

# QUARTERLY BUSINESS & BUDGET REPORT

September 2010

## Income - Consolidated By Service

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	20,888,392	20,551,681	336,705	78,724,816	78,724,816	78,874,816
User Charges & Fees	9,625,190	9,363,445	261,745	37,825,108	37,825,108	37,667,175
Interest & Investment Revenue	1,479,359	1,136,923	342,435	4,201,701	4,201,701	4,351,701
Other Revenues	1,330,748	588,920	741,828	2,699,862	2,699,862	3,092,174
Grants & Contributions - Operating Purposes	1,424,398	1,869,961	(445,563)	7,331,017	7,331,017	7,351,317
Grants & Contributions - Capital Purposes	1,127,776	1,037,854	89,923	9,702,427	7,102,427	6,233,779
Gains on disposal of Assets	111,189	-	111,189	-	-	-
<b>Total Income from Continuing Operations</b>	<b>35,987,053</b>	<b>34,548,785</b>	<b>1,438,262</b>	<b>140,484,931</b>	<b>137,884,931</b>	<b>137,570,962</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(12,963,355)	(13,641,740)	678,384	(53,439,609)	(53,439,609)	(53,505,475)
Borrowing Costs	(23,982)	(20,128)	(28,854)	(258,645)	(258,645)	(258,645)
Materials and Contracts	(10,512,659)	(11,106,059)	593,400	(48,558,211)	(48,624,321)	(48,766,694)
Depreciation and Amortisation	(3,498,604)	(3,296,809)	(176,795)	(13,225,475)	(13,225,475)	(13,225,475)
Other Expenses	(4,448,812)	(3,630,680)	(818,128)	(14,761,485)	(14,761,483)	(14,933,313)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	(117,561)	117,561	(470,245)	(470,245)	(470,245)
Internal Charges	-	-	-	-	-	-
Overhead Allocation	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>(31,447,412)</b>	<b>(31,812,976)</b>	<b>365,569</b>	<b>(130,713,670)</b>	<b>(130,779,778)</b>	<b>(131,159,847)</b>
<b>Surplus/(Deficit) from Continuing Operations</b>	<b>4,539,641</b>	<b>2,735,808</b>	<b>1,803,831</b>	<b>9,771,261</b>	<b>7,105,154</b>	<b>6,411,116</b>
<b>Surplus/(Deficit) before Capital Grants &amp; Contributions</b>	<b>3,411,864</b>	<b>1,697,954</b>	<b>1,713,908</b>	<b>68,834</b>	<b>2,727</b>	<b>177,337</b>
<b>Surplus/(Deficit) from Continuing Operations</b>						
	<b>4,539,641</b>	<b>2,735,808</b>	<b>1,803,831</b>	<b>9,771,261</b>	<b>7,105,154</b>	<b>6,411,116</b>
<b>Rates Yet to be Allocated to Services</b>						
Rates and Charges Not Yet to be Allocated to Services	58,393,185	58,393,185	-			
<b>Surplus/(Deficit) from Continuing Operations</b>	<b>62,932,826</b>	<b>61,128,993</b>	<b>1,803,833</b>			
<b>Surplus/(Deficit) before Capital Grants &amp; Contributions</b>	<b>61,805,049</b>	<b>60,091,139</b>	<b>1,713,910</b>			

The above Income Statement shows Council's consolidated financial result for the quarter ended 30 September 2010.

A comparison is provided which shows the actual financial result to 30 September 2010 (YTD Actuals), Budget (YTD Budget), Approved Forecast (which incorporates Council Resolutions in the quarter) and Current Forecast (which provides a forecast of income and expenditure items prepared as part of the September 2010 Quarterly Report).

The actual Surplus from Continuing Operations before Capital Grants and Contributions for the quarter ended 30 September 2010 was \$3,411,864 which is \$1,713,908 ahead of budget. The positive result at the end of the first quarter is principally due to timing issues related to the receipt of revenue.

The result for the quarter ended 30 September 2010 shows some variations between budgeted and actual results. Comments have been provided by responsible budget managers and the forecasts have been amended where necessary. The reports for each of the 16 services provided in the Strategic Community Plan 2010 are each provided separately.

**Forecast Changes**

The Surplus from Continuing Operations before Capital Grants and Contributions is forecast to increase from the Annual Budget position of \$68,834 to \$177,337.

These overall movements are detailed in the table below:

	Annual Budget \$	Approved Forecast \$	Variance \$	Current Forecast \$	Variance \$
Total Income from Continuing Operations	140,484,931	137,884,931	(2,600,000)	137,570,962	(313,969)
Total Expenses from Continuing Operations	(130,713,668)	(130,779,778)	(66,109)	(131,159,847)	(380,069)

The significant changes generally related to Income from Continuing Operations are:

- Rates and Annual Charges have been forecast to increase by \$150,000 due to a higher than anticipated level of Domestic Waste Management Charges.
- The forecast for User Fees & Charges have been decreased by \$157,933. \$284,048 is due to lower attendance levels at Glen Street Theatre reflective of the current economic climate which has been offset by an increase within Parks, Reserves and Foreshores of \$130,000 related to the receipt of Sports Union Sportsfield contributions for the period Winter 2009 to Summer 2010.
- The forecast for Interest and Investment Revenues has been increased reflecting Council achieving interest rates above the benchmark by 1.27% during the first quarter.
- Other Revenues have been forecast higher due an increase of \$240,000 in the rebate from the Department of Environment and Conservation within the Roads, Traffic and Waste Service, additional parking fees and a higher level of other fines of \$227,100 within Compliance Services offset by a decrease in Glen Street Theatre revenues from food and beverage sales of \$34,688 as a consequence of the lower attendance levels noted above.
- Grants and Contributions Operating have been increased reflecting changes to final grant amounts within Natural Environment.
- Grants & Contributions – Capital Purposes were decreased by \$2,600,000 as a result of the decrease in grants for the Collaroy Disability Access Tourism Precinct grant. A further decrease of \$868,648 reflects updates within the Natural Environment and Parks, Reserves & Foreshores Services.

The significant changes generally related to Expenses from Continuing Operations are:

- Employee Benefits and OnCosts have been forecast to increase due mainly to changes in various projects such as the extension of the lifeguard season at Freshwater and Dee Why Beaches to nine months.
- Materials and Contracts were forecast to increase by \$66,109 as a result of Council resolution of 27 July 2010 for new sign posting and other costs within Council's Beach Reserve parking areas. Further forecast changes include an increase of \$390,000 within Roads, Traffic & Waste to reflect expenditure relating to the increase in income noted above and a \$283,877 decrease in Glen Street Theatre as a result of lower attendance levels.
- Other Expenses are forecast to increase by \$60,825 within Compliance Services as a result of Agency Costs associated with the parking sticker scheme and \$109,488 within Natural Environment to reflect higher than anticipated expenditure in relation to the Manly Lagoon Flood Study and the Hawkesbury Avenue projects.

**Capital Works**

Expenditure on Capital Works for the quarter ended 30 September 2010 totalled \$3,030,622.

	YTD Actual \$	YTD Budget \$	Variance \$
Total Capital Expenditure	(3,030,622)	(4,256,295)	1,225,673

The variation is a result of projects not proceeding due to factors outside of Council's control such as bad weather, soil contamination and awaiting the Courts determination of compensation for the compulsory acquisition of land.

Changes to forecast have been made to include rollover projects as a result of Council resolution of 27 July 2010 and additional changes detailed below.

	Annual Budget \$	Approved Forecast \$	Variance \$	Current Forecast \$	Variance \$
Total Capital Expenditure	(39,546,650)	(40,142,029)	(595,379)	(40,554,202)	(412,173)

Description	\$
<b>Rollovers from 2009/10 – Council resolution 27 July 2010:</b>	
Land Acquisition - Parentie/Dawes Roads	2,048,890
Land Acquisition - Old Pittwater Rd	735,400
Freshwater Village Town Centre Upgrade	357,292
Sportsfield Rectification Program – Weldon Reserve	239,342
Dee Why Beach - Public Amenities	90,638
Civic Centre - Roof Renewal	41,633
Narrabeen Lagoon Trail (Federal Grant)	27,015
Brookvale Mobile Occasional Care	20,000
Cromer Community Centre Photovoltaic	15,865
Collaroy Stormwater Outlet	10,741
21 Ryan Place Stormwater Works	9,382
Dee Why CBD Drainage Upgrade	9,182
	<b>3,605,379</b>
<b>Other:</b>	
Collaroy Access Tourism Precinct – Collaroy SLSC – Component 1A	(200,000)
Collaroy Access Tourism Precinct – Collaroy SLSC – Component 1B	(160,000)
Collaroy Access Tourism Precinct – Component 2 – Reserve Improvement	(1,600,000)
Collaroy Access Tourism Precinct – Component 3A Streetscape	(600,000)
Community Centre Buildings – Disability Discrimination Audit & Stage 1 Works	(40,000)
Collaroy Access Tourism Precinct	120,000
Dee Why – The Strand	(240,000)
Kerb & Gutter Renewal, Footpath Renewal, Bus Seat Renewal	(290,000)
	<b>(3,010,000)</b>
<b>Total of Net Changes approved by Council during the first quarter</b>	<b>595,379</b>
<b>Other:</b>	
Renewals – Lagoon View Road, Cromer	50,000
Collaroy Street Collaroy – Stage 2	(50,000)
Emergency Stormwater Works	357,000
Narrabeen Lagoon	35,508
Jenkins Street, Collaroy	(13,236)
Invoice Scanning Software	59,500
Dee Why CBD Upgrade	(26,598)
<b>Total of Net Changes made in Current Forecast</b>	<b>412,173</b>
<b>Total Net Changes</b>	<b>1,007,552</b>

