



LEETON  
SHIRE COUNCIL

**ITEM 7.6 - QUARTERLY BUDGET REVIEW  
STATEMENT – ENDING 31 MARCH 2024**

MAY 2024 ORDINARY COUNCIL MEETING

TO BE HELD IN THE  
COUNCIL CHAMBERS  
23-25 CHELMSFORD PLACE  
LEETON NSW 2705

Authorised for release: Jackie Kruger General Manager

**CORPORATE MATTERS**

**7.6 2023/24 BUDGET REVIEW FOR THE QUARTER ENDING 30  
MARCH 2024 (SEPARATE REPORT) .....2**

## CORPORATE MATTERS

### **ITEM 8.6          2023/24 BUDGET REVIEW FOR THE QUARTER ENDING 30 MARCH 2024**

<b>RECORD NUMBER</b>	24/101
<b>RELATED FILE NUMBER</b>	EF24/97
<b>AUTHOR/S</b>	Director Corporate / CFO
<b>APPROVER/S</b>	General Manager

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## SUMMARY/PURPOSE

The purpose of the Quarterly Budget Review (QBR) is to provide a summary of Council's financial position as at the end of the third quarter (31 March 2024) for the Year Ending 30 June 2024.

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## RECOMMENDATION

THAT Council reviews and considers the Quarterly Budget Review (QBR) as at 31 March 2024, and approves the changes recommended by Management.

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## REPORT

### **(a) Background**

The Quarterly Budget Review (QBR) is required to be prepared quarterly in a prescribed format to inform Council of progress against the original budget along with recommended changes and reasons for the variances.

### **(b) Discussion**

A copy of the QBR document is provided at (**Attachment 1**). The updated figures continue to better highlight the impacts of current activity on not only Council's Operating result but also Council's unrestricted cash position that is used for everyday cash flow purposes.

The March Budget Review has seen the key short term remedial items recommended from the December Budget Review being applied:

1. Using \$4.6M from the following internal reserves to help fund the unrestricted cash deficit:
    - a. \$1.00M from the Roads Reserve,
    - b. \$1.20M from Unfinished Works Reserve,
    - c. \$1.00M from Infrastructure Replacement Reserve,
    - d. \$0.45M from Pool Reserve,
    - e. \$0.50M from Buildings Reserve,
    - f. \$0.30M from Sportsground Reserve,
    - g. \$0.15M from Land Development Reserve.
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2. Identifying capital and/or operational program savings as part of March Budget Review to ensure a surplus unrestricted cash position.

Council has seen a significant improvement in the unrestricted cash position moving from a deficit of \$5.5M to a modest surplus of \$0.61M including the addition of new works. The cash position is still low. Council must continue to look to improve this position with each new budget.

The **recommended budget changes** and detailed explanations and schedules are provided within (**Attachment 1**) (contained within the Income Statement) along with associated commentary and supporting schedules.

### **Quarterly Budget Review Summary – Consolidated Income Statement**

The Operating Result [pre capital] provides an indication of the long term viability of Council. In broad terms, a deficit from operations indicates that Council is not earning sufficient revenue to fund its ongoing operations (services) and to adequately renew existing assets over the longer term.

While this measure is important, it does include timing issues and impacts from specific transactions and operations which make it less accurate in demonstrating current performance. The unrestricted cash balance is another indicator of current financial performance.

The proposed budget adjustments result in a net increase to the consolidated budgeted operating deficit before capital items of \$67K. Council's forecast results for 30 June 2024 are:

- *Net operating result for the year* – surplus of \$7.97M compared to \$7.49M as at December Review.
- *Net operating result for the year before grants and contributions provided for capital purposes* – surplus of \$1.71M compared to \$1.64M as at December Review.

### **Quarterly Budget Review Summary – Capital Budget**

The December Quarterly Review has been adjusted for budget changes to capital projects resulting in an overall increase from \$25.46M to \$26.29M. While there were a number of savings identified as part of the March review that are explained in Attachment 1 the new projects identified for inclusion include:

- \$ 1.2M Vance Estate roadworks funded from grants,
- \$ 0.3M Chelmsford road rehabilitation works funded from other road works savings,
- \$ 0.3M Disaster Recovery grant funded road works,
- \$(1.0M) Road and drainage project savings.

The detailed **recommended budget changes** and any explanations are provided within (**Attachment 1**).

Management will continue to monitor the capital program to ensure its delivery in full or to ensure prioritization of projects, if required, based on unrestricted cash issues.

### **Quarterly Budget Review Summary – Cash and Investments**

The **recommended budget changes** and any explanations are provided within **(Attachment 1)**.

The cash and reserves summary reports Council's current total reserve funds, and the forecast balance of unrestricted cash that is used for everyday cash flow purposes as at 30 June 2024. Unrestricted cash can move significantly up and down throughout the year based on large cashflow movements for quarterly rates instalments, grant payments and spending on large capital projects. The majority of Council's projected year end cash is externally restricted, totaling \$39.72M and limited in its use to specific purposes by contracts or legislation.

The projected Internal Reserves balance of \$9.19M, is used as a method to restrict portions of surplus cash to make them unavailable for general purposes. It is a decision of Council to set aside surpluses for future expenditure - for example, employee leave entitlements, plant purchases, and infrastructure replacement. It is recognised that Internal Reserves balances are subject to change, via a Council resolution, based on the need of Council and may not guarantee that the cash is available for its original intended purpose. In fact, part of the remedial action applied as part of the March Budget Review was utilizing some of these internal reserves to help fund the current year capital program where those grants were not ring fenced in the years prior.

As at 31 March 2024 there is a projected year end unrestricted cash balance of a surplus of \$0.61M which is a significant improvement on the December forecast. However, this is dependent on Council still borrowing the \$5.57M by the 30 June 2024 for the Roxy and LELC projects as identified in the budget. This would significantly impact the cash result for the year if funds were not borrowed resulting in a negative \$4.97M cash deficit.

### **Conclusion**

The QBR recommendations have a significant impact on the forecast financial position, capital budget and cash position of Council as at 30 June 2024.

While the remedial action has been undertaken It is recommended that ongoing action be undertaken to reduce the cash risk, including :

1. Working to ensure future cash budgets are in surplus to restore to an adequate level of available working capital.
2. Finding opportunities to increase revenue, including reviewing rates and charges revenue.
3. Identifying expenditure reduction opportunities including efficiencies and reprioritisation of services to a financially sustainable level, where possible.

### **(c) Options**

THAT Council:

1. Reviews and considers the Quarterly Budget Review as at 31 March 2024, and approves the changes as recommended by Management. ***This is the recommended option.***
2. Reviews, considers and approves the Quarterly Budget Review as at 31 March 2024 as recommended by Management with amendments.

### **IMPLICATIONS TO BE ADDRESSED**

#### **(a) Financial**

##### **Overall Position**

The Responsible Accounting Officer Statement (**Page 3 of Attachment 1**) indicates that Council's position at 31 March 2024 is considered satisfactory. This is due to Council's forecast unrestricted cash position moving from a \$5.58M cash deficit position to a \$0.61M cash surplus.

Current levels of unrestricted cash held by Council are still low due to insufficient revenue compounded by rate pegging, significant Capital works program, placing Council at high risk of being unable to respond to unforeseen events, which could potentially lead to unplanned service reductions.

Remedial action has been implemented as reported and the position has improved.

Work has commenced on updating Council's Long Term Financial Plan and this will be presented to Council in June.

#### **(b) Policy**

Council's risk appetite statement indicates Council's strong desire to remain statutorily compliant.

#### **(c) Legislative/Statutory**

The Quarterly Budget Review is required in accordance with clause 203 of the Local Government (General) Regulation 2021. Specifically, clause 203 of the Local Government (General) Regulation 2021 states the following:

1. Not later than 2 months after the end of each quarter (except the June quarter), the responsible accounting officer of a council must prepare and submit to the council a budget review statement that shows, by reference to the estimate of income and expenditure set out in the statement of the council's revenue policy included in the operational plan for the relevant year, a revised estimate of the income and expenditure for that year.

