRV	Carry Over	The project has been delayed by the requirement of additional works for the removal of the existing concrete footing, green wall and the garden bed on the southern side of the site. As a result it is proposed that this Project and its remaining funds of \$1,122,519 from SRV be carried over into the 2016-2017 Operational Plan.
MPSRVCBU1601	SRV Community Building Renewal/Upgrade - Prairiewood Leisure Centre	738,073	SRV	Carry Over	The project was delayed due to detailed design requirements which took longer than anticipated. It is proposed that this project and its remaining funds of \$738,073 from SRV be carried over into the 2016-2017 Operational Plan.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
IN16305	Wilson Road Reserve, Bonnyrigg Heights Upgrade	24,053	General	Carry Over	The project was delayed due to competing priorities. It is proposed that the project and its remaining funds of \$24,053 from General funds be carried over into the 2016-2017 Operational Plan.
IN16308	Circuit Walking Paths in Parks - Wilson Road	72,769	General	Carry Over	The project was delayed due to competing priorities. It is proposed that the project and its remaining funds of \$72,769 from General funds be carried over into the 2016-2017 Operational Plan.
IN16369	Obstacle Course at Fairfield District Park	336,288	Section 94A	Carry Over	The construction of the Obstacle Course at Fairfield District Park was delayed by additional works required that had not been identified in the initial scope of work. It is proposed that the project and its remaining funds of \$336,288 from Section 94A be carried over into the 2016-2017 Operational Plan.
IN16385	Water Cooling Mist - Fairfield Adventure Park	40,000	Section 94	Carry Over	Project to be completed as part of IN16369 Obstacle Course works at Fairfield Park which was delayed due to the requirement of additional works. It is proposed that the project and its remaining funds of \$40,000 from Section 94 be carried over into the 2016-2017 Operational Plan.
MPOSAR1604	Open Space Asset Renewal/Upgrade - Allambie Reserve, Terone Park, Endeavour Reserve, Horsley Park and Cabravale Memorial Park	56,315	General	Carry Over	Sportsfield lighting still needs to be completed at Terone Park and Endeavour Reserve. It is proposed that the project and its remaining funds of \$56,315 from General funds be carried over into the 2016-2017 Operational Plan.
MPSRVLPF1601	SRV Landscaping Park Frontages Renewal/Upgrade - Kiola Reserve	25,267	SRV	Carry Over	The project has been delayed due to a site review to identify priority areas for Landscaping Park Frontages Improvements. As a result, it is proposed that this project and its remaining funds of \$25,267 from SRV be carried over into the 2016-2017 Operational Plan with a change of location to be delivered at Joe Broad Park.
MPSRVLPF1602	SRV Landscaping Park Frontages Renewal/Upgrade - St Johns Park	22,382	SRV	Carry Over	The project has been delayed due to a site review to identify priority areas for Landscaping Park Frontages Improvements. As a result, it is proposed that this project and its remaining funds of \$22,382 from SRV be carried over into the 2016-2017 Operational Plan with a change of location to be delivered at Terone Park.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
MPSRVLPF1604	SRV Landscaping Park Frontages Renewal/Upgrade - St Johns Park	22,935	SRV	Carry Over	The project has been delayed due to a site review to identify priority areas for Landscaping Park Frontages Improvements. As a result, it is proposed that this project and its remaining funds of \$22,935 from SRV be carried over into the 2016-2017 Operational Plan with a change of location to be delivered at Cabravale/Hackett and Phar Lap Parks.
MPSRVSG1602	SRV Sportsground Renewal/Upgrade - St Johns Park	218,296	SRV	Carry Over	The project was delayed due to additional asphalt laying which was not identified in the original scope of work. It is proposed that the project and its remaining funds of \$218,296 from SRV be carried over into the 2016-2017 Operational Plan.
MPSRVSG1604	SRV Sportsground Renewal/Upgrade - As required	100,000	SRV	Carry Over	Works completed on sportsground renovations and upgrades to increase the standards of sporting facilities to residents and visitors.
IN16376	Headline attractions for major events	40,000	General	Carry Over	A Headline act was provided for the Bring it On! Youth Festival and arrangements were made for an act at the 2016 Moon Festival.
IN15107	Retail and Commercial Centres Study	24,116	Grants	Achieved/Carry Over	The Retail and Commercial Study has been adopted by Council, to guide future commercial and retail development in Fairfield City. It is proposed that the remaining funds of \$24,116 from Grants be carried forward to project MPSLUP1703 in the 2016-2017 Operational Plan.
IN15321	Bonnyrigg Town Centre Planning Framework Review	46,257	General	Carry Over	The project has been delayed due to further consultation required with the Roads and Maritime Service regarding potential flood impacts. It is proposed that the project and its remaining funds of \$46,257 from General funds be carried over into the 2016-2017 Operational Plan.
