



URALLA SHIRE COUNCIL

BUSINESS PAPER

ORDINARY COUNCIL MEETING

22 March 2022

Commencing at 9:30am

Kate Jessep
GENERAL MANAGER
UINT/22/3443

LATE REPORT

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9.1 – Late Report – Tolleys Gully Bridge Funding

This report issued 21 March 2022 for Late Reports in Business Agenda

Department: Infrastructure & Development
Prepared by: Manager Civil Infrastructure
TRIM Reference: UINT/22/3441

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Goal:	2.3	A safe and efficient network of arterial roads and supporting infrastructure; and town streets, footpaths and cycle ways that are adequate, interconnected and maintained
Strategy:	2.3.1	Provide an effective road network that balances asset conditions with available resources and asset utilisation
Activity:	2.3.1.1	Deliver road and drainage maintenance services and capital works programs
Action:	2.3.1.1.1	Deliver sealed roads bitumen maintenance program in line with established service levels and intervention points - per Transport Asset Management Plan
	2.3.1.1.2	Deliver sealed roads capital renewal program - per Transport Asset Management Plan
	2.3.1.1.4	Deliver unsealed roads grading program in line with established service levels and intervention points - per Transport Asset Management Plan
	2.3.1.1.5	Deliver unsealed roads re-sheeting program in line with established service levels – per Transport Asset Management Plan

SUMMARY:

1. The purpose of this report is to inform Council of the progress of works at the Tolleys Gully Bridge road construction project and for Uralla Shire Council to allocate sufficient funding to enable the completion of the project.

RECOMMENDATION:

That Council approve the allocation from TfNSW Block Grant Funding of \$57,000 in 2021/22, and \$268,000 in 2022/2023 to allow the completion of Tolleys Gully Bridge.

REPORT:

2. Tolleys Gully Bridge has been constructed and the approach road works have been underway for some months. There have been damages on site due to prolonged wet weather. Sections were required to be reworked and in some cases replaced. Additionally, due to the high demand of maintenance on other roads key personnel and plant have been required to be taken away and then re-established. Restart funding for the project has been expended, inclusive of the contingency. Current expenditure on this project is \$1,157,000 (\$57,000 in excess of anticipated costs). The works have been secured for a temporary halt.
3. Extensive extra earthworks on the Uralla end approach have been required to be carried out, to address latent conditions so that there are no pavement failures as you drive into the new works. There has also been COVID related and wet weather impacts that have realised additional costs. The amount of the additional funds to complete the works in excess of the original project forecast budget has been estimated to be \$243,257. This is based on unit rates that were used to complete Stage 1 of Hawthorne Drive.
4. An allowance of 10% for contingency is recommended realising a budget to completion of \$268,000.

5. As at 21 March 2022 there is approximately \$89,000 of unallocated funds remaining to expend in the Block Grant for 2021/22.
6. Options include;
 - Applying for more funding;
 - Borrowing (not recommended as Council shouldn't be paying off a loan on a regional road asset);
 - Deferring finalisation until next financial year when we can use the next round of Block Grant;
 - Reallocating committed funds from other areas:
 - Kerb & Gutter
 - Unsealed rural roads

7. Capital Works Program 2021-22

Uralla Shire Council construction team has moved onto the Hawthorne Drive stage 2 project in the interim.

CONCLUSION:

8. The report information outlines an effective strategy to continue the Tolleys Gully Bridge project, and make a significant start on Hawthorne Drive Stage 2, and expend the Block Grant allocation.

COUNCIL IMPLICATIONS:

9. Community Engagement/ Communication (per engagement strategy)

Weekly posts to Council's Facebook and internal weekly Councillor Bulletin keeps the community and councillors informed of progress.

10. Policy and Regulation

Procurement Policy; Infrastructure Asset Management Policy; and other applicable Civil Infrastructure and Works policies of Council; *Local Government Act (1993)*, *Roads Act (1993)*, *Work Health & Safety Act (2011)*, *Environmental Planning & Assessment Act (1979)* and Australian Standards.

11. Financial (LTFFP)

In accordance with budget.

12. Asset Management (AMS)

In accordance with Asset Management Plan and condition assessment report.

13. Workforce (WMS)

Council staff and contractors.

