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Report by responsible accounting officer

The following statement is made in accordance with Clause 203(2) of the Local Government (General)

Regulations 2005:

30 September 2023

It is my opinion that the Quarterly Budget Review Statement for Glen Innes Severn Council for the quarter ended 30/09/23 indicates that Council's projected financial position at 30/6/24 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

It is noted that post implementation of the new Finance system, the current framework & controls are being developed and implemented, with balance sheet reconciliations as at 30 June 2023 to be completed and reviewed. At the time of this report Financials for the year ended 30 June 2023 had not been finalised and the actual reserve balances were not able to be calculated balances shown are estimates only including the unrestricted cash position.

Signed:



date:17/11/2023

Shageer Mohammed
Responsible accounting officer

Quarterly Budget Review Statement

for the period 01/07/23 to 30/09/23

Income & expenses budget review statement

Budget review for the quarter ended 30 September 2023

(\$000's)	Original budget 2023/24	Approved changes				Revised budget 2023/24	Variations for this Sep Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Sep QBRS	Dec QBRS	Mar QBRS					
Income										
General Purpose Income	11,105		456			456.45		11,561	7,703	
Governance	-		-			-		-	1	
Administration	1,098		-			-		1,098	589	
Public order & safety	489		1			1.00		490	28	
Health	13		-			-		13	-	
Environment	0		-			-		0	-	
Housing & community amenities	2,673		64			63.71		2,737	2,475	
Recreation & Culture	281		2			2.00		283	10	
Mining, Manufacture & Construction	93		5			5.34		98	32	
Glen Innes Aggregates	4,738		-			-		4,738	1,286	
Transport & communication	4,450		193			192.57		4,642	3,086	
Community Services & Education	3,837		-			-		3,837	896	
Economic Services	737		2			1.70		739	344	
Water Supply	2,990		-			-		2,990	1,306	
Sewerage	2,057		-			-		2,057	1,830	
Capital Income	-		-			-		-	-	
Total income from continuing operations	34,562	-	723	-	-	723		35,284	19,588	
Expenses										
General Purpose Income	10		-			-		10	-	
Governance	1,004		-			-		1,004	93	
Administration	5,551		140			140.00		5,691	1,576	
Public order & safety	941		17			17.09		958	192	
Health	220		-			-		220	21	
Environment	256		10			9.74		266	115	
Housing & community amenities	2,178		169			169.00		2,347	541	
Recreation & Culture	3,383		91			91.36		3,474	597	
Mining, Manufacture & Construction	196		0			0.47		197	50	
Glen Innes Aggregates	4,213		-			-		4,213	993	
Transport & communication	9,068		-			-		9,068	1,014	
Community Services & Education	4,088		-			-		4,088	714	
Economic Services	2,142		259			258.90		2,401	402	
Water Supply	2,715		-			-		2,715	411	
Sewerage	1,174		-			-		1,174	183	
								-		
Total expenses from continuing operations	37,141	-	687	-	-	687		37,828	6,902	
Net operating result from continuing operations	(2,580)	-	36	-	-	36		(2,543)	12,686	
Discontinued operations - surplus/(deficit)								-		
Net operating result from all operations	(2,580)	-	36	-	-	36		(2,543)	12,686	
Net operating result before capital items	(2,580)	-	36	-	-	(2,543)	36	(2,543)	12,686	