IN16105	Aboriginal Heritage Study	26,032	General	Carry Over	Further consultation (internal and external) is being undertaken. It is proposed that the project and its remaining funds of \$26,032 from General funds be carried over into the 2016-2017 Operational Plan.
IN16337	Sustainable Resource Centre Expansion - Stage 1 and 2	124,975	Stage 2 – SRC Reserve	Carry Over	It is proposed that the Stage 2 and remaining funds of \$470,000 Stage 2 - SRC Reserve be carried over into the 2013-2017 Operational Plan.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
MPPER1503	Plant and Equipment Replacement - Waste Services Heavy Plant Replacement	597,143	Garbage Plant Reserves	Achieved/Carry Over	It is proposed that the remaining funds of \$597,143 from Garbage Plant Reserves be carried forward into MPPER1703 in the 2016-2017 Operational Plan.
IN15346	E-waste Collection	20,183	Waste Reserve	Carry Over	It is proposed that the remaining funds of \$20,183 from Grants be carried forward into MPBWR1702 in the 2016-2017 Operational Plan.
IN15347	Implementation of Energy and Water Conservation Plans	186,822	Waste Reserve	Carry Over	This is a multiple year project to improve the energy and water performance of Council's services and assets. As a result it is proposed that the project and its associated budget of \$186,822 from Waste Reserve be carried over into the 2016-2017 Operational Plan.
IN15348	Energy Efficient Lighting at Council Buildings	18,502	Waste Reserve	Carry Over	Works at the Whitlam Library have been delayed due to the lack of LED lighting that meets the library lighting requirements. It is proposed that the project and its remaining funds of \$18,502 from Waste Reserve be carried over into the 2016-2017 Operational Plan.
IN15349	Chemical Waste Collection Program	26,949	Grants	Carry Over	It is proposed that the remaining funds of \$26,949 from Grants be carried forward into MPBWR1702 in the 2016-2017 Operational Plan.
IN15350	Portable CCTV Cameras For Illegal Dumping	30,322	Waste Reserves	Carry Over	This project was delayed due to competing priorities. It is proposed that the project and its remaining funds of \$30,322 from Waste Reserve be carried over into the 2016-2017 Operational Plan.
MPBWR1603	Better Waste and Recycling - Waste Education and Projects	63,931	Grants	Carry Over	It is proposed that the remaining funds of \$63,931 from Grants be carried over into MPBWR1704 in the 2016-2017 Operational Plan.
MPBWR1604	Better Waste and Recycling - Combatting Illegal Dumping	28,973	Grants	Carry Over	The project has been delayed due to resource constraints. It is proposed that the remaining funds of \$28,973 from Grants be carried over into the 2016-2017 Operational Plan.
MPBWR1605	Better Waste and Recycling - Waste Contamination Management	99,239	Grants	Achieved/Carry Over	This is a multi-year project. It is proposed that the remaining funds of \$99,239 from Grants be carried forward into MPBWR1705 in the 2016-2017 Operational Plan.
MPBWR1607	Better Waste and Recycling -Waste Composition Audit	9,025	Grants	Carry Over	This project was delayed due to resourcing constraints therefore it is proposed that the project and its remaining funds of \$9,025 from Grants be carried over into the 2016-2017 Operational Plan.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
MPWSIP1416	Waste and Sustainability Improvement Payment (WaSIP) Program - Environmental Management Plan review	30,000	Waste Reserve	Carry Over	The Waste and Sustainability Improvement Payment (WaSIP) Program project was delayed due to resourcing and competing priorities. It is proposed that the project and its remaining funds of \$30,000 from Waste Reserve be carried over into the 2016-2017 Operational Plan.
IN16408	Restoration of Indigenous Flora Park	12,125	Grants	Carry Over	This is a multi-year project with the bushland management strategy being completed and is currently undergoing a second review. It is proposed that the project and its remaining funds of \$12,125 from Grants be carried over into the 2016-2017 Operational Plan.
MPPER1601	Plant and Equipment Replacement - City Works Operations Plant and Equipment	399,357	General	Carry Over	The Plant and Equipment replacement was delayed due to the late delivery of the following plant including 2 Outfront mowers, 2 trailers and 1 Hino Cab Chassis Truck. It is proposed that this project and its remaining funds of \$399,357 from General funds be carried over into the 2016-2017 Operational Plan.
IN16360	Bossley Park Preschool Construction	532,355	Grants	Carry Over	This project was delayed due to an increase in the cost of work, which was not anticipated in original estimates. Council has made an application for additional grant funding to complete this project. It is proposed that the project and its remaining funds of \$532,355 from Grants be carried over into the 2016-2017 Operational Plan.