14. Legal and Risk Management

Maintaining Council assets and improving safety to minimise legal and risk exposure.

15. Performance Measures

Works completed to appropriate standards.

16. Project Management

Manager of Civil Infrastructure, Overseer & Director Infrastructure & Development.

9.2 CASH AT BANK AND INVESTMENTS

Department: Finance
Prepared by: Chief Financial Officer
TRIM Container U21/167 UINT/22/3446
Attachments Council's Investments as at 28 February, 2022
 Schedule of loans as at 28 February, 2022

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Goal: 4.2 An effective and efficient organisation.
Strategy: 4.2.2 Operate in a financially responsible and sustainable manner.
Activity: 4.2.2.1 Maintain and control financial system and improve long-term sustainability
Action: 4.2.2.1.5 Maximise return on investment within risk parameters provided by the USC Investments Policy.

SUMMARY:

1. Attached is a summary of bank accounts, term deposits, cash management account and investments in structured credit instruments. The investments have been made in accordance with the Act, the Regulations and Council's Investment Policy.

RECOMMENDATION:

That Council note:

- i. The cash position as at 28 February, 2022 consisting of cash and overnight funds of \$3,633,131, term deposits of \$13,412,458 totalling \$17,045,589 of readily convertible funds; and
- ii. The loan position as at 28 February, 2022 totalling \$1,813,483; and
- iii. The projected unrestricted cash position as at 30 June, 2022 totalling \$206,000.

BACKGROUND:

2. In accordance with Regulation 212 of the Local Government (General) Regulations 2021, the following report is prepared about monies not currently required for use by Council and invested in forms of investment approved by Order of the Minister.

REPORT:

3. Current term deposits of \$13,412,458 spread over the next twelve months will receive a range of interest from .25% to .9% with an average rate of .48%. Diary of maturing dates and amounts is attached.

4. Council's General Fund bank balances (listed in the attachments) have been reconciled to the bank statement as at 28 February, 2022.

KEY ISSUES:

5. The Reserve Bank has decided to maintain the cash rate target at 10 basis points and the interest rate on Exchange Settlement balances at zero per cent. The Board again stated that it "...is committed to maintaining highly supportive monetary conditions to achieve its objectives of a return to full employment in Australia and inflation consistent with the target" and it "... will not increase the cash rate until actual inflation is sustainably within the 2 to 3 per cent target range". The current low interest rates will continue to result in reduced investment returns over the coming year.

Restricted and Unrestricted Cash, Cash Equivalents and Investments

6. Of the amount of cash disclosed in this report, not all of it is available for unrestricted use by Council. Some of it has been set aside to meet external restrictions, being those funds that have been provided for specific purposes such as developer contributions, government grants, loans, water supplies, sewer services and Aged Care Bonds. Some of the cash has also been set aside specifically to cover future commitments that Council has made relating to asset renewals, remediation works or leave provisions.

7. As at 30 June, 2021, Restricted and Unrestricted funds were fully funded by Cash and Investments (see Note C1-3 of the Annual Financial Statements).

8. Based on the second Quarterly Budget Review Statement for the quarter ended 31 December, 2021, it is projected that the Restricted and Unrestricted cash at the end of the financial year will be follows:

	30 June, 2021	Projected 30 June, 2022
Externally restricted	12,690,000	9,458,000
Internally restricted	4,510,000	3,347,000
Unrestricted	340,000	206,000
Total Cash & Investments	17,540,000	13,011,000

Note: Restrictions are as noted in the Quarterly Budget Review Statement.

COUNCIL IMPLICATIONS:

9. Community Engagement/ Communication (per engagement strategy)

N/A

10. Policy and Regulation

Local Government Act 1993

Local Government (General) Regulations 2021

Order of the Minister re Investments

11. Financial (LTFP)

Current interest rates affect Council's ability to meet projected investment returns therefore reducing forecast revenue in the long term.

12. Asset Management (AMS)

N/A

13. Workforce (WMS)

N/A

14. Legal and Risk Management

The public presentation of this information and Council noting this report is an important part of Council's management of the risk of not maintaining compliance with the Minister's Orders regarding approved investment types and in-turn reduces the risk of future losses on investments.

