

Tenterfield Shire Council

Budget review for the quarter ended - 31 December 2023

Report by Responsible Accounting Officer

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 the Tenterfield Shire Council for the quarter ended 31 December 2023 indicates that Council's projected financial position at 30 June 2024 will be unsatisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure. Noting, this is primarily due to funding and timing of grants despite administrations ongoing operational deferrals. Council's cash position has been positive predominately by the receipt of 100% advance payment of Financial Assistance Grants in the previous financial year.

Under Regulation 203 (2) of the Local Government Act, I am required to suggest recommendations for remedial action.

To that end, I recommend in the December 2023 Quarterly Budget Review that:

- 1) No additional operating or capital expenditure outside of the recommendations in this review be approved by Council unless they are offset by other savings (e.g. with road works such as re-sheeting, with a plan to reduce maintenance costs) or grant funded, and even then only where there will be no additional operating costs as a result of the expenditure i.e. if capital related expenditure, it should be for the replacement of existing assets only, not new assets;*
- 2) Acknowledge the ongoing governance and treasury management difficulties Council faces with the current structure of many grant and disaster funding payments, and advocate for changes to the timing of these cash payments from State and Federal governments;*
- 3) Council continues to explore increase in operational income by considering selling assets and to reassess current commercial lease agreements*

Roy Jones

Signed:

Date: 13/02/2024

Responsible Accounting Officer

Tenterfield Shire Council

Budget Statement for the year ended - 31 December 2023

Income and Expenditure Review by Function

	Original Budget 2023/24	Approved Changes	Recommend Changes	PROJECTED year end Result 2023/24	ACTUAL YTD as at 31/12/23
		September Review	December Review		
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
- Civic Office	-	-	10	10	8
- Organisation Leadership	-	-	-	-	-
- Economic Growth and Tourism	35	669	(99)	605	374
- Arts, Culture and Library Services	224	(30)	(7)	187	116
- Workforce Development	169	85	168	422	44
- Emergency Services	141	200	159	500	260
- Finance and Technology	10,496	519	500	11,515	7,721
- Corporate and Governance	2	-	-	2	5
- Environmental Management	89	(44)	-	45	(42)
- Livestock Saleyards	80	-	-	80	26
- Parks, Gardens and Open Spaces	128	192	-	320	283
- Planning and Regulation	311	109	139	559	254
- Buildings and Amenities	134	667	(34)	767	470
- Swimming Complex	-	-	-	-	-
- Asset Management and Resourcing	10	-	-	10	-
- Commercial Works	156	-	-	156	110
- Plant, Fleet and Equipment	192	(143)	-	49	28
- Transport Network	4,850	29,832	11,724	46,406	5,860
- Waste Management	3,386	601	101	4,088	3,707
- Water Supply	2,952	2,725	1,819	7,496	2,062
- Sewerage Service	3,064	-	2,614	5,678	2,987
- Stormwater and Drainage	72	-	-	72	72
Total Income including Capital Grants & Contributions	26,491	35,382	17,094	78,967	24,345
Expenses					
- Civic Office	357	(49)	10	318	124
- Organisation Leadership	965	80	(145)	900	374
- Economic Growth and Tourism	510	(80)	21	451	272
- Arts, Culture and Library Services	1,079	(105)	16	990	367
- Workforce Development	1,352	174	67	1,593	496
- Emergency Services	708	195	102	1,005	393
- Finance and Technology	698	(84)	130	744	387
- Corporate and Governance	839	43	(30)	852	367
- Environmental Management	349	60	(28)	381	113
- Livestock Saleyards	150	4	15	169	77
- Parks, Gardens and Open Spaces	1,191	(39)	-	1,152	559
- Planning and Regulation	596	101	(157)	540	195
- Buildings and Amenities	1,407	(147)	(48)	1,212	555
- Swimming Complex	279	(8)	-	271	146
- Asset Management and Resourcing	1,099	163	(15)	1,247	318
- Commercial Works	120	-	-	120	62
- Plant, Fleet and Equipment	(499)	(166)	66	(599)	274
- Transport Network	7,879	8,021	672	16,572	4,746
- Waste Management	2,906	170	31	3,107	1,167
- Water Supply	2,799	119	1,531	4,449	1,506
- Sewerage Service	1,910	303	-	2,213	918
- Stormwater and Drainage	119	7	-	126	58
Total Expenses	26,813	8,762	2,238	37,813	13,474
Total Surplus/ (Deficit)	(322)	26,620	14,856	41,154	10,871
Capital Grants and Contributions	355	29,921	14,806	45,082	6,135
Net Operating Result excluding Capital Grants and Contributions	(677)	(3,301)	50	(3,928)	4,736
Operating Ratio (including Capital Income)	-1.22%			52.12%	44.65%
Operating Ratio (excluding Capital Income)	-2.59%			-11.59%	26.01%