IN15289	Subdivision of 65 The Avenue, Canley Vale	666,283	Property Development Fund	Carry Over	The project was delayed due to a problem with the sewer carrier which impacted on the initial subdivision. Further investigation is required to identify the best outcome. It is proposed that the project and its remaining funds of \$666,283 from the Property Development Fund be carried over into the 2016-2017 Operational Plan.
IN15293	Subdivision of 45-49 Diamond Crescent, Bonnyrigg	(1,500,000)	Property Development Fund	Carry Over	There are 3 lots remaining for sale which are affected by bushfire asset protect zone. It is proposed that the project and sale income of 1,500,000 be carried over into the 2016-2017 Operational Plan.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
IN16178	Multi-Deck Car Parks Upgrade	65,812	Future Capital Works Reserve	Carry Over	Due to the detailed design and scope of work required for the expansion joints in Nelson Street Car Park, this project has been delayed. It is proposed that the project and its remaining funds of \$65,812 from the Future Capital Works Reserve be carried over into the 2016-2017 Operational Plan.
IN16292	Subdivision of 117A Wetherill Street, Wetherill Park	1,289,217	Property Development Fund	Carry Over	The project was delayed due to additional assessments required for drainage and traffic. It is proposed that the project and its remaining funds of \$1,289,217 from the Property Development Fund be carried over into the 2016-2017 Operational Plan.
IN16343	Whitlam Library Modernisation	249,305	Capital Works Reserve	Carry Over	The project was delayed while designs for the refurbishment of the Whitlam Library were completed. It is proposed that this project and its remaining funds of \$249,305 from the Future Capital Works Reserve be carried over into the 2016-2017 Operational Plan.
IN16405	Library Preservation Needs Assessment	400	Grants	Carry Over	The external Consultant report was completed which detailed the storage options and climate controls required for the ongoing preservation of the Heritage Collection.
MPCCTV1601	CCTV Camera Program - Fairfield City Centre	65,837	General	Carry Over	The project was delayed due to design issues and site assessments. It is proposed that the project and its remaining funds of \$65,837 from General funds be carried over into the 2016-2017 Operational Plan.
IN16046	Upgrade Council's Electronic Communications Systems - Stage 3	36,973	General	Carry Over	The project was delayed initially due to complications with the vendor selection process and issues with procurement. It is proposed that the project and its remaining funds of \$36,973 from General funds be carried over into the 2016-2017 Operational Plan.
IN16048	Council's Digital Telephone Upgrade - Stage 3	29,724	General	Carry Over	The project was delayed initially due to issues with purchasing the new call centre software. The digital phone solution has been completed for Childcares and Place Office with further sites required. It is proposed that the project and its remaining funds of \$29,724 from General funds be carried over into the 2016-2017 Operational Plan.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
IN15353	Roads and Maritime Services - Grant Proposal	111,437	General	Carry Over	Grant application process took longer than anticipated due to complex designs on Smithfield Road Upgrade between Polding Street and Elizabeth Drive. It is proposed that the project and its remaining funds of \$111,437 from General funds be carried over into the 2016-2017 Operational Plan.
IN16311	Additional Car Parking in Fairfield City Centre	715,512	Section 94	Carry Over	There was a delay in the commencement of works due to a permit required by Sydney Transport in order to commence works. It is proposed that the project and its remaining funds of \$715,512 from Section 94 be carried over into the 2016-2017 Operational Plan.
IN16330	Western Sydney Infrastructure Plan - Local Roads - Cumberland Highway Upgrade	1,601,166	Grants	Carry Over	The project was delayed due to the scale of works required to upgrade to the intersections of Hamilton Road, St Johns Road and John Street. It is proposed that the project and its remaining funds of \$1,601,166 from Grants be carried over into the 2016-2017 Operational Plan.
IN16331	Western Sydney Infrastructure Plan - Local Roads - Wetherill Street Upgrade	1,684,830	Grants	Achieved/Carry Over	The street extension from Polding Street to Victoria Street has been completed. It is proposed that the remaining budget of \$1,684,830 from Grants be carried forward into the 2016-2017 Operational Plan budget for outstanding invoices.
MPBP1607	Blackspot Renewal/Upgrade/New - Edensor Road (between Bonnyrigg Avenue and T-Way)	81,734	Grants	Carry Over	The project has been delayed due to Sydney Water who are required to relocate pipe work. It is proposed that the project and its remaining funds of \$81,734 from Grants be carried over into the 2016-2017 Operational Plan.
