

## Business Reporting

### 1. Overview

#### Financial Performance

The overall operating result for this year to date (YTD) is a surplus of \$51.6m against a budget of \$43.1m.

This result is mainly due to lower than budgeted expenses - YTD \$161.3m compared to budget of YTD \$167.2m.

#### Financial Forecast

The March quarter review is forecast to year end to have an increased budget deficit of \$17.9m an increase of \$0.3m over what was predicted in the December quarterly review.

The major impact on the forecast operating result is the revised estimates of closed tip rehabilitation costs in excess of \$3.0m. Since the events are past, this waste management cost hits the current year as an increased expense and creates a cash provision to fund future works.

Partially offsetting these items is a reduction in water operating costs of \$3.1m with lower than budgeted purchases of water and reduced operations cost.

In addition, the estimated income for developer contributions is now a further \$1.1m below the forecast annual budgeted amount.

The Q3 forecast Net Operating Result after capital grants and contributions is a surplus of \$19.8m.

#### Financial Performance Year to Date (YTD)

	Actual YTD \$'000	Adopted YTD Budget \$'000
Income	212,904	210,306
Expenses	161,304	167,244
<b>Net Operating Result</b>	51,600	43,062
Net Operating Result before capital grants & contributions	21,094	15,894

#### Financial Position

	Actual YTD \$'000	Adopted Full year Budget \$'000
Assets	2,157,892	2,134,588
Liabilities	279,347	312,597
<b>Position</b>	1,878,545	1,821,991

#### Service Performance

The Annual Plan 2010-11 contains twenty-two measures (KPIs) of these 17 or 77% are currently on track.

## 2. Highlights

### Council unveils new website

In January Council unveiled its fully redeveloped website. Residents, businesses and tourists on the Central Coast will find it a lot easier to locate information about Wyong Shire Council.

The site focuses on connecting people quickly and simply to the right information with improved search functionality, clearer navigation, and an A-Z listing of popular topics. It also includes a range of new features like the park, sport and recreation finder, Google map integration, live twitter feed, online forms and an events calendar that promotes both Council-run and other non-profit local events.

### Mardi dam upgraded

The \$59 million upgrade of Mardi Dam was celebrated in January. Jointly funded by Gosford City and Wyong Shire councils, the upgrade involved construction of a new intake tower and tunnel, two new pump stations and associated pipelines and power upgrades. The new infrastructure will increase the capacity of the water supply system and improve our ability to transfer water from Mardi Dam to Mardi Water Treatment Plant. The Mardi Dam upgrade was crucial to the development of the Mardi-Mangrove Link Project and has been coordinated with the construction of the pipeline.

Mardi Dam is currently at about 97% capacity. When the Mardi-Mangrove Link project is finished, we will be able to transport water to the larger Mangrove Creek Dam which is currently about 28% full.

### Fire fighter is top citizen

A long-time volunteer fire fighter and rescuer was awarded Wyong Shire's Citizen of the Year for 2011.

Paul Lewis, of Gwandalan, received the honour as part of Wyong Shire Council's Australia Day Awards, in recognition of his voluntary efforts. A stalwart of Gwandalan Bush Fire Brigade for almost 40 years and a member of the Central Coast Rescue Squad since 1976, Paul was a popular selection.

Wyong Shire Council's other Australia Day awards marked business, volunteering, cultural, sporting and environmental achievements.

### Residents become Aussies on national day

61 Wyong Shire residents became Australian citizens as part of Australia Day 2011 celebrations. A citizenship ceremony at Wyong coincided with celebrations for the national day.

Residents who became Australian citizens originated from the United Kingdom, The United States of America, The Netherlands, the former Yugoslavia, Malta, Turkey, New Zealand, Ukraine, South Korea, India, China, the Philippines, Peru, Korea, New Zealand, Ireland and South Africa.

### Government returns savings

Council's bid to retain \$2.05 million of savings from Stage One of the Estuary Management Program was officially endorsed by the Federal Government in February.

The government provided \$8.6 million for Stage One of the Estuary Management Program, which was part of a 2007 Election commitment to continue improving the water quality of our Lakes. The total commitment was for \$20 million over a five year period. Council has already earmarked a number of projects which will start over the next few weeks funded by the \$2.05 million.

Estuary Management Projects include almost \$0.7m on stream bank rehabilitation and establishment, \$0.5m on salt marsh and wetland rehabilitation and establishment, \$0.1m and education activities and environmental monitoring.

The report received from the Federal Government was that Council's on-ground Estuary works have been considered as best practice. As a result of the Estuary Management Program visible improvements in our lakes' system can be seen.

### **Iconic sites get thumbs up**

Council's proposal to develop a number of Iconic Development Sites throughout the Shire has been supported by the Department of Planning. A letter from the Deputy Director General of the Department of Planning confirms the Department "broadly supports the Iconic Development Sites program and its objectives".

Last November, Council unanimously endorsed a report which identified 32 potential Iconic Development Sites in the Shire with the ability to generate an economic return in the billions and create more than 10,000 jobs. The sites were chosen on their ability to provide a significant economic benefit to the community, stimulate further development and provide a significant public domain benefit. An emphasis will be placed on design excellence for these sites along with environmentally sustainable development principles.

Council identified sites at The Entrance, Wyong, Long Jetty, Toukley, Tuggerah, Lake Haven and Doyalson as having potential to be a catalyst for economic growth and development confidence. A formal engagement process with all Iconic Development Site land owners and the community is the next step in the process.

### **New era of water services**

In February Gosford City and Wyong Shire Councils progressed the formation of the Central Coast Water Corporation by approving the new Corporation's constitution and shareholders agreement. This means work can now start on delivering a single water and wastewater service provider to the Central Coast's 125,000 homes and businesses.

The Councils will shortly appoint three independent directors to the Corporation's Board to commence on 1 July 2011. The Councils also approved investigations into the viability of a compressed timeframe which would see a full transfer of staff, assets and functions to the Central Coast Water Corporation by 2013.

### **Talented students get career boost**

Council awarded scholarships to four local students to support their career and showcase the diversity of professions available in local government.

Each student receives \$2,500 and their areas of study are Environmental Management and Natural Resources and Engineering.

Council scholarships are paid in two halves – \$1,250 is presented on admission to University and the remainder received after the successful completion of their first year of studies and 150 hours of paid work experience.

### **State Government rejects Wallarah 2 coal mine**

In March the State Government rejected the Wallarah 2 coal mine proposal. Mayor Doug Eaton praised the community of Wyong Shire.

Council spent \$250,000 engaging experts and staff resources to respond on behalf of our community, and that was ratepayer's money which the community were happy for us to spend because they didn't want this mine.

One of the Minister's key points in refusing the proposal was the issue of insufficient ground water modelling Council engaged experts who found that the proponent's ground water studies were flawed.

It is hoped that this matter is well and truly over for Wyong Shire residents.

## **International Women's Day - celebrating 100 years**

In Wyong, a free community breakfast was held on 8<sup>th</sup> March 2011 to celebrate the global centenary year of International Women's Day. Working in partnership with the Central Coast Women's Health Interagency, Council promoted the theme: *Everyday Women Making the World Go Round - Celebrating 100 years of International Women's Day - Past, Present and Future*. Over 1,700 events were held globally in 2011 celebrating 100 years of women's achievements.

## **Plan adopted to enhance the future of Wyong**

In March Council agreed to refer the Wyong Town Centre planning proposal to the Department of Planning. The Wyong Town Centre Planning Proposal provides a framework to facilitate increased commercial and residential development within Wyong. The proposal will provide more certainty for investors and should result in increased development within the town centre with a focus on business, residential and community growth.

It is hoped that the adoption of this Planning Proposal, combined with work on the Art House, the initial master planning for the Wyong Civic and Cultural Precinct and the Iconic Sites Development proposals will see Wyong become a major centre again.