Glen Innes Severn Council

Income & expenses budget review statement

Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Resource	Description	Amount (\$000')	Type	Responsible Officer	Job No.	Job Task No	Comments
Administration	Insurance:Workers Comp	\$ 100.00	Expenses	Manager of Administration and Human resources	5018S	2614	Workers Compensation premium adjustment for 2023-24
Administration	S&W General	\$ 15.00	Expenses	Manager of Asset Services	5120S	3802	No budget set. Adjusted to reflect expected works.
Administration	Light Vehicle/plant	\$ 5.00	Expenses	Manager of Asset Services	5120S	2180	No budget set. Adjusted to reflect expected works.
Administration	FIN:Auditor's Remuneration	\$ 20.00	Expenses	Chief Financial Officer	5010S	2540	Aligned to the fees as per the Audit Engagement Plan
Administration	Consulting & Contractors Costs	\$ 70.00	Expenses	Chief Financial Officer	5010S	2065	Increase in consulting charges for work needed for resolution of system issues. Offset by decrease in Salaries & Wages.
Administration	S&W General	\$ -70.00	Expenses	Chief Financial Officer	5010S	3802	Decrease in Salaries & Wages due to vacant postions.
Administration -Total		\$ 140.00					
Economic Services	Hire of Plant & Facilities	\$ 2.00	Expenses	Manager Economic Development	5115S	2120	CPI increases in hiring showgrounds, PA, ATM etc quotes recieved
Economic Services	S&W Parks Staff	\$ 30.00	Expenses	Manager Economic Development	5110S	3805	In line with costs from the previous year and was omitted from the original budget
Economic Services	Electricity	\$ 7.40	Expenses	Manager Economic Development	5114S	2095	quarterly bill is around \$3,703.97 - over the year total predicted is \$15,000
Economic Services	ACF: Strongman and Fun Run	\$ 1.00	Expenses	Manager Economic Development	5110S	2464	increase request tocover CPI - quote recieved
Economic Services	S&W Parks Staff	\$ 3.00	Expenses	Manager Economic Development	5115S	3805	Omitted from original budget
Economic Services	Hire of Plant & Facilities	\$ 36.00	Expenses	Manager Economic Development	5110S	2120	INCREASE - Real value from infrastructure vehicle hire which has not previously been directly budgeted - valued at \$20,000 added to last years costs same costs with a 5% increase predicted/\$16,000 increases due to CPI.
Economic Services	Consulting & Contractors Costs	\$ 5.00	Expenses	Manager Economic Development	5110S	2065	INCREASE - Payment for Consulting Advertising contractor is \$14,850
Economic Services	ACF: Event Insurance	\$ 1.00	Expenses	Manager Economic Development	5110S	2453	INCREASE - Insurance premiums have increased over a thousand each year and expect same to occur..
Economic Services	ACF: Artist Performance Exp	\$ 20.00	Expenses	Manager Economic Development	5110S	2451	Increase requested due to no funding opportunities for performers in 2024. Grant funding has set a precedent to have a well known performer.
Economic Services	Advertising & Promotion	\$ 15.00	Expenses	Manager Economic Development	5110S	2005	Omitted from Original budget
Economic Services	Operating Expenses	\$ 125.00	Expenses	Manager Economic Development	5518S	2265	Omitted from original budget
Economic Services	Postage and Freight	\$ 1.00	Expenses	Manager Economic Development	5518S	2295	Expected increase
Economic Services	VIC:Bus Lounge Clean	\$ 1.50	Expenses	Manager Economic Development	5518S	2827	Increase to match actual plant hire rates
Economic Services	Grant Expenditure	\$ -1.70	Income	Manager of Asset Services	6024P22	3050	Budget adjusted to reflect actual income. No further expense or income to occur.
Economic Services	M & R General	\$ 2.00	Expenses	Manager of Asset Services	5095S	2210	Additional maintenance expenses planned.
Economic Services	Annual Rates	\$ 1.50	Expenses	Manager Saleyard	5063S	9222	Increase to align with actuals
Economic Services	Hire of Plant & Facilities	\$ 5.00	Expenses	Manager Saleyard	5063S	2120	Omitted from original budget
Economic Services	Cleaning Costs	\$ 2.50	Expenses	Manager Saleyard	5063S	2055	Omitted from original budget
Economic Services -Total		\$ 257.20					
Environment	Noxious Weeds: NEWA MOU	\$ 9.74	Expenses	Regulatory & Planning Manager	5047S	2670	Increase to match actuals
Environment -Total		\$ 9.74					
General Purpose Income	Financial Assistance Grant	\$ -456.45	Income	Chief Financial Officer	5000S	1901	Increase in FAGS to reflect actuals for 2023-24
General Purpose Income -Total		\$ -456.45					

