



## **Extraordinary Meeting of Council**

**Wednesday 28 February 2024**

**4.00pm**

**Council Chambers**

**209 Comur Street, Yass**

**ATTACHMENTS TO REPORTS**

# Extraordinary Meeting of Council

## Attachments to Reports

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**Yass Valley Council**

**Second Quarter Budget Review Statement**  
For the year ending 30 June 2024

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**Yass Valley Council**

**Second Quarter Budget Review Statement**  
For the year ending 30 June 2024

**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 Yass Valley Council for the quarter ended 31/12/2023 indicates that Council's projected financial position at 30/06/2024 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed: Lynette Safranek  
Lynette Safranek  
Responsible Accounting Officer

Date: 21/02/2024

4.1 2023/24 Second Quarterly Budget Review Statements  
Attachment A Q2 QBRS Report

Yass Valley Council

Second Quarter Budget Review Statement

For the year ending 30 June 2024

Income and Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2023

Income and Expenses - Council Consolidated

(\$000's)	Original Budget 2023/24	Approved Changes						Revised Budget 2023/24	Recommend changes for Dec Qtr	Notes	Projected Year End Result	Dec-23 Actual YTD figures
		Other than by QBRS		Carry Forwards	Sept QBRS	Dec QBRS	Mar QBRS					
		Amended	Balance									
Income												
Rates and Annual Charges	20,451	0	20,451	0	0	0	0	20,451	337	1	20,788	21,867
User Charges and Fees	7,207	0	7,207	0	0	0	0	7,207	-1,804	2	5,403	2,482
Other Revenues	408	0	408	0	0	0	0	408	157		565	382
Grants and Contributions - Operating	2,029	0	2,029	0	20	0	0	2,049	2,825	3	4,874	4,410
Grants and Contributions - Capital	14,853	0	14,853	0	1,000	0	0	15,853	559	4	16,412	6,666
Interest and Investment Revenues	981	0	981	0	0	0	0	981	208	5	1,189	812
Other Income	606	0	606	0	0	0	0	606	-226	6	380	213
Fair Value increment on Investment Property		0	0	0	0	0	0	0			0	0
Net Gains from Disposal of Assets		0	0	0	0	0	0	0			0	0
Total Income from Continuing Operations	46,535	0	46,535	0	1,020	0	0	47,555	2,056		49,611	36,833
Expenses												
Employee Costs	16,975	0	16,975	0	15	0	0	16,990	-2,004	7	14,987	6,615
Materials & Services	14,884	0	14,884	0	345	0	0	15,229	361	8	15,590	7,853
Borrowing Costs	1,914	0	1,914	0	0	0	0	1,914	-1,241	9	673	428
Depreciation	9,500	0	9,500	0	0	0	0	9,500	0		9,500	4,750
Other Expenses	966	0	966	0	0	0	0	966	231	10	1,197	546
Total Expenses from Continuing Operations	44,239	0	44,239	0	360	0	0	44,599	-2,652		41,947	20,193
Net Operating Result from Continuing Operations	2,296	0	2,296	0	660	0	0	2,956	4,708		7,664	16,640
Discontinued Operations - Surplus/(Deficit)								0			0	0
Net Operating Result from Continuing Operations	2,296	0	2,296	0	660	0	0	2,956	4,708		7,664	16,640
Net Operating Result before Capital Items	(12,557)	-	(12,557)	-	(340)	-	-	(12,897)	4,149		(8,748)	9,974

**Yass Valley Council**

**Second Quarter Budget Review Statement**

For the year ending 30 June 2024

**Income & Expenses Budget Review Statement**  
**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

Notes	Details
1	Rating forecast was adjusted by \$337k to bring it in line with actuals.
2	User Fees & Charges had a double entry in the budget, which was adjusted. Water Supply income was reduced as the budget was thought to be too high, in line with actuals.
3	Operating Grants & Contributions was increased by \$2.8M as the Roads and Bridges, and Roads to Recovery budgets were left off.
4	Capital Grants & Contributions variation was an increase of \$559K due to additional grants within this period.
5	Investment income increased due to a variation of \$208K due to improved interest investment rates.
6	Other income was decreased by \$226K due to fair value increment on investment property not eventuating this financial year, and a review of the lease income forecast in the budget.
7	Employee costs forecast has decreased by \$2M due to current vacancies which are expected to continue for the remainder of this financial year.
8	Materials and Services has increased overall by \$361K, which includes costs such as contractors, raw materials, street lighting, and vehicle maintenance, registration, and insurance.
9	Borrowing cost forecast was decreased by \$1.2M, which included \$970K for the Crago Mill loan drawdown and water loan. As well as a reclassification of the landfill remediation of \$270K.
10	Other expenses increased by \$231K due to the reclassification of landfill from borrowings, and a reduction on the reforecast of landfill expenditure.