## **A bright idea for recycling**

In March a new recycling program for batteries, light globes and fluorescent tubes commenced at Council's Customer Contact Centres and libraries.

Batteries and fluorescent lights contain harmful elements such as mercury, alkaline and lead acid, which can cause major environmental hazards, and can also pose a serious health risk, with the mercury in just one fluorescent tube polluting up to 30,000 litres of water.

Recycling collections are the easiest way to reduce the possibility of damaging our environment and also allows for components of the batteries and lights to be reused. The recycling program has been introduced for a trial period of one year, at which time the success of the program will be evaluated.

The program has been funded by the NSW Government's Waste and Sustainability Improvement Payment to help reduce the amount of materials being incorrectly disposed.

## **Big community celebration**

Council participated in NSW Seniors week from Sunday 20 March to Sunday 27 March which is Australia's biggest event for seniors, and this year marked the 53rd year the celebrations have been held in NSW. Council sponsored the local launch, concert and exhibition.

Seniors Week events included concerts, craft activities, tai chi demonstrations, dancing, 10 pin bowling, barbecues at local Mens Shed, gentle aqua stretch classes at the Toukley Aquatic Centre and an introduction to computers at local Senior Citizens Clubs. Council's public libraries also hosted events and activities throughout the week.

## **Milestone for Mardi-Mangrove Link**

A major milestone for the Mardi-Mangrove Link Pipeline was celebrated in the last week of March with the last length of buried water pipe laid. The final 12 metre section of the 21 kilometres of pipeline went into the ground with cheers from Wyong Shire Council Mayor Doug Eaton, Gosford City Council Mayor Laurie Maher, Craig Thomson Federal Member for Dobell and Deborah O'Neill Federal Member for Robertson representing Tony Burke, Minister for Sustainability, Environment, Water, Population and Communities.

Over the next three months final works will be completed on the two new pump stations at Wyong River and Mardi Dam and testing and commissioning will follow. It is expected the pipeline will be in use as early as mid 2011.

### 3. Service Performance

#### Key Performance Measures

The 2010-11 Annual Plan identifies 22 performance measures against Council's Key issues which are reviewed and reported on a quarterly basis.

At the end of March 17 (or 77%) of these indicators either met the targets identified in the Annual Plan or are on track to meet their targets at the end of the year (full year measures). One measure is unable to be calculated until the end of the year and four measures did not meet their target in the March quarter. Where possible, corrective actions will be taken to improve these results in the following quarter.

The following performance measures did not meet their target in the March quarter:

<i>Measure</i>	<i>Target</i>	<i>Actual</i>	<i>Comments</i>
Processing time of employment generating development applications	< 30 days	32 days	During the March quarter a \$20 million dollar development application for a turbine maintenance facility at Berkeley Vale was expedited. This led to slightly longer processing times for some other applications. It should be noted that 32 working days is still significantly less than the EP&A Act requirement of 60 calendar days (43 working days). It is expected that the result at the end of the financial year will be within target.
Lost time injury duration time (days)	8 days	18.87 days	Some long term occurrences have raised the duration rate. This is difficult to control due to the nature of some injuries.
Service Requests responded to within agreed timeframes	85%	80%	The re-configuration of the CRM system as result of changes to the organisational structure caused some administrative challenges and ultimately some CRM oversights. The result for the March quarter was a
Percentage of telephone calls to Call Centre answered within one minute	75% original target 80%	73%	Higher than average calls were received during the March quarter. Calls increased an average of 74 calls per day. The result is expected to stabilise in the mid 70's in the coming quarters.



## Strategic Targets

The 2010-11 Annual Plan identifies 59 programs/projects to achieve Council's objectives.

At the end of March it was anticipated that 46 (or 78%) of the 59 actions would be achieved by 30 June 2011, 1 action (or 2%) is uncertain as to whether it will be completed and 12 actions (or 20%) are not on track to be achieved by 30 June 2011. Of the twelve actions that will not meet their original timeframe one is due to factors outside of Council's control, one is due to Council resolution and ten are due to factors within Council's control. The one action that is uncertain is due to factors outside of Council's control.

### Programs / projects that are uncertain as to whether they will be completed - outside Council's Control

<i>Ref #</i>	<i>Program/Project</i>	<i>Status</i>
7.4.1	Establish a methodology to measure and report on Council's carbon footprint	Measurement of Council's carbon footprint is incomplete, requiring (external) resolution of carbon accounting issues for waste water treatment and waste emissions.

### Programs / projects that will not be completed - Council Resolution

<i>Ref #</i>	<i>Program/Project</i>	<i>Status</i>
3.1.4	Complete the masterplan and design for a new regional playground at Ourimbah	Works deferred - originally funded by Land Reserves however insufficient reserve funds to proceed at this time, pending sale of land.

### Programs / projects that will not be completed – outside Council's Control

<i>Ref #</i>	<i>Program/Project</i>	<i>Status</i>
1.5.3	Subject to the finalisation of the North Wyong Shire Structure Plan by the Department of Planning, seek endorsement of the Wyong Shire Settlement Strategy.	Dependent on the finalisation of North Wyong Shire Structure Plan. The draft Wyong Shire Settlement Strategy is currently being finalised with the intention of seeking Council approval to publicly exhibit by August 2011. Revised completion date 31 December 2011.

## Matters within Council's Control

<i>Ref #</i>	<i>Program/Project</i>	<i>Status</i>
3.1.8	Work in partnership with landowners to commence the design of Community Facilities within Warnervale Town Centre.	Section 94 funds to undertake the design of the facility have been moved to 2011/12 and site is yet to be confirmed due to suggested improvements to the DCP for the town centre. Work has commenced on the design brief/ accommodation schedule for the Library/ Community Centre. Due to the level of Section 94 funding available the key elements and functions of the remaining community facilities (Integrated Child and Family Centre, Arts and Cultural Centre and Youth Space) will be permanently incorporated into the Library/ Community Centre.
3.4.1	Develop and commence implementation of a Tennis Strategy to increase utilisation of Council's courts.	Position vacant and projects placed on hold. Research for development of a Tennis Strategy will commence in quarter four. Final strategy to be developed by March 2012.
5.7.1	Investigate the potential for a public-private partnership to masterplan a council-owned site incorporating a Conference Centre.	This action has been superseded by the adoption of Iconic Development Sites (on 24 November 2010) including several sites owned by Council. The potential for a conference centre will be incorporated into the planning for the initial Council-owned iconic sites to be investigated in 2011-12.
7.1.1	Commence implementation of the Biodiversity Management Plan.	Completion of the draft Biodiversity Management Plan now rescheduled to late 2011. Implementation will commence when the Plan is completed.
7.1.2	Commence the development of a Natural Resources Register.	Compilation of register, condition assessment, and valuation now rescheduled to commence in 2012-13.
7.5.1	Commence implementation of the Natural Resources Sustainability Strategy.	Draft Strategy proposed to be completed in draft form by the end of July 2011, in order to inform the Comprehensive LEP.
4.7	Undertake detailed design works for Gwandalan, Shelly Beach and Tumbi closed landfills.	* Development of Remedial Action Plan for Gwandalan is completed.  * Detailed Investigations at Shelly Beach and Tumbi closed landfill have been completed and additional monitoring undertaken at Tumbi closed landfill.  Detailed design works now scheduled for Gwandalan & Shelly Beach in 2011-12 and Tumbi 2012-13.
4.8	Commence rehabilitation works at Gwandalan closed landfill.	Work is dependent on the completion of the Remedial Action Plan and detailed design. Now scheduled for 2012-13.
5.8	Develop a strategy to improve capability and consistency of the delivery of Customer Service within the organisation.	Strategy development has begun. Draft strategy will be completed by end June 2011. Final strategy will be completed by August 2011 following consultation.