15. Performance Measures

N/A

16. Project Management

N/A

Uralla Shire Council					
Investments at 28 February, 2022					
Cash at Bank – Operating Accounts:					
Institution		Account		Bank Statement	
National Australia Bank		Main Account		\$533,429.31	
National Australia Bank		Trust Account		\$31,296.33	
Regional Australia Bank		USC		\$26,226.30	
Term deposit interest accounts		USC		\$5,378.85	
Total				\$596,330.79	
Business Investment (Cash Management) Account					
Institution		Interest rate		Balance	
Professional Funds		0.15% above RBA cash rate		\$3,036,800.63	
Total				\$3,036,800.63	
Term Deposits:					
Institution		Term	Interest rate	Maturity	Balance
National Australia Bank		11 months	0.33%	8/03/2022	\$500,000.00
National Australia Bank		12 months	0.37%	1/04/2022	\$600,000.00
Suncorp		12 months	0.40%	15/04/2022	\$600,000.00
Suncorp		12 months	0.40%	22/04/2022	\$500,000.00
National Australia Bank		12 months	0.35%	21/05/2022	\$1,000,000.00
Commonwealth Bank		9 months	0.31%	20/06/2022	\$1,000,000.00
Commonwealth Bank		12 months	0.41%	20/07/2022	\$500,000.00
Westpac Banking Corporation		12 months	0.25%	25/07/2022	\$609,716.33
Suncorp		12 months	0.45%	20/08/2022	\$400,000.00
Westpac Banking Corporation		12 months	0.37%	25/08/2022	\$252,741.34
Commonwealth Bank		12 months	0.39%	6/09/2022	\$1,000,000.00
National Australia Bank		10 months	0.47%	19/09/2022	\$500,000.00
Suncorp		21 months	0.70%	9/10/2022	\$1,000,000.00
National Australia Bank		12 months	0.40%	12/10/2022	\$700,000.00
Suncorp		12 months	0.50%	9/11/2022	\$1,300,000.00
Bank of Queensland		11 months	0.70%	19/12/2022	\$800,000.00
Commonwealth Bank		12 months	0.55%	29/12/2022	\$1,350,000.00
Bank of Queensland		12 months	0.90%	10/02/2023	\$800,000.00
Total					\$13,412,457.67
Uralla Shire Council					
Loans at 28 February, 2022					
Loans:					
Loan no.	Purpose			Balance	
165	MGH Property			\$33,842.51	
168	Community Centre			\$13,337.75	
176	Library Extensions			\$72,215.16	
177	Grace Munro Centre			\$57,808.39	
187	Undergrounding Power and Main Street Upgrade			\$85,484.11	
188	Paving and Power Undergrounding			\$24,125.62	
189	Bridge Construction			\$170,658.98	
190	Bridge construction & industrial land development			\$1,356,010.26	
Total				\$ 1,813,482.78	

9.3 QUARTERLY BUDGET REVIEW STATEMENT – THIRD QUARTER 2021/22 (DECEMBER 2021)



Department: Finance
Prepared by: Director Corporate Services and Chief Financial Officer
TRIM Reference: UINT/2022/03440
Attachments: Attachment 1 - UINT/22/3444

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Goal: 4.2 An effective and efficient organisation
Strategy: 4.2.2 Operate in a financially responsible and sustainable manner
Activity: 4.2.2.1 Maintain and control financial system and improve long term financial sustainability
Action: 4.2.2.1.8 Complete and report quarterly budget review statements

SUMMARY:

1. The purpose of this report is to present to Council a review of the budget for the second quarter of the 2021/22 financial year.

RECOMMENDATION:

That Council:

- i **Note the second quarter budget review summary for the 2021/22 financial year be received and noted; and**
- ii **Adopt the adjustments to budget allocations, including transfers to and from reserves.**

REPORT:

2. It is a statutory requirement that Council's Responsible Accounting Officer prepares and submits a budget review statement to Council on a Quarterly basis each financial year (LGGR 2005 cl.203 (1)).
3. Council's Responsible Accounting Officer must also include with the budget review report an opinion on the financial position of Council and any recommendations for remedial action if required. As such the second quarterly review for the 2021/22 financial year has been prepared and attached for Council's review and adoption.
4. The attached quarterly budget review report shows net income and expenditure adjustments (before capital grants) of over \$300,000 and increased capital expenditure of over \$1.88 million.
5. The net decrease in the operating result before capital grants can mostly be attributed to increased depreciation of \$213,000 and increased fuel costs (net of rebates) of \$102,000.