Budget Variations - Explanations

C/F = Carry-forward from 2022/23financial year

Recommended Income Variations this Quarter	(\$'000)	Explanation:
- Civic Office	10	New Operating grant income: National Australia Day Grant 2024 \$10,000
- Economic Growth and Tourism	(99)	Capital grant project moved to Water Supply area: Tenterfield Dam Recreational Precinct Stage 1 Fishing Platform -\$99,206
- Arts, Culture and Library Services	(7)	Reduction to Operating grant income: Youth Week grant -\$2,427; Grandparents Day grant -\$2,165; Seniors Festival grant -\$1,461; Mental Health Month grant -\$520
- Workforce Development	168	Addition to Operating income: Training Reimbursement \$157,000; WHS Incentive Rebate \$24,912, Workers Compensation Rebate \$24,811
		Reduction to Operating income: Fringe Benefits Contribution income -\$39,000
- Emergency Services	159	Addition to Operating income: Expected reimbursement for RFS Pretty Gully - Upgrade \$40,000
		Addition to Operating income: Reimbursement for expenditure on October 2023 Fires \$118,582
- Finance and Technology	500	Addition to Operating income: Interest On Investments \$500,000 (due to grant funds paid in advance & higher interest rates)
- Planning and Regulation	139	Addition to Operating income: Planning & Regulation fees & charges \$8,800
		Addition to Capital income: Developer Contributions Section 7.11 (General Fund) \$130,000
- Buildings and Amenities	(34)	Reduction to Operating income: Council Dwelling income -\$28,000; Public Hall Fees -\$6,456
- Transport Network	11,724	New Operating grant income: School Zone Projects Shovel Ready - Safety Minor Works \$18,500
		Ongoing Disaster Recovery Funding Agreement (DRFA) program: DRFA AGRN1012 February 2022 Immediate Recovery Works \$200,000
		New Capital grant income: Betterment of Molesworth St Bridge \$7,485,776; FCR Mt Lindesay Road, New England Highway to Washpool Creek Bridge \$4,019,887
- Waste Management	101	Addition to Operating income: Interest On Investments \$60,000 (due to higher interest rates); Recycling income \$20,000
		Addition to Capital income: Developer Contributions Section 7.11 (Waste Fund) \$21,000
- Water Supply	1,819	New Operating grant income: Integrated Water Cycle Management Strategy Stage 2 \$839,207; Urbenville & Woodenbong Floodplain Risk Management Study \$171,428
		Addition to Operating income: Interest On Investments \$35,000 (due to higher interest rates); Installation Charges income \$15,000; Standpipe income \$13,500
		Addition to Capital grant income: New Grid Urbenville Water Supply Project \$640,650
		Addition to Capital income: Developer Contributions Section 64 (Water Fund) \$5,000
		Capital grant project moved From Economic Growth & Tourism area: Tenterfield Dam Recreational Precinct Stage 1 Fishing Platform \$99,206
- Sewerage Service	2,614	Addition to Operating income: Interest On Investments \$110,000 (due to higher interest rates)
		New Capital grant income: Betterment of Molesworth St Sewer Line \$2,500,000
		Addition to Capital income: Developer Contributions Section 64 (Sewer Fund) \$3,600
Total Recommended Income Variations this Quarter	17,094	