2. A budget review statement must include or be accompanied by:
  - a. A report as to whether or not the responsible accounting officer believes that the statement indicates that the financial position of the council is satisfactory, having regard to the original estimate of income and expenditure, and
  - b. If that position is unsatisfactory, recommendations for remedial action.
  
3. A budget review statement must also include any information required by the Code to be included in such a statement.

Council has met the Statutory deadline for presenting the March Review.

#### **(d) Risk**

Cashflow will need to be monitored to ensure funds are readily available for Council to pay its debts on time, especially given the unprecedented capital works program.

Not drawing down the approved loan funding for 2023/24 will significantly impact the cash position of Council as at 30 June 2024.

### **CONSULTATION**

#### **(a) External**

Nil

#### **(b) Internal**

All Officers Responsible for Budget Management  
Finance Contractors  
Senior Management Team (SMT)

### **LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN (DPOP)**

CSP FOCUS AREA 5 - Strong leadership and civic participation – DELIVERY PROGRAM  
FUNCTIONAL AREA 9 - Governance and Administration - DELIVERY PROGRAM  
ACTIVITY 9.7 - Deploy reliable and efficient corporate management - financial, asset, property, records, information technology, buildings and plant/fleet - OPERATIONAL  
PLAN ACTIVITY 9.7.1 - Implement the Long-Term Financial Plan – in consultation with ratepayers – to support Council's ongoing financial sustainability, including a Special Rate Variation (SRV) and/or reductions in service levels.

### **ATTACHMENTS**

- 1 Quarterly Budget Review (QBR) Statement ending 31 March 2024

# Quarterly Budget Review Statement

*For the Quarter Ended 31<sup>st</sup> March 2024*



LEETON  
SHIRE COUNCIL



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## 1. Responsible Accounting Officer's Statement

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 March 2024 quarter indicates that Council's projected short term financial position as at 30 June 2024 will be satisfactory, taking into account the original and revised estimates for income and expenditure presented.
- Current levels of unrestricted cash held by Council are low due to insufficient revenue compounded by rate pegging, placing Council at high risk of being unable to respond to unforeseen events, and which could lead to unplanned service reductions. Council is putting in place improved cash management procedures including reporting and monitoring of internal reserves, budget performance and grants claims management processes, and a review of operational and capital programs to help mitigate this issue.

My opinion has been based on the following factors:

1. A projected surplus unrestricted cash position of \$0.6M in the general fund
2. Council implemented the remedial action to utilise \$4.6M of reserves (as presented in this report)
3. The above projected surplus unrestricted cash position is based on the Council proceeding with drawing down the loan funds of \$5.58M by the 30 June 2024. If the Council doesn't proceed with the drawdown of loan funds, the projected unrestricted cash position will be a deficit of \$4.97M.
4. Council has also forecast a surplus unrestricted cash position in the 2024/25 original budget.

It is recommended that Council continue to improve the cash position by:

1. Ensuring future cash budgets need to be in surplus to restore to an adequate level of working capital.
2. Opportunities to increase other revenue must be considered including reviewing rates and charges revenue.
3. Expenditure reductions including opportunities for efficiencies and reprioritisation of services to a financially sustainable level is to be a focus of each budget review;

Signed: \_\_\_\_\_

Responsible Accounting Officer

Date: 17/5/24

## 2. Introduction

Quarterly Budget Review Statements (QBRs) provide an overview of Council's progress against the annual budget and subsequent revisions at the end of each quarter. It includes explanations for major budget variations that are collated by Council's Managers across the organisation and that result in recommendations for budget changes.

The following financial reports are included in the March QBRs:

- The consolidated budget summary includes the General Fund, Water and Sewer Fund financial information. This is a budget summary statement showing actual income, expenditure, and capital expenditure for the year to 31 March 2024, against the original annual budget. It shows the proposed budget adjustments and an updated annual budget forecast for the financial year.
- The Recommended Budget Changes table explaining the reasons budget items are changing.
- Income & Expense Budget Review Statement by Fund. This is a budget operating summary statement showing actual income, expenditure for the year to 31 March 2024, against the original annual budget for each Fund or Entity.
- Capital Budget Review Statement. This report provides actual expenditure on each capital project up to 31 March 2024, reported against the original annual budget, with proposed budget adjustments and an updated annual budget forecast.
- Cash and Reserves Statement: This report shows the Council's total cash and reserves, including the working fund balance as at 31 March 2024.
- Consolidated Balance Sheet
- Budget Review Key Performance Indicators Statement
- The Contracts Register – showing material Contracts entered into by council during the quarter.

### 3. Consolidated Budget Summary

The consolidated Budget Review Statement presents the forecast performance for the Total Council. The financial data includes the following information:

- Original budget (as per the operational plan)
- Current budget (last council approved budget - December)
- Approved changes to the budget in the previous quarters (September, December only)
- Recommended changes for council resolution (proposed variations for the March quarterly review)
- Revised Budget (if proposed variations are adopted by Council)
- Actual year to date (YTD) data
- Note explanations for material variations (between the revised budget and projected year end result). The material variations threshold has been determined to be >10% of the original budget for either income or expenses.
- Total income (original, current and forecast year end result)
- Total expenses (original, current and forecast year end result)
- Operating result (original, current and projected year end result)
- Capital expenditure and Capital funding movements (reserves etc)
- Budget result which shows whether or not Council is forecasting a cash surplus or (deficit)

This revised format shows how Council's operating result is reconciled to Council's unrestricted cash position.

#### Consolidated Operating Result

Description	Original Budget	Approved Changes		Current Budget Dec QBR	Recommended changes for Mar QBR	Revised Budget Mar QBR	Actual YTD	Ref Notes
		QBR5 - Sept	QBR5 - Dec					
<b>Income from continuing operations</b>								
Rates and Annual Charges	14,931,419	0	0	14,931,419	0	14,931,419	12,114,040	
User Charges and Fees	8,660,069	0	-250,000	8,410,069	62,600	8,472,669	4,577,991	A
Other Revenues	557,906	0	0	557,906	243,492	801,398	849,787	D
Grants and Contributions - Operating	7,349,962	8,898,770	-4,780,258	11,468,474	226,000	11,694,474	6,930,931	B
Grants and Contributions - Capital	1,578,894	1,877,674	2,399,388	5,855,956	404,879	6,260,835	3,998,207	C
Interest and Investment income	748,963	0	1,450,000	2,198,963	0	2,198,963	1,808,035	
Rental Income	293,700	0	0	293,700	0	293,700	207,927	
Net Gain from Disposal of Assets	430,000	0	-270,000	160,000	0	160,000	233,460	
<b>Total Income from continuing operations</b>	<b>34,550,913</b>	<b>10,776,444</b>	<b>-1,450,870</b>	<b>43,876,487</b>	<b>936,971</b>	<b>44,813,458</b>	<b>30,720,378</b>	
<b>Expenses from continuing operations</b>								
Employee Benefits and oncosts	13,507,577	0	0	13,507,577	229,441	13,737,018	10,436,174	E
Materials and Services	12,161,955	0	930,847	13,092,802	235,184	13,327,986	9,597,347	F
Borrowing Costs	455,610	0	-282,036	173,574	0	173,574	40,216	
Depreciation, Amortisation and Impairment of Assets	8,990,784	0	0	8,990,784	0	8,990,784	7,342,145	
Other Expenses	616,928	0	0	616,928	0	616,928	242,837	
Net Loss from the Disposal of Assets	650,000	0	-650,000	0	0	0	0	
<b>Total Expenses from continuing operations</b>	<b>36,382,854</b>	<b>0</b>	<b>-1,189</b>	<b>36,381,665</b>	<b>464,625</b>	<b>36,846,290</b>	<b>27,658,719</b>	
<b>Operating Surplus/(Deficit)</b>	<b>-1,831,940</b>	<b>10,776,444</b>	<b>-1,449,681</b>	<b>7,494,822</b>	<b>472,346</b>	<b>7,967,168</b>	<b>3,061,659</b>	
<b>Operating Surplus/(Deficit) before Capital Grants &amp; Contributions</b>	<b>-3,410,834</b>	<b>8,898,770</b>	<b>-3,849,069</b>	<b>1,638,866</b>	<b>67,467</b>	<b>1,706,333</b>	<b>-936,548</b>	
<b>Operating Surplus/(Deficit) before Capital Grants &amp; Contributions &amp; One off sales</b>	<b>-3,190,834</b>	<b>8,898,770</b>	<b>-4,229,069</b>	<b>1,478,866</b>	<b>67,467</b>	<b>1,546,333</b>	<b>-1,170,008</b>	