6. The capital expenditure adjustments relate mostly to the Bundarra Sewer Scheme project.
7. A positive outcome this quarter is the continued reduction in the rates and charges arrears percentage to 5.56%, which is below the internal benchmark of 6.5%.
8. It is also pleasing to note that council's unrestricted cash has risen to \$206,000.
9. The second quarter budget review statement reflects some of the variations that arise from normal operating changes in any given year.
10. The variations are detailed in the *Recommended changes to revised budget for income and expenses budget and capital budget* pages of the attached report.
11. The major changes can be summarised as follows:
 - a. \$1,010,600 deferral of expected capital grant revenue and associated capital expenditure (previously included in quarterly budget review 1) to 2022-23;
 - b. \$2,124,000 additional capital expenditure together with additional expected capital grant income of over \$928,000 related to the Bundarra Sewer Scheme project;
 - c. \$370,000 additional capital expenditure together with additional expected capital grant income of \$370,000 related to the Court House refurbishment project;
 - d. Over \$213,000 in additional depreciation costs related to the updating of asset registers following the completion of the 2021 financial statements;
 - e. \$140,000 in additional fuel costs offset by an expected increase in fuel rebates of \$38,000;
12. The budget adjustments this quarter have resulted in a further deterioration of the likely financial result before capital grants; from a budgeted loss of \$1.86M to one of \$2.17M.
13. As noted above, the expenditure increases in this quarter have been beyond the control of Council (due to the latest oil price shock and depreciation adjustments).

CONCLUSION:

14. The Council's projected financial position at 30 June 2022 is likely to be satisfactory at year end, having regard to the projected estimates of income and expenditure, current trends and the original budgeted income and expenditure.

COUNCIL IMPLICATIONS:

15. **Community Engagement/ Communication**
Report of budget reviews to the Council's ordinary meeting.
16. **Policy and Regulation**
 - *Local Government Act 1993 (NSW)*
 - *Local Government Regulations (General) 2005 (NSW)*
 - Local Government Code of Accounting Practice and Financial Reporting
 - Australian Accounting Standards
17. **Financial (LTFP)**
This report is a review of the annual budget up to the end of the second quarter. Changes to the budget are as outlined in the attached statements.
18. **Asset Management (AMS)**
N/A

19. Workforce (WMS)

N/A

20. Legal and Risk Management

Council is required by legislation (clause 203 of the Regulations) to prepare quarterly budget review statements for the first three quarters of each year, including an opinion by the Responsible Accounting Officer as to whether the financial position of the Council is considered to be satisfactory.

Corporate Governance – the second quarter budget complies with legislative requirements. This risk is assessed as *low*.

Financial Management – the second quarter budget shows a further deterioration from the original budget adopted by Council in June 2021 which may require remedial action if expenditure savings or income increases are not identified. Currently this risk is assessed as *high*.

21. Performance Measures

One of required three budget reviews.

22. Project Management

N/A

Uralla Shire Council
Quarterly Budget Review Statement
For the Quarter ended 31 December, 2021

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**Uralla Shire Council
Quarterly Budget Review Statement
For the Quarter ended 31 December, 2021**

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 Uralla Shire Council for the quarter ended 31 December, 2021 indicates that Council's projected financial position at 30 June, 2022 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed: _____

Simon Paul
Responsible Accounting Officer

Uralla Council
Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Income & Expenses Budget Review Statement
Consolidated by Fund
Budget review for the quarter ended 31 December, 2021