## **Actions Carried Over from 2009/10 Management Plan**

Of the 12 actions from the 2009-10 Management Plan that were not completed, nine (75%) were incorporated into actions in the 2010-11 Annual Plan and three (25%) continue to be monitored in 2010-11. Of the three actions one is uncertain as to whether it will be completed this financial year, and two actions will not be completed this year, as summarised below.

- Prepare a policy that addresses the impacts of climate change across Council units – draft policy finalised.
- Recommence work on the Warnervale Recreation and Aquatic Centre (WRAC) project - project has been removed from Council's Section 94 Plans and will not proceed.
- Get endorsement from NSW Department of Lands on the Plan of Management for Cemeteries – work has continued endorsement expected in 2011-12.

## 4. Financial Report

### FINANCIAL PERFORMANCE

#### Operating Result and Forecast

The overall Operating Result (YTD) is a surplus of \$51.6m against a budget of \$43.1m. This is an improvement against budget of \$8.5m.

#### Income Statement summary - consolidated

	<i>Q3 Actual</i> \$000	<i>Q3 YTD</i> <i>Budget</i> \$000	<i>Adopted</i> <i>Budget 2011</i> \$000
Income from continuing operations	212,904	210,306	248,155
Expenses from continuing operations	161,304	167,244	223,092
Net operating result	51,600	43,062	25,063
Net operating result before capital grants and contributions	21,094	15,894	(17,582)

## Operating Results and Forecast - by Fund

The March Quarter forecast is for the operating deficit to increase by \$0.3m to \$17.9m. In addition Capital income has been revised downwards as a result of adjustments to the treatment of grants for the Estuary Management Plan and a further reduction of \$1.1m in developer contributions.

### Operating results and forecast by fund

	<i>Full Year 2010 \$000</i>	<i>Q3 YTD Actual \$000</i>	<i>Q3 YTD Adopted Budget \$000</i>	<i>FYR Adopted Budget 2011 \$000</i>	<i>Q3 Proposed budget changes</i>	<i>FYR Proposed Q2 2011 Budget</i>
Net operating result before capital grants and contributions:						
General Fund	(18,773)	20,460	19,235	1,257	(3,512)	(2,255)
Water	(5,934)	(1,235)	(3,548)	(11,196)	3,150	(8,046)
Sewer	(5,283)	1,868	206	(7,642)	-	(7,642)
<b>Consolidated</b>	<b>(29,990)</b>	<b>21,094</b>	<b>15,894</b>	<b>(17,581)</b>	<b>(362)</b>	<b>(17,943)</b>
Plus capital grants and contributions:						
General Fund	10,284	6,998	6,564	15,176	(4,440)	10,736
Water	17,826	23,179	19,982	26,640		26,640
Sewer	1,314	329	621	829	(400)	429
<b>Net operating result</b>	<b>(566)</b>	<b>51,600</b>	<b>43,061</b>	<b>25,064</b>	<b>(5,202)</b>	<b>19,862</b>

### Operating Results by Reportable Business Unit

	<i>Full Year 2010 \$000</i>	<i>Q3 YTD Actual \$000</i>	<i>Q3 Budget \$000</i>	<i>Adopted Budget 2011 \$000</i>
Waste Management	1,355	10,062	11,418	(7)
Holiday Parks	2,597	(1,152)	520	776
Children's Care & Education	1,047	(58)	118	294

## Q3 Budget Adjustments

	Report Description	Operating exp (Unfav)/Fav \$'000s	Capital exp (Unfav)/Fav \$'000s	Op Income (Unfav)/Fav \$'000s	Cap Income (Unfav)/Fav \$'000s	Equity \$'000s	Reserves \$'000s	Net Movement \$'000s
	<b>General Fund</b>							
1	Purchase 11 Margaret St Wyong		(\$ 395)					(\$ 395)
2	Interest compensation on Brava Ave San Remo			\$ 254				\$ 254
3	Increased internal property charges			(\$ 80)				(\$ 80)
4	Sale of Boorana CI Killarney Vale	(\$ 33)				\$ 350	(\$ 317)	\$ -
5	Increase in contribution to Central Coast Tourism (Council Resolution)	(\$ 55)						(\$ 55)
6	Purchase Rankens Court demolition & car park construction		(\$ 405)					(\$ 405)
7	Removal of swimming pool inspection fees			(\$ 159)				(\$ 159)
8	Reduce development application fees, rezoning fees, environmental assurance fees			(\$ 269)				(\$ 269)
9	Store - Operations	\$ 120						\$ 120
10	Reduction in plant capital replacement program (Deferral of MV replacements from 90Km to 120km)		\$ 2,757				(\$ 2,757)	\$ -
11	Dishonoured chq fee income			(\$ 63)				(\$ 63)
12	Increased maintenance costs at Long Jetty Depot (per Workcover Audit)	(\$ 51)						(\$ 51)
13	Increased maintenance costs for toilet blocks (Including Vandalism and Graffiti)	(\$ 226)						(\$ 226)
14	Capital works at Halekulani Shop Toilet block		(\$ 84)					(\$ 84)
15	Estuary Management Plan adjust budgets to reflect program (Reclassification between Operating and Capital)	(\$ 1,480)	\$ 5,498	\$ 362	(\$ 4,380)			\$ -
16	Waste program adjustments	(\$ 3,646)	\$ 2,561	\$ 63	\$ 165		\$ 857	\$ -
17	SDR - Office Refit / Implementation	(\$ 120)						(\$ 120)
18	Contribution adjustments- Emergency Services	(\$ 172)	(\$ 75)	\$ 108	\$ 139			\$ -
19	Council matching funding for Norah Head Boat Ramp Grant		(\$ 200)					(\$ 200)
20	Holiday Parks overall review - Amend operational expenditure, Reduction in capital improvements, crown reserves and loan borrowings	\$ 1,351	\$ 623		(\$ 200)	(\$ 2,007)	\$ 233	\$ -
21	Holiday Parks reduce General fund overhead reimbursement			(\$ 400)				(\$ 400)



	Report Description	Operating exp (Unfav)/Fav \$'000s	Capital exp (Unfav)/Fav \$'000s	Op Income (Unfav)/Fav \$'000s	Cap Income (Unfav)/Fav \$'000s	Equity \$'000s	Reserves \$'000s	Net Movement \$'000s
22	Design cost charge to capital (overhead)	\$ 1,200						\$ 1,200
23	Grant funds Coastline Management plan and council's contribution	(\$ 180)		\$ 63				(\$ 117)
24	Developer Contributions (General s94)				(\$ 716)			(\$ 716)
25	Grant funding for Bushfire Management Program	(\$ 115)		\$ 115				\$ -
26	Contribution and grant for floodlighting at Jubilee Tennis Courts (Reclassification between Operating and Capital)	\$ 10	(\$ 30)		\$ 20			\$ -
27	Contribution to upgrade of EDSACC Tennis Building		(\$ 15)		\$ 15			\$ -
28	Contribution for Landcare works	(\$ 10)		\$ 10				\$ -
29	Grant for Landcare works at Wyang	(\$ 3)		\$ 3				\$ -
30	Grant for The Cottage Playground, Debra Anne Dr Bateau Bay		(\$ 19)		\$ 19			\$ -
31	Contribution from Soldiers Beach Surf Lifesaving Club for club design changes		(\$ 49)		\$ 49			\$ -
32	Capital Grant for Sunshine Boat Ramp (Reclassification between Operating and Capital)	\$ 60	(\$ 90)		\$ 30			\$ -
33	Capital Grant Floodlights & Resurfacing Wyong Tennis Courts	\$ 11	(\$ 22)		\$ 11			\$ -
34	Grant for Smoke Free Signs on Council Sporting Grounds	\$ 8	(\$ 15)		\$ 8			\$ -
35	Lifeguard Sponsorship Equipment	(\$ 3)		\$ 3				\$ -
36	Complete WASIP Grant works, funds in reserve (received prior year)	(\$ 229)	(\$ 367)	\$ 42			\$ 554	\$ -
37	Additional Grants Rural Fire Service		(\$ 400)		\$ 400			\$ -
	<b>General Fund Sub Total</b>	<b>(\$ 3,562)</b>	<b>\$ 9,272</b>	<b>\$ 51</b>	<b>(\$ 4,440)</b>	<b>(\$ 1,657)</b>	<b>(\$ 1,429)</b>	<b>(\$ 1,766)</b>
	<b>Water Fund</b>							
38	Water - Operating cost savings	\$ 3,150						\$ 3,150
39	Water - Capital works review		\$ 1,827					\$ 1,827
	<b>Water Fund Sub Total</b>	<b>\$ 3,150</b>	<b>\$ 1,827</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,977</b>
	<b>Sewer Fund</b>							
40	Sewer - Capital works review		\$ 2,538					\$ 2,538
41	Developer Contributions (Sewer Fund)				(\$ 400)			(\$ 400)
	<b>Sewer Fund Sub Total</b>	<b>\$ -</b>	<b>\$ 2,538</b>	<b>\$ -</b>	<b>(\$ 400)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,138</b>
	<b>Grand Total</b>	<b>(\$ 412)</b>	<b>\$ 13,637</b>	<b>\$ 51</b>	<b>(\$ 4,840)</b>	<b>(\$ 1,657)</b>	<b>(\$ 1,429)</b>	<b>\$ 5,349</b>
	<b>Other - Fully funded adjustments</b>							