**Consolidated Cash Result**

Description	Original Budget	Approved Changes		Current Budget Dec QBR	Recommended changes for Mar QBR	Revised Budget Mar QBR	Actual YTD	Ref Note
		QBRs - Sept	QBRs - Dec					
<b>Add Back Non Cash</b>								
Depreciation	8,990,784	0	0	8,990,784	0	8,990,784	7,342,145	
Net Gains / Losses from Disposal of Assets	220,000	0	-380,000	-160,000	0	-160,000	-233,460	
Provision Expenses	280,000	0	0	280,000	0	280,000	0	
Contract Liability Movements	-800,000	-4,367,987	2,353,201	-2,814,786	1,221,746	-1,593,040	-301,365	G
Contract Receivable Movements	0	0	0	0	0	0	0	
<b>Net Cash Provided (or used) in Operating Activities</b>	<b>6,858,844</b>	<b>6,408,457</b>	<b>523,520</b>	<b>13,790,820</b>	<b>1,694,092</b>	<b>15,484,912</b>	<b>9,868,979</b>	
<b>Cash Flow from Investing Activities</b>								
<i>Receipts:</i>								
Sale Real Estate Assets	4,150,000	0	-3,945,000	205,000	0	205,000	187,390	
Sale Infrastructure, Property, Plant & Equipment	655,000	0	0	655,000	0	655,000	276,500	
Deferred Debtor Receipts	0	0	0	0	0	0	0	
<i>Payments:</i>								
Purchase of Infrastructure, Property, Plant & Equipment	-8,546,684	-24,348,055	7,434,569	-25,460,170	-831,365	-26,291,535	-12,040,927	I
Deferred Debtor Advances Made	0	0	0	0	0	0	0	
<b>Net Cash Provided (or used) in Investing Activities</b>	<b>-3,741,684</b>	<b>-24,348,055</b>	<b>3,489,569</b>	<b>-24,600,170</b>	<b>-831,365</b>	<b>-25,431,535</b>	<b>-11,577,037</b>	
<b>Cash Flow from Financing Activities</b>								
<i>Receipts:</i>								
New Loans Drawn	10,591,866	573,000	-5,587,711	5,577,155	0	5,577,155	0	
<i>Payments:</i>								
Loan Principal Repayment	-5,001,356	0	4,706,295	-295,061	0	-295,061	-56,312	
<b>Net Cash Provided (or used) in Financing Activities</b>	<b>5,590,509</b>	<b>573,000</b>	<b>-881,416</b>	<b>5,282,094</b>	<b>0</b>	<b>5,282,094</b>	<b>-56,312</b>	
<b>Net Increase / (Decrease) in Cash</b>	<b>8,707,669</b>	<b>-17,366,598</b>	<b>3,131,673</b>	<b>-5,527,256</b>	<b>862,727</b>	<b>-4,664,529</b>	<b>-1,764,370</b>	
<b>Transfers to Reserves</b>								J
Transfers to DWM Reserve	-865,505	0	0	-865,505	8,014	-857,491	0	
Transfer to Dev Contributions Reserve	-1,265,894	0	0	-1,265,894	1,000,000	-265,894	0	
Transfer to Unspent Grants	0	0	-2,711,763	-2,711,763	-863,303	-3,575,066	0	
Transfer to Stormwater	-95,000	0	0	-95,000	0	-95,000	0	
Transfers to Water External	-1,501,840	-208,670	-600,000	-2,310,510	15,851	-2,294,659	0	
Transfers to Sewer External	-1,079,950	-354,834	50,000	-1,384,784	11,741	-1,373,043	0	
Transfers to Internal Reserves	-700,000	0	-6,467,154	-7,167,154	0	-7,167,154	0	
Transfers to Carryovers Reserves	0	0	0	0	0	0	0	
<b>Transfers from Reserves</b>								H
Transfers from DWM Reserve	655,000	0	0	655,000	-55,000	600,000	0	
Transfer from Dev Contributions Reserve	26,750	0	0	26,750	0	26,750	0	
Transfer from Unspent Grants	0	4,367,987	-1,553,201	2,814,786	297,000	3,111,786	0	
Transfer from Stormwater	90,000	0	0	90,000	-26,970	63,030	0	
Transfers from Water External	950,000	563,280	0	1,513,280	96,000	1,609,280	0	
Transfers from Sewer External	1,277,000	1,241,896	0	2,518,896	-590,395	1,928,501	0	
Transfers from Internal Reserves	1,634,000	55,000	5,879,000	7,568,000	5,427,201	12,995,201	0	
Transfers from Carryovers Reserves	0	563,504	0	563,504	0	563,504	0	
<b>Net Reserve Movements</b>	<b>-875,439</b>	<b>6,228,163</b>	<b>-5,403,118</b>	<b>-50,394</b>	<b>5,320,139</b>	<b>5,269,745</b>	<b>0</b>	
<b>Net Increase / (Decrease) in Unrestricted Cash</b>	<b>7,832,230</b>	<b>-11,138,435</b>	<b>-2,271,445</b>	<b>-5,577,650</b>	<b>6,182,866</b>	<b>605,216</b>	<b>-1,764,370</b>	

### 4. Recommended Budget Changes

Fund Ref	Note Identifier:	Material Budget Variations being recommended	Income			Expenses			Cash Result			Net Impact on Unrestricted Cash	
			A	B	C	D	E	F	G	H	I		J
			User Charges & Fees	Operating Grants & Contributions	Capital Grants & Contributions	Other Revenue	Employee Costs	Materials & Services	Contract Liability	Transfer from Reserve	Capital Works	Transfer to Reserve	
		<b>Consolidated Totals</b>	62,600	226,000	404,879	193,492	181,427	225,184	1,221,746	5,202,836	-886,365	164,289	6,182,866
		<b>General Fund</b>	62,600	226,000	725,887	193,492	153,835	225,184	1,221,746	5,697,231	-701,768	-863,303	6,182,866
1	\$220K Grant from Department of Planning, Housing & Infrastructure for the Development of an Integrated Land Use, Infrastructure and Transport Strategy - offset by Expenditure		0	220,000	0	0	0	220,000	0	0	0	0	0
2	\$4.6M Remedial Action Identified in December Review to fund cash shortfall: a.\$1.00M from the Roads Reserve b.\$1.20M from Unfinished Works Reserve c.\$1.00M from Infrastructure Replacement Reserve d.\$0.45M from Pool Reserve e.\$0.50M from Buildings Reserve f.\$0.30M from Sportsground Reserve g.\$0.15M from Land Development Reserve		0	0	0	0	0	0	0	4,603,552	0	0	4,603,552
3	Regional Emergency Road Repair Fund (RERF) no longer contract liability as per audit - adjustment improves cash position		0	0	0	0	0	0	1,311,831	0	0	0	1,311,831
4	LRCI Stage 3 Grant for Vance estate not restricted in 22/23		0	0	0	0	0	0	0	0	-656,388	-656,388	0
5	OLG grant for Vance estate Funds allocated in 22/23 - grant should still be \$1M		0	0	-206,915	0	0	0	206,915	0	0	-206,915	-206,915
6	Vance Estate Roadworks funded from LRCI stage 3 grant		0	0	586,612	0	0	0	0	656,388	-1,243,000	0	0
7	Golf Club fees and charges above original forecasts - partially offset by grounds maintenance costs - overall improved result		30,000	0	0	0	0	5,000	0	0	0	0	25,000
8	Pool Fees and kiosk sales above original budget forecasts - partially offset by running cost increase (kiosk costs etc)		32,600	0	0	60,000	0	35,000	0	0	0	0	57,600
9	Consultancy increase \$61K offset by staff vacancy		0	0	0	0	-61,600	61,600	0	0	0	0	0
10	General Fund Bulk water sales above original budget forecasts		0	0	0	133,492	0	0	0	0	0	0	133,492
11	Minor operational changes in Human Resources		0	0	0	0	-3,500	16,500	0	0	0	0	-13,000
12	Regional Roads maintenance changes to reflect final grant and expenditure program - some funds reallocated to MR539 Reveals \$166,000, however original budget for Capital was not required		0	6,000	0	0	0	-145,116	0	0	243,000	0	394,116
13	Workers compensation premium increase for 23/24 \$254,541 - General Fund impact		0	0	0	0	218,935	0	0	0	0	0	-218,935
14	Property insurance above budget forecasts \$23k, Insurance excess also up \$9K		0	0	0	0	0	32,200	0	0	0	0	-32,200
15	Active Transport projects revised forecasts for Kari Road & Cassia Road \$22,020; Petersham Road and Fivebough Road \$15,720 funded from grants		0	0	37,740	0	0	0	0	0	-37,740	0	0
16	Bus Shelter Program changes - Whitton, Merungle Hill Road & Brown Road completed		0	0	11,450	0	0	0	0	0	0	0	-3,400
17	SMSC Projects - Asset assessment work completed - savings to stay in reserve		0	0	0	0	0	0	0	-26,970	26,970	0	0
18	Plant and Vehicle Replacement additional vehicles funded from reserve		0	0	0	0	0	0	0	167,261	-167,261	0	0