MPBP1608	Blackspot Renewal/Upgrade/New - Horsley Road (bend at Barbaro Lane)	4,161	General	Achieved/Carry Over	A sealed shoulder with appropriate superelevation to improve the bend at Horsley Road (bend at Barbaro Lane) was installed. It is proposed that the funding of \$4,161 from General Funds be carried over into the 2016-2017 Operational Plan budget for outstanding invoices.
MPBAR1603	Building Asset Renewal/Upgrade - Fairfield Tennis Courts	66,862	General	Carry Over	This project has been delayed in order to minimise the disruption to customers. It is proposed that the project and its remaining funds of \$66,862 from General funds be carried over into the 2016-2017 Operational Plan.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
IN16285	Time Line Wall	25,696	Future Capital Works Reserve	Carry Over	The project was delayed due to the timeline wall being implemented in conjunction with the Fairfield City Centre Plaza - The Crescent project. It is proposed that the project and its remaining funds of \$25,696 from Future Capital Works Reserve be carried over into the 2016-2017 Operational Plan.
IN16305-2	Wilson Road Reserve Creek Restoration - Design and Construction	274,041	Section 94	Carry Over	Design challenges with required stormwater and sewer infrastructure have delayed the project. It is proposed that the project and its remaining funds of \$274,014 from Section 94 be carried over into the 2016-2017 Operational Plan.
IN16317	Henty Creek Flood Mitigation Works - Gregorace Place, Bonnyrigg - Approval	18,436	Section 94	Carry Over	Gregorace Place flowpath design on the Brown Road culverts has been delayed due to utility service location issues. It is proposed that the project and its remaining funds of \$18,436 from Section 94 be carried over into the 2016-2017 Operational Plan.
IN16374	Rosford Reserve Detention Basin - Investigate and design	32,940	Stormwater Levy Reserve	Carry Over	Initial designs and community consultation have been undertaken however this project has been delayed due to competing priorities resource constraints. It is proposed that the project and its remaining budget of \$32,940 from Stormwater Levy Reserve be carried over into the 2016-2017 Operational Plan.
MPESMP1601	Existing Stormwater Management - Minor Stormwater Works	79,008	General	Carry Over	The project has been delayed due to competing priorities and resource constraints. It is proposed that the project and its remaining funds of \$79,008 from General funds be carried over into the 2016-2017 Operational Plan.
MPESMP1602	Existing Stormwater Management - Horsley Park Stormwater Drainage Works	127,261	General	Carry Over	The project has been delayed due to resource constraints and additional charges required for the drainage design. It is proposed that the project and its remaining funds of \$127,261 from General funds be carried over into the 2016-2017 Operational Plan.
MPESMP1604	Existing Stormwater Management - Prospect Creek Bank Rehabilitation Works	239,190	General	Carry Over	The final site establishment was delayed due to competing priorities and resource constraints. It is proposed that the project and its remaining funds of \$239,190 from General funds be carried over into the 2016-2017 Operational Plan.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
MPFMP1603	Central Overland Flood Study	16,400	General	Carry Over	Flood modelling of the Central Catchment has been completed with external peer review currently underway. However the project has been delayed due to competing priorities. It is proposed that the project and its remaining funds of \$16,400 from General funds be carried over into the 2016-2017 Operational Plan.
MPFMP1611	Update Council's Onsite Detention (OSD) Policy and Stormwater Drainage Policy	33,098	General	Carry Over	Council has decided to carry out the works with internal resources due to an inability to attract external contractors which delayed the project. It is proposed that the project and its remaining funds of \$33,098 from General funds be carried over into the 2016-2017 Operational Plan.
MPFMP1612	Fairfield Catchment - a flood Risk Management Strategy and Plan	111,394	Grants	Carry Over	The review and extension of the flood model, which was not anticipated in the original scope of works and has delayed this project. It is proposed that the project and its remaining funds of \$78,706.77 from Grants be carried over into the 2016-2017 Operational Plan.
MPSLP1510	Orphan School Creek Rehabilitation works	271,241	Grants	Carry Over	It is proposed that that remaining funds of \$271,241 be carried over into the 2016-2017 Operational Plan budget for scheduled contracted maintenance works.
MPSLP1608	Stormwater Levy - Construction of four major Gross Pollutant Traps.	666,152	290,000 Grants 376,152 Stormwater Levy Reserves	Carry Over	The late announcement of grant funding by the NSW State Government - Office of Environment and Heritage has delayed this project. It is proposed that the project and its remaining funds of \$290,000 from Grants and \$376,152 from Storm Water Levy Reserves be carried over into the 2016-2017 Operational Plan.
IN16020	Fairfield City Centre Tourism Pedestrian Signage	12,258	Fairfield City Funds	Carry Over	The project has been delayed due to resource constraints. It is proposed that the project and its remaining funds of \$12,258 from Fairfield City Centre Fund be carried over into the 2016-2017 Operational Plan.