Budget Variations - Explanations

C/F = Carry-forward from 2022/23 financial year

Recommended Expenditure Variations this Quarter	(\$'000)	Explanation:
- Civic Office	10	New Operating grant: National Australia Day Grant 2024 \$10,000
- Organisation Leadership	(145)	Reduction: Payroll costs -\$73,000; SRV Expenses -\$40,000; Customer Satisfaction Survey -\$31,500
- Economic Growth and Tourism	21	C/F Operating grants: rough Communities Extension - Economic & Social Resilience through Cultural Tourism Recovery \$32,055 (National Monument Association project)
		Operational expense & budget moved to Arts, Culture and Library Services area: Depreciation Right Of Use Asset (Office Equipment) -\$11,004
- Arts, Culture and Library Services	16	Addition: School of Arts Cinema Maintenance \$8,000; School of Arts Fire Detection System Maintenance \$5,000; School of Arts Cinema Licences \$3,000
		Reduction to Operating grants (including Council contributions): Youth Week grant -\$4,854; Seniors Festival grant -\$2,923; Grandparents Day grant -\$2,165; NAIDOC Week -\$538; Mental Health Month grant -\$520
		Operational expense & budget moved from Economic Growth and Tourism area: Depreciation Right Of Use Asset (Office Equipment) \$11,004
- Workforce Development	67	Addition: Workplace Health & Safety \$24,912 (funded by rebate), Workers Compensation Rebate expenditure \$24,811; Employee Assistance Program \$17,600
- Emergency Services	102	Addition: RFS Pretty Gully - Upgrade \$40,000
		Addition: Expenditure on October 2023 Fires \$62,407
- Finance and Technology	130	Addition: Valuation Fees for Transport Network assets \$100,000; Audit Fees \$20,000
		Reallocate budget from Asset Management & Resourcing: IT Systems Operating Costs \$10,000
- Corporate and Governance	(30)	Reduction: IP&R Software -\$30,000
- Environmental Management	(28)	Reallocate budget to Livestock Saleyards: Companion Animal Control Expenses -\$15,000
		Reallocate budget to Parks, Gardens and Open Spaces (Capital Expenditure): Companion Animal Control Expenses -\$13,396
- Livestock Saleyards	15	Reallocate budget from Environmental Management: Saleyards Operation Costs \$15,000
- Planning and Regulation	(157)	Reduction: Payroll costs -\$157,191
- Buildings and Amenities	(48)	Addition: Mingoola Hall - Repairs from Termite Infestation (SRV 2023) \$19,000
		Reduction: Payroll costs -\$66,786
- Asset Management and Resourcing	(15)	Reallocate budget to Finance & Technology: Software costs -\$10,000
		Reduction: Office management costs -\$5,000
- Plant, Fleet and Equipment	66	Addition: Depreciation \$65,710
- Transport Network	672	New Operating grant: School Zone Projects Shovel Ready - Safety Minor Works \$18,500
		Ongoing Disaster Recovery Funding Agreement (DRFA) program: DRFA AGRN1012 February 2022 Immediate Recovery Works \$200,000
		Addition: Depreciation \$470,804
		Reduction: Aerodrome Maintenance -\$17,067

Budget Variations - Explanations

C/F = Carry-forward from 2022/23financial year

Recommended Expenditure Variations this Quarter (\$'000) Explanation:

- Waste Management	31	Addition: Boonoo Boonoo Landfill costs \$16,000; Tenterfield Transfer Station maintenance \$10,000; Recycling costs \$5,000
- Water Supply	1,531	New Operating grants: Integrated Water Cycle Management Strategy Stage 2 \$1,118,942 (requires Council contribution \$279,735); Urbenville & Woodenbong Floodplain Risk Management Study \$200,000 (requires Council contribution \$28,572)
		Addition: Depreciation \$72,110; Water Treatment expenses \$65,000; Water Network maintenance \$31,500; Water Bore & Pump operations \$27,000; Meter Reading & Standpipe expenses \$16,000
Total Recommended Expenditure Variations this Quarter	2,238	

This document forms part of Tenterfield Shire Council's Quarterly Budget Review Statement for the quarter ended 31 December 2023 and should be read in conjunction with other documents in the QBRS.

Tenterfield Shire Council

Budget Statement for the year ended - 31 December 2023

Capital Budget Review

	Original Budget 2023/24	Approved Changes	Recommended Changes	REVISED Budget 2023/24	ACTUAL YTD as at 31/12/23
		September Review	December Review		
	\$'000	\$'000	\$'000	\$'000	\$'000
Capital Funding					
<i>Rates and other untied funding</i>	6,379	2,185	(1,779)	6,785	811
<i>Capital Grants & Contributions</i>	355	29,921	14,806	45,082	6,135
External Restrictions					
- <i>Specific Purpose Unexpended Grants</i>	-	55	-	55	55
- <i>Developer Contributions</i>	-	-	-	-	-
- <i>Water Supply Fund</i>	670	347	15	1,032	1,032
- <i>Sewerage Service Fund</i>	1,055	709	-	1,764	1,764
- <i>Domestic Waste Management Fund</i>	1,000	2,509	304	3,813	3,813
- <i>Stormwater Management Fund</i>	420	(290)	-	130	130
Internal restrictions					
- <i>Plant & Vehicle Replacement Reserve</i>	-	-	-	-	-
Other Capital Funding Sources					
<i>Income from sale of assets</i>	2,530	-	(967)	1,563	1,271
Total Capital Funding	12,409	35,436	12,379	60,224	15,011