4.1 2023/24 Second Quarterly Budget Review Statements  
Attachment A Q2 QBRS Report

Yass Valley Council

Second Quarter Budget Review Statement

For the year ending 30 June 2024

Capital Budget Review Statement

Budget review for the quarter ended 31 December 2023

Capital Budget - Council Consolidated

(\$000's)	Original Budget 2023/24	Approved Changes						Revised Budget 2023/24	Recommend changes for Dec Qtr	Notes	Projected Year End Result	Dec-23 Actual YTD figures
		Other than by QBRS		Carry Forwards	Sept QBRS	Dec QBRS	Mar QBRS					
		Amended	Balance									
Capital Expenditure												
New Assets												
- Plant & Equipment								0			0	
- Land & Buildings	12,500			52				12,552	-11,800	1	752	1
- Roads, Bridges, Footpaths	3,366				214			3,581	-2,324	4	1,256	1,279
- Stormwater					90			90	3		93	3
- Water Supply Network				1,030				1,030	250	7	1,280	64
- Other Open Space/Recreational Assets	726			20	1,080			1,826	-1,468	2	357	1,307
- Sewerage Network								0			0	59
- Waste				387				387	255	6	642	95
Renewal Assets (Replacement)								0				
- Plant & Equipment								0	1,594	3	1,594	-
- Land & Buildings				418				418	35		453	-
- Roads, Bridges, Footpaths	11,380			5,253	-1,512			15,122	-1,449	4	13,672	2,804
- Stormwater								0			0	-
- Water Supply Network	885			843				1,728	-450	7	1,278	5
- Other Open Space/Recreational Assets	2,265			1,431				3,697	-45		3,526	40
- Sewerage Network	1,750			255				2,005	-170	5	1,960	62
- Waste								0			0	
Loan Repayments (Principal)								0			0	
Total Capital Expenditure	32,873	0	0	9,689	-128	0	0	42,434	-15,570		26,864	5,719
Capital Funding												
Rates & Other Untied Funding	15,884				-1,129			14,755	-10,495		4,260	-
Capital Grants & Contributions	13,967			5,459	2,061			21,488	-5,075		16,413	5,514
Reserves:												
- External Restrictions/Reserves	110			2,046				2,156			2,156	89
- Internal Restrictions/Reserves	2,911			2,184	-1,060			4,035			4,035	116
Total Capital Funding	32,873	0	0	9,689	-128	0	0	42,434	-15,570		26,864	5,719
Net Capital Funding - Surplus/(Deficit)	-	-	-	-	0	-	-	-	-		0	0

## 4.1 2023/24 Second Quarterly Budget Review Statements

### Attachment A Q2 QBRS Report

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#### Yass Valley Council

#### Second Quarter Budget Review Statement For the year ending 30 June 2024

##### Capital Budget Review Statement Recommended changes to revised budget

Below is a list of major adjustments that resulted in movements in the new forecast for 2023/24.

Notes	Details
1	Lands & buildings: reduced by \$11.8M as the Crago Mill project moved to 2024/25FY.
2	Open Space & Recreational Assets: Murrumbateman Rec Ground Amenities forecast was decreased by \$1.1M.
3	Plant & Equipment: increased by \$1.6M to account for replacement of plant.
4	Roads: reduced by \$3.7M for road resealing programs and new roads.
5	Sewer: reduced by \$170K as the Integrated Water Cycle Management Plan is not completing this financial year; and a reduction of \$30K in the Yass STP Augmentation capital expenditure forecast.
6	Waste: \$255K increases due to transfer station improvements in Yass and Murrumbateman and the Murrumbateman Leachate Electrical Pump.
7	Water Supply: decreased by \$450K due to delay in Options Study of Morton Low Level Reservoir Repair budget reduction and an increase in \$100K in Telemetry System Upgrade – Water and an increase of \$150K in Water Reticulation Upgrade Program.