## September 2010 Quarterly Report - General Manager's Message

Budget 30 June 2011 \$'000	Actual 30 September 2010 \$'000	Actual 30 June 2010 \$'000
<b>ASSETS</b>		
<b>Current Assets</b>		
16,899	11,387	9,946
50,696	70,128	71,707
6,619	57,961	7,471
107	99	90
457	816	537
0	2,944	2,944
<b>74,778</b>	<b>143,335</b>	<b>92,695</b>
<b>Non-Current Assets</b>		
6,884	23,710	14,066
480	454	446
3,365,835	3,501,491	3,502,380
0	0	0
0	0	0
996	778	778
2,000	2,050	2,050
0	378	135
<b>3,376,195</b>	<b>3,528,861</b>	<b>3,519,855</b>
<b>3,450,973</b>	<b>3,672,196</b>	<b>3,612,550</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
16,743	13,294	15,850
1,002	1,022	1,427
9,838	11,191	11,162
<b>27,583</b>	<b>25,507</b>	<b>28,439</b>
<b>Non-Current Liabilities</b>		
0	225	200
485	811	811
18,179	5,597	5,597
<b>18,664</b>	<b>6,633</b>	<b>6,608</b>
<b>46,247</b>	<b>32,140</b>	<b>35,047</b>
<b>3,404,726</b>	<b>3,640,056</b>	<b>3,577,503</b>
<b>EQUITY</b>		
3,347,056	3,543,820	3,481,267
50,858	90,296	90,296
<b>3,397,914</b>	<b>3,634,116</b>	<b>3,571,563</b>
6,812	5,940	5,940
<b>3,404,726</b>	<b>3,640,056</b>	<b>3,577,503</b>

## September 2010 Quarterly Report - General Manager's Message

Budget 30 June 2011 \$'000		Actual 30 September 2010 \$'000	Actual 30 June 2010 \$'000
<b>Cash Flows from Operating Activities</b>			
<b>Receipts:</b>			
78,725	Rates & Annual Charges	29,640	76,777
37,825	User Charges & Fees	9,625	27,445
4,202	Interest & Investment Revenue Received	1,479	4,628
17,033	Grants & Contributions	2,552	12,930
2,700	Other	1,331	12,904
<b>Payments:</b>			
(54,200)	Employee Benefits & On-Costs	(12,963)	(50,585)
(48,558)	Materials & Contracts	(14,728)	(45,730)
(259)	Borrowing Costs		(413)
(15,231)	Other	(4,449)	(12,427)
<b>22,237</b>	<b>Net Cash provided (or used in) Operating Activities</b>	<b>12,487</b>	<b>25,529</b>
<b>Cash Flows from Investing Activities</b>			
<b>Receipts:</b>			
-	Sale of Investment Securities		213,885
1,650	Sale of Infrastructure, Property, Plant & Equipment	663	2,129
2,944	Sale of Non-current assets classified as "held for resale"		-
<b>Payments:</b>			
-	Purchase of Investment Securities	(1,579)	(215,073)
-	Purchase of Investment Property	-	-
(39,547)	Purchase of Infrastructure, Property, Plant & Equipment	(1,126)	(32,266)
	Purchase of Intangibles	(243)	(135)
	Contributions Paid to Joint Ventures & Associates		(456)
<b>(34,953)</b>	<b>Net Cash provided (or used in) Investing Activities</b>	<b>(2,285)</b>	<b>(31,916)</b>
<b>Cash Flows from Financing Activities</b>			
<b>Receipts:</b>			
160	Proceeds from Borrowings & Advances	-	659
	Share Capital from minority interest	-	229
<b>Payments:</b>			
(4,032)	Repayment of Borrowings & Advances	(351)	(4,772)
<b>(3,872)</b>	<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(351)</b>	<b>(3,884)</b>
<b>(16,588)</b>	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>9,851</b>	<b>(10,271)</b>
91,068	plus: Cash & Cash Investments at beginning of the year	95,719	105,990
<b>74,480</b>	<b>Cash &amp; Investments - end of the year</b>	<b>105,570</b>	<b>95,719</b>

### 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 Warringah Council for the quarter ended 30 September 2010 indicates that Council's projected financial position at 30 June 2011 will be satisfactory, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

David Walsh  
Responsible Accounting Officer

### Progress Capital Works and Key Initiatives



169 Key Initiatives at least 90% of target

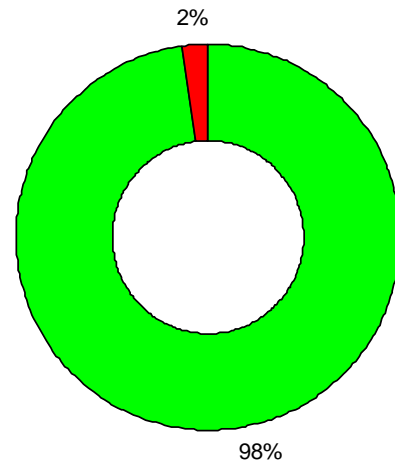


0 Key Initiatives between 70 and 90% of Action target achieved



4 Key Initiatives less than 70% of target

**Total 173 Actions**



The majority of actions are on schedule. Delays have been experienced with the following projects:

- Work on development of a public art strategy will be delayed until 2011-2012 as it is not resourced.
- Stage 1 construction on Narrabeen Lagoon Multi Use Trail commenced in July. Delays have occurred and we are working with the contractor to bring stage 1 back on schedule.
- Weldon Reserve Sportsfield rectification works has been impacted by wet weather.
- Renewal works at Collaroy Surf Club was deferred by Council on 3 August 2010 to provide additional funds for the entertainment works at this building. The works have been reprioritised as Federal funding (grant) is not available for the Collaroy Access Precinct.

**Financials**

	<b>YTD Actual \$</b>	<b>YTD Budget \$</b>	<b>YTD Variance \$</b>	<b>Annual Budget \$</b>	<b>Approved Forecast \$</b>	<b>Current Forecast \$</b>
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	103,676	103,676	0	387,030	387,030	387,030
User Charges & Fees	138,225	100,253	37,972	399,992	399,992	399,992
Interest & Investment Revenue	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-
Grants & Contributions - Operating Purposes	-	-	-	-	-	-
Grants & Contributions - Capital Purposes	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>241,901</b>	<b>203,929</b>	<b>37,972</b>	<b>787,022</b>	<b>787,022</b>	<b>787,022</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(111,692)	(113,503)	1,811	(429,586)	(429,586)	(429,586)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(550)	(3,375)	2,825	(13,500)	(13,500)	(13,500)
Depreciation and Amortisation	-	-	-	-	-	-
Other Expenses	(1,046)	(2,134)	1,088	(8,360)	(8,360)	(8,360)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	(20,657)	(20,813)	156	(79,139)	(79,139)	(79,139)
Overhead Allocation	(64,104)	(64,104)	-	(256,437)	(256,437)	(256,437)
<b>Total Expenses from Continuing Operations</b>	<b>(198,050)</b>	<b>(203,929)</b>	<b>5,879</b>	<b>(787,022)</b>	<b>(787,022)</b>	<b>(787,022)</b>
<b>Surplus/ (Deficit) from Continuing Operations</b>	<b>43,851</b>	<b>0</b>	<b>43,851</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Year to Date Actuals and Annual Forecast**

The Surplus from Continuing Operations principally relates to higher than anticipated certification fees for the first quarter.

Insufficient information exists to anticipate whether this trend will continue for the full financial year. Accordingly, no changes have been made to the Annual Forecast.

### Progress Capital Works and Key Initiatives



1 Key Initiatives at least 90% of target

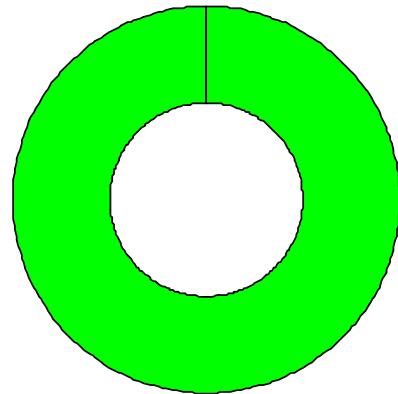


0 Key Initiatives between 70 and 90% of Action target achieved



0 Key Initiatives less than 70% of target

**Total 0 Actions**



100%

The Key Initiative for Council's building surveyors to achieve accreditation under the Building Professional Board of NSW has been completed.

**Financials**

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Forecast Year End \$
<b>Income from Continuing Operations</b>					
Rates and Annual Charges	290,557	290,557	-	1,212,612	1,212,612
User Charges & Fees	1,163,536	1,148,103	15,433	4,396,429	4,396,429
Interest & Investment Revenue	-	-	-	-	-
Other Revenues	-	5,100	(5,100)	10,330	10,330
Grants & Contributions - Operating Purposes	117,395	133,104	(15,709)	539,430	539,430
Grants & Contributions - Capital Purposes	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>1,571,488</b>	<b>1,576,864</b>	<b>(5,376)</b>	<b>6,158,801</b>	<b>6,158,801</b>
<b>Expenses from Continuing Operations</b>					
Employee Benefits & Oncosts	(1,049,535)	(1,089,183)	39,647	(4,134,230)	(4,134,230)
Borrowing Costs	-	-	-	-	-
Materials and Contracts	(134,814)	(119,905)	(14,909)	(563,367)	(563,367)
Depreciation and Amortisation	-	-	-	-	-
Other Expenses	(36,061)	(42,725)	6,664	(163,719)	(163,719)
Loss on Disposal of Assets	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-
Internal Charges	(28,780)	(25,988)	(2,792)	(100,764)	(100,764)
Overhead Allocation	(299,064)	(299,064)	-	(1,196,721)	(1,196,721)
<b>Total Expenses from Continuing Operations</b>	<b>(1,548,254)</b>	<b>(1,576,864)</b>	<b>28,610</b>	<b>(6,158,801)</b>	<b>(6,158,801)</b>
<b>Surplus/ (Deficit) from Continuing Operations</b>	<b>23,234</b>	<b>-</b>	<b>23,234</b>	<b>-</b>	<b>-</b>

**Year to Date Results and Forecast to Year End**

The Surplus from Continuing Operations at the end of the first quarter is effectively a timing difference related to lower income and lower than anticipated expenses during this period.