Tenterfield Shire Council

Budget Statement for the year ended - 31 December 2023

Capital Budget Review

	Original Budget 2023/24	Approved Changes September Review	Recommended Changes December Review	REVISED Budget 2023/24	ACTUAL YTD as at 31/12/23
	\$'000	\$'000	\$'000	\$'000	\$'000
Capital Expenditure					
New Assets					
- Civic Office	-	-	-	-	-
- Organisation Leadership	-	-	-	-	-
- Economic Growth and Tourism	-	835	(250)	585	215
- Arts, Culture and Library Services	-	-	-	-	-
- Workforce Development	-	-	-	-	-
- Emergency Services	-	-	-	-	-
- Finance and Technology	-	-	-	-	-
- Corporate and Governance	-	-	-	-	-
- Environmental Management	-	-	-	-	-
- Livestock Saleyards	-	-	-	-	-
- Parks, Gardens and Open Spaces	60	-	-	60	46
- Planning and Regulation	-	-	-	-	-
- Buildings and Amenities	-	-	-	-	-
- Swimming Complex	-	-	-	-	-
- Asset Management and Resourcing	-	-	-	-	-
- Commercial Works	-	-	-	-	-
- Plant, Fleet and Equipment	-	-	-	-	-
- Transport Network	-	600	-	600	-
- Waste Management	670	3,139	(70)	3,739	323
- Water Supply	-	683	250	933	25
- Sewerage Service	-	50	-	50	-
- Stormwater and Drainage	-	-	-	-	-
Asset Renewals/Replacement					
- Civic Office	-	-	-	-	-
- Organisation Leadership	-	-	-	-	-
- Economic Growth and Tourism	-	-	-	-	-
- Arts, Culture and Library Services	13	64	-	77	31
- Workforce Development	-	-	-	-	-
- Emergency Services	-	-	-	-	-
- Finance and Technology	125	(93)	-	32	-
- Corporate and Governance	-	-	-	-	-
- Environmental Management	-	-	-	-	-
- Livestock Saleyards	-	56	-	56	14
- Parks, Gardens and Open Spaces	-	187	123	310	145
- Planning and Regulation	-	-	-	-	-
- Buildings and Amenities	-	1,066	(237)	829	239
- Swimming Complex	-	18	-	18	-
- Asset Management and Resourcing	450	(205)	(235)	10	-
- Commercial Works	-	-	-	-	-
- Plant, Fleet and Equipment	3,737	-	(2,238)	1,499	1,300
- Transport Network	4,299	26,380	11,506	42,185	3,434
- Waste Management	219	(29)	374	564	7
- Water Supply	456	2,316	656	3,428	879
- Sewerage Service	947	659	2,500	4,106	653
- Stormwater and Drainage	420	(290)	-	130	-
<i>Loan Repayments (principal)</i>	1,013	-	-	1,013	501
Total Capital Expenditure	12,409	35,436	12,379	60,224	7,812

* Some restricted cash is finalised as part of the end of year Financial Statement Process.

Capital Expenditure Budget Variations - Explanations

Proposed Expenditure Variations (\$'000) C/F = Carry-forward from 2022/23 financial year

New Assets

- Economic Growth and Tourism	(250)	Capital grant project moved to Water Supply area: Tenterfield Dam Recreational Precinct Stage 1 Fishing Platform -\$249,576
- Waste Management	(70)	Reduction Waste fund capital projects: Mingoola- Open Transfer Station -\$70,000 (deferred to 2024/25)
- Water Supply	250	Capital grant project moved From Economic Growth & Tourism area: Tenterfield Dam Recreational Precinct Stage 1 Fishing Platform \$249,576
Total New Asset Budget Adjustments	(70)	