Fund Ref	Note Identifier:	Income			Employee Costs	Expenses Materials & Services	Contract Liability	Cash Result			Net Impact on Unrestricted Cash
		A	B	C				D	E	F	
		User Charges & Fees	Operating Grants & Contributions	Capital Grants & Contributions	Other Revenue			Transfer from Reserve	Capital Works	Transfer to Reserve	
19	General Urban Stormwater Drainage savings - only minor works completed this year	0	0	0	0	0	0	0	70,000	0	70,000
20	General Rural Stormwater Drainage savings - only minor works completed this year	0	0	0	0	0	0	0	80,000	0	80,000
21	Traffic Facilities - Only replaced a Seat at the hospital this year. All other LTC Costs covered in projects/Signs Maintenance.	0	0	0	0	0	0	0	18,420	0	18,420
22	Road Rehabilitation program - DRFA Funded - works have commenced - December review anticipated all works starting in 24/25. Recruitment for Euroleay Road & Innisvale Road	0	0	297,000	0	0	-297,000	297,000	-297,000	0	0
23	Road Rehabilitation program - Council Funded - savings	0	0	0	0	0	0	0	667,942	0	667,942
24	Gravel Road Resheeting Program - Change in methodology has resulted in significant savings as follows: - 2022/23 \$140K Carryover not required - Marston Road - \$20K - Pilkington Road - \$28K - Brown Road - \$30K	0	0	0	0	0	0	0	268,094	0	268,094
25	Roads - Heavy Patching - minor savings	0	0	0	0	0	0	0	14,655	0	14,655
26	Chelmsford Road rehabilitation	0	0	0	0	0	0	0	-300,000	0	-300,000
27	Road Reseals Program - Additional budget required due to Bitumen price fluctuations	0	0	0	0	0	0	0	-37,911	0	-37,911
28	Solar Array Multipurpose Centre - completed in Prior year carryover not required	0	0	0	0	0	0	0	2,324	0	2,324
29	Bitumen emulsion Tank - Additional electrical works required	0	0	0	0	0	0	0	-10,000	0	-10,000
30	Disability Access to Council Admin & Chambers - Additional funds required to complete project.	0	0	0	0	0	0	0	-4,088	0	-4,088
31	Public Conveniences - minor overrun Capital Program	0	0	0	0	0	0	0	-1,323	0	-1,323
32	Corporate information savings - Council decided against going ahead with new table with inbuilt IT. Some funds moved between Network and Software	0	0	0	0	0	0	0	20,000	0	20,000
<b>Waste Fund</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>10,000</b>	<b>0</b>	<b>-55,000</b>	<b>55,000</b>	<b>8,014</b>	<b>0</b>
33	Recognition of wage subsidy from RAMIO for FOGO - includes wage reimbursement	0	0	0	50,000	10,000	0	0	0	0	0
34	Workers compensation premium increase for 23/24 \$254,541 - Waste Fund impact	0	0	0	0	0	0	0	8,014	0	8,014
35	Leeton Landfill Project savings	0	0	0	0	0	0	-55,000	55,000	0	0
<b>Water Fund</b>		<b>0</b>	<b>0</b>	<b>-500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>96,000</b>	<b>-96,000</b>	<b>515,851</b>	<b>0</b>
36	Reduction in Developer contribution income - Vance estate delayed \$500k - offset by reduction in transfer to reserve	0	0	-500,000	0	0	0	0	0	0	500,000
37	Workers compensation premium increase for 23/24 \$254,541 - Water Fund impact - offset by reducing transfer to reserve	0	0	0	0	0	0	0	15,851	0	15,851
39	Leeton WTP Sedimentation Tank Refurbishments - works commenced in 2022/23. No budget in 2023/24. Project funded from reserve	0	0	0	0	0	0	96,000	-96,000	0	0
<b>Sewerage Fund</b>		<b>0</b>	<b>0</b>	<b>178,992</b>	<b>0</b>	<b>11,741</b>	<b>0</b>	<b>-590,395</b>	<b>-88,597</b>	<b>511,741</b>	<b>0</b>
40	Reduction in Developer contribution income - Vance estate delayed \$500k - offset by reduction in transfer to reserve	0	0	-500,000	0	0	0	0	0	0	500,000
41	Workers compensation premium increase for 23/24 \$254,541 - Sewer Fund impact - offset by reducing transfer to reserve	0	0	0	0	11,741	0	0	0	0	11,741
42	Wamoon Sewerage Project - Project final costing - Subsidy not previously recognised	0	0	678,992	0	0	0	-590,395	-88,597	0	0

## 5. Budget Operating Result by Entity

The Budget Operating Result by Fund presents the Council forecast performance for each of the different funds being General Fund, Waste Fund, Water Fund and Sewerage Fund. The financial data includes the following information:

- Original budget (as per the operational plan)
- Current budget (last council approved budget- December)
- Approved changes to the budget in previous quarters (December)
- Recommended changes for council resolution (proposed variations for the March quarterly review)
- Revised Budget (if proposed variations are adopted by Council)
- Actual year to date (YTD) data
- Note explanations for material variations (between the revised budget and projected year end result). The material variations threshold has been determined to be >10% of the original budget for either income or expenses.
- Total income (original, current and forecast year end result)
- Total expenses (original, current and forecast year end result)
- Operating result (original, current and projected year end result)