Employee Benefits and On Costs are lower than anticipated by \$39,647 principally due to the timing of annual increases offset by casual staff. Variances in Materials and Contracts and Other Expenses are principally due to timing issues.

Accordingly no changes have been made to the Annual Forecast.

### Key Highlights

#### School Readiness Activities at Long Day Care

Many activities designed to support children making a successful transition to school took place during the quarter. Services have worked very closely with their local schools to ensure older children are ready, and positively connected to the schools, and significant improvements in communication between services and schools support transition, particularly for vulnerable families and children with additional support needs.

#### Family Day Care Carer Training

The Family Day Care program is well into a project to ensure that all carers are trained by 2012. The program now has 70% of carers trained, **well** ahead of target. The coordination unit is now aligning internal training with competencies under the National Qualification Framework, to ensure that all training delivered assists carers in achieving formal qualifications.

#### Accreditation

Both the Family Day Care program and Vacation Care were accredited by the National Childcare Accreditation Council at High Quality in all areas of service delivery. An outstanding achievement, reflecting the excellence of their practices.

**Financials**

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	851,924	851,924	0	4,197,162	4,197,162	4,339,162
User Charges & Fees	386,278	334,299	51,980	1,390,952	1,390,952	1,390,952
Interest & Investment Revenue	-	-	-	-	-	-
Other Revenues	18,759	-	18,759	21,396	21,396	21,396
Grants & Contributions - Operating Purposes	42,155	28,497	13,658	159,854	159,854	159,854
Grants & Contributions - Capital Purposes	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>1,299,116</b>	<b>1,214,720</b>	<b>84,397</b>	<b>5,769,364</b>	<b>5,769,364</b>	<b>5,911,364</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(606,515)	(606,585)	70	(3,047,371)	(3,047,371)	(3,103,371)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(186,268)	(167,601)	(18,667)	(752,837)	(752,837)	(838,837)
Depreciation and Amortisation	(82,257)	(82,257)	-	(329,162)	(329,162)	(329,162)
Other Expenses	(33,720)	(49,723)	16,003	(372,737)	(372,737)	(372,737)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	(37,834)	(38,008)	174	(184,846)	(184,846)	(184,846)
Overhead Allocation	(270,546)	(270,546)	-	(1,082,411)	(1,082,411)	(1,082,411)
<b>Total Expenses from Continuing Operations</b>	<b>(1,217,140)</b>	<b>(1,214,720)</b>	<b>(2,420)</b>	<b>(5,769,364)</b>	<b>(5,769,364)</b>	<b>(5,911,364)</b>
<b>Surplus/ (Deficit) from Continuing Operations</b>	<b>81,976</b>	<b>-</b>	<b>81,977</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Year to Date Actuals and Annual Forecast**

The Surplus from Continuing Operations at the end of the first quarter is effectively a timing difference related to higher than anticipated income partly offset by higher than anticipated expenses during this period.

The higher income principally relates timing differences including Vacation Care for the October School Holidays.

An anticipated forecast Deficit from Continuing Operations of \$(142,000) due to

- An increase in Employee Benefits and Oncosts of \$56,000 resulting from an extension to the lifeguard season at Freshwater and Dee Why Beaches to nine months; and
- An increase in Materials & Contracts of \$86,000 to fund a Risk Assessment Methodology and Assessment Project resulting from of an Internal Audit review.

has been offset by a corresponding surplus within the Cultural Services forecast. Rates and Annual Charges have been transferred from Cultural Services to reflect this.

### Key Highlights

#### Manly Vale Community Garden

On 11 September 2010 the Manly Vale Community Garden was officially opened. Michael Mobbs was the guest speaker at the official opening ceremony which was attended by the Mayor, Councillors, Manly Vale Community Garden committee members, volunteers and the public. More than 700 people visited the garden and enjoyed the free activities and entertainment.

#### Early Start to Beach Season

On 4 September 2010 patrols commenced 3 weeks in advance of the official beach season in response to increased demand on our 2 busiest beaches - Dee Why & Freshwater.

#### Draft Graffiti Management Plan

On 24 August 2010 Council resolved to invite public submissions on an innovative approach to Graffiti Management. Council's draft Graffiti Management Plan takes an evidence based approach to holistic graffiti management that recognises the limited success of zero -tolerance based approaches. Council is looking to take a more inclusive approach to preventative strategies by engaging with graffiti artists in a manner that allows them to express themselves without resorting to illegal pieces or tags. The draft Plan, including an analysis of the 13 submissions made whilst on public exhibition is due to be reported to the 19 October 2010 Council meeting.

#### 24/7 Film Festival

Youth Services successfully held the Annual 24/7 Film Festival, across the 3 local government regions. 28 young film makers participated, with a very popular final held at Warriewood Cinema.

## Financials

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	598,704	598,704	0	1,327,783	1,327,783	1,327,783
User Charges & Fees	842,808	772,811	69,997	3,955,883	3,955,883	3,955,883
Interest & Investment Revenue	-	-	-	-	-	-
Other Revenues	314,419	95,679	218,740	383,308	383,308	610,308
Grants & Contributions - Operating Purposes	-	-	-	-	-	-
Grants & Contributions - Capital Purposes	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>1,755,931</b>	<b>1,467,194</b>	<b>288,737</b>	<b>5,666,974</b>	<b>5,666,974</b>	<b>5,893,974</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(781,501)	(798,427)	16,926	(3,017,405)	(3,017,405)	(3,017,405)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(126,858)	(155,052)	28,194	(621,430)	(621,430)	(637,605)
Depreciation and Amortisation	-	-	-	-	-	-
Other Expenses	(85,883)	(16,500)	(69,383)	(65,041)	(65,041)	(125,866)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	(116,043)	(134,101)	18,058	(510,066)	(510,066)	(510,066)
Overhead Allocation	(363,114)	(363,114)	0	(1,453,031)	(1,453,031)	(1,453,031)
<b>Total Expenses from Continuing Operations</b>	<b>(1,473,399)</b>	<b>(1,467,194)</b>	<b>(6,205)</b>	<b>(5,666,974)</b>	<b>(5,666,974)</b>	<b>(5,743,974)</b>
<b>Surplus/(Deficit) from Continuing Operations</b>	<b>282,533</b>	<b>0</b>	<b>282,533</b>	<b>0</b>	<b>0</b>	<b>150,000</b>

### Year to Date Actuals and Annual Forecast

The Surplus from Continuing Operations relates to both higher than anticipated income and lower than anticipated expenses during the first quarter. This higher income relates to additional parking fees of \$69,997 and higher other fines of \$218,740. This reflects a greater emphasis on compliance enforcement and public safety measures. It is not possible to anticipate whether this higher level will continue for the full financial year, accordingly the annual forecast has been increased by \$227,000 to reflect the increase for the first quarter.

Agency Personnel costs and Stationery / External Printing costs are higher than anticipated due to costs incurred with the Parking Sticker scheme. Accordingly, an adjustment of \$77,000 has been made to the annual forecast to reflect this.

### Progress Capital Works and Key Initiatives



1 Key Initiatives at least 90% of target

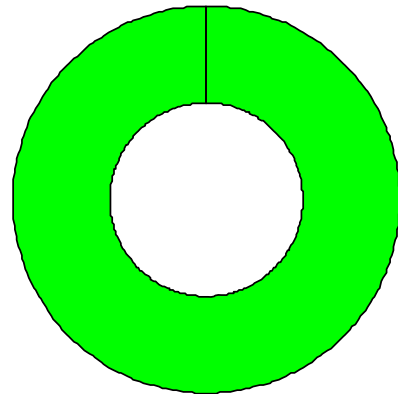


0 Key Initiatives between 70 and 90% of Action target achieved



0 Key Initiatives less than 70% of target

**Total 1 Actions**



100%

**Financials**

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	253,026	253,026	-	993,532	993,532	851,532
User Charges & Fees	165	2,276	(2,111)	8,640	8,640	4,755
Interest & Investment Revenue	-	-	-	-	-	-
Other Revenues	3,480	15,849	(12,369)	63,417	63,417	63,417
Grants & Contributions - Operating Purposes	-	-	-	-	-	-
Grants & Contributions - Capital Purposes	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>256,671</b>	<b>271,151</b>	<b>(14,480)</b>	<b>1,065,589</b>	<b>1,065,589</b>	<b>919,704</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(77,114)	(121,996)	44,882	(464,665)	(464,665)	(318,780)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(61,148)	(73,908)	12,760	(296,230)	(296,230)	(296,230)
Depreciation and Amortisation	-	-	-	-	-	-
Other Expenses	(8,264)	(21,982)	13,718	(87,928)	(87,928)	(87,928)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	526	(8,472)	8,998	(37,520)	(37,520)	(37,520)
Overhead Allocation	(44,793)	(44,793)	-	(179,246)	(179,246)	(179,246)
<b>Total Expenses from Continuing Operations</b>	<b>(190,793)</b>	<b>(271,151)</b>	<b>80,358</b>	<b>(1,065,589)</b>	<b>(1,065,589)</b>	<b>(919,704)</b>
<b>Surplus/ (Deficit) from Continuing Operations</b>	<b>65,879</b>	<b>-</b>	<b>65,879</b>	<b>-</b>	<b>-</b>	<b>-</b>




**Year to Date Actuals and Annual Forecast**

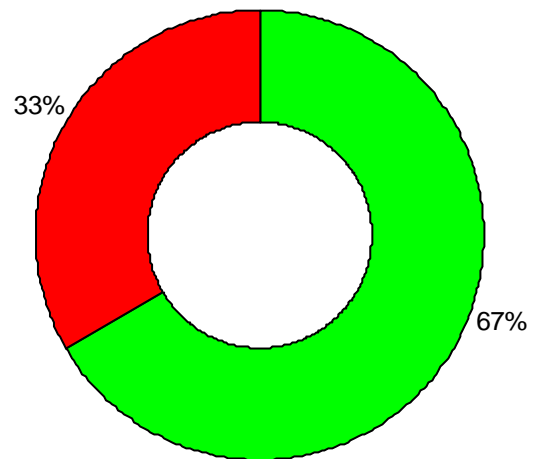
The Surplus from Continuing Operations at the end of the first quarter relates to lower than anticipated expenses during this period.