	Report Description	Operating exp (Unfav)/Fav \$'000s	Capital exp (Unfav)/Fav \$'000s	Op Income (Unfav)/Fav \$'000s	Cap Income (Unfav)/Fav \$'000s	Equity \$'000s	Reserves \$'000s	Net Movement \$'000s
42	Amend Rates income / Interest on overdue rates revenue			\$ -				\$ -
43	Contribution to drainage works at Wyong Police Station (funded from revised capital works program)		\$ -					\$ -
44	Employee costs including oncost recovery							\$ -

## Commentary on Financial Performance

### Income

A number of income items are estimated to realise less than what was previously budgeted for. These variations include:

- Swimming Pool inspection fess a reduction of \$0.2m
- Various development fees reductions a total reduction of \$0.3m
- Holiday Park fee commission a reduction of \$0.4m

In addition, developer contributions are estimated to be a further \$1.1m less than what was originally budgeted for.

### Expenditure

Expenditure is below budget YTD by \$10.8m, this is mainly in reduced material, contracts and operational costs totally \$7.8m. The following significant operating variations have been proposed as Q3 Budget Adjustments:

- The budget for toilet block maintenance has been increased by \$0.2m to cover increased costs including vandalism and graffiti.
- There has been a reduction in Water operating costs mainly in the materials and contracts area of \$3.1m.
- Direct costs of project design and supervision costs of \$1.2m associated with capital projects will be capitalised.

A reduction of \$2.5m has been made to plant capital purchases, mainly as a result of vehicles now being turned over at 120,000 km's or 5 years. This saving will transferred to the reserve to meet future capital purchases.

## CAPITAL EXPENDITURE

Expenditure to March 31 amounts to \$88.8m representing 54% of the full year Adopted Budget.

Details of major capital projects either completed or currently in progress to March 31 are as follows on a whole of project basis including prior years' expenditure.

### Capital Expenditure

	Expenditure \$'000	Total Project Budget \$'000	Variance \$'000	% Complete	Update
Link Rd Warnervale	15,168	15,500	332	98%	
Shelly Beach SLSC Construction	824	3,378	2,554	24%	
Soldiers Beach SLSC Construction	1,313	3,336	2,023	39%	
Hamlyn Terrace Playing Fields	2,584	7,536	4,952	34%	
Mardi to Mangrove	90,488	120,600	30,112	75%	On target for mid 2011 completion.
Mardi High Lift Pump Stn	15,501	17,500	1,999	100%	Actual total costs being finalised.
Mardi Dam Raising & Ancillary	5,030	5,500	470	100%	Actual total costs being finalised.
Mardi Dam Transfer	29,938	32,000	2,062	100%	Actual total costs being finalised.
Mardi Power Supply Upgrade	4,453	4,500	47	100%	Actual total costs being finalised.
Estuary Management	12,572	20,840	8,268	60%	Total expenditure funded from three budget sources - Cluster Plan budget, Environment Waterways Levy and the Federal grant (\$8.6M).

A summarised list of Capital projects detailing expenditure and budget to March 31 can be found at Attachment 5.



## INVESTMENT AND DEBT MANAGEMENT

### Cash Flow Analysis

Cash levels increased by \$9.8m in the period to 31 March, this is mainly as a result of the reduction in operational and capital expenditure.

Q2 income short falls have only partially been offset by reduced operating cash requirements resulting in a forecast \$3m cash shortfall. Additionally a reduction of \$1.9m in developer contributions will reduce Section 94 cash by this amount.

<b>Cash and Investments:</b>	<b>Adopted Budget*</b> <b>\$'000s</b>	<b>Year to Date</b> <b>\$'000</b>	<b>Proposed F.Y Q3</b> <b>\$'000</b>
<b>Outgoings</b>			
Employees	(75,965)	(56,266)	(75,965)
Borrowing	(11,411)	(8,957)	(11,411)
Materials and contracts	(41,949)	(39,376)	(47,600)
Other	(32,504)	(22,185)	(34,205)
<b>Incomings</b>			
Rates	120,559	93,317	120,959
User charges	54,474	46,057	54,046
Interest ***	7,988	6,674	8,750
Grants and contributions	61,882	44,897	60,567
Other (incl land sales)	2,799	3,172	3,750
<b>Capital</b>			
Borrowings	18,099	(7,120)	15,892
Purchases of Assets	(117,026)	(72,556)	(101,889)
Other			
<b>Net Cash/Investment Movement</b>	<b>(13,054)</b>	<b>(12,343)</b>	<b>(7,106)</b>
<b>Opening Balance</b>	<b>127,342</b>	<b>127,342</b>	<b>127,342</b>
<i>Closing Balance:</i>			
General	53,899	71,819	61,532
Water	36,450	15,440	39,427
Sewerage	23,939	27,740	19,277
<b>Closing Balance</b>	<b>114,288</b>	<b>114,999</b>	<b>120,236</b>

\* Adjusted for Gosford capital works \$25 million

### Working Capital

Available working capital (unrestricted cash and investment assets, together with the working capital fund) was \$15.8m at the start of the year and at 31 March was estimated to be \$22m.

### Cash and Investments

The value of investment securities and deposit accounts at 31 March was \$114.9m. Returns for end of the March quarter remain significantly over benchmark.

Capital gains on the Blackrock and Macquarie securities contributed significantly to this result. These securities are managed funds "grandfathered" under the Minister for Local Government's new investment guidelines. The capital gains represent significant recovery of capital losses in prior years.

## Investment performance

Year to date return interest only	5.17%
Year to date return interest and investments	7.39%
<b>Benchmark UBSA 90 days</b>	<b>4.97%</b>

## Cash and Investment balances

	<b>\$000</b>
Petty cash, unrepresented cheques	(24)
Closing Cash (physical)	128
Closing Investments	114,895
<b>Closing Cash and Investments per cash flow</b>	<b>114,999</b>

## Loans

There was \$7.1m in debt repayments made to March 31 2011. Loans will be raised in May 2011 to fund water and sewerage capital works.