Renewal Assets

- Parks, Gardens and Open Spaces	123	Addition General fund capital project: Tenterfield Cemetery - Construction of Road Access (2014 SRV) \$110,000
		Reallocate budget from Environmental Management (Operating Expenditure): SCCF4 Revitalisation of Tenterfield Netball Courts \$13,396
- Buildings and Amenities	(237)	Addition General fund capital project: Federation Park Amenities Block - Roof Replacement (SRV 2023) \$60,000
		Reduction General fund capital project: Administration Building - Roof Replacement -\$296,760 (deferred to 2024/25 financial year)
- Asset Management and Resourcing	(235)	Reduction General fund capital projects: Tenterfield Depot Fuel Tank Replacement/Remediation -\$100,000; Tenterfield Depot WHS & Environmental Initiative Enhancements -\$65,300; Tenterfield Depot Wash Down & Recycle Bay -\$50,000; Tenterfield Depot - Water Wise Initiatives -\$20,000 (budgets deferred to 2024/25 financial year)
- Plant, Fleet and Equipment	(2,238)	Reduction General fund capital projects: Plant Purchases -\$2,237,752 (budgets deferred to future years)
- Transport Network	11,506	New Capital grants: Betterment of Molesworth St Bridge \$7,485,776; FCR Mt Lindesay Road, New England Highway to Washpool Creek Bridge \$4,019,887
- Waste Management	374	Addition Waste fund capital projects: Waste Plant Purchase \$358,945 (side loader garbage truck); 240L Wheelie Bins \$15,000
- Water Supply	656	Addition to Capital grant project: New Grid Urbenville Water Supply Project \$640,650
		Addition Water fund capital project: Urbenville Water Treatment Plant Upgrade \$15,000
- Sewerage Service	2,500	New Capital grant: Betterment of Molesworth St Sewer Line \$2,500,000
		Reallocate funds between Sewer fund capital projects: from Tenterfield Mains Relining -\$65,000; moved to Tenterfield Mains Augmentation \$65,000
Total Renewal Asset Budget Adjustments	12,449	

Liabilities

Total Liabilities Budget Adjustments	0
Total Proposed Expenditure Variations	12,379

This document forms part of Tenterfield Shire Council's Quarterly Budget Review Statement for the quarter ended 31 December 2023 and should be read in conjunction with other documents in the QBRS.

Tenterfield Shire Council					
Budget Statement for the year ended - 31 December 2023					
Cash and Investment Review					
	Opening Balance 30/06/2023 from Audited Financial Statements \$'000	Approved Changes September Review \$'000	Recommend Changes December Review \$'000	PROJECTED year end Result 2023/24 \$'000	ACTUAL YTD 31/12/2023 \$'000
Externally restricted					
<i>Specific Purpose Unexpended Grants - General Fund</i>	8,671	(8,671)	-	-	16,382
<i>Specific Purpose Unexpended Grants - Water Fund</i>	168	(168)	-	-	332
<i>Specific Purpose Unexpended Grants - Sewer Fund</i>	-	-	-	-	-
<i>Specific Purpose Unexpended Grants - Waste Fund</i>	446	(446)	-	-	131
<i>Specific Purpose Unexpended Grants - Stormwater Fund</i>	-	-	-	-	-
<i>Developer Contributions - General Fund</i>	651	126	41	818	818
<i>Developer Contributions - Water Fund</i>	94	-	15	109	109
<i>Developer Contributions - Sewer Fund</i>	54	-	14	68	68
<i>Developer Contributions - Waste Fund</i>	64	13	5	82	82
<i>Developer Contributions - Stormwater Fund</i>	7	-	-	7	7
<i>RFS Unspent Funds</i>	111	-	-	111	197
<i>Water Supply Fund</i>	1,210	(94)	(544)	572	1,832
<i>Sewerage Service Fund</i>	6,764	(295)	110	6,579	6,991
<i>Domestic Waste Management Fund</i>	8,464	(2,272)	(255)	5,937	10,277
<i>Stormwater Management Fund</i>	991	(69)	-	922	1,028
<i>Trust Fund</i>	382	-	(313)	69	69
Total Externally restricted	28,077	(11,876)	(927)	15,274	38,323
Internally restricted					
<i>Plant & Vehicle Replacement</i>	-	-	400	400	400
<i>Employees Leave Entitlements</i>	-	-	200	200	200
<i>Special Projects - Infrastructure Projects Requiring Milestone Expenditure</i>	5,500	(1,000)	(3,000)	1,500	1,500
Total Internally restricted	5,500	(1,000)	(2,400)	2,100	2,100
Total Restricted	33,577	(12,876)	(3,327)	17,374	40,423
Available Cash (Unrestricted Funds)	1,313	(809)	368	400	872
Total Cash and Investments	34,890	(13,685)	(2,959)	17,774	41,295

Notes:

The **available cash** position excludes restricted funds. External restrictions are funds that must be spent for a specific purpose and cannot be used by council for general operations. Internal restrictions are funds that council has determined will be used for a specific future purpose. Internal and external restrictions are not determined fully until after year end.