Employee Benefits and On Costs are less than anticipated due to vacancies which are anticipated to continue for the remainder of the year.

An anticipated Surplus from Continuing Operations for the full financial year of \$142,000 resulting from savings in Employee Benefits and OnCosts noted above has been offset by a corresponding deficit within the Community and Safety Services forecast. Rates and Annual Charges have been transferred to Community and Safety Services to reflect this.

**Progress Capital Works and Key Initiatives**

	2	Key Initiatives at least 90% of target
	0	Key Initiatives between 70 and 90% of Action target achieved
	1	Key Initiatives less than 70% of target
<b>Total</b>	<b>3</b>	<b>Actions</b>



The development of a public art strategy will be delayed until 2011-2012 as it is not resourced.

**Key Highlights**

**Warringah Art Exhibition**

The annual art competition attracted over 300 entries from local artists and more than 120 artworks were selected for exhibition. Nine awards were presented, a number sponsored by local businesses and a total of \$8,000 in prize money. Nearly 250 people attended the Opening Night and more than 1200 people visited the exhibition.

**Warringah Council Grants Program**

On 28 September 2010 Council approved the allocation of \$20,000 as part of the cultural grants program. The following organisation will receive the funding Northern Beaches Eisteddfod, Tibetan Association of Australia, Eurofest, Artfocus and Australian Dance Council – Ausdance NSW. A ceremony to present the cheques is scheduled for November.

**Local Government week 2010**

The theme ‘Building A Brighter Future’ was the focus of the 2010 Local Government Week. Over one hundred local primary school students visited Council and participated in a mock council meeting. Students had the opportunity to learn about the role of local government and engage in an interactive question and answer session. They also toured Dee Why Library.

**FairTrade Fair – International Day of Peace**

On Sunday 12 September Council hosted a FairTrade Fair to commemorate International Day of Peace in Warringah. Some 25 stall holders who all support fair trade came to the Oxford Falls Peace Park to promote the importance of buying and selling products that raise awareness about under developed countries. The Tibetan community presented a dance display and the Bahai Temple provided entertainment. The event was attended by approximately 50 - 70 people.

**Festival of Children’s Literature**

The festival aimed to promote reading and writing as a fun family activity and reached over 1600 young readers and writers in the local community. It included:

- The Warringah Young Writers Competition- 300 entries promoted throughout 4 Libraries
- Illustrator Workshop for kids - 60 students attended a free illustrator/ author workshop at Forestville Library

### Progress Capital Works and Key Initiatives

- Literary Lunch for Mums & Bubs - 45 parents and kids attended literary lunch at Glen Street Theatre
- Free Festival Fun Day - Approximately 700-900 parents and children attended the day at Belrose Library
- Gruffalo School Holiday Activity Program - approximately 240 children participated in Gruffalo holiday workshops
- 7 Ways with Words - This was a cultural development activity involving approximately 60-80 young Warringah writers and local youth drama students who worked together to produce a collaborative production.

### Citizenship Ceremonies

Each month Council hosts a ceremony to confer citizenship on local residents wishing to become Australian citizens. Approximately 240 local residents and their family and friends attended the three ceremonies in this quarter. These ceremonies are attended by local authorities, MPs, guest speakers and visiting musicians.

## Financials

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	1,000,138	1,000,138	-	3,789,197	3,789,197	3,789,197
User Charges & Fees	639,421	434,526	204,895	1,732,883	1,732,883	1,732,883
Interest & Investment Revenue	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-
Grants & Contributions - Operating Purposes	-	-	-	-	-	-
Grants & Contributions - Capital Purposes	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>1,639,559</b>	<b>1,434,664</b>	<b>204,895</b>	<b>5,522,080</b>	<b>5,522,080</b>	<b>5,522,080</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(808,029)	(875,134)	67,105	(3,302,297)	(3,302,297)	(3,302,297)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(24,095)	(49,599)	25,504	(200,543)	(200,543)	(200,543)
Depreciation and Amortisation	-	-	-	-	-	-
Other Expenses	(23,802)	(28,818)	5,016	(114,267)	(114,267)	(114,267)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	(93,461)	(104,028)	10,567	(396,029)	(396,029)	(396,029)
Overhead Allocation	(377,085)	(377,085)	0	(1,508,944)	(1,508,944)	(1,508,944)
<b>Total Expenses from Continuing Operations</b>	<b>(1,326,472)</b>	<b>(1,434,664)</b>	<b>108,192</b>	<b>(5,522,080)</b>	<b>(5,522,080)</b>	<b>(5,522,080)</b>
<b>Surplus/(Deficit) from Continuing Operations</b>	<b>313,087</b>	<b>-</b>	<b>313,087</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Year to Date Actuals and Annual Forecast

The Surplus from Continuing Operations largely relates to higher than anticipated development application fee income. This principally relates to five larger developments which may have been brought forward as a result of the pending gazettal of the new LEP. Insufficient information exists to anticipate whether this trend will continue for the financial year.

The remaining items contributing to the surplus are lower than anticipated employee costs related to unfilled vacancies and lower than anticipated fees for expert assistance associated with large developments.

Accordingly no changes have been made to the Annual Forecast.

### Progress Capital Works and Key Initiatives



1 Key Initiatives at least 90% of target

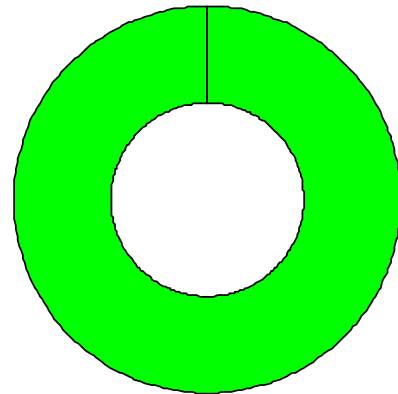


0 Key Initiatives between 70 and 90% of Action target achieved



0 Key Initiatives less than 70% of target

**Total 1 Actions**



100%

The action is on schedule.

## Financials

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	219,541	219,541	0	1,100,418	1,100,418	1,180,418
User Charges & Fees	531,687	655,844	(124,157)	2,091,037	2,091,037	1,806,989
Interest & Investment Revenue	14,816	10,500	4,316	42,000	42,000	50,816
Other Revenues	138,317	163,692	(25,375)	534,819	534,819	500,131
Grants & Contributions - Operating Purposes	0	0	0	0	0	0
Grants & Contributions - Capital Purposes	0	0	0	0	0	0
Gains on disposal of Assets	0	0	0	0	0	0
<b>Total Income from Continuing Operations</b>	<b>904,361</b>	<b>1,049,577</b>	<b>(145,216)</b>	<b>3,768,274</b>	<b>3,768,274</b>	<b>3,538,354</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(289,613)	(304,758)	15,145	(1,126,923)	(1,126,923)	(1,183,242)
Borrowing Costs	0	0	0	0	0	0
Materials and Contracts	(377,019)	(408,762)	31,743	(1,485,581)	(1,485,581)	(1,201,704)
Depreciation and Amortisation	(25,738)	(29,776)	4,038	(132,117)	(132,117)	(130,482)
Other Expenses	(112,263)	(142,449)	30,186	(369,299)	(369,299)	(372,205)
Loss on Disposal of Assets						
Share of Interest in Joint Venture	0	0	0	0	0	0
Internal Charges	(2,633)	(10,907)	8,274	(42,423)	(42,423)	(38,790)
Overhead Allocation	(152,925)	(152,925)	0	(611,931)	(611,931)	(611,931)
<b>Total Expenses from Continuing Operations</b>	<b>(960,191)</b>	<b>(1,049,577)</b>	<b>89,386</b>	<b>(3,768,274)</b>	<b>(3,768,274)</b>	<b>(3,538,354)</b>
<b>Surplus/(Deficit) from Continuing Operations</b>	<b>(55,830)</b>	<b>-</b>	<b>(55,830)</b>	<b>-</b>	<b>-</b>	<b>-</b>




### Year to Date Actuals and Annual Forecast

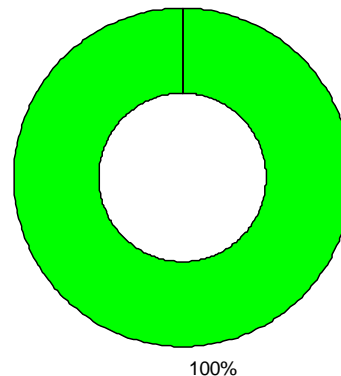
The Deficit from Continuing Operations relates to lower than anticipated income offset by lower than anticipated expenses during the first quarter.

The lower than anticipated income is due to lower attendance levels during the first quarter which is indicative of the current financial climate where discretionary expenditure on entertainment has been negatively impacted. The lower attendance levels have also impacted on over the counter food and beverage sales. This has been offset by a lower level of expenditure and these changes have been reflected in the annual forecast. In addition Rates Income has been adjusted to reflect a reallocation of maintenance costs from Corporate Support.

Accordingly, while changes have been made both Income and Expenses from Continuing Operations no changes have been made to the Annual Forecast in terms of the Surplus/(Deficit) from Continuing Operations.