## Loans

	<b>Original Budget '\$000</b>	<b>Q3 Actual '\$000</b>	<b>Full Year forecast '\$000</b>
<b>Brought forward:</b>			
Current	10,708	10,708	10,708
Non current	163,812	163,812	163,812
Borrowing	30,207	-	27,800
Redemption	(6,735)	(7,120)	(9,356)
<b>Carried forward:</b>	<b>197,992</b>	<b>167,400</b>	<b>192,964</b>

## 5. Other Activities

### Material risks and liabilities

#### Risks

- The formation of the Central Coast Water Corporation and the signed Memorandum of Understanding sets out a phased program for the Wyong and Gosford Water Authorities to merge over the next five years. This merger will alter Council's resourcing strategy and our ability to absorb fixed corporate overheads. Wyong Shire and Gosford City Councils have formed a project team to manage and minimise residual risk. A project plan is currently being developed to work towards an accelerated operational date for the new Water Corporation on 1 July 2013.
- In April Council adopted a Mayoral Minute to refer a recommendation to the Central Coast Regional Organisation of Councils to consider initiating a report into the possible amalgamation of Wyong Shire Council with Gosford City Council. A similar recommendation was also passed in a Gosford City Council Mayoral Minute, and this will be considered at the next Central Coast Regional Organisation of Councils meeting in June.
- The Division of Local Government's 430 investigation into Body Hire remains in progress, but no outcomes reported to date.
- Construction projects (capital works) have inherent risks relating to latent conditions, scope definition, and allowable contract variations. In the works program there are a number of projects which by their size and scope have the potential for final costs to vary from original estimates. The finalisation of major projects including the Link Road and Mardi Mangrove Pipeline have contract variations yet to be finalised.
  - Cabbage Tree Harbour Toe Drainage Project – designs are currently being finalised, however site works are inherently complicated and subject to ocean activities.
  - Mardi to Mangrove Pipeline – project remains on track for completion by mid 2011 and within budget.
- DECCW Wyong prosecution for illegal dumping in the past is still pending for Toukley and Mardi.
- Final estimate of the remediation cost of Council's closed landfills is subject to final studies and design, and final construction estimates.
- Council has been advised by Energy Australia that a number of electricity poles previously constructed by developers may be defective and need to be replaced at Councils costs. Further negotiation is to take place.

#### Liabilities

Significant provisions exist for:

- Future remediation of closed landfills which is a large future cost for Council and requires funding.

- Development Assessment Contributions In-Kind received in advance.

Council's section 94 plans for Warnervale Town Centre have been negatively impacted by the State Government's capping of developer contributions, resulting in a projected shortfall of \$24.0m. Plans are currently being revised and will be reported to Council.

Condition of Council's infrastructure and assets continues to have inherent future liabilities for renewal and maintenance.

## Legal Matters and Expenditure

Wyong Shire Council is currently party to proceedings in a number of Courts. Those proceedings include the following:

1. Environment Protection Authority of NSW v Wyong Shire Council . These proceedings were heard by the Land and Environment Court of NSW on 17 December 2011. As part of that sentence hearing the parties requested that the Court make orders that have the effect that Council pay any fine imposed by the Court to the Tuggerah Lakes Reserve Trust, to contribute to the funding of the Bush Regeneration and Weed Removal Project at the Pioneer Dairy Wetlands (South Tacoma Rd Vegetation Corridor and Tuggerah Creek). The Court has not delivered its judgment nor sentenced Council.
2. Stannic Securities Pty Ltd v Wyong Shire Council. These appeal proceedings in the Land and Environment Court of NSW are listed for hearing on 6 and 7 June 2011.
3. The Dooralong Residents action Group Pty Ltd v Wyong Shire Council & The Salvation Army (NSW) Property Trust are proceedings in the Land and Environment Court seeking to challenge the validity of a consent granted by Council to a development application concerning land at Dooralong. The proceedings were before the Court on 11 April 2011 and 13 May 2011, and are listed for hearing on August commencing August 24 2011.
4. Wyong Shire Council v Neumanns Contractors Pty Ltd. These long running proceedings before the Supreme Court are complex and arise from the contract between Council and Neumanns for construction works at Council's former landfill site at Bateau Bay. On 17 December 2010 the Court delivered an interim judgment and made orders to the effect that \$839,808.53 was to be paid to Council by Neumanns, which Council has now recovered. The balance of the pending claims and cross-claims have been referred to an Assessor appointed by the Court.
5. Wyong Shire Council v Jenbuild Pty Ltd. These proceedings are before the District Court of NSW arise from a contract for works at the Mannering Park Sewerage Treatment Plant and are listed for hearing for the week commencing 9 May 2011.
6. Wyong Shire Council v Environmental Land Clearing Contracting Pty Ltd. These proceedings are before the District Court of NSW and concern a contractual dispute with Environmental Land Clearing Contracting concerning works at Gwandalan.



A number of Court proceedings were concluded in the last quarter – those proceedings include the following:

- BMP Manufacturing Pty Ltd v Trevlind, Wyong Shire Council & ors, various disputes arising from drainage issues that have arisen in various land near Tindal Road, Tuggerah. Consent orders made finalising these long running proceedings.
- Evensay Pty Ltd v Wyong Shire Council. Appeal proceedings in the Land and Environment Court against an order issued by Council requiring the completion of a 3 storey property in Main Rd, Toukley. Proceedings concluded following a s.34 conference, resulting in orders being made by the Court that included various interim measures to improve the visual appearance and safety at the site.
- Threshold Developments Pty Ltd v Wyong Shire Council was an appeal to the Land and Environment Court concerning the quantum of developer contributions to be paid to Council by the developer. Proceedings were resolved following a s.34 conference on 1 March 2011.
- Percy v Wyong Shire Council was an appeal to the Land and Environment Court concerning the quantum of developer contributions to be paid to Council by the developer. Proceedings were resolved between the parties in early May 2011 and the parties are waiting for the Court to make orders in accordance with that agreement.
- Wyong Shire Council v Tonyviv. Council successfully prosecuted Tonyviv Pty Ltd in the Local Court for various offences under the Food Act. Tonyviv was fined \$3500 and ordered to pay Council's professional and court costs of \$806.00.

## Sponsorship and Funding arrangements

Details of activities undertaken by some of the organisations funded by Council is as follows:

### The Entrance Town Centre Management

- Held the Central Coast Country Music Festival in March with estimated attendance over the weekend in excess of 48,000 people.
- The Farmers Market held twice a month continues to be popular.
- Australia Day celebrations also held in the quarter.
- Obtained a grant to refurbish the exterior of the Visitor Information Centre through the NSW Government's Community Building Partnership Grant Program.

### Central Coast Business Enterprise Centre

- For the twelve months to March 2011 assisted over 400 businesses to establish or improve their online presence (exceeding the Federal Government's contract target of 290 businesses).
- An independent survey found the Central Coast BEC exceeded the State average in every category for delivery of business advisory services.
- As a result of the services provided, the Central Coast BEC created 423 full-time jobs and 363 part-time jobs on the Central Coast during the 2009-10 financial year.

### Central Coast Tourism

- Conducted familiarisation programs for Tourism NSW and international trade delegates at The Entrance including pelican feeding, breakfast on the waterfront, Mingara Recreation Club and Toowoan Bay Holiday Park.