(\$000's)	Original Budget 2021/2022	Variations Sep QBRS	Revised Budget Sep-21	Variations from this QBRS	Notes	Projected Year End Result	Actual YTD Dec-21	
Income								
General Fund	17,846	2,028	19,874	(97)		19,777	13,634	69%
McMaugh Gardens	3,340		3,340	136		3,475	1,541	44%
Water Supplies	2,536		2,536	-		2,536	858	34%
Sewer Services	2,975		2,975	929		3,904	1,962	50%
Total Income from Continuing Operations	26,696	2,028	28,724	967		29,692	17,995	61%
Expenses								
General Fund	17,033	39	17,072	766		17,839	8,205	46%
McMaugh Gardens	3,146		3,146	-		3,146	1,507	48%
Water Supplies	1,664		1,664	14		1,678	733	44%
Sewer Services	742		742	6		747	349	47%
Total Expenses from Continuing Operations	22,585	39	22,624	786		23,410	10,795	46%
Net Operating Result from Continuing Operations	4,111	1,989	6,100	181		6,281	7,200	
Capital grants and contributions	5,937	2,028	7,965	486		8,451	4,279	
Net Operating Result before Capital Grants	(1,826)	(39)	(1,865)	(305)		(2,170)	2,921	

Uralla Council
Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Income & Expenses Budget Review Statement
Consolidated by Activity
Budget review for the quarter ended 31 December, 2021

(\$000's)	Original Budget 2021/2022	Variations Sep QBRS	Revised Budget Sep-21	Variations from this QBRS	Notes	Projected Year End Result	Actual YTD Dec-21	
Income								
Organisational Services	5,921	-	5,921	42		5,963	4,705	79%
Community & Culture	6,913	-	6,913	455		7,368	4,099	56%
Infrastructure & Development	8,351	2,028	10,379	(458)		9,921	6,372	64%
Water Supplies	2,536	-	2,536	-		2,536	858	34%
Sewer Services	2,975	-	2,975	929		3,904	1,962	50%
Total Income from Continuing Operations	26,696	2,028	28,724	967		29,692	17,995	61%
Expenses								
Organisational Services	1,469	3	1,472	106		1,578	735	47%
Community & Culture	7,279	-	7,279	238		7,517	3,453	46%
Infrastructure & Development	11,432	36	11,468	422		11,890	5,525	46%
Water Supplies	1,664	-	1,664	14		1,678	733	44%
Sewer Services	742	-	742	6		747	349	47%
Total Expenses from Continuing Operations	22,585	39	22,624	786		23,410	10,795	46%
Net Operating Result from Continuing Operations	4,111	1,989	6,100	181		6,281	7,200	
Capital grants and contributions	5,937	2,028	7,965	486		8,451	4,279	
Net Operating Result before Capital Grants	(1,826)	(39)	(1,865)	(305)		(2,170)	2,921	

Uralla Shire Council
Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Income & Expenses Budget Review Statement
Recommended changes to revised budget
Budget review for the quarter ended 31 December, 2021

Budget Variations include the following material items:

Notes	Amount	Details
	\$(239,408)	
1	6,000	Estimated additional depreciation for IT equipment
2	100,000	Estimated employee workers compensation payments
3	(100,000)	Estimated reimbursement of employee workers compensation payments
4	40,000	IOT Gateway capital grant not expected to proceed
5	(80,015)	Drought Support Payment (DSP) Capital Grant for Visitor Information Centre redevelopment
6	(16,360)	Australia Day Community Grant received
7	16,360	Expected expenditure on Australia Day Community Grant
8	(74,000)	Expected savings in costs for Tablelands Community Support (TCS)
9	33,000	Expected reduction in TCS income due to decreased demand for services
10	(296,000)	Estimated additional grant income for Tablelands Community Transport (TCT)
11	296,000	Estimated additional transport costs for TCT
12	(110,866)	Stronger Country Communities Fund (SCCF) - capital grant for McMaugh Gardens
13	(24,742)	Drought Support Program capital grant - McMaugh Gardens
14	40,400	Additional plant depreciation due to new/upgraded equipment
15	140,000	Estimated additional fuel costs for plant through to June 2022
16	(20,000)	Estimated savings on scheduled maintenance costs for plant
17	(38,000)	Estimated additional diesel fuel rebate due to increased government rebate
18	1,010,625	Capital grant adjustments in QBRS1 for Local Roads Community Infrastructure (LRCI) Rd 3 and Fixing Local Roads (FLR) Rd 3 spread over 2 years, not all in 2022 as originally anticipated
19	(57,531)	Bundarra footpath construction funded from cash restrictions (carry over works)
20	5,200	Estimated additional footpath depreciation