IN16031	Fairfield City Centre Upgrade - Smart Street (Railway Precinct)	268,473	Fairfield City Funds	Carry Over	The project was delayed due to competing priorities and as a result it is proposed that the project and its remaining funds of \$268,473 from Fairfield City Funds be carried over into the 2016-2017 Operational Plan.
MPCIP1601	Centre Improvement Program - Villawood Town Centre	65,252	Section 94A	Carry Over	The project was delayed due to competing priorities. Therefore it is proposed that the project and remaining funds of \$65,252 from Section 94A be carried over into the 2016-2017 Operational Plan.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
MPRR1611	Road Rehabilitation - Road intersection landscaping works to enhance key sites across Fairfield City.	4,412	General	Carry Over	The project was delayed due to competing priorities. Therefore it is proposed that the project and remaining funds of \$4,412 from General be carried over into the 2016-2017 Operational Plan.
MPSRVCBU1501	SRV Community Building Renewal/Upgrades - Designs	111,647	SRV	Carry Over	This project was delayed due to competing priorities therefore it is proposed that the project and remaining funds of \$111,647 from SRV be carried over into the 2016-2017 Operational Plan.
MPSRVDU1622	SRV Drainage Upgrade - 50 Gidgee Street	700	SRV	Carry Over	The project was delayed due to Sydney Water asset maintenance required. As a result it is proposed that the project and its remaining funds of \$700 from SRV be carried over into the 2016-2017 Operational Plan.
MPSRVDU1626	SRV Drainage Upgrade - 24 Gidgee Street	950	SRV	Carry Over	The project was delayed due to Sydney Water asset maintenance required. As a result it is proposed that the project and its remaining funds of \$950 from SRV be carried over into the 2016-2017 Operational Plan.
MPSRVKRG1620	SRV Roads, Kerbs and Gutter Renewal/Upgrade - Kenyon Street - Thomas Street to Barbara Street	7,560	SRV	Carry Over	The project was delayed due to competing priorities. Therefore it is proposed that the project and remaining funds of \$7,560 from SRV be carried over into the 2016-2017 Operational Plan.
MPSRVKRG1621	SRV Roads, Kerbs and Gutter Renewal/Upgrade - Smart Street - The Crescent to Civic Lane	2,920	SRV	Carry Over	The project was delayed due to competing priorities. Therefore it is proposed that the project and remaining funds of \$2,920 from SRV be carried over into the 2016-2017 Operational Plan.
MPSRVKRG1622	SRV Roads, Kerbs and Gutter Renewal/Upgrade - Smart Street - Civic Lane to Spencer Street	9,245	SRV	Carry Over	The project was delayed due to competing priorities. Therefore it is proposed that the project and remaining funds of \$9,245 from SRV be carried over into the 2016-2017 Operational Plan.
MPSRVKRG1623	SRV Roads, Kerbs and Gutter Renewal/Upgrade - Smart Street - Civic Lane to Spencer Street	4,800	SRV	Carry Over	The project was delayed due to competing priorities. Therefore it is proposed that the project and remaining funds of \$4,800 from SRV be carried over into the 2016-2017 Operational Plan.
MPSRVKRG1637	SRV Roads, Kerbs and Gutter Renewal/Upgrade - Oxford Street - Alexander Street	81,468	SRV	Carry Over	The project was delayed due to competing priorities. Therefore it is proposed that the project and remaining funds of \$81,468 from SRV be carried over into the 2016-2017 Operational Plan.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
MPRR1678	Road Rehabilitation - Surfacing access way surrounding Dutton Lane redevelopment	160,000	Reserves	Carry Over	The project was delayed due to competing priorities. Therefore it is proposed that the project and remaining funds of \$160,000 from Reserves be carried over into the 2016-2017 Operational Plan.
IN16414	20 Million Trees - Fairfield Park	25,335	Grants	Carry Over	The project was delayed due to bad weather with only ground preparation for planting completed .Therefore it is proposed that the project and its associated budget of \$25,335 from Grants be carried over into the 2016-2017 Operational Plan.
IN16415	20 Million Trees - Prout Park	22,500	Grants	Carry Over	The project was delayed due to bad weather with only ground preparation for planting completed .Therefore it is proposed that the project and its associated budget of \$22,500 from Grants be carried over into the 2016-2017 Operational Plan.
IN16416	Greater Western Sydney Weeds Action Program	6,209	SRV	Carry Over	The project was delayed due to late receipt of grant funding from the Hawkesbury River County Council in May 2016. It is proposed that the project and its associated budget of \$6,209 from SRV be carried over into the 2016-2017 Operational Plan.