Resource	Description	Amount (\$000')	Type	Responsible Officer	Job No.	Job Task No	Comments
Housing & Community Amenities	Cleaning Costs	\$ 1.00	Expenses	Manager of Recreation and Open Spaces	5049S	2055	Omitted frm original budget
Housing & Community Amenities	Cleaning Costs	\$ 24.00	Expenses	Manager of Recreation and Open Spaces	5049S	2055	Increase due to alignment to internal plant hire rates and reporting of actual usage
Housing & Community Amenities	M & R General	\$ 2.00	Expenses	Regulatory & Planning Manager	5069S	2210	Lachate pump breakdown & emergency response to landfill fire
Housing & Community Amenities	M & R General	\$ 42.00	Expenses	Manager of Recreation and Open Spaces	5041S	2210	Increase due to alignment to internal plant hire rates and reporting of actual usage
Housing & Community Amenities	Waste: Business Collection	\$ -29.37	Income	Regulatory & Planning Manager	5069S	1703	Omitted from original budget
Housing & Community Amenities	Waste: Landfill Management	\$ 100.00	Expenses	Regulatory & Planning Manager	5067S	2856	compactor on hire - waiting for new purchase compactor
Housing & Community Amenities	Waste: Business Collection	\$ -10.00	Income	Regulatory & Planning Manager	5069S	1703	Increase to match actuals
Housing & Community Amenities	Waste: Environmental Levy	\$ -8.00	Income	Regulatory & Planning Manager	5069S	1712	Increase to match actuals
Housing & Community Amenities	Waste: Annual Collection Charge	\$ -16.33	Income	Regulatory & Planning Manager	5069S	1701	No income budget provided
Housing & Community Amenities -Total		\$ 105.30					
Mining, Manufacture & Construction	Building: Certificates-Construction	\$ -1.34	Income	Regulatory & Planning Manager	5040S	1411	Omitted from original budget
Mining, Manufacture & Construction	Building: Commission-LSL Levy	\$ -4.00	Income	Regulatory & Planning Manager	5040S	1415	Increase to match actuals
Mining, Manufacture & Construction	S&W General	\$ 0.47	Expenses	Regulatory & Planning Manager	5040S	3802	Omitted from original budget
Mining, Manufacture & Construction -Total		\$ -4.87					
Public Order & Safety	ELGR: Licences-Section 68 Approvals	\$ -1.00	Income	Regulatory & Planning Manager	5042S	1460	Omitted from original budget
Public Order & Safety	NSW SES Contributions	\$ 17.09	Expenses	Manager of Asset Services	5075S	2255	Budget updated to reflect expected actual.
Public Order & Safety -Total		\$ 16.09					
Recreation & Culture	Rental/LeaseExpense	\$ 18.00	Expenses	Manager of Asset Services	5060S	2310	No budget set. Adjusted to reflect expected.
Recreation & Culture	Water Consumption Charges	\$ 1.00	Expenses	Manager of Asset Services	5060S	9220	No budget set. Adjusted to reflect expected.
Recreation & Culture	ISS Vending Machine Supplies	\$ 1.00	Expenses	Manager of Recreation and Open Spaces	5119S	2910	Omitted from original budget
Recreation & Culture	ISS Vending machine Income	\$ -2.00	Income	Manager of Recreation and Open Spaces	5119S	1923	Stadium vending machine income
Recreation & Culture	Budget Holding	\$ 70.00	Expenses	Manager of Recreation and Open Spaces	5051S	2030	CBD upgrade plans. Will be offset by the roundabout capital project
Recreation & Culture	Annual Rates	\$ 1.36	Expenses	Manager of Recreation and Open Spaces	5053S	9222	Increase to align with actuals
Recreation & Culture -Total		\$ 89.36					
Transport & Communication	Financial Assistance Grant	\$ -96.28	Income	Chief Financial Officer	5084S	1901	Increase in FAGS to reflect actuals for 2023-24
Transport & Communication	Grant Revenue	\$ -96.28	Income	Chief Financial Officer	5084S	1902	Increase in FAGS to reflect actuals for 2023-24
Transport & Communication -Total		\$ -192.57					