Uralla Shire Council
Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Income & Expenses Budget Review Statement
Recommended changes to revised budget
Budget review for the quarter ended 31 December, 2021

Budget Variations include the following material items:

Notes	Amount	Details
	\$(239,408)	
21	(13,600)	Estimated reduction in urban street depreciation
22	(16,500)	Estimated reduction in sealed regional roads depreciation
23	8,244	Reduced Block Grant income - same as 2020-21 as not indexed
24	(58,440)	Voluntary section 7.11 contributions per report to council October 2021 used to fund additional capital works on sealed roads
25	134,000	Estimated additional sealed rural road depreciation
26	(104,000)	Reduction in estimated maintenance costs for bridges
27	(45,000)	Reduction in estimated maintenance costs for urban street maintenance
28	190,000	Increase in estimated maintenance costs for rural unsealed roads
29	6,000	Estimated additional unsealed rural road depreciation
30	67,000	Estimated additional unsealed regional rural road maintenance
31	26,000	Estimated additional road safety costs
32	26,700	Estimated additional street cleaning costs
33	(40,000)	RMS grant income for bike path
34	10,500	Reduced swimming pool income
35	15,000	Reduced hire of community centre due to COVID & permanent tenant ceased
36	(370,000)	Capital grant for Uralla Court House refurbishment
37	33,000	Estimated additional costs for maintenance of public amenities due to additional COVID cleaning and cleaning of new facilities constructed through capital grants
38	20,000	Estimated additional Uralla parks and gardens depreciation
39	2,100	Estimated additional swimming pool depreciation
40	2,300	Estimated additional halls and community centre depreciation
41	(15,000)	Estimated reduced maintenance costs for Uralla parks and gardens
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Uralla Shire Council
Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Income & Expenses Budget Review Statement
Recommended changes to revised budget
Budget review for the quarter ended 31 December, 2021

Budget Variations include the following material items:

Notes	Amount	Details
	\$(239,408)	
	(80,000)	Estimated reduced environmental management costs
43	5,500	Estimated additional maintenance costs at Bundarra parks & gardens
44	3,900	Estimated additional depreciation costs at Bundarra parks and gardens
45	15,000	Estimated additional depreciation at Uralla sporting complex
46	(3,000)	Estimated savings on buildings maintenance at Uralla sporting complex
47	(77,000)	Additional drought support capital grant for Bundarra multi-purpose courts
48	(5,849)	Additional drought support capital grant for works at Uralla caravan park
49	5,000	Additional general repairs and maintenance at Uralla Caravan Park
50	(32,000)	Additional rates and charges for waste seervices
51	(11,000)	Estimated reduced depreciation at Landfill
52	14,000	Estimated additional depreciation for Uralla water fund
53	100,600	Reduced capital grant income (LRCI) due to lower cost to complete works
54	(928,534)	Additional capital grant for Bundarra Sewer scheme above original budget (mostly carried over from 2020-21)
55	5,600	Estimated additional depreciation Uralla Sewer Fund
56	(8,000)	Estimated additional cemetery fees
57	8,000	Estimated additional cemetery maintenance costs

Uralla Shire Council
Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Capital Budget Review Statement

Budget review for the quarter ended 31 December, 2021

Capital Budget - Consolidated by Fund

(\$000's)	Original Budget 2021/2022	Variations Sep QBRS	Revised Budget Sep-21	Variations from this QBRS	Notes	Projected Year End Result	Actual YTD figures
Capital Expenditure							
- General	6,882	2,028	8,910	(379)		8,531	2,771.17
- McMaugh Gardens	50		50	136		186	16
- Water	1,989		1,989	-		1,989	68
- Sewer	3,265		3,265	2,124		5,389	4,180
Total Capital Expenditure	12,186	2,028	14,214	1,881		16,095	7,034
Capital Funding							
Consolidated Fund Income	2,473		2,473	200		2,673	(1,492)
Unrestricted Cash Reserves			-			-	
Capital Grants & Contributions	5,937	2,028	7,965	486		8,451	4,279
Loan Funds	-		-	-		-	-
Receipts from Sale of Assets	-		-	-		-	-
<i>Reserves:</i>							
- Developer Contributions			-			-	
- General Restricted Assets	1,732		1,732			1,732	-
- Water & Sewer Restricted Assets	1,994		1,994	1,195		3,189	4,248
- McMaugh Gardens Restricted Assets	50		50			50	
Total Capital Funding	12,186	2,028	14,214	1,881		16,095	7,034
Net Capital Funding	-	-	-	-		-	-