## Progress Capital Works and Key Initiatives

	3	Key Initiatives at least 90% of target
	0	Key Initiatives between 70 and 90% of Action target achieved
	0	Key Initiatives less than 70% of target
<b>Total</b>	<b>3</b>	<b>Actions</b>



All capital works and key initiatives on schedule.

### Key Highlights

#### 25<sup>th</sup> Birthday Celebration

On the 6 July 2010 a Anniversary Concert was held to celebrate 25 years performing arts at Glen Street Theatre. The concert hosted by The Dane show cased the talents of many performers who have formed part of the rich tapestry of Glen Street.

#### Season Events

Two of Australia's leading actors graced the stage with Gary McDonald and Henri Szeps presenting a successful season of 'Halpern & Johnson'. This production was followed by Australia the Show and Rain Man. Music at the Glen continued with Stephen Fisher-King and Jonathon Welch

Children were catered for through KidsPlay with presentations of Gran's Bag, Playtime and Fox as well as Pacific Opera presenting Hansel and Gretel. The literary lunch series continued with a sell out crowd for Juanita Philips

Financials

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	1,439,969	1,439,969	-	5,493,572	5,493,572	5,493,572
User Charges & Fees	57,366	45,854	11,512	183,184	183,184	183,184
Interest & Investment Revenue	-	-	-	-	-	-
Other Revenues	2,707	9,500	(6,793)	38,000	38,000	38,000
Grants & Contributions - Operating Purposes	8,138	7,206	932	114,823	114,823	114,823
Grants & Contributions - Capital Purposes	-	64,500	(64,500)	258,000	258,000	258,000
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>1,508,181</b>	<b>1,567,029</b>	<b>(58,848)</b>	<b>6,087,579</b>	<b>6,087,579</b>	<b>6,087,579</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(928,344)	(961,908)	33,564	(3,651,680)	(3,651,680)	(3,651,680)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(68,155)	(138,979)	70,824	(555,935)	(555,935)	(555,935)
Depreciation and Amortisation	(141,498)	(141,498)	-	(566,222)	(566,222)	(566,222)
Other Expenses	(31,166)	(19,460)	(11,705)	(97,741)	(97,741)	(97,741)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	(34,980)	(33,012)	(1,968)	(126,896)	(126,896)	(126,896)
Overhead Allocation	(272,172)	(272,172)	-	(1,089,105)	(1,089,105)	(1,089,105)
<b>Total Expenses from Continuing Operations</b>	<b>(1,476,314)</b>	<b>(1,567,029)</b>	<b>90,715</b>	<b>(6,087,579)</b>	<b>(6,087,579)</b>	<b>(6,087,579)</b>
<b>Surplus/(Deficit) from Continuing Operations</b>	<b>31,866</b>	<b>-</b>	<b>31,866</b>	<b>-</b>	<b>-</b>	<b>-</b>

Year to Date Actuals and Annual Forecast

The Surplus from Continuing Operations at the end of the first quarter relates to both higher than anticipated income and lower than anticipated expenses during the first quarter.

This lower income principally relates to a timing difference of \$64,500 in relation to the Library Book Vote Grant offset by additional service fees of \$11,512. It is not possible to anticipate whether this higher level of service fees income will continue for the full financial year.

Employee Benefits and On Costs are less than anticipated due to vacancies and long service leave. The lower level of Materials and Contracts is principally due to timing issues.

Accordingly, there have been no changes to the annual forecast.

## Progress Capital Works and Key Initiatives



4 Key Initiatives at least 90% of target

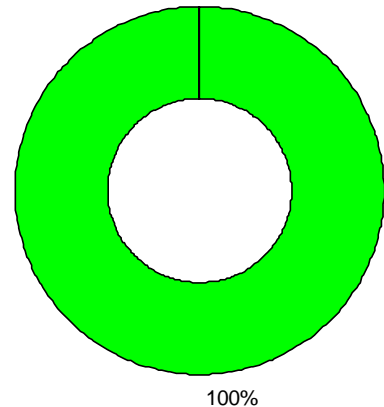


0 Key Initiatives between 70 and 90% of Action target achieved



0 Key Initiatives less than 70% of target

**Total 4 Actions**



All capital works and key initiatives on schedule.

## Key Highlights

### Library Upgrades

The Dee Why and Warringah Mall Libraries were recarpeted.

Plans have been finalised to commence the refurbishment of the Local Studies and staff areas of Dee Why library.

### Research Excellence Award

The Research Excellence Award program for students was completed in cooperation with local high schools and Northern Beaches College of TAFE.

### Festival of Children's Literature

The Festival of Children's Literature was delivered by the Library and Events Team.

### English Teaching Resource

The on-line availability of English Language The Road to IELTS commenced. This represents a significant upgrade to the English teaching resources available in this region.

**Financials**

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	-	-	-	-	-	-
User Charges & Fees	3,849,557	4,042,387	(192,830)	17,096,390	17,096,390	17,096,390
Interest & Investment Revenue	100,553	59,976	40,577	240,000	240,000	240,000
Other Revenues	314,920	186,549	128,371	746,494	746,494	746,494
Grants & Contributions - Operating Purposes	-	-	-	-	-	-
Grants & Contributions - Capital Purposes	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>4,265,030</b>	<b>4,288,912</b>	<b>(23,882)</b>	<b>18,082,884</b>	<b>18,082,884</b>	<b>18,082,884</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(513,309)	(522,493)	9,184	(2,290,887)	(2,290,887)	(2,290,887)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(1,958,539)	(1,983,684)	25,145	(7,937,919)	(7,937,919)	(7,937,919)
Depreciation and Amortisation	(56,481)	(32,582)	(23,899)	(290,440)	(290,440)	(290,440)
Other Expenses	(1,323,418)	(1,321,337)	(2,081)	(5,567,575)	(5,567,575)	(5,567,575)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	-	-	-	-	-	-
Overhead Allocation	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>(3,851,747)</b>	<b>(3,860,096)</b>	<b>8,349</b>	<b>(16,086,821)</b>	<b>(16,086,821)</b>	<b>(16,086,821)</b>
<b>Surplus/(Deficit) from Continuing Operations</b>	<b>413,283</b>	<b>428,816</b>	<b>(15,533)</b>	<b>1,996,063</b>	<b>1,996,063</b>	<b>1,996,063</b>

**Year to Date Actuals and Annual Forecast**

The Surplus from Continuing Operations is tracking lower than budget during the first quarter principally due to lower than anticipated revenue.

User Fees & Charges are behind budget as a result of lower than anticipated tip fees due to lower tonnage. Other revenues are ahead of budget due mainly to higher recycling revenue.

Expenses from continuing Operations are lower than anticipated due primarily to timing issues.

Insufficient information exists to anticipate whether this trend will continue for the full financial year. Accordingly, no changes have been made to the Annual Forecast.

## Financials

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	2,726,535	2,726,535	-	9,368,094	9,368,094	10,389,061
User Charges & Fees	10,152	13,663	(3,511)	50,535	50,535	50,535
Interest & Investment Revenue	-	-	-	-	-	-
Other Revenues	5	-	5	-	-	-
Grants & Contributions - Operating Purposes	-	-	-	546,920	546,920	567,220
Grants & Contributions - Capital Purposes	-	-	-	2,875,000	2,875,000	1,906,352
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>2,736,693</b>	<b>2,740,198</b>	<b>(3,505)</b>	<b>12,840,548</b>	<b>12,840,548</b>	<b>12,913,167</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(741,008)	(714,307)	(26,701)	(2,436,883)	(2,436,883)	(2,536,315)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(245,377)	(533,372)	287,995	(4,420,518)	(4,420,518)	(4,354,594)
Depreciation and Amortisation	(830,856)	(830,856)	-	(3,324,748)	(3,324,748)	(3,324,748)
Other Expenses	(33,390)	(27,693)	(5,698)	(135,698)	(135,698)	(245,186)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	(289,979)	(296,284)	6,305	(1,171,420)	(1,171,420)	(1,170,044)
Overhead Allocation	(337,686)	(337,686)	-	(1,351,281)	(1,351,281)	(1,351,281)
<b>Total Expenses from Continuing Operations</b>	<b>(2,478,296)</b>	<b>(2,740,198)</b>	<b>261,902</b>	<b>(12,840,548)</b>	<b>(12,840,548)</b>	<b>(12,982,168)</b>
<b>Surplus/ (Deficit) from Continuing Operations</b>	<b>258,396</b>	<b>-</b>	<b>258,396</b>	<b>-</b>	<b>-</b>	<b>(69,000)</b>

### Year to Date Actuals and Annual Forecast




The Surplus from Continuing Operations at the end of the first quarter is effectively a timing difference related to lower than anticipated expenses during this period.

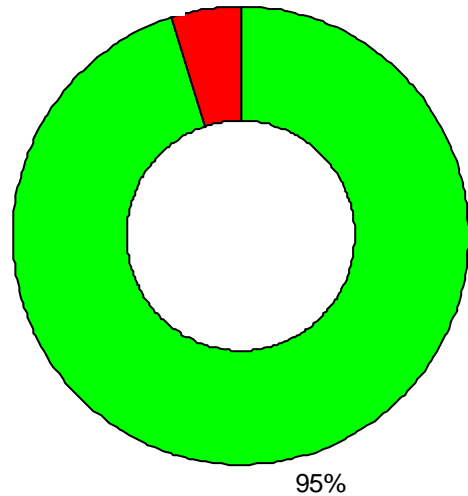
The lower expenses have resulted from delays in the finalisation of bush regeneration contracts.

The forecast increase in rates relates to the reallocation from Corporate Support in respect of a reduction in forecast capital grants for the financial year.