### General Fund - Operating Result

Description	Original Budget	Approved Changes		Current Budget Dec QBR	Recommended changes for Mar QBR	Revised Budget Mar QBR	Actual YTD	Ref Notes
		QBRs - Sept	QBRs - Dec					
<b>Income from continuing operations</b>								
Rates and Annual Charges	7,982,302	0	0	7,982,302	0	7,982,302	5,364,299	
User Charges and Fees	4,289,266	0	0	4,289,266	62,600	4,351,866	2,149,531	A7, A8
Other Revenues	453,538	0	0	453,538	193,492	647,030	775,859	D8, D10
Grants and Contributions - Operating	7,349,962	8,898,770	-4,780,258	11,468,474	226,000	11,694,474	6,930,931	B1, B12
Grants and Contributions - Capital	503,000	1,877,674	2,399,388	4,780,062	725,887	5,505,949	3,925,512	C5, C6, C15, C16, C22
Interest and Investment income	379,312	0	650,000	1,029,312	0	1,029,312	858,443	
Rental Income	293,700	0	0	293,700	0	293,700	207,927	
Net Gain from Disposal of Assets	430,000	0	-270,000	160,000	0	160,000	233,460	
<b>Total Income from continuing operations</b>	<b>21,681,080</b>	<b>10,776,444</b>	<b>-2,000,870</b>	<b>30,456,654</b>	<b>1,207,979</b>	<b>31,664,633</b>	<b>20,445,962</b>	
<b>Expenses from continuing operations</b>								
Employee Benefits and oncosts	9,446,059	0	0	9,446,059	153,835	9,599,894	7,827,046	E9, E11, E13
Materials and Services	7,840,080	0	930,847	8,770,927	225,184	8,996,111	6,931,688	F1, F7-F9, F11-F12, F14
Borrowing Costs	455,610	0	-282,036	173,574	0	173,574	40,216	
Depreciation, Amortisation and Impairment of Assets	5,938,555	0	0	5,938,555	0	5,938,555	5,125,837	
Other Expenses	336,928	0	0	336,928	0	336,928	242,837	
Net Loss from the Disposal of Assets	650,000	0	-650,000	0	0	0	0	
<b>Total Expenses from continuing operations</b>	<b>24,667,232</b>	<b>0</b>	<b>-1,189</b>	<b>24,666,043</b>	<b>379,019</b>	<b>25,045,062</b>	<b>20,167,624</b>	
<b>Operating Surplus/(Deficit)</b>	<b>-2,986,151</b>	<b>10,776,444</b>	<b>-1,999,681</b>	<b>5,790,611</b>	<b>828,960</b>	<b>6,619,571</b>	<b>278,338</b>	
<b>Operating Surplus/(Deficit) before Capital Grants &amp; Contributions</b>	<b>-3,489,151</b>	<b>8,898,770</b>	<b>-4,399,069</b>	<b>1,010,549</b>	<b>103,073</b>	<b>1,113,622</b>	<b>-3,647,174</b>	
<b>Operating Surplus/(Deficit) before Capital Grants &amp; Contributions &amp; One off sales</b>	<b>-3,269,151</b>	<b>8,898,770</b>	<b>-4,779,069</b>	<b>850,549</b>	<b>103,073</b>	<b>953,622</b>	<b>-3,880,634</b>	



**Domestic Waste Fund - Operating Result**

Description	Original Budget	Approved Changes		Current Budget Dec QBR	Recommended changes for Mar QBR	Revised Budget Mar QBR	Actual YTD	Ref Notes
		QBRS - Sept	QBRS - Dec					
<b>Income from continuing operations</b>								
Rates and Annual Charges	2,375,625	0	0	2,375,625	0	2,375,625	2,380,362	
User Charges and Fees	845,655	0	0	845,655	0	845,655	791,059	
Other Revenues	42,563	0	0	42,563	50,000	92,563	45,263	D33
Grants and Contributions - Operating	0	0	0	0	0	0	0	
Grants and Contributions - Capital	0	0	0	0	0	0	0	
Interest and Investment income	92,958	0	0	92,958	0	92,958	12,868	
Rental Income	0	0	0	0	0	0	0	
Net Gain from Disposal of Assets	0	0	0	0	0	0	0	
<b>Total Income from continuing operations</b>	<b>3,356,801</b>	<b>0</b>	<b>0</b>	<b>3,356,801</b>	<b>50,000</b>	<b>3,406,801</b>	<b>3,229,552</b>	
<b>Expenses from continuing operations</b>								
Employee Benefits and oncosts	887,060	0	0	887,060	48,014	935,074	683,945	D33, D34
Materials and Services	1,604,236	0	0	1,604,236	10,000	1,614,236	975,132	D34
Borrowing Costs	0	0	0	0	0	0	0	
Depreciation, Amortisation and Impairment of Assets	530,040	0	0	530,040	0	530,040	315,432	
Other Expenses	280,000	0	0	280,000	0	280,000	0	
Net Loss from the Disposal of Assets	0	0	0	0	0	0	0	
<b>Total Expenses from continuing operations</b>	<b>3,301,336</b>	<b>0</b>	<b>0</b>	<b>3,301,336</b>	<b>58,014</b>	<b>3,359,350</b>	<b>1,974,509</b>	
<b>Operating Surplus/(Deficit)</b>	<b>55,465</b>	<b>0</b>	<b>0</b>	<b>55,465</b>	<b>-8,014</b>	<b>47,451</b>	<b>1,255,043</b>	
<b>Operating Surplus/(Deficit) before Capital Grants &amp; Contributions</b>	<b>55,465</b>	<b>0</b>	<b>0</b>	<b>55,465</b>	<b>-8,014</b>	<b>47,451</b>	<b>1,255,043</b>	
<b>Operating Surplus/(Deficit) before Capital Grants &amp; Contributions &amp; One off sales</b>	<b>55,465</b>	<b>0</b>	<b>0</b>	<b>55,465</b>	<b>-8,014</b>	<b>47,451</b>	<b>1,255,043</b>	

**Water Fund - Operating Result**

Description	Original Budget	Approved Changes		Current Budget Dec QBR	Recommended changes for Mar QBR	Revised Budget Mar QBR	Actual YTD	Ref Notes
		QBRs - Sept	QBRs - Dec					
<b>Income from continuing operations</b>								
Rates and Annual Charges	1,644,984	0	0	1,644,984	0	1,644,984	1,705,698	
User Charges and Fees	3,246,690	0	0	3,246,690	0	3,246,690	1,581,002	
Other Revenues	55,546	0	0	55,546	0	55,546	28,505	
Grants and Contributions - Operating	0	0	0	0	0	0	0	
Grants and Contributions - Capital	552,894	0	0	552,894	-500,000	52,894	35,834	C36
Interest and Investment income	165,514	0	600,000	765,514	0	765,514	636,893	
Rental Income	0	0	0	0	0	0	0	
Net Gain from Disposal of Assets	0	0	0	0	0	0	0	
<b>Total Income from continuing operations</b>	<b>5,665,628</b>	<b>0</b>	<b>600,000</b>	<b>6,265,628</b>	<b>-500,000</b>	<b>5,765,628</b>	<b>3,987,932</b>	
<b>Expenses from continuing operations</b>								
Employee Benefits and oncosts	1,884,342	0	0	1,884,342	15,851	1,900,193	1,142,848	E37
Materials and Services	1,750,301	0	0	1,750,301	0	1,750,301	1,050,508	
Borrowing Costs	0	0	0	0	0	0	0	
Depreciation, Amortisation and Impairment of Assets	1,467,545	0	0	1,467,545	0	1,467,545	1,145,899	
Other Expenses	0	0	0	0	0	0	0	
Net Loss from the Disposal of Assets	0	0	0	0	0	0	0	
<b>Total Expenses from continuing operations</b>	<b>5,102,188</b>	<b>0</b>	<b>0</b>	<b>5,102,188</b>	<b>15,851</b>	<b>5,118,039</b>	<b>3,339,255</b>	
<b>Operating Surplus/(Deficit)</b>	<b>563,440</b>	<b>0</b>	<b>600,000</b>	<b>1,163,440</b>	<b>-515,851</b>	<b>647,589</b>	<b>648,677</b>	
<b>Operating Surplus/(Deficit) before Capital Grants &amp; Contributions</b>	<b>10,546</b>	<b>0</b>	<b>600,000</b>	<b>610,546</b>	<b>-15,851</b>	<b>594,695</b>	<b>612,843</b>	
<b>Operating Surplus/(Deficit) before Capital Grants &amp; Contributions &amp; One off sales</b>	<b>10,546</b>	<b>0</b>	<b>600,000</b>	<b>610,546</b>	<b>-15,851</b>	<b>594,695</b>	<b>612,843</b>	