Quarterly Budget Review Statement

for the period 01/07/23 to 30/09/23

Capital budget review statement

Budget review for the quarter ended 30 September 2023

(\$000's)	Original budget 2023/24	Approved changes			Revised budget 2023/24	Variations for this Sep Qtr	Notes	Projected year end result	Actual YTD figures
		*Carry forwards	Sep QBRs	Dec QBRs					
Capital expenditure									
New assets									
- Plant & equipment	894	950		1,844	21		1,865	1,442	
- Land & buildings		1,777		1,777	250	P	2,027	474	
- Sewer Fund	25			25			25	-	
- Water Fund	25	761		786			786	738	
- Roads, bridges, footpaths		566		566	917		1,483	5	
- Other		2,571		2,571	209	Q	2,780	2,139	
Renewal assets (replacement)									
- Plant & equipment	2,848	637		3,485	459		3,944	342	
- Land & buildings	200	731		931			931	145	
- Roads, bridges, footpaths	12,701	20,322		33,023		S	33,023	10,298	
- Sewer Fund	617			617			617	-	
- Water Fund	1,011	941		1,952			1,952	789	
- Other	2,380	7216		9,596			9,596	113	
Capital WIP not allocated as at 30/06/2022				-			-	1,271	
Loan repayments (principal)							-	-	
Total capital expenditure	20,701	36,472		57,173	1,856		59,029	17,757	
Capital funding									
Rates & other untied funding	82	7,617		7,699	439		8,138	5,757	
Capital grants & contributions	15,004	26,364		41,368	917	T	42,285	9,510	
Reserves:									
- External restrictions/reserves						V	-	-	
- Internal restrictions/reserves	5,615	2,491		8,106	500	U	8,606	2,490	
New loans							-	-	
Receipts from sale of assets									
- Plant & equipment							-	-	
- Land & buildings							-	-	
Total capital funding	20,701	36,472		57,173	1,856		59,029	17,757	
Net capital funding - surplus/(deficit)	-	-		-	-		-	-	

* shown as whole of life budget and whole of life expenditure

Capital budget review statement
Recommended changes to revised budget

Budget variations being recommended include the following material items:

Notes	Function	Description	Amount in QBR (\$000')	Actual Increase/Decrease	Manager	Job No.	COMMENT
1	Renewal - Roads, bridges, footpaths	Shannon Vale Road	\$ 414	\$413,732.00	MID	NEW	RRTRP funding agreement received Nov 23. Project accelerated due to funding availability and asset deterioration.
2	Renewal - Roads, bridges, footpaths	LRCI Phase 4 - Part B	\$ 503	\$503,236.00	MID	NEW	Funding agreement received Nov 23, planned to expend this financial year
3	Renewal Plant & Equipment	Leaseback Category 3 vehicle - Manager Asset Services	\$ 1	\$750.00	MAS	7230C24	1.5% increase in leaseback allowances from 01.07.23, as per Vehicle Leaseback Policy.
4	Renewal Plant & Equipment	Leaseback Category 4 vehicle - Coordinator IWS	\$ 7	\$6,543.00	MAS	7232C24	Adjusted to reflect actual spend.
5	Renewal Plant & Equipment	Leaseback Category 4 vehicle - Building / Environmental Health Officer	\$ 4	\$3,500.00	MAS	7233C24	Adjusted to reflect increase in price to vehicle.
6	Renewal Plant & Equipment	Leaseback Category 1 vehicle - GM	\$ 1	\$1,125.00	MAS	7221C24	1.5% increase in leaseback allowances from 01.07.23, as per Vehicle Leaseback Policy.
7	Renewal Plant & Equipment	Leaseback Category 2 vehicle - Director CCS	\$ 1	\$938.00	MAS	7222C24	1.5% increase in leaseback allowances from 01.07.23, as per Vehicle Leaseback Policy.
8	Renewal Plant & Equipment	Leaseback Category 2 vehicle - Director DPG	\$ 1	\$938.00	MAS	7223C24	1.5% increase in leaseback allowances from 01.07.23, as per Vehicle Leaseback Policy.
9	Renewal Plant & Equipment	Leaseback Cat 3 - Manager IWS	-\$ 3	-\$2,792.00	MAS	7224C24	Adjusted to reflect actual spend.
10	Renewal Plant & Equipment	Leaseback Cat 3 - Manager GRCP	\$ 1	\$739.00	MAS	7225C24	1.5% increase in leaseback allowances from 01.07.23, as per Vehicle Leaseback Policy.
11	Renewal Plant & Equipment	Leaseback Cat 3 - Manager ID	-\$ 3	-\$2,925.00	MAS	7226C24	Adjusted to reflect actual spend.
12	Renewal Plant & Equipment	Leaseback Category 3 vehicle - Manager GIA	\$ 2	\$2,353.00	MAS	7227C24	Adjusted to reflect predicted actual spend. Additional cost due to accessories required for Quarry operations.
13	Renewal Plant & Equipment	Leaseback Category 3 vehicle - Manager Regulatory and Planning	\$ 1	\$750.00	MAS	7228C24	1.5% increase in leaseback allowances from 01.07.23, as per Vehicle Leaseback Policy.
14	Renewal Plant & Equipment	Leaseback Category 3 vehicle - Manager Community Services	\$ 1	\$750.00	MAS	7229C24	1.5% increase in leaseback allowances from 01.07.23, as per Vehicle Leaseback Policy.
14	Renewal Plant & Equipment	Single cab utility - Workshop	\$ 1	\$600.00	MAS	7234C24	Adjusted to reflect actual spend.
16	Renewal Plant & Equipment	Landfill Compactor - Glen Innes Landfill (Funded from Waste Reserve)	\$ 300	\$300,000.00	MAS	7235C24	Budget originally based on procuring a bulldozer for landfill. Landfill operations require a compactor. Quotes received for the replacement of the current compactor sit at \$950,000.
17	Renewal Plant & Equipment	Scan Tool - Workshop	-\$ 7	-\$7,000.00	MAS	7239C24	Adjusted to reflect actual spend.
18	Renewal Plant & Equipment	Mayoral Vehicle	\$ 75	\$65,000.00	MAS	NEW	As per Council Resolution 4.10/23
19	Renewal Plant & Equipment	Life Choices Support Vehicle	\$ 37	\$37,000.00	MAS	NEW	Original Life Choices vehicle ordered under 7077C22 transferred to new CFO Leaseback (no Capital Budget at time). Replacement Life Choices vehicle ordered under 7077C22. New Capital budget created to reflect this.
20	New Other	Holding Nursery development	\$ 6	\$6,000.00	MROS	NEW	New Parks Location Lang Street Depot, Old Nursery destroyed due to Upgrade of Grandstand,
21	New Other	Shelving for New Parks Shed.	\$ 3	\$3,000.00	MROS	NEW	identified from Safety Audit to enable better House keeping Practises at New Parks Shed Lang Street.
22	New Plant & Equipment	Small Plant Including:	\$ 21	\$21,000.00	MROS	NEW	1 x New Ride on Deepwater Community Mower (\$5,000), 1 x New Ride Glen Innes Cemetery (\$5,000), 4 x New Whipper snippers (\$5,000), 1 x Edger (\$1,000)
23	New Other	Glen Innes Waste Landfill extension	\$ 200	\$200,000.00	DPG	NEW	Multiyear project omitted from 2023-2024 Operational Plan
24	Replacement Plant & Equipment	Depot Fuel System	\$ 40	\$40,000.00	CFO	NEW	Breakdown of current equipment for fuel dispensing
25	New Land & Buildings	Purchase of 146 Church Street	\$ 250	\$250,000.00	DIS	NEW	Council Resolution - 22.08/23
TOTAL ADJUSTMENTS			\$ 1,856				

Quarterly Budget Review Statement

for the period 01/07/23 to 30/09/23

Cash & investments budget review statement

Budget review for the quarter ended 30 September 2023

#REF!