A Deficit from Continuing Operations for the full financial year of \$69,000 is anticipated which has been offset by a corresponding surplus within the Corporate Support Services forecast. This has resulted from higher than anticipated expenditure in relation to the Manly Lagoon Flood Study and the Hawkesbury Avenue projects.

Progress Capital Works and Key Initiatives

	19	Key Initiatives at least 90% of target
	0	Key Initiatives between 70 and 90% of Action target achieved
	1	Key Initiatives less than 70% of target
<b>Total</b>	<b>20</b>	<b>Actions</b>



The majority of capital works and key initiatives are on schedule. Stage 1 construction on Narrabeen Lagoon Multi Use Trail commenced in July. Delays have occurred and we are working with the contractor to bring stage 1 back on schedule.

Key Highlights

**Bush Regeneration**

Over 30 bush regeneration contracts have been commissioned to help improve the biodiversity of Warringah bushland areas. The works include bush regeneration of high priority bushland, wildlife corridors, threatened species areas and fire management access zones. This work encompasses over 300 hectares of bushland and occurs at 136 sites across Warringah.

**Feral Animal Control**

Feral animal control has been ongoing and has targeted foxes and rabbits. Fox control has been undertaken at Manly Dam, Middle Creek, Deep Creek, Dee Why Lagoon and Red Hill. Rabbit control has been carried out at Narrabeen, Dee Why, Collaroy, Forestville, Killarney Heights, and Oxford Falls.

**Environmental Workshops**

A number of workshops on sustainability and waste reduction have been held to educate the community on a variety of environmental issues. Workshops and community activities undertaken through the Narrabeen Lagoon Creating a Sustainable Catchment grant project include four Sustainable Champions workshops, two eco-paddles, a guided bushwalk and youth photography workshop. Seven waste education workshops have also been undertaken that were aimed at educating residents to reduced their waste through buying less and recycling waste materials and also to swap goods of value either at organised swap events or through charity organisations.

**Contracts Entered Into**

During this quarter three major contracts were executed. These included the contracts for the construction of Stage 1 of the Narrabeen Lagoon Multi Use Trail, the design of Stage 2 of the Narrabeen Multi Use Trail and the design of the upgrade to the Dee Why CBD stormwater network. Emergency repairs on a stormwater pipe and associated road works at Harbord Road were also completed.

### Progress Capital Works and Key Initiatives

Consultants were appointed to prepare the Narrabeen Lagoon Plan of Management, a due diligence report has been prepared and the community consultation process has commenced.

In partnership with Manly Council, consultants were engaged to survey the stormwater infrastructure within the Manly Lagoon catchment. This data will be used for the preparation of the Manly Lagoon Flood Study.

#### Waterways and Riparian Land Policy

During this quarter the Waterways and Riparian Land Policy was adopted by Council.

#### Coastal Erosion Emergency Action Plan

A public forum for the development of the Coastal Erosion Emergency Action Plan was held with over 150 attendees. The Forum successfully achieved the community engagement objectives and provided information to the community on coastline hazards.

#### Beach Nourishment

10,000 tonnes of sand from a development site at Narrabeen was secured for beach nourishment works on the Narrabeen-Collaroy Beach.

## Financials

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	1,790,697	1,790,697	-	6,988,527	6,988,527	6,988,527
User Charges & Fees	397,496	190,572	206,924	268,510	268,510	398,510
Interest & Investment Revenue	-	-	-	-	-	-
Other Revenues	7,685	-	7,685	-	-	-
Grants & Contributions - Operating Purposes	-	-	-	-	-	-
Grants & Contributions - Capital Purposes	100,000	100,000	-	1,600,000	0	100,000
Gains on disposal of Assets	-	-	-	-	0	-
<b>Total Income from Continuing Operations</b>	<b>2,295,878</b>	<b>2,081,269</b>	<b>214,609</b>	<b>8,857,037</b>	<b>7,257,037</b>	<b>7,487,037</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(761,520)	(840,029)	78,509	(3,182,923)	(3,182,923)	(3,182,923)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(645,693)	(762,623)	116,930	(3,776,967)	(3,776,967)	(3,776,967)
Depreciation and Amortisation	-	-	-	-	-	-
Other Expenses	(30,207)	(9,459)	(20,747)	(41,603)	(41,603)	(41,603)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	(82,277)	(113,796)	31,519	(433,537)	(433,537)	(433,537)
Overhead Allocation	(355,362)	(355,362)	-	(1,422,007)	(1,422,007)	(1,422,007)
<b>Total Expenses from Continuing Operations</b>	<b>(1,875,059)</b>	<b>(2,081,269)</b>	<b>206,210</b>	<b>(8,857,037)</b>	<b>(8,857,037)</b>	<b>(8,857,037)</b>
<b>Surplus/ (Deficit) from Continuing Operations</b>	<b>420,820</b>	<b>-</b>	<b>420,820</b>	<b>-</b>	<b>(1,600,000)</b>	<b>(1,370,000)</b>




## Year to Date Actuals and Annual Forecast

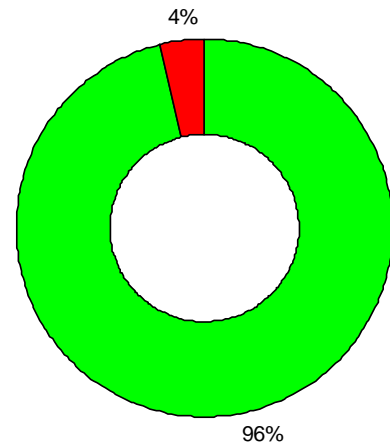
The Surplus from Continuing Operations at the end of the first quarter is effectively a timing difference related to unbudgeted income and lower than anticipated expenses during this period.

The higher income relates to outstanding Sports Union Sportsfield contributions from winter 2009 to summer 2010 as well as two circuses which had not been budgeted. Employee Benefits and OnCosts are lower due to vacancies within Manly Dam and the Parks, Reserves, Foreshores administration area. Materials and Contracts are also lower due to the timing of foreshores contracts in relation to fencing and general maintenance of \$109,000. Internal Charges are lower due to vehicle replacements with more economical models.

A Deficit from Continuing Operations of \$1,370,000 is anticipated for the full financial year due to a decrease in Total Income from Continuing Operations. The annual forecast for User Fees and Charges has been increased by \$130,000 to reflect the Sports Union Sportsfield contributions and circus revenue noted. The forecast for Grants and Contributions has been decreased by \$1,600,000 in relation to the Collaroy Disability Access Tourism Precinct project and increased by \$100,000 for a grant received by the Department of Sport and Recreation in relation to the Nolans Reserve.

**Progress Capital Works and Key Initiatives**

	25	Action at least 90% of target
	0	Actions between 70 and 90% of Action target achieved
	1	Actions less than 70% of target
<b>Total</b>	<b>26</b>	<b>Actions</b>



The majority of capital works and key initiatives are on schedule. Weldon Reserve Sportsfield rectification works has been impacted on by wet weather. The consultation process on the Manly Warringah War Memorial Park Plan of Management has been extended to enhance discussion with the community on the values of the Park which has delayed this project.

**Key Highlights**

**Manly Vale Community gains a playground and a community garden**

On Saturday 11 September Councils first community garden and playground was opened at Innes Road Manly Vale. The community garden will provide food forests with edible shrubs and trees, compost bins and a mixture of vegetable plot managed by the Manly Vale Community Garden Incorporated. The new playground features junior and senior play areas with challenging play equipment where children can enjoy the 4 metre space net, natural play elements and open green space.

## Financials

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	6,546,868	6,397,788	149,080	24,629,131	24,629,131	24,779,131
User Charges & Fees	359,715	340,386	19,329	1,254,937	1,254,937	1,254,937
Interest & Investment Revenue	6,499	-	6,499	-	-	-
Other Revenues	7,343	-	7,343	490,000	490,000	730,000
Grants & Contributions - Operating Purposes	577,568	486,316	91,252	2,433,420	2,433,420	2,433,420
Grants & Contributions - Capital Purposes	239,530	215,030	24,500	1,769,427	1,169,427	1,169,427
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>7,737,523</b>	<b>7,439,520</b>	<b>298,003</b>	<b>30,576,915</b>	<b>29,976,915</b>	<b>30,366,915</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(977,960)	(1,090,065)	112,105	(4,148,486)	(4,148,486)	(4,148,486)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(3,996,641)	(3,915,888)	(80,753)	(16,915,949)	(16,982,058)	(17,372,058)
Depreciation and Amortisation	(870,594)	(870,594)	0	(3,483,764)	(3,483,764)	(3,483,764)
Other Expenses	(597,769)	(623,999)	26,230	(2,379,676)	(2,379,676)	(2,379,676)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	(229,086)	(288,327)	59,241	(1,131,039)	(1,131,039)	(1,131,039)
Overhead Allocation	(629,253)	(629,253)	-	(2,518,001)	(2,518,001)	(2,518,001)
<b>Total Expenses from Continuing Operations</b>	<b>(7,301,303)</b>	<b>(7,418,126)</b>	<b>116,823</b>	<b>(30,576,915)</b>	<b>(30,643,024)</b>	<b>(31,033,024)</b>
<b>Surplus/(Deficit) from Continuing Operations</b>	<b>436,220</b>	<b>21,394</b>	<b>414,826</b>	<b>-</b>	<b>(666,109)</b>	<b>(666,109)</b>

## Year to Date Actuals and Annual Forecast

The Surplus from Continuing Operations at the end of the first quarter is effectively a timing difference related to unbudgeted income and lower than anticipated expenses during this period.

The higher income relates to higher than anticipated road restoration contributions of \$100,000 and Domestic Waste Management Charges (DWMC) of \$150,000. The higher level of restoration income is a timing difference with the related works to be completed later in the year. The additional DWMC arise from supplementary notices from property sub divisions which results in an increase in the number of properties to be serviced. A higher level of expenses will be incurred over the balance of the financial year as the additional domestic waste services to which the higher income relates to is undertaken. Employee Benefits and On Costs are lower than anticipated by \$110,000 due to some vacancies and annual leave patterns. Other variances in Materials and Contracts and Other Expenses are principally due to timing issues.