**Sewerage Fund - Operating Result**

Description	Original Budget	Approved Changes		Current Budget Dec QBR	Recommended changes for Mar QBR	Revised Budget Mar QBR	Actual YTD	Ref
		QBR5 - Sept	QBR5 - Dec					Notes
<b>Income from continuing operations</b>								
Rates and Annual Charges	2,928,508	0	0	2,928,508	0	2,928,508	2,663,681	
User Charges and Fees	278,459	0	-250,000	28,459	0	28,459	56,399	
Other Revenues	6,259	0	0	6,259	0	6,259	160	
Grants and Contributions - Operating	0	0	0	0	0	0	0	
Grants and Contributions - Capital	523,000	0	0	523,000	178,992	701,992	36,861	C40, C42
Interest and Investment income	111,179	0	200,000	311,179	0	311,179	299,831	
Rental Income	0	0	0	0	0	0	0	
Net Gain from Disposal of Assets	0	0	0	0	0	0	0	
<b>Total Income from continuing operations</b>	<b>3,847,404</b>	<b>0</b>	<b>-50,000</b>	<b>3,797,404</b>	<b>178,992</b>	<b>3,976,396</b>	<b>3,056,932</b>	
<b>Expenses from continuing operations</b>								
Employee Benefits and oncosts	1,290,116	0	0	1,290,116	11,741	1,301,857	782,335	E41
Materials and Services	967,338	0	0	967,338	0	967,338	640,019	
Borrowing Costs	0	0	0	0	0	0	0	
Depreciation, Amortisation and Impairment of Assets	1,054,644	0	0	1,054,644	0	1,054,644	754,977	
Other Expenses	0	0	0	0	0	0	0	
Net Loss from the Disposal of Assets	0	0	0	0	0	0	0	
<b>Total Expenses from continuing operations</b>	<b>3,312,098</b>	<b>0</b>	<b>0</b>	<b>3,312,098</b>	<b>11,741</b>	<b>3,323,839</b>	<b>2,177,331</b>	
<b>Operating Surplus/(Deficit)</b>	<b>535,306</b>	<b>0</b>	<b>-50,000</b>	<b>485,306</b>	<b>167,251</b>	<b>652,557</b>	<b>879,601</b>	
<b>Operating Surplus/(Deficit) before Capital Grants &amp; Contributions</b>	<b>12,306</b>	<b>0</b>	<b>-50,000</b>	<b>-37,694</b>	<b>-11,741</b>	<b>-49,435</b>	<b>842,740</b>	
<b>Operating Surplus/(Deficit) before Capital Grants &amp; Contributions &amp; One off sales</b>	<b>12,306</b>	<b>0</b>	<b>-50,000</b>	<b>-37,694</b>	<b>-11,741</b>	<b>-49,435</b>	<b>842,740</b>	

## 6. Capital Budget Review Statement

The Consolidated Capital Statement focuses on Councils Capital Works Program and summarises financial information by asset category and identifies how the capital program is funded. The capital budget will be reviewed during the remainder of this financial year on an ongoing basis with capital works managers. Cash flow forecasts of major projects will be monitored to ensure that expenditure is in line with budget.

Description	Original Budget	Approved Changes		Current Budget Dec QBR	Recommended changes for Mar QBR	Revised Budget Mar QBR	Actual YTD	Ref Notes
		QBR5 - Sept	QBR5 - Dec					
<b>New Assets</b>								
Office Equipment	112,000	346,611	51,122	509,733	-100,000	409,733	110,731	132
Plant & Equipment	0	20,000	-20,000	0	0	0	0	
Land & Buildings	90,000	7,770,131	-7,331,097	529,034	1,250,676	1,779,710	125,781	16, 128, 129
Parks, Gardens & Recreation	60,000	116,882	-21,631	155,251	0	155,251	38,369	
Roads, Bridges & Footpaths	0	63,323	0	63,323	52,590	115,913	58,070	115, 116
Drainage	290,000	0	0	290,000	-176,970	113,030	77,285	117, 119, 120
Library Books	0	0	0	0	0	0	0	
Waste	655,000	0	0	655,000	-55,000	600,000	203,678	135
Water Supply	0	0	0	0	0	0	0	
Sewerage Services	0	1,197,176	0	1,197,176	88,597	1,285,773	1,167,773	142
<b>Total New Assets</b>	<b>1,207,000</b>	<b>9,514,123</b>	<b>-7,321,606</b>	<b>3,399,517</b>	<b>1,059,893</b>	<b>4,459,410</b>	<b>1,781,687</b>	
<b>Renewal (Replacements)</b>								
Office Equipment	80,000	70,000	0	150,000	80,000	230,000	54,348	132
Plant & Equipment	1,384,000	55,000	0	1,439,000	167,261	1,606,261	947,463	118
Land & Buildings	148,500	8,473,167	-372,006	8,249,661	5,411	8,255,072	3,184,324	130, 131
Parks, Gardens & Recreation	30,000	604,580	103,416	737,996	0	737,996	617,916	
Roads, Bridges & Footpaths	3,470,184	5,023,185	155,627	8,648,996	-577,200	8,071,796	4,658,118	112, 121-127
Drainage	0	0	0	0	0	0	0	
Library Books	0	0	0	0	0	0	0	
Waste	0	0	0	0	0	0	0	
Water Supply	950,000	563,280	0	1,513,280	96,000	1,609,280	407,293	139
Sewerage Services	1,277,000	44,720	0	1,321,720	0	1,321,720	389,731	
<b>Total Renewal (Replacements)</b>	<b>7,339,684</b>	<b>14,833,931</b>	<b>-112,963</b>	<b>22,060,652</b>	<b>-228,528</b>	<b>21,832,124</b>	<b>10,259,191</b>	
<b>Total Capital Works Program</b>	<b>8,546,684</b>	<b>24,348,054</b>	<b>-7,434,569</b>	<b>25,460,169</b>	<b>831,365</b>	<b>26,291,534</b>	<b>12,040,878</b>	
<b>Total General Fund Only</b>	<b>5,664,684</b>	<b>22,542,879</b>	<b>-7,434,569</b>	<b>20,772,994</b>	<b>701,768</b>	<b>21,474,762</b>	<b>9,872,403</b>	
<b>Funding Sources</b>								
Rates and Other untied funding	2,325,684	2,029,176	3,906,003	8,260,863	-728,898	7,531,964	0	
Grants & Contributions - Capital	1,865,000	6,122,350	-4,431,305	3,556,045	845,879	4,401,924	0	
Grants & Contributions - Operating	0	0	670,000	670,000	0	670,000	0	
Internal Restrictions	1,384,000	-1,284,000	1,559,000	1,659,000	167,261	1,826,261	0	
External Restrictions								
- Unexpended Grants & Contributions	0	4,367,987	-3,444,871	923,116	1,160,303	2,083,419	0	
- Stormwater Levy	90,000	0	0	90,000	-26,970	63,030	0	
- S.712 Developer Contributions	0	0	36,815	36,815	-36,815	0	0	
- Domestic Waste Management	655,000	0	0	655,000	-55,000	600,000	0	
- Water Supply	950,000	1,085,280	-522,000	1,513,280	96,000	1,609,280	0	
- Sewerage Services	1,277,000	862,396	379,500	2,518,896	-590,395	1,928,501	0	
Loans	0	11,164,866	-5,587,711	5,577,155	0	5,577,155	0	
<b>Total Capital Funding Sources</b>	<b>8,546,684</b>	<b>24,348,055</b>	<b>-7,434,570</b>	<b>25,460,169</b>	<b>831,365</b>	<b>26,291,534</b>	<b>0</b>	

## 7. Cash and Investments Budget Review Statement

The cash and budget reserves summary presents the Council forecast movements for each key reserve categories. Most of Council's cash is restricted in its use to specific purposes by external bodies, legislation and Council resolution. The cash position is further broken down as part of this report to reflect the split of cash and investments across the internal restrictions, external restrictions and the unrestricted cash position.