MPRRP1607	Roads to Recovery - Montgomery Road - from Brown Rd to Holdin St	184,522	Grants	Carry Over	This was a new project introduced late in the financial year and has not been able to be completed. It is proposed that the project and its associated budget of \$184,522 from Grants be carried over into the 2016-2017 Operational Plan.
MPRRP1608	Roads to Recovery - Castlereagh Street - from Ord Cl to Quarry Rd	140,000	Grants	Carry Over	This was a new project introduced late in the financial year and has not been able to be completed. It is proposed that the project and its associated budget of \$140,000 from Grants be carried over into the 2016-2017 Operational Plan
MPRRP1609	Roads to Recovery - Torrens Street - from Chatham St to Adolphus St	75,000	Grants	Carry Over	This was a new project introduced late in the financial year and has not been able to be completed. It is proposed that the project and its associated budget of \$75,000 from Grants be carried over into the 2016-2017 Operational Plan.
MPRRP1610	Roads to Recovery - Ryder Road - from Morrina Cl to Mistral St	105,000	Grants	Carry Over	This was a new project introduced late in the financial year and has not been able to be completed. It is proposed that the project and its associated budget of \$105,000 from Grants be carried over into the 2016-2017 Operational Plan.

Project ID	Project Title	Expense	Funding Source	Project - New, Ceased/ Deferred or Changed	Reason for Revision
		Inc/(Dec)			
		\$			
MPRRP1611	Roads to Recovery - Dublin Street - from The Horsley Dr to Casanda Ave	15,992	Grants	Carry Over	This was a new project introduced late in the financial year and has not been able to be completed. It is proposed that the project and its associated budget of \$15,992 from Grants be carried over into the 2016-2017 Operational Plan.
MPRRP1612	Roads to Recovery - Brisbane Road - from Knapton St to Herston Rd	125,000	Grants	Carry Over	This was a new project introduced late in the financial year and has not been able to be completed. It is proposed that the project and its associated budget of \$125,000 from Grants be carried over into the 2016-2017 Operational Plan.
IN16500	Property Development Fund Strategy	50,000	Property Development Fund	Carry Over	This was a new project introduced late in the financial year and has not been able to be completed. It is proposed that the project and its associated budget of \$50,000 from Property Development Fund be carried over into the 2016-2017 Operational Plan.
		18,809,672			

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 fourth 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 to be sustained into the future			
	Result	2015/16	12 Months	13.43%	Comment: This result indicates that Council has contained operating expenditure within operating revenue.
		2014/15	Full Year	2.75%	
		2013/14	Full Year	-4.94%	
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% with increases subject to maintenance of operating surpluses.			
	Result	2015/16	12 Months	0.17%	Comment: Indebtedness stable at a low level.
		2014/15	Full Year	1.65%	
		2013/14	Full Year	1.53%	
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	2015/16	12 Months	100%	Comment: Council is a net lender.
		2014/15	Full Year	100%	
		2013/14	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	2015/16	12 Months	0.06%	The net borrowing is marginal in comparison to the Capital (Net Worth) of the Council.
		2014/15	Full Year	0.09%	
		2013/14	Full Year	0.08%	
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	2015/16	12 Months	1.88:1	Comment: The ratio indicates that Council is renewing its assets at a rate greater than the benchmark.
		2014/15	Full Year	0.67:1	
		2013/14	Full Year	0.65:1	

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	2015/16	12 Months	2.96:1	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. The target ratio of 2:1 or above has been achieved.
	2014/15	Full Year	2.57:1	
	2013/14	Full Year	2.24:1	

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	Fairfield City Council					
		30th June 2016		30th June 2015		30th June 2014	
		\$'000's	%	\$'000's	%	\$'000's	%
	Rates and Annual Charges	103,729	53%	99,572	58%	95,092	62%
	User Charges and Fees	17,687	9%	16,873	10%	15,808	11%
	Interest	3,209	2%	3,399	2%	3,734	2%
	Grants	35,681	18%	27,495	16%	15,267	10%
	Contributions	9,381	5%	8,620	5%	7,791	5%
	Other Revenue	26,299	13%	16,514	9%	14,872	10%
	Total	195,986	100%	172,473	100%	152,564	100%
Comment: This indicator tracks the trend in Council's major revenue categories. The revenue distribution reflects 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	Fairfield City Council					
		30th June 2016		30th June 2015		30th June 2014	
		\$'000's	%	\$'000's	%	\$'000's	%
	Employee Costs	67,163	44%	67,811	45%	64,275	43%
	Materials and Contracts	23,943	16%	22,474	15%	24,830	17%
	Borrowing Costs	49	0%	61	0%	121	0%
	Depreciation	28,544	19%	30,118	20%	29,195	19%
	Impairment		0%		0%		0%
	Other Expenses	31,233	21%	30,150	20%	31,123	21%
	Total	150,932	100%	150,614	100%	149,544	100%
Comment: This indicator tracks the trend in Council's major expenditure categories. The expenditure distribution reflects 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	2015/16	12 Months	1.08:1	Comment: This result indicates that the annualised average asset maintenance is above 1.0 indicating that Council is investing enough funds to stop any infrastructure backlog from growing.