Details of Sponsorship funding and donations made for the quarter is as follows:

### Sponsorship funding and donations

<i>Details</i>	<i>Amount \$ 000</i>
Central Coast Mariners	25
Central Coast Tourism Inc	38
Central Coast Business Mentor	23
Community Financial Support (including Community Benefit Grants)	34
Donations to Surf Life Saving	4
Community Tipping Subsidies	42
Councillor Community Improvement Grants	20
The Entrance TCM	687
Toukley TCM	72
Wyong TCM	16
Other	48
Sport & Cultural Sponsorships	12
Community Group Rental Subsidies	13
<b>TOTAL</b>	<b>1,034</b>

## Material contracts

The following major contracts were tendered and let in the second quarter:

### Contracts

<i>Contract #</i>	<i>Contractor</i>	<i>Details</i>	<i>Amount</i>
CPA/174013	Surface Preparation and Repainting of the Entrance Reservoir	Cape (CHS) Pty Ltd	497,935
CPA/175061	Developing Headworks Database and Water Data Transfer Format	IPower Solutions Pty Ltd	197,133
CPA/180792	Hire Plant Trucks Operation of Buttonderry Waste Management Facility	Hall Group, B&D Excavations, Catt & Sons and TCX Pty Ltd	1,013,000
CPA/184906	Provision of Cleaning Services to the Entrance Town Centre	Amazon Cleaning and Security Pty Ltd	864,902
CPA/187299	Removal and Acquisition of Surplus Materials and Equipment from Ourimbah WPS17	Ampcontrol Service NSW	16,775
CPA/188701	Supply and Delivery of Bulk Cationic Rapid Setting Grade Emulsion	Downer EDI Works	828,000

## Grants Received

The following grants were received during the second quarter:

### Grants

Details	Amount \$'000
Financial Assistance Grant - Equalisation Component	1,655
Financial Assistance Grant - Local Road Component	373
Road Safety Officer & Associated Projects	15
Coastline Management Plan	43
Youth Week	2
Supply & Scheme Analysis - Bureau of Meteorology	50
Operating Grants - Employment & Training Programs	4
International Womens Day	1
Special Needs Subsidy	34
Bushfire Management Project	115
Glenn Valley PVP 365	7
Fish Cleaning Table & Shelter - Terilbah Reserve	9
HACC Service Worker	8
Coastal Projects - Catchment Management Authority	61
Operating Grants - Other	3
Mardi Dam to Mangrove Dam Pipeline Link	14,640
Roads to Recovery Tenth Ave Budgewoi	180
Roads to Recovery Cambridge Rd Ourimbah	115
Roads to Recovery Yates Rd Ourimbah	270
Roads to Recovery Jilliby Rd Jilliby	200
Shared Pathway from Entrance Nth to Norville	3
Shared Pathway from Moorlan Avenue to Saltwater Creek.	90
Weed Eradication Chain Valley Bay	3
<b>Total</b>	<b>17,881</b>



## Attachment 1 financial statements by fund

### Wyong Shire Council Profit and loss by fund March 2011

YTD % Elapsed: 0.75%

	CONSOLIDATED				GENERAL FUND				WATER FUND				SEWER FUND			
	YTD		FYR		YTD		FYR		YTD		FYR		YTD		FYR	
	FYR	YTD	Adopted	Adopted	FYR	YTD	Adopted	Adopted	FYR	YTD	Adopted	Adopted	FYR	YTD	Adopted	Adopted
	Actual	Actual	Budget	Budget	Actual	Actual	Budget	Budget	Actual	Actual	Budget	Budget	Actual	Actual	Budget	Budget
2010	2011	2011	2011	2010	2011	2011	2011	2010	2011	2011	2011	2010	2011	2011	2011	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>INCOME from continuing operations:</b>																
<b>Revenues</b>																
Rates & Annual Charges	113,935	119,593	119,800	120,559	76,447	80,218	80,484	80,741	12,332	13,605	14,242	14,038	25,156	25,770	25,074	25,780
User Charges & Fees	51,713	39,487	40,332	54,474	29,655	22,619	22,864	31,186	20,772	16,431	16,389	21,851	1,286	437	1,079	1,437
Interest and Investment Revenue	8,522	6,674	6,356	7,988	5,203	3,227	2,917	3,900	1,409	1,643	2,264	2,520	1,909	1,804	1,176	1,568
Other	5,700	1,938	2,186	2,799	2,062	1,559	1,518	1,926	3,484	244	553	720	154	135	115	153
Grants & Contributions Operating	23,330	14,391	14,058	19,236	21,865	12,989	12,460	17,568	802	740	900	970	662	663	698	698
Grants & Contributions Capital	29,423	30,506	27,168	42,645	10,284	6,998	6,564	15,176	17,826	23,179	19,982	26,640	1,314	329	621	829
Gain from the Disposal of Assets	677	314	406	454	677	314	406	454	(0)	(0)	(0)	(0)				
<b>Total Income from continuing operations</b>	<b>233,301</b>	<b>212,904</b>	<b>210,306</b>	<b>248,155</b>	<b>146,194</b>	<b>127,924</b>	<b>127,213</b>	<b>150,951</b>	<b>56,627</b>	<b>55,842</b>	<b>54,330</b>	<b>66,739</b>	<b>30,481</b>	<b>29,138</b>	<b>28,762</b>	<b>30,465</b>
<b>EXPENSES from continuing operations:</b>																
Employee Costs	76,462	56,266	56,975	76,572	61,974	46,189	45,466	61,147	7,990	5,140	6,180	8,293	6,498	4,937	5,330	7,131
Borrowing Costs	9,621	10,805	9,530	13,911	1,699	1,998	161	1,415	6,454	7,809	8,157	10,881	1,469	998	1,211	1,615
Materials and Contracts	47,214	30,693	33,189	43,951	22,708	13,307	13,788	17,375	13,657	8,699	10,297	14,434	10,848	8,687	9,104	12,142
Depreciation	59,902	39,167	42,383	56,529	31,678	17,997	20,314	27,096	14,577	10,677	11,428	15,242	13,647	10,494	10,641	14,191
Other	39,924	24,138	24,690	31,313	35,880	20,740	21,208	26,669	2,056	1,573	1,833	2,445	1,988	1,824	1,649	2,199
Loss from the Disposal of Assets	745	235	477	816	745	235	477	816	0	0	0	0	0	0	0	0
<b>Total expenses from continuing operations</b>	<b>233,868</b>	<b>161,304</b>	<b>167,244</b>	<b>223,092</b>	<b>154,684</b>	<b>100,466</b>	<b>101,414</b>	<b>134,518</b>	<b>44,735</b>	<b>33,898</b>	<b>37,895</b>	<b>51,295</b>	<b>34,450</b>	<b>26,940</b>	<b>27,935</b>	<b>37,278</b>
<b>NET OPERATING RESULT FOR YEAR</b>	<b>(567)</b>	<b>51,600</b>	<b>43,062</b>	<b>25,063</b>	<b>(8,490)</b>	<b>27,458</b>	<b>25,799</b>	<b>16,433</b>	<b>11,892</b>	<b>21,944</b>	<b>16,434</b>	<b>15,444</b>	<b>(3,969)</b>	<b>2,198</b>	<b>827</b>	<b>(6,813)</b>
<b>Net operating result before capital grants and contributions</b>	<b>(29,991)</b>	<b>21,094</b>	<b>15,894</b>	<b>(17,582)</b>	<b>(18,773)</b>	<b>20,460</b>	<b>19,235</b>	<b>1,257</b>	<b>(5,934)</b>	<b>(1,235)</b>	<b>(3,548)</b>	<b>(11,196)</b>	<b>(5,283)</b>	<b>1,868</b>	<b>206</b>	<b>(7,642)</b>
Attributable to:																
WYONG SHIRE COUNCIL	(567)	51,600	43,062	25,063	(8,490)	27,458	25,799	16,433	11,892	21,944	16,434	15,444	(3,969)	2,198	827	(6,813)
<b>Statement of comprehensive Income</b>																
Adjustments to Revaluation reserve	27				27											
Movements per Balance sheet	(567)	51,573	43,062	25,063	(8,490)	27,431	25,799	16,433	11,892	21,944	16,434	15,444	(3,969)	2,198	827	(6,813)