Description	Opening Balance Actual 30/6/23	Original Budget	Approved Changes		Current Budget Dec QBR	Recommended changes for Mar QBR	Revised Budget Mar QBR	Closing Balance Forecast 30/6/24	Re: Noti
			QBR5 - Sept	QBR5 - Dec					
<b>Internal Restrictions</b>									
Aerodrome	200,000	0	0	0	0	0	0	200,000	
Buildings	500,000	0	0	0	0	-500,000	-500,000	0	H2
Infrastructure Replacement	1,000,000	0	0	0	0	-1,000,000	-1,000,000	0	H2
Computer & Office Equipment	0	0	0	0	0	0	0	0	
Plant & Vehicle Replacement	1,401,223	-729,000	-55,000	0	-784,000	-167,261	-951,261	449,962	H1i
Roads General	1,000,000	0	0	0	0	-1,000,000	-1,000,000	0	H2
Swimming Pool	450,000	0	0	0	0	-450,000	-450,000	0	H2
Childcare Centre	200,000	0	0	0	0	0	0	200,000	
Land Development	500,000	-250,000	0	105,000	-145,000	-150,000	-295,000	205,000	H2
Leeton Museum & Art Gallery (WCIC)	300,000	0	0	-120,000	-120,000	0	-120,000	180,000	
Renewable Energy Efficiencies	120,000	0	0	0	0	0	0	120,000	
Sportsgrounds Improvements	300,000	0	0	0	0	-300,000	-300,000	0	H2
Employee Leave Entitlements (50%)	1,391,005	0	0	0	0	0	0	1,391,005	
Workers Compensation	0	0	0	0	0	0	0	0	
Façade Painting Reserve	102,061	0	0	0	0	0	0	102,061	
Fire and Emergency Services	0	0	0	0	0	0	0	0	
Unfinished Works (General) Restriction	1,203,552	0	0	0	0	-1,203,552	-1,203,552	0	H2
Election Reserve	35,000	45,000	0	0	45,000	0	45,000	80,000	
Financial Assistance Grant Prepayment	5,659,358	0	0	603,154	603,154	0	603,154	6,262,512	
<b>Total Internal Restrictions</b>	<b>14,362,199</b>	<b>-934,000</b>	<b>-55,000</b>	<b>588,154</b>	<b>-400,846</b>	<b>-4,770,813</b>	<b>-5,171,659</b>	<b>9,190,540</b>	
<b>External Restrictions</b>									
Unexpended Loans - General	0	0	0	0	0	0	0	0	
Developer Contributions - General	960,480	200,000	0	0	200,000	0	200,000	1,160,480	
Developer Contributions - Water	31,151	529,145	0	0	529,145	-500,000	29,145	60,296	J3E
Developer Contributions - Sewer	0	510,000	0	0	510,000	-500,000	10,000	10,000	J4C
Specific Purpose Unexpended Grants	4,367,987	0	-4,367,988	4,264,965	-103,023	-90,085	-193,108	4,174,879	H7, H J4, J H1i
Stormwater Management	230,495	5,000	0	0	5,000	26,970	31,970	262,465	
Deposits, Bonds & Retentions - General	764,553	0	0	0	0	0	0	764,553	
Deposits, Bonds & Retentions - Water	1,900	0	0	0	0	0	0	1,900	
Carry Over Works - Water	208,670	0	-208,670	0	-208,670	0	-208,670	0	
Water Supply	18,292,792	551,840	-354,610	600,000	797,230	-111,851	685,379	18,978,171	J37, t
Carry Over Works - Sewerage	354,834	0	-354,834	0	-354,834	0	-354,834	0	
Sewerage Services	9,068,617	-197,050	-887,062	-50,000	-1,134,112	578,654	-555,458	8,513,159	J41, J H4; J34, t
Domestic Waste Management	986,061	-69,495	0	0	-69,495	46,986	-22,509	963,552	
Landfill Remediation	4,550,429	280,000	0	0	280,000	0	280,000	4,830,429	
<b>Total External Restrictions</b>	<b>39,817,969</b>	<b>1,809,440</b>	<b>-6,173,164</b>	<b>4,814,965</b>	<b>451,241</b>	<b>-549,326</b>	<b>-98,085</b>	<b>39,719,884</b>	
<b>Total Restricted Cash and Investments</b>	<b>54,180,168</b>	<b>875,440</b>	<b>-6,228,164</b>	<b>5,403,119</b>	<b>50,395</b>	<b>-5,320,139</b>	<b>-5,269,744</b>	<b>48,910,423</b>	
<b>Total Cash &amp; Investments</b>	<b>54,554,017</b>	<b>8,707,669</b>	<b>-17,366,598</b>	<b>3,131,673</b>	<b>-5,527,256</b>	<b>862,727</b>	<b>-4,664,529</b>	<b>49,889,488</b>	
<b>Unrestricted Cash</b>	<b>373,850</b>	<b>7,832,229</b>	<b>-11,138,434</b>	<b>-2,271,446</b>	<b>-5,577,651</b>	<b>6,182,866</b>	<b>605,215</b>	<b>979,065</b>	

## 8. Consolidated Balance Sheet Budget Review Statement

Description	Opening Balance Actual	Original Budget	Approved Changes		Current Budget Dec QBR	Recommended changes for Mar QBR	End of Year Adjustments	Revised Budget Mar QBR	Closing Balance Forecast
			QBRs - Sept	QBRs - Dec					
<b>Current Assets</b>									
Cash and Cash Equivalents	20,254,955	8,707,669	-17,366,598	3,131,673	-5,527,256	862,727	0	-4,664,529	15,590,425
Investments	22,000,446	0	0	0	0	0	0	0	22,000,446
Receivables	3,327,025	0	0	0	0	0	0	0	3,327,025
Inventories	1,109,605	0	0	0	0	0	0	0	1,109,605
Other	49,137	0	0	0	0	0	0	0	49,137
<b>Total Current Assets</b>	<b>46,741,168</b>	<b>8,707,669</b>	<b>-17,366,598</b>	<b>3,131,673</b>	<b>-5,527,256</b>	<b>862,727</b>	<b>0</b>	<b>-4,664,529</b>	<b>42,076,638</b>
<b>Non-Current Assets</b>									
Investments	12,300,000	0	0	0	0	0	0	0	12,300,000
Receivables	16,000	0	0	0	0	0	0	0	16,000
Infrastructure, Property, Plant & Equipment	333,942,467	-5,469,100	24,348,055	-3,109,569	15,769,386	831,365	0	16,600,751	350,543,218
Intangible Assets	9,765,700	0	0	0	0	0	0	0	9,765,700
<b>Total Non-Current Assets</b>	<b>356,024,167</b>	<b>-5,469,100</b>	<b>24,348,055</b>	<b>-3,109,569</b>	<b>15,769,386</b>	<b>831,365</b>	<b>0</b>	<b>16,600,751</b>	<b>372,624,918</b>
<b>Total Assets</b>	<b>402,765,334</b>	<b>3,238,569</b>	<b>6,981,457</b>	<b>22,104</b>	<b>10,242,130</b>	<b>1,694,092</b>	<b>0</b>	<b>11,936,222</b>	<b>414,701,556</b>
<b>Current Liabilities</b>									
Payables	2,899,000	0	0	0	0	0	0	0	2,899,000
Contract Liabilities	3,533,546	-800,000	-4,367,987	2,353,201	-2,814,786	1,221,746	0	-1,593,040	1,940,506
Borrowings	294,882	0	0	0	0	0	95,118	95,118	390,000
Employee Benefit Provisions	2,638,686	0	0	0	0	0	0	0	2,638,686
<b>Total Current Liabilities</b>	<b>9,366,115</b>	<b>-800,000</b>	<b>-4,367,987</b>	<b>2,353,201</b>	<b>-2,814,786</b>	<b>1,221,746</b>	<b>95,118</b>	<b>-1,497,922</b>	<b>7,868,193</b>
<b>Non-Current Liabilities</b>									
Payables	0	0	0	0	0	0	0	0	0
Borrowings	2,139,286	5,590,509	573,000	-881,416	5,282,094	0	-95,118	5,186,976	7,326,262
Employee Benefit Provisions	143,323	0	0	0	0	0	0	0	143,323
Provisions	4,585,429	280,000	0	0	280,000	0	0	280,000	4,865,429
<b>Total Non-Current Liabilities</b>	<b>6,868,038</b>	<b>5,870,509</b>	<b>573,000</b>	<b>-881,416</b>	<b>5,562,094</b>	<b>0</b>	<b>-95,118</b>	<b>5,466,976</b>	<b>12,335,014</b>
<b>Total Liabilities</b>	<b>16,234,152</b>	<b>5,070,509</b>	<b>-3,794,987</b>	<b>1,471,785</b>	<b>2,747,308</b>	<b>1,221,746</b>	<b>0</b>	<b>3,969,054</b>	<b>20,203,206</b>
<b>Net Assets</b>	<b>386,531,182</b>	<b>-1,831,940</b>	<b>10,776,444</b>	<b>-1,449,681</b>	<b>7,494,822</b>	<b>472,346</b>	<b>0</b>	<b>7,967,168</b>	<b>394,498,350</b>
<b>Equity</b>									
Retained Earnings	143,235,295	-1,831,940	10,776,444	-1,449,681	7,494,822	472,346	0	7,967,168	151,202,464
Revaluation Reserves	243,295,887	0	0	0	0	0	0	0	243,295,887
<b>Total Equity</b>	<b>386,531,182</b>	<b>-1,831,940</b>	<b>10,776,444</b>	<b>-1,449,681</b>	<b>7,494,822</b>	<b>472,346</b>	<b>0</b>	<b>7,967,168</b>	<b>394,498,350</b>