Uralla Shire Council
Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Capital Budget Review Statement

Budget review for the quarter ended 31 December, 2021

Capital Budget - Consolidated by Activity

(\$000's)	Original Budget 2021/2022	Variations Sep QBRS	Revised Budget Sep-21	Variations from this QBRS	Notes	Projected Year End Result	Actual YTD figures
Capital Expenditure							
Organisational Services	81	-	81	-		81	11
Community & Culture	90	-	90	176		266	96
Infrastructure & Development	6,761	2,028	8,789	(419)		8,370	2,681
Water Supplies	1,989	-	1,989	-		1,989	68
Sewer Services	3,265	-	3,265	2,124		5,389	4,180
Total Capital Expenditure	12,186	2,028	14,214	1,881		16,095	7,034
Capital Funding							
Consolidated Fund Income	2,473	-	2,473	200		2,673	(1,492)
Unrestricted Cash Reserves	-	-	-	-		-	-
Capital Grants & Contributions	5,937	2,028	7,965	486		8,451	4,279
Loan Funds	-	-	-	-		-	-
Receipts from Sale of Assets	-	-	-	-		-	-
<i>Reserves:</i>							
- Developer Contributions	-	-	-	-		-	-
- General Restricted Assets	1,732	-	1,732	-		1,732	-
- Water & Sewer Restricted Assets	1,994	-	1,994	1,195		3,189	4,248
- McMaugh Gardens Restricted Assets	50	-	50	-		50	-
Total Capital Funding	12,186	2,028	14,214	1,881		16,095	7,034
Net Capital Funding	-	-	-	0		0	-

Uralla Shire Council
Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Capital Budget Review Statement
Recommended changes to revised budget
Budget review for the quarter ended 31 December, 2021

Budget Variations being recommended include the following material items:

Notes	Amount	Details
	\$ 1,880,912	
1	(40,000)	IOT Gateway capital expenditure not expected to proceed
2	80,015	VIC redevelopment costs funded from DSP grant
3	135,608	Capital improvements at McMaugh Gardens funded from DSP & SCCF
4	42,615	Refurbishments at Uralla depot approved QBRS2 2020 but not restricted at 30 June 2021
5	(1,010,625)	Adjustment in QBRS1 re Northeys Rd & Gostwyck Rd to be completed in 2022-23, not 2022 as originally anticipated
6	\$ 57,531	Bundarra footpath construction funded from cash restrictions (carry forward works)
7	\$ 58,440	Additional capital works on sealed rural roads funded from voluntary section 7.11 contributions
8	\$ 27,600	Additional unsealed regional road resheeting
9	\$ 40,000	Costs for Plane Ave Cycleway funded from RMS grant
10	\$ 370,000	Estimate capital works on Uralla Court House funded from capital grant
11	\$ 77,000	Additional capital costs for Bundarra multi-purpose courts funded from capital grant
12	\$ 5,849	Additional capital works at Uralla caravan park funded from capital grant
13	\$ 3,950	Replacement council chambers air-conditioner
14	\$ 2,150	Office furniture (office chairs)
15	\$ 7,270	Planning Portal capital expenditure funded from grant received in 2020-21 but not restricted at June 2021
16	(100,600)	Reduced costs for LRCl projects - unsealed rural roads
17	\$ 2,124,109	Bundarra Sewer project costs for 2021-22 above original budget (mostly carried over from 2020-21)

Uralla Shire Council
Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Cash & Investments Budget Review Statement
Budget review for the quarter ended 31 December, 2021
Consolidated