		2014/15	Full Year	0.95:1	
		2013/14	Full Year	0.93:1	
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	2015/16	12 Months	3.51%	Comment: Increased use of Legal Force (Council's Recovery Agent) has maintained the ratio within the benchmark.
		2014/15	Full Year	2.84%	
		2013/14	Full Year	3.17%	
	Results below are adjusted for ratepayers who have arrangements, including pensioners				
	Result	2015/16	12 Months	1.70%	Comment: As above
2014/15		Full Year	2.29%		
2013/14		Full Year	1.91%		
Indicator C Other Debtors Outstanding Ratio					
	Principle	Compares the outstanding Other Debtors against total invoices raised.			
	Target	less than 10%			
	Result	2015/16	12 Months	6.22%	Comment: This ratio is within the benchmark and will continue to be a focus for Council.
		2014/15	Full Year	6.67%	
		2013/14	Full Year	12.59%	

7. Contracts and Other Expenses Budget Review

7 a. 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 - 30/06/2016				
Contracts				
Contractor	Contract Detail & Purpose	Contract Value	Commence Date	Budgeted (Y/N)
N/A	N/A	\$0		
		\$0		

7 b 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 June, 2016		
Consultancy and Legal Expenses		
Expense	Expenditure YTD \$	Budgeted (Y/N)
Consultancies	1,038,518	Y
Legal Fees	1,003,972	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 June 2016 was 2.76% against an average benchmark of 2.36%. The average benchmark performance is Bloomberg AusBond 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 June was \$0.277m. This was \$0.034m above budget for the month (based on an average investment portfolio of \$85m).

Year to date actual earnings at end of June 2016 is \$2.122m against budgeted earnings of \$2.183m, below budget by \$0.061m. During the month of June 2016, three term deposit matured, totalling \$7m with \$7m being reinvested in three term deposits.

Fairfield City Council Investment Report Summary June-2016									
Borrower	Rating	Value as at 31-May-16	Value as at 30-Jun-16	% of Portfolio	Purchase Price	Purchase Date	Maturity Date	Current Month (annualised) Return	Financial YTD (annulised) Return
Direct Investments									
<u>Investments at Face Value - Original Maturity Term Less than 1 year</u>									
Bankwest	A-1+	\$4,000,000		0.00%	\$4,000,000	1-Sep-15	8-Jun-16	2.70%	2.70%
CBA TD	A-1+	\$2,000,000		0.00%	\$2,000,000	17-Nov-15	15-Jun-16	2.94%	2.94%
NAB TD	A-1+	\$2,000,000		0.00%	\$2,000,000	1-Dec-15	1-Jun-16	2.85%	2.85%
NAB TD	A-1+	\$3,000,000		0.00%	\$3,000,000	10-Feb-16	8-Jun-16	3.00%	3.00%
NAB TD	A-1+	\$3,000,000	\$3,000,000	2.99%	\$3,000,000	19-Jan-16	20-Jul-16	3.05%	3.05%
NAB TD	A-1+	\$3,000,000	\$3,000,000	2.99%	\$3,000,000	25-Jan-16	27-Jul-16	3.00%	3.00%
St George	A-1+	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	12-Feb-16	12-Aug-16	2.88%	2.88%
St George	A-1+	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	12-Feb-16	9-Sep-16	2.83%	2.83%
St George	A-1+	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	12-Feb-16	14-Oct-16	2.81%	2.81%
NAB TD	A-1+	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	29-Feb-16	25-Jul-16	3.00%	3.00%
NAB TD	A-1+	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	2-Mar-16	5-Jul-16	3.02%	3.02%
NAB TD	A-1+	\$3,000,000	\$3,000,000	2.99%	\$3,000,000	9-Mar-16	9-Sep-16	3.10%	3.10%
CBA TD	A-1+	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	16-Mar-16	13-Jul-16	3.00%	3.00%