## 9. Key Performance Indicators

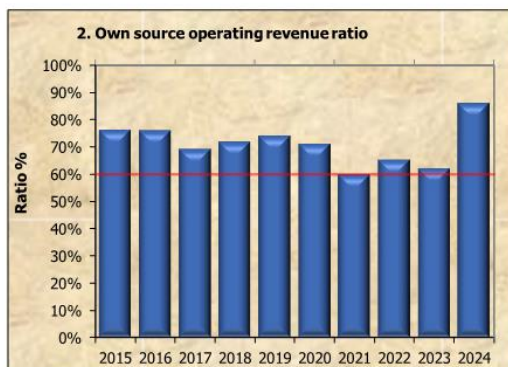
The financial indicators have been selected to address operational liquidity, fiscal responsibility and financial sustainability goals across short, medium and long-term time frames. The indicators will highlight historical and forecast performance.

### Calculation of Ratio



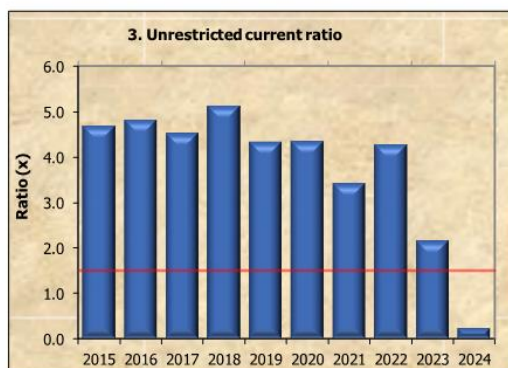
Benchmark: ---- Minimum  $\geq 0.00\%$   
 Source for benchmark: Code of Accounting Practice and Financial Reporting #26

<p><b>Purpose of operating performance ratio</b></p> <p>This ratio measures Council's achievement of containing operating expenditure within operating revenue.</p>	<p><b>Operating performance ratio</b></p> <p>Continuing operating revenue excluding capital grants and contributions less operating expenses</p> <hr/> <p>Total continuing operating revenue excluding capital grants and contributions</p>
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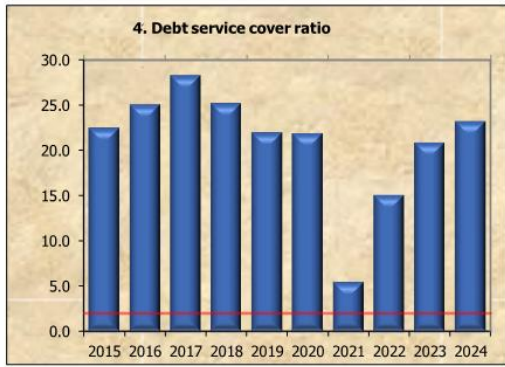
Benchmark: ---- Minimum  $\geq 60.00\%$   
 Source for benchmark: Code of Accounting Practice and Financial Reporting #26

<p><b>Purpose of own source operating revenue ratio</b></p> <p>This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.</p>	<p><b>Own source operating revenue ratio</b></p> <p>Total continuing operating revenue excluding capital grants and contributions</p> <hr/> <p>Total continuing operating revenue</p>
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Benchmark: ---- Minimum  $\geq 1.50$   
 Source for benchmark: Code of Accounting Practice and Financial Reporting #26

<p><b>Purpose of unrestricted current ratio</b></p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</p>	<p><b>Unrestricted current ratio</b></p> <p>Current assets less all external restrictions</p> <hr/> <p>Current liabilities less specific purpose liabilities</p>
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Benchmark: --- Minimum  $\geq 2.00$   
 Source for benchmark: Code of Accounting Practice and Financial Reporting #26

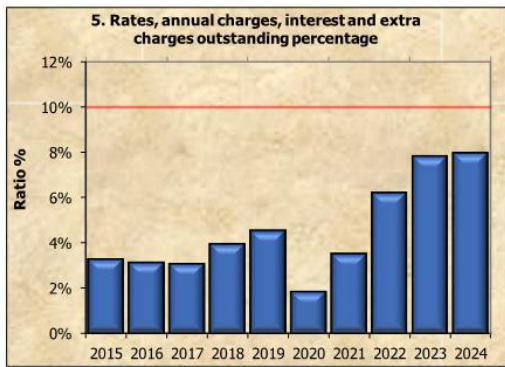
**Purpose of debt service cover ratio**

**Debt service cover ratio**  
 Operating result before capital excluding interest and depreciation/impairment/amortisation

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Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments



Benchmark: --- Maximum  $< 10.00\%$   
 Source for Benchmark: Code of Accounting Practice and Financial Reporting #26

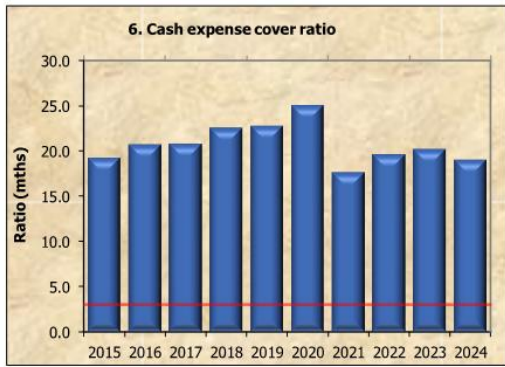
**Purpose of rates and annual charges outstanding ratio**

**Rates, annual charges, interest and outstanding %**  
 Rates, annual and extra charges outstanding

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Rates, annual and extra charges collectible

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.



Benchmark: --- Minimum  $\geq 3.00$   
 Source for benchmark: Code of Accounting Practice and Financial Reporting #26

**Purpose of cash expense cover ratio**

**Cash expense cover ratio**  
 Current year's cash and cash equivalents plus all term deposits

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Payments from cash flow of operating and financing activities

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.



## 10. Contracts Register

Councillors are currently made aware of tenders of \$150,000 or more in accordance with legislation. The purpose of the Contracts Statement within the QBRS is to inform Councillors and the community of other material contracts entered into by council during the quarter and that have not been fully performed or completed.

Key points regarding contracts included on the list:

- Employment contracts are specifically excluded;
- Contracts with suppliers on Council's preferred supplier lists are excluded;
- The threshold has been set at a contract value of \$50,000 or more; and
- For each listed contract the following details will be provided; contractor name, purpose of the contract, amount of contract, commencement date of contract, duration of contract and whether or not the contract was included in the budget.

Council is in the process of reviewing compliance with the Contracts Register information and establishing new procedures to ensure compliance in future budget reviews.