## Attachment 2 balance sheets by fund

Wyong Shire Council  
**Balance sheet by fund**  
 March 2011

YTD % Elapsed: 0.75%

	CONSOLIDATED				GENERAL FUND				WATER FUND				SEWER FUND			
	Actual	Actual	YTD	FYR	Actual	Actual	YTD	FYR	Actual	Actual	YTD	FYR	Actual	Actual	YTD	FYR
	2010	2011	Move	Adopted	2010	2011	Move	Adopted	2010	2011	Move	Adopted	2010	2011	Move	Adopted
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CURRENT ASSETS</b>																
Cash & cash equivalents	952	(162)	(1,114)	952	938	(2,672)	(3,610)	938	7	0	(7)	7	7	0	(7)	7
Investment Securities	122,226	101,424	(20,802)	114,288	63,100	62,035	(1,065)	48,430	34,974	14,799	(20,175)	43,619	24,151	27,101	2,949	22,239
Receivables	37,593	89,392	51,799	37,592	14,544	50,144	35,600	14,544	20,209	25,752	5,543	20,209	2,839	13,496	10,657	2,839
Inventories	2,164	2,035	(129)	2,164	1,791	1,662	(129)	1,791	373	373	0	373	0	0	0	0
Other	1,293	901	(392)	1,293	1,321	939	(382)	1,321	0	(9)	(10)	0	(28)	(28)	0	(28)
<b>TOTAL CURRENT ASSETS</b>	<b>164,228</b>	<b>193,590</b>	<b>29,362</b>	<b>156,289</b>	<b>81,694</b>	<b>112,108</b>	<b>30,414</b>	<b>67,024</b>	<b>55,564</b>	<b>40,915</b>	<b>(14,650)</b>	<b>64,208</b>	<b>26,970</b>	<b>40,569</b>	<b>13,598</b>	<b>25,057</b>
<b>NON-CURRENT ASSETS</b>																
Investment Securities	4,164	4,164	0	4,164	2,886	2,886	0	2,886	639	639	0	639	639	639	0	639
Receivables	1,330	1,225	(106)	1,330	706	651	(55)	706	585	574	(11)	585	39	0	(39)	39
Inventories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Intangible Assets	3,267	2,966	(300)	3,267	2,372	2,153	(219)	2,372	562	510	(52)	562	333	303	(31)	333
Infrastructure, Property, Plant & Equipment	1,917,685	1,955,947	38,262	1,969,538	774,586	786,221	11,635	808,316	737,862	768,852	30,990	762,442	405,236	400,873	(4,363)	398,780
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,926,446</b>	<b>1,964,302</b>	<b>37,857</b>	<b>1,978,299</b>	<b>780,549</b>	<b>791,910</b>	<b>11,361</b>	<b>814,280</b>	<b>739,649</b>	<b>770,575</b>	<b>30,927</b>	<b>764,228</b>	<b>406,248</b>	<b>401,815</b>	<b>(4,433)</b>	<b>399,791</b>
<b>TOTAL ASSETS</b>	<b>2,090,673</b>	<b>2,157,892</b>	<b>67,219</b>	<b>2,134,588</b>	<b>862,243</b>	<b>904,018</b>	<b>41,775</b>	<b>881,304</b>	<b>795,213</b>	<b>811,490</b>	<b>16,277</b>	<b>828,436</b>	<b>433,217</b>	<b>442,384</b>	<b>9,165</b>	<b>424,848</b>
<b>CURRENT LIABILITIES</b>																
Payables	53,488	42,168	11,320	53,488	34,978	28,740	6,238	34,978	16,525	11,612	4,913	16,525	1,985	1,816	168	1,985
Borrowings	10,708	10,708	0	10,709	901	901	(0)	901	8,162	8,162	0	8,162	1,646	1,646	(0)	1,646
Provisions	32,486	30,659	1,827	32,486	27,816	25,989	1,827	27,816	2,025	2,025	0	2,025	2,645	2,645	0	2,645
<b>TOTAL CURRENT LIABILITIES</b>	<b>96,682</b>	<b>83,535</b>	<b>13,147</b>	<b>96,683</b>	<b>63,695</b>	<b>55,630</b>	<b>8,065</b>	<b>63,695</b>	<b>26,711</b>	<b>21,799</b>	<b>4,913</b>	<b>26,712</b>	<b>6,276</b>	<b>6,107</b>	<b>168</b>	<b>6,276</b>
<b>NON-CURRENT LIABILITIES</b>																
Payables	40	0	40	40	40	0	40	40	0	0	0	0	0	0	0	0
Borrowings	163,812	158,679	5,133	179,456	2,899	2,602	297	4,238	142,579	138,551	4,028	160,292	18,333	17,526	807	14,926
Provisions	35,219	37,133	(1,914)	36,418	34,183	36,097	(1,914)	35,383	715	715	0	715	320	320	0	320
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>199,071</b>	<b>195,812</b>	<b>3,259</b>	<b>215,914</b>	<b>37,123</b>	<b>38,699</b>	<b>(1,576)</b>	<b>39,661</b>	<b>143,294</b>	<b>139,266</b>	<b>4,028</b>	<b>161,007</b>	<b>18,654</b>	<b>17,846</b>	<b>808</b>	<b>15,246</b>
<b>TOTAL LIABILITIES</b>	<b>295,753</b>	<b>279,347</b>	<b>16,406</b>	<b>312,597</b>	<b>100,818</b>	<b>94,329</b>	<b>6,489</b>	<b>103,356</b>	<b>170,006</b>	<b>(161,065)</b>	<b>8,941</b>	<b>187,719</b>	<b>24,930</b>	<b>(23,953)</b>	<b>976</b>	<b>21,522</b>
<b>NET ASSETS</b>	<b>1,794,920</b>	<b>1,878,545</b>	<b>83,625</b>	<b>1,821,991</b>	<b>761,425</b>	<b>809,689</b>	<b>48,264</b>	<b>777,948</b>	<b>625,207</b>	<b>650,425</b>	<b>25,218</b>	<b>640,717</b>	<b>408,288</b>	<b>418,431</b>	<b>10,141</b>	<b>403,326</b>