(\$000's)	Original	Variations		Revised	Variations	Notes	Projected Year End Result	Actual YTD figures
	Budget 2021/2022	Other than by a QBRS	Sep QBRS	Budget 2021/2022	from this QBRS			
Externally Restricted								
Developer Contributions - General	729	26		755			755	828
Developer Contributions - Water Fund	-	-		-			-	-
Developer Contributions - Sewer Fund	-	-		-			-	-
Specific Purpose Unexpended Grants	14	2,649		2,663			2,663	3,332
Water Supplies	1,911	7	-	1,918	-		1,918	2,893
Sewerage Services	578	896		1,474	(1,196)		278	(149)
McMaugh Gardens	2,414	654		3,068			3,068	2,718
Unexpended Loans	493	(2)		491	-		491	491
Stormwater management	280	5		285	-		285	314
	-			-	-		-	-
Total Externally Restricted	6,419	4,235	-	10,654	(1,196)		9,458	10,427
Internally Restricted								
Plant & Vehicle Replacement	732	74	-	806	(603)		203	821
Employees Leave Entitlement	301	478	(165)	614	165		779	779
Tip Remediation	266	107	-	373	-		373	373
Strategic Development	320	(13)	-	307	-		307	307
FAGS Received in advance	1,201	135	-	1,336	-		1,336	1,336
Carry Forward Works	-	153	-	153	(58)		95	153
Reseals	-	254		254	-		254	254
Total Internally Restricted	2,820	1,188	(165)	3,843	(496)		3,347	4,023
Unrestricted (ie. available after the above Restrictions)	1,417	(1,582)	165	-	206		206	1,183
Total Cash & Investments	10,656	3,841		14,497	(1,486)		13,011	15,633

Note: Variations other than by QBRS represent alignment of opening balances to final 2021 financial statement balances.

Uralla Shire Council
Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Key Performance Indicators Statement

Budget review for the quarter ended 31 December, 2021

LTFP KPI's

	Target	30/06/2022	30/06/2021	30/06/2020	30/06/2019
Operating ratio	>0	-10.21%	-8.92%	-2.40%	-0.09%
Debt service ratio	>2.0x	9.87	11.26	10.92	11.43
Own source operating revenue ratio	>60%	56%	55.42%	63.98%	70.03%
Rates & charges outstanding %	<6.5%	5.56%	9.00%	11.76%	7.37%
Asset renewals ratio	>100%	138%	79.31%	122%	95%

Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Contracts Budget Review Statement

Budget review for the quarter ended 31 December, 2021

Part A - Contracts Listing

Contractor	Contract detail & purpose	Contract Value \$	Start Date	Duration of Contract	Budgeted (Y/N)	Notes
Wallace Constructions	Courthouse roof repairs	191,380	Jan-March 2022	3 months	Y	
Civille	Public Spaces Legacy Program design & project mgt	136,062	Oct 21-Mar 23	18 months	Y	

Notes:

1. Only contracts that were entered into during the quarter and remain incomplete are included.
2. Minimum reporting level is \$50,000.
3. Contracts listed exclude contractors on Council's Preferred Supplier list.
4. Contracts for employment are not required to be included.

Part B - Consultancy & Legal Expenses Overview

Expense	YTD Expenditure (Actual Dollars)	Budgeted (Y/N)
Consultancies	\$ 72,904	Y
Legal Fees	\$ 8,874	Y

Note: 1. All consultancy amounts were included in the 2020/21 budget except for items adjusted in this QBRS.

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.

Comments

Expenditure included in the above YTD figure but not budgeted includes:

Details

Quarterly Budget Review Statement
For the period 01 July, 2021 to 30 June, 2022

Cash & Investments Budget Review Statement
Budget review for the quarter ended 31 December, 2021

Comment on Cash & Investments Position

No material variations to Council's Cash and Investments have occurred in the second quarter.

Investments

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

Cash

The value of cash at bank which was included in the Cash & Investment Statement totals \$60,397.

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.
The date of completion of this reconciliation was 31 December, 2021.

Reconciliation Status

The YTD Cash & Investment figure reconciles to the actual balances held as follows:

Cash at Bank (as per bank statements)		60,397
Investments on Hand		15,573,039
less: Unpresented Cheques	(Timing Difference)	-
add: Undeposited Funds	(Timing Difference)	-
less: Identified Deposits (not yet accounted in Ledger)	(Require Actioning)	-
add: Identified Outflows (not yet accounted in Ledger)	(Require Actioning)	-
Reconciled Cash at Bank & Investments		15,633,436
Balance as per Review Statement:		15,633,436

END OF LATE REPORT
for
BUSINESS AGENDA

22 March 2022