Total Income from Continuing Operations for the full financial year is anticipated to decrease by \$210,000. This is represented by the increase in DWMC of \$150,000 as well as a rebate from the Department of Environment and Conservation of \$240,000 offset by a decrease of \$600,000 in capital grants relating to the Collaroy Disability Precinct. Total Expenses from Continuing Operations are forecast to increase by \$456,109. This represents expenses related to DWMC of \$150,000, new sign posting and other costs within Council's Beach Reserve parking areas as a result of a Council resolution on 27 July 2010 of \$66,109 and expenditures related to a rebate from the Department of Environment and Conservation of \$240,000.

The net impact to the annual forecast is a Deficit from Continuing Operations of \$666,109.

Progress Capital Works and Key Initiatives



27 Action at least 90% of target

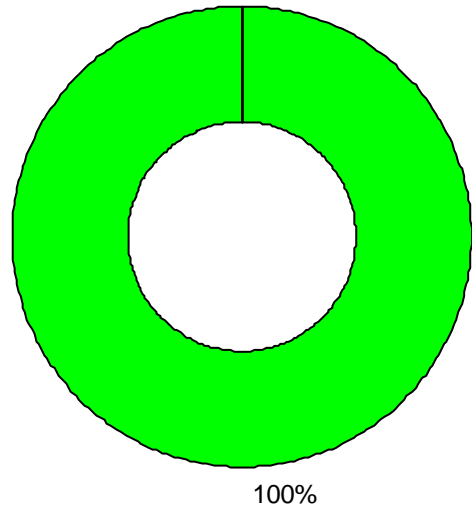


0 Actions between 70 and 90% of Action target achieved



0 Actions less than 70% of target

**Total 27 Actions**



All capital works and key initiatives are on schedule.

Key Highlights

Chemical Cleanout

A Chemical Cleanout was successfully completed on first weekend of September. Some 2017 cars visited the collection and 73 tonnes of chemicals were recovered for safe disposal.

Traffic Management

Investigated and reported 61 traffic matters to Warringah Traffic Committee. This resulted in the issuing of 26 new work Instructions to the Roads and Traffic Authority (RTA) for various traffic facilities to manage parking, traffic flow and safety on Council's road network.

Completed the Queenscliff Parking and Traffic Remediation Survey and reported to Council.

Developed a Bicycle Facilities Program for implementation in the 2010/2011 financial year.

Road Maintenance

1150 maintenance tasks completed to the end of September.

130 calls for after hours assistance was received by Council.

Road Construction

Road resurfacing construction program commenced as well as the footpath and Kerb and Gutter programs.

## Financials




	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	452,281	452,281	-	1,728,580	1,728,580	1,728,580
User Charges & Fees	117,362	103,510	13,852	413,264	413,264	413,264
Interest & Investment Revenue	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-
Grants & Contributions - Operating Purposes	-	-	-	-	-	-
Grants & Contributions - Capital Purposes	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>569,643</b>	<b>555,791</b>	<b>13,852</b>	<b>2,141,844</b>	<b>2,141,844</b>	<b>2,141,844</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(276,379)	(341,336)	64,957	(1,287,494)	(1,287,494)	(1,287,494)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(17,409)	(36,948)	19,539	(149,800)	(149,800)	(149,800)
Depreciation and Amortisation	-	-	-	-	-	-
Other Expenses	(15,678)	(7,580)	(8,098)	(30,150)	(30,150)	(30,150)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	(19,057)	(29,383)	10,326	(112,007)	(112,007)	(112,007)
Overhead Allocation	(140,544)	(140,544)	-	(562,393)	(562,393)	(562,393)
<b>Total Expenses from Continuing Operations</b>	<b>(469,068)</b>	<b>(555,791)</b>	<b>86,723</b>	<b>(2,141,844)</b>	<b>(2,141,844)</b>	<b>(2,141,844)</b>
<b>Surplus/ (Deficit) from Continuing Operations</b>	<b>100,575</b>	<b>0</b>	<b>100,575</b>	<b>0</b>	<b>0</b>	<b>0</b>

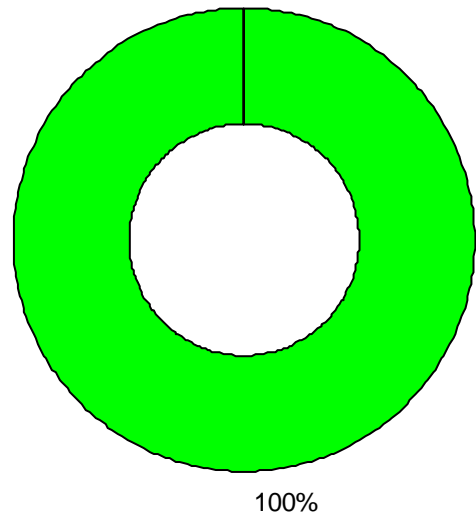
### Year to Date Actuals and Annual Forecast

The Surplus from Continuing Operations largely relates to lower employee costs as a result of vacancies which have not been filled as quickly as intended. The remaining items contributing to the surplus are slightly higher than anticipated Section 149 fees and lower than anticipated materials and contracts costs relating to timing issues.

Accordingly, no changes have been made to the Annual Forecast.

### Progress Capital Works and Key Initiatives

	11	Key Initiatives at least 90% of target
	0	Key Initiatives between 70 and 90% of Action target achieved
	0	Key Initiatives less than 70% of target
<b>Total</b>	<b>11</b>	<b>Actions</b>



All key initiatives are on schedule.

### Key Highlights

#### Awards - Talk of the Town 2010

Warringah Council has won the International Association for Public Participation (IAP2) award for 'Robust Public Participation Process' for Talk of the Town 2010. The IAP2 is the peak body for public participation and this national award recognises the extensive campaign Council undertook with Talk of the Town to engage the community to determine the future of housing in Warringah.

The Talk of the Town 2010 also won a Highly Commended Award for Excellence in Engaging and Serving the Community from the Local Government Management Association NSW.

#### Warringah Bike Plan

The Bike Plan was adopted by Council at its meeting on 24 August 2010. It provides the basis for cycling infrastructure and education to deliver a better environment for cycling in Warringah. It also outlines various promotion strategies and events to encourage more people to ride their bikes for local trips to the beach, the shops, school or the bus, for transport, recreation, fitness and fun.

**Financials**

	<b>YTD Actual \$</b>	<b>YTD Budget \$</b>	<b>YTD Variance \$</b>	<b>Annual Budget \$</b>	<b>Approved Forecast \$</b>	<b>Current Forecast \$</b>
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	445,511	445,511	0	1,549,874	1,549,874	1,549,874
User Charges & Fees	437,802	499,734	(61,932)	2,067,147	2,067,147	2,067,147
Interest & Investment Revenue	-	-	-	-	-	-
Other Revenues	42,306	53,544	(11,238)	221,000	221,000	221,000
Grants & Contributions - Operating Purposes	-	-	-	-	-	-
Grants & Contributions - Capital Purposes	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>925,618</b>	<b>998,789</b>	<b>(73,171)</b>	<b>3,838,021</b>	<b>3,838,021</b>	<b>3,838,021</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(423,865)	(533,419)	109,554	(2,057,717)	(2,057,717)	(2,057,717)
Borrowing Costs	(988)	-	(988)	-	-	-
Materials and Contracts	(135,390)	(138,594)	3,204	(536,905)	(536,905)	(536,905)
Depreciation and Amortisation	(60,989)	(60,777)	(212)	(243,200)	(243,200)	(243,200)
Other Expenses	(88,772)	(83,505)	(5,267)	(271,101)	(271,101)	(271,101)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	(18,571)	(18,532)	(39)	(72,979)	(72,979)	(72,979)
Overhead Allocation	(163,962)	(163,962)	-	(656,118)	(656,118)	(656,118)
<b>Total Expenses from Continuing Operations</b>	<b>(892,538)</b>	<b>(998,789)</b>	<b>106,251</b>	<b>(3,838,021)</b>	<b>(3,838,021)</b>	<b>(3,838,021)</b>
<b>Surplus/ (Deficit) from Continuing Operations</b>	<b>33,081</b>	<b>-</b>	<b>33,081</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Year to Date Actuals and Annual Forecast**

The Surplus from Continuing Operations at the end of the first quarter is effectively related to lower income and lower than anticipated expenses during this period.

The lower income relates to lower than anticipated swim program revenue due to a shortage of skilled staff to run the program. This has led to an 18% reduction in the size of the program from the previous year with a corresponding reduction within Employee Benefits and OnCosts. Other Expenses are higher than anticipated due to higher electricity charges where a 14% decrease in consumption has been offset by a 30% increase in cost.

Insufficient information exists to anticipate whether this trend will continue for the full financial year. Accordingly, no changes have been made to the Annual Forecast.

### Progress Capital Works and Key Initiatives



1 Action at least 90% of target

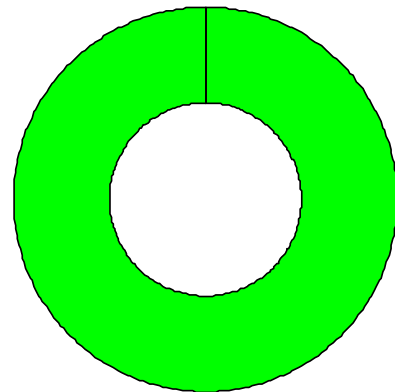


0 Actions between 70 and 90% of Action target achieved



0 Actions less than 70% of target

**Total 1 Actions**



100%

All capital works and key initiatives are on schedule.