# Attachment 3 cash flows by fund

## Wyong Shire Council Cash flow statement by fund March 2011

YTD % Elapsed: 0.75%

	CONSOLIDATED				GENERAL FUND			WATER FUND			SEWER FUND		
	YTD	YTD	FYR Orig	Actual	YTD	YTD	FYR Orig	YTD	YTD	FYR Orig	YTD	YTD	FYR Orig
	Actual	Budget	Budget	2010	Actual	Budget	Budget	Actual	Budget	Budget	Actual	Budget	Budget
	2011	2011	2011	2010	2011	2011	2011	2011	2011	2011	2011	2011	2011
	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>													
<b>Receipts</b>													
Receipts from customers	139,374	135,250	180,333	164,491	89,390	85,520	114,027	28,731	28,042	37,389	21,252	21,688	28,917
Interest Revenue	6,674	5,651	8,488	5,980	3,270	2,918	3,900	1,622	2,264	3,020	1,782	1,176	1,568
Grants & Contributions	44,897	37,371	58,197	51,602	19,987	17,646	28,329	23,919	20,842	27,570	992	1,898	2,298
Other Revenue	3,172	2,115	17,937	15,972	2,640	1,447	17,064	344	553	720	188	115	153
<b>Payments</b>													
Employee costs	(56,266)	(50,205)	(78,440)	(73,853)	(46,189)	(45,976)	(62,408)	(5,140)	(6,531)	(8,762)	(4,937)	(5,400)	(7,270)
Materials & Contracts	(39,376)	(29,971)	(44,010)	(38,778)	(15,695)	(13,252)	(16,661)	(15,066)	(11,401)	(15,207)	(8,615)	(9,104)	(12,142)
Interest Expense	(8,957)	(8,471)	(12,711)	(8,340)	(151)	(161)	(215)	(7,809)	(8,157)	(10,881)	(998)	(1,211)	(1,615)
Other Expense	(22,185)	(23,002)	(32,504)	(50,386)	(18,787)	(21,998)	(27,760)	(1,573)	(1,908)	(2,545)	(1,824)	(1,649)	(2,199)
<b>Net cash from Operating Activities</b>	<b>67,333</b>	<b>68,738</b>	<b>97,290</b>	<b>66,688</b>	<b>34,465</b>	<b>26,144</b>	<b>56,276</b>	<b>25,028</b>	<b>23,704</b>	<b>31,304</b>	<b>7,840</b>	<b>7,513</b>	<b>9,710</b>
<b>INVESTING ACTIVITIES</b>													
<b>Receipts</b>													
Sale of Investments	0	0	0		0	0	0	0	0	0	0	0	0
Sale of IPP&E	0	0	0	2,450	0	0	0	0	0	0	0	0	0
<b>Payments</b>													
Purchase of Investments													
Purchase of IPP&E	(72,556)	(107,940)	(149,778)	(103,200)	(32,385)	(46,122)	(59,697)	(36,282)	(63,066)	(75,506)	(3,888)	(10,927)	(14,576)
<b>Net cash from Investing Activities</b>	<b>(72,556)</b>	<b>(107,940)</b>	<b>(149,778)</b>	<b>(103,200)</b>	<b>(32,385)</b>	<b>(46,122)</b>	<b>(59,697)</b>	<b>(36,282)</b>	<b>(63,066)</b>	<b>(75,506)</b>	<b>(3,888)</b>	<b>(10,927)</b>	<b>(14,576)</b>
<b>FINANCING ACTIVITIES</b>													
Net movement in Borrowings	(7,120)	13,043	18,794	59,031	(363)	1,554	1,554	(5,689)	14,268	19,032	(1,066)	(1,343)	(1,792)
Dividends	0	0	0		0	0	0	0	0	0	0	0	0
<b>Net cash from Investing Activities</b>	<b>(7,120)</b>	<b>13,043</b>	<b>18,794</b>	<b>59,031</b>	<b>(363)</b>	<b>1,554</b>	<b>1,554</b>	<b>(5,689)</b>	<b>14,268</b>	<b>19,032</b>	<b>(1,066)</b>	<b>(1,343)</b>	<b>(1,792)</b>
Net increase/decrease in cash/investments held	(12,343)	(26,159)	(33,694)	22,519	1,717	(18,424)	(1,867)	(16,943)	(25,094)	(25,170)	2,886	(4,757)	(6,658)
Cash & Investments at beginning of period	127,342	127,342	127,342	104,823	66,925	66,924	66,924	35,620	35,620	35,620	24,797	24,797	24,797
Cash & Investments at end of period	114,999	101,183	93,648	127,342	68,642	48,500	65,057	18,677	10,526	10,450	27,683	20,040	18,139

## Attachment 4 Business activities

### Wyong Shire Council Business activities

March 2011

YTD % Elapsed: 0.75%

	WASTE MANAGEMENT				HOLIDAY PARKS				CHILD & EDUCATION CARE			
	YTD		FYR		YTD		FYR		YTD		FYR	
	FYR	YTD	Adopted	Adopted	FYR	YTD	Adopted	Adopted	FYR	YTD	Adopted	Adopted
	Actual	Actual	Budget	Budget	Actual	Actual	Budget	Budget	Actual	Actual	Budget	Budget
2010	2011	2011	2011	2010	2011	2011	2011	2010	2011	2011	2011	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>INCOME from continuing operations:</b>												
<b>Revenues</b>												
Rates & Annual Charges	19,849	<b>21,622</b>	21,527	21,800								
User Charges & Fees	9,980	<b>7,720</b>	7,562	10,083	8,070	<b>6,516</b>	6,570	8,400	3,777	<b>2,921</b>	3,046	4,063
Interest and Investment Revenue	107	<b>81</b>	82	110								
Other	5,469	<b>7</b>	2	3					0	<b>1</b>	0	0
Grants & Contributions Operating	1,206	<b>650</b>	647	647					462	<b>372</b>	394	526
Grants & Contributions Capital		<b>0</b>			0	<b>0</b>	0	200				
Gain from the Disposal of Assets		<b>0</b>	0									
<b>Total Income from continuing operations</b>	<b>36,611</b>	<b>30,080</b>	<b>29,820</b>	<b>32,643</b>	<b>8,070</b>	<b>6,516</b>	<b>6,570</b>	<b>8,600</b>	<b>4,239</b>	<b>3,294</b>	<b>3,440</b>	<b>4,589</b>
<b>EXPENSES from continuing operations:</b>												
Employee Costs	1,361	<b>1,009</b>	986	1,316	211	165	140	192	3,847	<b>2,733</b>	2,941	4,057
Borrowing Costs	0	<b>1,847</b>	0	1,200	1	117	98	130				
Materials and Contracts	13,261	<b>7,778</b>	7,687	11,485	5,219	2,228	3,583	4,824	487	<b>302</b>	450	604
Depreciation	2,706	<b>576</b>	1,557	2,076	2,588	696	913	1,217	137	<b>131</b>	118	157
Other	20,638	<b>8,808</b>	8,172	9,987	2,648	2,158	2,356	3,013	815	<b>70</b>	49	65
Loss from the Disposal of Assets	0	<b>0</b>	0	0								
<b>Total expenses from continuing operations</b>	<b>37,966</b>	<b>20,018</b>	<b>18,402</b>	<b>26,064</b>	<b>10,667</b>	<b>5,364</b>	<b>7,090</b>	<b>9,376</b>	<b>5,286</b>	<b>3,236</b>	<b>3,558</b>	<b>4,883</b>
<b>NET OPERATING RESULT FOR YEAR</b>	<b>(1,355)</b>	<b>10,062</b>	<b>11,418</b>	<b>6,579</b>	<b>(2,597)</b>	<b>1,152</b>	<b>(520)</b>	<b>(776)</b>	<b>(1,047)</b>	<b>58</b>	<b>(118)</b>	<b>(294)</b>
<b>Net Operating Result Before Capital Grants and Contributions</b>	<b>(1,355)</b>	<b>10,062</b>	<b>11,418</b>	<b>6,579</b>	<b>(2,597)</b>	<b>1,152</b>	<b>(520)</b>	<b>(976)</b>	<b>(1,047)</b>	<b>58</b>	<b>(118)</b>	<b>(294)</b>

## Attachment 5

### Capital Expenditure Projects

<b><i>Listing by Service</i></b>	<b>YTD Actuals \$'000s</b>	<b>Original Budget \$'000s</b>	<b>Annual Budget \$'000s</b>	<b>Variance \$'000s</b>
C234.Civic Centre Management	229	-	534	305
C240.Information Management-Mgt	61	74	74	13
C250.Human Resources Mgt	-	60	60	60
C274.Property	348	-	-	- 348
C301.Place Management	82	4,288	2,288	2,206
C306.Environment & Natural Resources	152	521	521	369
C307.EPS Major Project Mgt	628	7,442	7,442	6,814
C309.Stormwater Works	343	225	225	- 118
C330.Animal Care Facility	125	-	85	- 39
C400.Roads	10,210	16,801	17,868	7,658
C420.Stormwater (Water & General Fund)	4,826	8,519	9,342	4,516
C475.Plant-Mobile Equip & Vehicles	2,807	6,537	6,537	3,730
C502.Community & Cultural Development Programs	10	-	-	- 10
C504.Community Facilities	865	3,071	2,955	2,090
C536.Sport Leisure & Recreation-Operations	5,144	11,891	15,875	10,731
C538.Holiday Parks	1,395	2,182	2,423	1,028
C540.Public Toilets	83	-	-	- 83
C550.Care & Education	10	-	-	- 10
C555.Library Services	327	486	562	234
C573.Emergency Services	282	579	676	395
C700.Closed Landfill Remediation	1,327	3,968	3,968	2,641
C703.Waste-Commercial Waste Services	-	163	163	163
C705.Waste-Processing & Disposal	965	1,408	1,408	443
C800.Water	54,072	75,996	82,377	28,306
C900.Sewerage Services	3,682	14,416	8,588	4,905
<b>Grand Total</b>	<b>87,974</b>	<b>158,627</b>	<b>163,972</b>	<b>75,999</b>