NAB TD	A-1+	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	13-Apr-16	19-Oct-16	3.10%	3.10%
NAB TD	A-1+	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	20-Apr-16	19-Oct-16	3.10%	3.10%
NAB TD	A-1+	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	4-May-16	3-Nov-16	3.00%	3.00%
NAB TD	A-1+		\$4,000,000	3.99%	\$4,000,000	8-Jun-16	7-Dec-16	2.95%	2.95%
Bankwest	A-1+		\$2,000,000	2.00%	\$2,000,000	15-Jun-16	14-Dec-16	2.85%	2.85%
Total - Investments at Face Value - Original Maturity Term Less than 1 yr		\$38,000,000	\$33,000,000	32.94%					
<u>Investments at Face Value - Original Maturity Term Greater than 1 year</u>									
CBA Snr Debt	A-1+	\$5,000,000	\$5,000,000	4.99%	\$5,000,000	12-Sep-11	02-Aug-16	3.32%	3.33%
ANZ Snr Debt	AA-	\$4,000,000	\$4,000,000	3.99%	\$4,000,000	6-Nov-13	06-Nov-18	2.92%	3.05%
ANZ Snr Debt	AA-	\$1,000,000	\$1,000,000	1.00%	\$1,000,000	25-Jul-14	25-Jul-19	3.09%	3.02%
ANZ Snr Debt	AA-	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	11-Nov-14	11-Nov-19	2.87%	3.03%
NAB TD	A-1+	\$5,000,000	\$5,000,000	4.99%	\$5,000,000	7-Jan-15	09-Jan-17	3.55%	3.55%
NAB TD	A-1+	\$3,000,000	\$3,000,000	2.99%	\$3,000,000	3-Mar-15	02-Mar-17	3.13%	3.13%
Westpac Snr Debt	AA-	\$2,500,000	\$2,500,000	2.50%	\$2,500,000	28-Jul-15	28-Jul-20	3.05%	3.07%
NAB TD	AA-	\$5,000,000	\$5,000,000	4.99%	\$5,000,000	1-Sep-15	30-Aug-17	2.75%	2.75%
<u>Investments at Face Value - Original Maturity Term Greater than 1 year (continued from previous page)</u>									
ANZ TD	AA-	\$5,000,000	\$5,000,000	4.99%	\$5,000,000	1-Sep-15	06-Sep-17	2.67%	2.67%
Westpac Snr Debt	AA-	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	28-Oct-15	28-Oct-20	3.23%	3.27%
Westpac Snr Debt	AA-	\$3,000,000	\$3,000,000	2.99%	\$3,000,000	17-Feb-16	28-Oct-20	3.23%	3.30%
CBA Snr Debt	AA-	\$2,000,000	\$2,000,000	2.00%	\$2,000,000	17-Feb-16	18-Jan-21	3.44%	3.44%
ANZ Snr Debt	AA-	\$4,300,000	\$4,300,000	4.29%	\$4,300,000	7-Apr-16	7-Apr-21	3.45%	3.44%
NAB TD	A-1+	\$1,000,000	\$1,000,000	1.00%	\$1,000,000	9-May-16	9-May-17	2.85%	2.85%
Westpac Snr Debt	AA-		\$2,000,000	2.00%	\$2,000,000	3-Jun-16	3-Jun-21	3.17%	3.17%
Total - Investments at Face Value - Original Maturity Term Greater than 1 yr		\$44,800,000	\$46,800,000	46.72%					
<u>Investments at Current Value</u>									
Emerald Reverse 2007-1 Class C	A	\$226,811	\$228,137	0.23%	\$500,695	21-Jul-11	21-Jul-27	3.23%	3.16%
CBA Zero Coupon Bond	AA-	\$3,836,280	\$3,849,040	3.84%	\$2,000,000	21-Jan-08	22-Jan-18		
Commonwealth Bank of Australia	A-1+	\$20,317,805	\$16,300,688	16.27%				2.00%	2.00%
Total - Investments at Current Value		\$24,380,897	\$20,377,864	20.34%					
TOTAL - Direct Investments		\$107,180,897	\$100,177,864	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 June 2016
AAA Category	A-1+	100%	71.11%
AA Category	A-1	100%	28.68%
Less than AA Category		0%	0.22%

2. Maximum Percentage with one Financial Institution.

POLICY			ACTUAL
Long Term Credit Ratings	Short Term Credit Ratings	Direct Securities Maximum	30 June 2016
AAA Category	A-1+	45%	38.19%
AA Category	A-1	35%	11.37%
Less than AA Category		0%	0.22%

3. Term to maturity.

POLICY		ACTUAL
Overall Portfolio Term to Maturity Limits	Maximum	30 June 2016
Portfolio % < 1 year	100%	63.19%
Portfolio % > 1 year < 3 years	60%	17.82%
Portfolio % > 3 years < 5 years	30%	18.77%
Portfolio % > 5 years	0%	0.23%

2015/2016 Cumulative Earnings on Investment