### Key Highlights

#### Energy and Water Savings

Over the last couple of years a range of capital works and operational changes have improved the energy and water efficiency of the facility. New plant and equipment has been installed; operational procedures changed; closer and more regular monitoring of consumption patterns instigated plus users of the facility have chipped in by reducing water usage in showers.

As a result electricity consumption is 14% down on September 2009, and water consumption is down 100 kilolitres per week.

## Financials

	YTD Actual \$	YTD Budget \$	YTD Variance \$	Annual Budget \$	Approved Forecast \$	Current Forecast \$
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	3,059,171	2,871,540	187,631	11,486,160	11,486,160	10,385,193
User Charges & Fees	691,236	674,674	16,562	2,498,046	2,498,046	2,498,046
Interest & Investment Revenue	1,357,491	1,066,447	291,043	3,919,701	3,919,701	4,060,885
Other Revenues	480,808	400,110	80,698	1,556,055	1,556,055	1,516,055
Grants & Contributions - Operating Purposes	-	601,196	(601,196)	820,000	820,000	820,000
Grants & Contributions - Capital Purposes	788,246	592,824	195,422	3,200,000	2,800,000	2,800,000
Gains on disposal of Assets	111,189	-	111,189	-	-	0
<b>Total Income from Continuing Operations</b>	<b>6,488,141</b>	<b>6,206,791</b>	<b>281,349</b>	<b>23,479,962</b>	<b>23,079,962</b>	<b>22,080,179</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(4,055,262)	(4,161,188)	105,926	(16,720,088)	(16,720,088)	(16,720,088)
Borrowing Costs	(22,994)	(20,128)	(2,866)	(258,645)	(258,645)	(258,645)
Materials and Contracts	(2,471,851)	(2,472,363)	512	(9,558,363)	(9,558,363)	(9,558,363)
Depreciation and Amortisation	(1,430,191)	(1,248,469)	(181,722)	(4,855,822)	(4,855,822)	(4,855,822)
Other Expenses	(1,242,089)	(813,418)	(428,670)	(3,403,801)	(3,403,801)	(3,403,801)
Loss on Disposal of Assets	-	-	-	-	-	-
Share Of Interest In Joint Ventures	-	(117,561)	117,561	(470,245)	(470,245)	(470,245)
Internal Charges	1,001,646	1,154,033	(152,387)	4,524,949	4,524,949	4,516,360
Overhead Allocation	3,757,902	3,757,902	-	15,037,251	15,037,251	15,037,251
<b>Total Expenses from Continuing Operations</b>	<b>(4,462,839)</b>	<b>(3,921,193)</b>	<b>(541,647)</b>	<b>(15,704,764)</b>	<b>(15,704,764)</b>	<b>(15,713,353)</b>
<b>Surplus/ (Deficit) from Continuing Operations</b>	<b>2,025,301</b>	<b>2,285,599</b>	<b>(260,297)</b>	<b>7,775,198</b>	<b>7,375,198</b>	<b>6,366,826</b>

## Year to Date Actuals and Annual Forecast




The Surplus from Continuing Operations is tracking lower than budget during the first quarter principally due to timing differences.

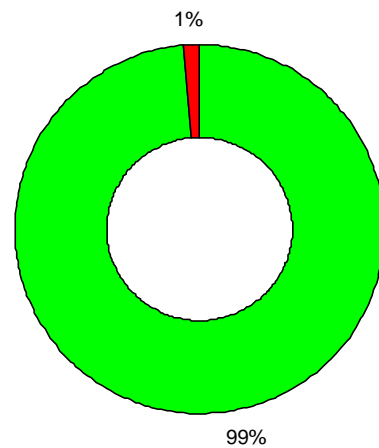
Rates are tracking ahead of budget due to Supplementary Rates Notices, however, it is anticipated that this may reduce over the balance of the financial year as objections are processed against property revaluations which have occurred. Interest and Investment Revenues are tracking ahead of budget reflecting Council achieving interest rates above the benchmark by 1.27% during the first quarter. Other Revenues are tracking ahead of budget as a result of Insurance Fees and Legal Fees Recovered. Grants and Contributions for Operating Purposes are tracking behind budget which principally relates to timing in respect of RFS and SES. Grants and Contributions for Capital Purposes are tracking ahead budget due to Section 94A contributions.

Employee Benefits and Oncosts are tracking behind budget principally due to vacancies and the timing of training. Depreciation is tracking ahead of budget due to the phasing of asset retirements. Other Expenses are tracking ahead of budget due to timing of Insurance Premiums, an increase Agency Costs associated with the vacancies noted above and costs of the RFS and SES Joint Ventures which will be allocated to the Share of Joint Ventures over the balance of the financial year.

The annual forecasted Surplus from Continuing Operations has been adjusted to reflect the movement of Rates to Natural Environment and Glen Street Theatre, Interest and Investment increasing by \$150,000 and a minor change in Internal Charges reflecting lower fleet costs.

Progress Capital Works and Key Initiatives

	67	Action at least 90% of target
	0	Actions between 70 and 90% of Action target achieved
	1	Actions less than 70% of target
<b>Total</b>	<b>68</b>	<b>Actions</b>



The majority of capital works and key initiatives are on schedule. Renewal works on Collaroy Surf Life Saving Club has been delayed and will not be completed this financial year. These funds are being redirected to the Entertainment Works at this building as a result of the Federal government not approving grant funding for the works on the Collary Access Precinct (Council meeting 3 August 2010).

Key Highlights

Improving Access to Council Information

The Government Information (Public Access) Act 2009 came into effect on 1 July 2010 and provides greater access for the public to information held by councils. The new provisions encourage proactive release of information and only minor changes/additions were required to Council's website to ensure the new requirements were met.

**Financials**

	<b>YTD Actual \$</b>	<b>YTD Budget \$</b>	<b>YTD Variance \$</b>	<b>Annual Budget \$</b>	<b>Approved Forecast \$</b>	<b>Current Forecast \$</b>
<b>Income from Continuing Operations</b>						
Rates and Annual Charges	1,109,794	1,109,794	0	4,473,144	4,473,144	4,473,144
User Charges & Fees	2,382	4,554	(2,172)	17,280	17,280	17,280
Interest & Investment Revenue	-	-	-	-	-	-
Other Revenues	-	21,453	(21,453)	85,850	85,850	85,850
Grants & Contributions - Operating Purposes	679,142	679,142	0	2,716,571	2,716,571	2,716,571
Grants & Contributions - Capital Purposes	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>1,791,318</b>	<b>1,814,943</b>	<b>(23,625)</b>	<b>7,292,845</b>	<b>7,292,845</b>	<b>7,292,845</b>
<b>Expenses from Continuing Operations</b>						
Employee Benefits & Oncosts	(559,008)	(567,409)	8,401	(2,140,974)	(2,140,974)	(2,140,974)
Borrowing Costs	-	-	-	-	-	-
Materials and Contracts	(62,852)	(145,406)	82,554	(772,368)	(772,368)	(772,368)
Depreciation and Amortisation	-	-	-	-	-	-
Other Expenses	(785,648)	(782,456)	(3,192)	(3,103,594)	(3,103,594)	(3,103,594)
Loss on Disposal of Assets	-	-	-	-	-	-
Share of Interest in Joint Venture	-	-	-	-	-	-
Internal Charges	(28,449)	(32,380)	3,931	(126,285)	(126,285)	(126,285)
Overhead Allocation	(287,292)	(287,292)	-	(1,149,625)	(1,149,625)	(1,149,625)
<b>Total Expenses from Continuing Operations</b>	<b>(1,723,250)</b>	<b>(1,814,943)</b>	<b>91,693</b>	<b>(7,292,845)</b>	<b>(7,292,845)</b>	<b>(7,292,845)</b>
<b>Surplus/ (Deficit) from Continuing Operations</b>	<b>68,068</b>	<b>-</b>	<b>68,068</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Year to Date Actuals and Annual Forecast**

The Surplus from Continuing Operations largely relates to timing issues within Materials and Contracts.

Accordingly no changes have been made to the Annual Forecast.

Progress Capital Works and Key Initiatives



7 Key Initiatives at least 90% of target

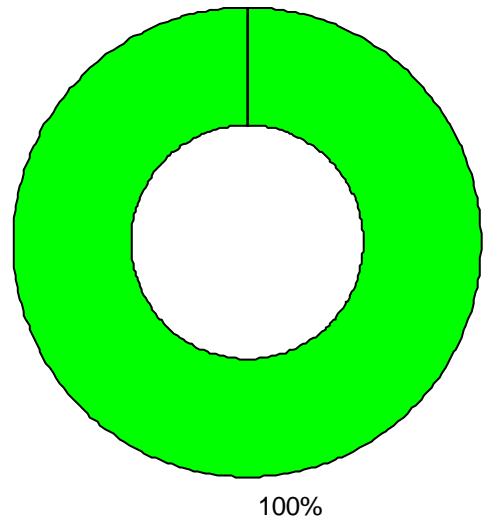


0 Key Initiatives between 70 and 90% of Action target achieved



0 Key Initiatives less than 70% of target

**Total 7 Actions**



All key initiatives are on schedule.

Key Highlights

Annual Report

The Annual Report 2009-2010 was present to Council on 27 September 2010. The time taken to for the report to be publicly available has significantly improved, in previous years the report has not been available until November. Further improvements in the development of the report will result in the report being available in August each year.

Economic Development

A range of seminar were provide for businesses this quarter including

- Microbiz week 2010 where 90 Home-based businesses attended to listen to a key note speaker from NSW Department of Industry and Investment;
- Small Business September 2010 – with over 200 attendees for Warringah getting to know State & Federal business agencies and ‘Pricing for Small Business’; and
- Programs - Young Entrepreneurs – 16 companies graduated after a 6 week mentoring with NSW DII and the current Over 45’S Entrepreneurs.