Comment on Cash and Investments Position

Some restricted cash is finalised as part of the end of year Financial Statement Process.

Council's Cash and Investments are performing within anticipated parameters.

Recommended Changes to Revised Budget

- Include:
- an explanation for recommended changes and any impact on Council's original management plan / operational plan, delivery program or LTFP.
 - any impacts of YTD expenditure on recommended changes to the budget

All changes required are in respect of the variations detailed in both the Capital budget and the Income and Expenditure Review

Certification regarding Investments and Bank Reconciliations

Investments

It is hereby certified that all investments listed below have made in accordance with the requirements of the Local Government Act 1993, (Section 625), the companion Regulations and Council's Investment Policy.

Cash

Bank reconciliations occur on a daily basis with a full reconciliation performed on a monthly basis. The full reconciliation for the December quarter occurred on 09 January 2024.

Cash Book Reconciliation

\$

Operating Account Cash balance as at 31 December 2023	27,224,986.00
Trust Account Cash balance as at 31 December 2023	69,074.35
Total Cash (Not invested) as at 31 December 2023	27,294,060.35

Reconcilliation

The YTD total Cash and Investments has been reconciled with funds invested and cash at bank:

Financial Institution	Amount	Rating	Interest	Maturity Date
National Australia Bank	1,500,000.00	AA-	4.90%	22/01/2024
National Australia Bank	1,000,000.00	AA-	5.15%	28/05/2024
National Australia Bank	2,000,000.00	AA-	5.15%	11/06/2024
National Australia Bank	1,000,000.00	AA-	5.05%	11/03/2024
Commonwealth Bank	3,000,000.00	AA-	4.85%	18/03/2024
Westpac	1,500,000.00	AA-	4.94%	30/01/2024
Westpac	2,000,000.00	AA-	5.17%	30/05/2024
Westpac	2,000,000.00	AA-	5.11%	12/06/2024
TOTAL INVESTMENTS	14,000,000.00			
TOTAL CASH ON HAND	27,294,060.35			
TOTAL CASH AND INVESTMENTS	41,294,060.35			

This document forms part of Tenterfield Shire Council's Quarterly Budget Review Statement for the quarter ended 31 December 2023 and should be read in conjunction with other documents in the QBRS.

Tenterfield Shire Council

Budget review for the quarter ended - 31 December 2023

Contracts					
Contractor	Contract detail & purpose	Contract value \$	Commencement date	Duration of contract	Budgeted (Y/N)
Dreamcourts Pty Ltd	Stronger Country Communities Round 4 - Revitalisation of Tenterfield Netball Courts	185,180	4/03/2024	8/04/2024	Y
Mingoola Hall Progress Association	Black Summer Bushfire Recovery - Mingoola Hall Improvements (Toilets)	120,000	7/09/2023	30/04/2024	Y
Sunnyside Hall Progress Association	Stronger Country Communities Round 4 - Improvements to Sunnyside Hall	138,116	20/06/2022	Completed	Y

Notes

1. Minimum reporting level is 1% of estimated income from continuing operations or \$50,000 whichever is the lesser.
2. Contracts to be listed are those entered into during the quarter and have yet to be fully performed (excluding contractors that are on Council's preferred supplier list).
3. Contracts for employment are not required to be included.
4. Where a contract for services etc was not included in the budget, an explanation is to be given (or reference made to an explanation in another Budget Review Statement).

Consultancy and Legal Fees		
Expense	Expenditure YTD \$	Budgeted (Y/N)
Consultancies	94,741	Y
Legal Fees	4,716	Y

Definition of consultant:

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.

Notes:

Both Legal Fees and Consultancy fees are in line with expectations. A portion of the legal fees relating to Debt Recovery are recoverable.