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**Yass Valley Council**

**Second Quarter Budget Review Statement**  
For the year ending 30 June 2024

**Cash & Investments Budget Review Statement**

**Comment on Cash & Investments Position**

**Investments**

Investments have been invested in accordance with Council's Investment Policy.

**Cash**

The Cash at Bank figure included in the Cash & Investment Statement totals \$36,904,326

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.

The date of completion of this bank reconciliation is 31/12/2023

**Reconciliation Status**

The YTD Cash & Investment figure reconciles to the actual balances held as follows **\$ 000's**

Cash at Bank (as per bank statements)	8,704
Investments on Hand	28,200
<b>Reconciled Cash at Bank &amp; Investments</b>	<b>36,904</b>

Mass Valley Council

**Second Quarter Budget Review Statement**  
Budget review for the quarter ended 31 December 2023

**Key Performance Indicators Budget Review Statement - Industry KPI's (OLG)**

Budget review for the quarter ended 31 December 2023

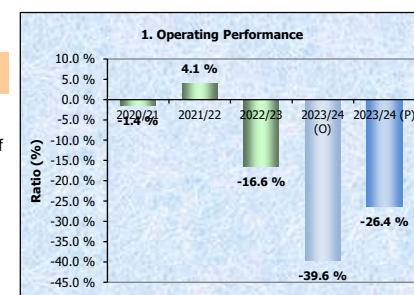
\$000's)	Current Projection		Original Budget 23/24	Actuals Prior Periods	
	Amounts	Indicator		22/23	21/22
	23/24	23/24			

ISW Local Government Industry Key Performance Indicators (OLG):

**1. Operating Performance**

Operating Revenue (excl. Capital) - Operating Expenses	- 8,748	-26.4 %	-39.63 %	-16.57 %	4.07 %
Operating Revenue (excl. Capital Grants & Contributions)	33,199				

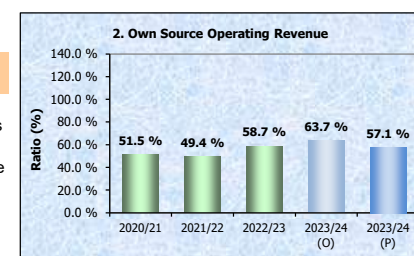
This ratio has decreased to be under the benchmark primarily due to the volume of Capital Grants the council has obtained. These are one off grants that the State and Federal Governments have offered to stimulate the economy due to the impacts of COVID-19. These funds will be used to fast track Councils capital works program. It is important to note that the value of Capital Grants in 2020/21 is double the amount received in 2019/20.



**2. Own Source Operating Revenue**

Operating Revenue (excl. ALL Grants & Contributions)	28,325	57.1 %	63.72 %	58.73 %	49.40 %
Total Operating Revenue (incl. Capital Grants & Cont.)	49,611				

In the 2020/21 Financial year, Council has been able to secure approximately \$20M in grant funding to fund the Capital Works program. This funding has been provided by the State and Federal Government as part of their initiative to stimulate the economy due to the impact of COVID-19. The majority of these grants are one off grants and will allow Council to fast track the capital works program.



4.1 2023/24 Second Quarterly Budget Review Statements  
Attachment A Q2 QBRs Report

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Yass Valley Council

Second Quarter Budget I  
For the year er

**Statement**

Budget review for the quarter ended  
31 December 2023

**Part A - Contracts Listing** - contracts entered into during the financial Year to date.

Contractor	Contract detail & purpose	Contract Value (excl GST)	Start or Awarded Date	Duration of Contract
Lentro Earthworks P/L	Sutton Road Seg 35 Rehabilitation	\$1,021,262	1-Nov-23	8 months
Murray Constructions P/L	Back Creek Road Low Level Crossing Replacement	\$2,143,248	1-Nov-23	6 months
Complete Civil P/L	Natural Disaster - renewal of culvert Woolgarlo Road	\$166,880	1-Nov-23	6 months

**Yass Valley Council**

**Second Quarter Budget Review Statement**  
For the year ending 30 June 2024

**Consultancy & Legal Expenses Budget Review Statement**

Consultancy & Legal Expenses Overview

<b>Expense</b>	<b>YTD Expenditure (Actual Dollars)</b>	<b>Budgeted (Y/N)</b>
Consultancies	148,690	Y
Legal Fees	126,271	Y

**Definition of a consultant:**

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.