(\$000's)	Original	Approved changes					Revised	Variations	Notes	Projected	Actual
	budget	Carry	Other than	Sep	Dec	Mar	budget	for this		year end	YTD
	2023/24	forwards	by QBRs	QBRs	QBRs	QBRs	2023/24	Sep Qtr	result	figures	
Externally restricted ⁽¹⁾											
Specific Purpose Loans - LIRS	877						877		877		
Trust Funds	27						27		27		
Included in Grant related contract liabilities	11,403						11,403		11,403		
CHSP	289						289		289		
HCP	148						148		148		
Developer contributions - Rangers Valley Feedlot S7	-						-		-		
Developer contributions - General S7.12	-						-		-		
Specific Purpose unexpended grants (recognised as Revenue) - General fund							-		-		
Specific Purpose unexpended grants (recognised as Revenue) - Water Fund							-		-		
Specific Purpose unexpended grants (recognised as Revenue) - Sewer fund							-		-		
Water Fund	(80)						(80)		(80)		
Sewer Fund	1,148						1,148		1,148		
Waste management							-		-		
Drainage							-		-		
Quarry	2,822						2,822		2,822		
Council Committees	251						251		251		
Total externally restricted	16,885	-	-	-	-	-	16,885	-	16,885	-	
(1) Funds that must be spent for a specific purpose											
Internally restricted ⁽²⁾											
Employee Leave Entitlement	502						502		502		
Majority - Infrastructure Other	2,625						2,625		2,625		
Drainage	794						794		794		
Building Fees - Bushfire Grant	42						42		42		
Glen Innes Aggregates							-		-		
Waste	3,175						3,175		3,175		
Special Projects	2,385						2,385		2,385		
Election Costs	60						60		60		
Parks	103						103		103		
Total internally restricted	9,686	-	-	-	-	-	9,686	-	9,686	-	
(2) Funds that Council has earmarked for a specific purpose											
Unrestricted (ie. available after the above Restrictic	1,175	-	-	-	-	-	1,175	-	1,175	-	
Total Cash & investments	27,746						27,746		27,746		

Key performance indicators budget review statement - Industry KPI's (OLG)

Budget review for the quarter ended 30 September 2023

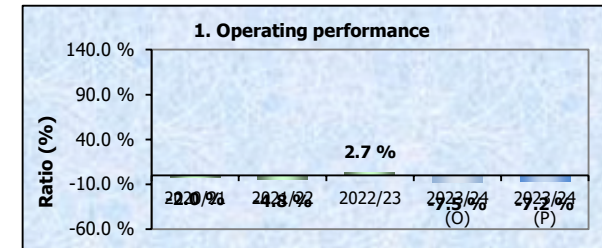
(\$000's)	Current projection		Original budget 23/24	Actuals prior periods	
	Amounts	Indicator		22/23	21/22
	23/24	23/24			

NSW local government industry key performance indicators (OLG):

1. Operating performance

Operating revenue (excl. capital) - operating expenses	(2,543)	-7.21 %	-7.46 %	2.7 %	-4.8 %
Operating revenue (excl. capital grants & contributions)	35284				

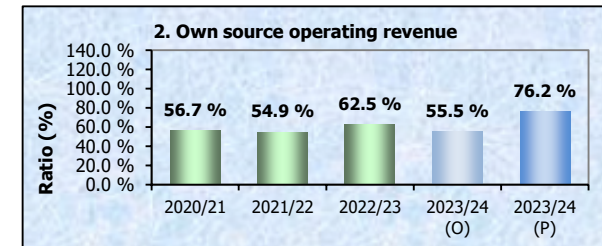
This ratio measures Council's achievement of containing operating expenditure within operating revenue.



2. Own source operating revenue

Operating revenue (excl. ALL grants & contributions)	35284	76.2 %	55.5 %	62.5 %	54.9 %
Total Operating revenue (incl. capital grants & cont)	46284				

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants & contributions.



Contracts budget review statement

Budget review for the quarter ended 30 September 2023

Part A - Contracts listing - contracts entered into during the quarter

Contractor	Contract detail & purpose	Contract value	Start date	Duration of contract	Budgeted (Y/N)	Notes
No new items on the contracts register						

Consultancy & legal expenses budget review statement

Consultancy & legal expenses overview

Expense	YTD expenditure (actual dollars)	Budgeted (Y/N)
Consultancies	237,137	y
Legal Fees	-	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.

Comments

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

Details
