

<b>Table of contents</b>	<b>page</b>
<b>1.</b> Responsible accounting officer's statement	<b>2</b>
<b>2.</b> Income & expenses budget review statement's	
Consolidated	<b>3</b>
General Fund	<b>4</b>
Water Fund	<b>5</b>
Sewer Fund	<b>6</b>
<b>3.</b> Capital budget review statement	
Consolidated	<b>8</b>
General Fund	<b>9</b>
Water Fund	<b>10</b>
Sewer Fund	<b>11</b>
<b>4.</b> Cash & investments budget review statement	
Consolidated	<b>13</b>
General Fund	<b>14</b>
Water Fund	<b>15</b>
Sewer Fund	<b>16</b>
<b>5.</b> Key performance indicator (KPI) budget review statement	
a. Industry KPI's	<b>18</b>
<b>6.</b> Contracts & other expenses budget review statement	<b>22</b>

**Report by responsible accounting officer**

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2021:

**31 March 2025**

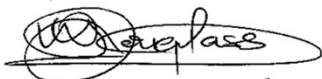
It is my opinion that the Quarterly Budget Review Statement for Kempsey Shire Council for the quarter ended 31/03/25 indicates that Council's projected financial position at 30/6/25 will be unsatisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

My opinion above, that Council's projected financial position as at 30/6/25 will be unsatisfactory has been based on the following factors:

1. General Fund continues to be financially unsustainable. Waste has incurred extraordinary operating costs and loss of income which is contributing to the projected forecast deficit.
2. Increases in CPI, Wage growth and continually new and emerging costs means Council's expenditure outstrips revenue in General Fund.
3. Council has implemented a number of Financial Sustainability initiatives over the past 5 years, but those alone cannot close the ever widening deficit gap. A revised Financial Sustainability Program (FSP) has been included in the 2024-25 Long Term Financial Plan which includes 24 initiatives with 46 associated actions that aim to address Council's unsatisfactory financial position. This FSP has been revised taking into account community feedback received throughout the SRV investigation process.

Recommended remedial actions to deal with this unsatisfactory position includes:

- a. Implement initiatives per the revised Financial Sustainability Program included in the 2024-25 Long Term Financial Plan
- b. Monitor Waste's financial performance



**Signed:**

**Date:**

7/05/2025

Wayne Douglass  
Responsible accounting officer

**Income & expenses budget review statement**

Budget review for the quarter ended 31 March 2025

**Income & expenses - Council Consolidated**

(\$000's)	Original budget 2024/25	Approved Changes					Revised budget 2024/25	Variations for this Mar Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Income</b>											
Rates and annual charges	56,208	-	-	90	-	-	56,298	(192)	-	56,106	41,942
User charges and fees	22,005	-	-	180	10	-	22,195	(1,436)	-	20,759	15,363
Interest and investment revenue	5,052	-	-	-	300	-	5,352	650	-	6,002	4,122
Other revenues	2,237	-	-	(56)	139	-	2,321	448	-	2,768	2,331
Grants and contributions - operating	14,021	48	100	1,188	1,056	-	16,412	(39)	-	16,373	13,665
Grants and contributions - capital	33,347	2,623	(0)	(3,139)	2,885	-	35,716	(3,931)	-	31,785	16,343
<b>Total income from continuing operations</b>	<b>132,870</b>	<b>2,671</b>	<b>100</b>	<b>(1,737)</b>	<b>4,389</b>	<b>-</b>	<b>138,293</b>	<b>(4,500)</b>	-	<b>133,794</b>	<b>93,766</b>
<b>Expenses</b>											
Employee benefits and on-costs	34,361	4	0	(244)	(325)	-	33,796	(71)	-	33,725	24,665
Borrowing costs	2,269	-	-	-	-	-	2,269	-	-	2,269	1,564
Materials and contracts	28,996	664	(165)	947	1,019	-	31,461	(705)	-	30,757	22,708
Depreciation and amortisation	24,172	-	-	-	-	-	24,172	-	-	24,172	18,134
Legal costs	208	-	-	55	-	-	263	320	-	583	461
Consultants	2,498	78	0	263	52	-	2,890	(370)	-	2,520	1,335
Other expenses	4,947	-	(53)	(123)	-	-	4,771	45	-	4,816	3,542
Net gains/losses on disposals of assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenses from continuing operations</b>	<b>97,452</b>	<b>746</b>	<b>(218)</b>	<b>898</b>	<b>745</b>	<b>-</b>	<b>99,622</b>	<b>(781)</b>	-	<b>98,841</b>	<b>72,410</b>
<b>Net operating result from continuing operations</b>	<b>35,418</b>	<b>1,925</b>	<b>318</b>	<b>(2,635)</b>	<b>3,645</b>	<b>-</b>	<b>38,671</b>	<b>(3,719)</b>	-	<b>34,952</b>	<b>21,356</b>
<b>Net Operating Result before Capital Items</b>	<b>2,071</b>	<b>(698)</b>	<b>318</b>	<b>504</b>	<b>760</b>	<b>-</b>	<b>2,955</b>	<b>212</b>	-	<b>3,167</b>	<b>5,013</b>

**Income & expenses budget review statement**

Budget review for the quarter ended 31 March 2025

**Income & expenses - General Fund**

(\$000's)	Original budget 2024/25	Approved Changes					Revised budget 2024/25	Variations for this Mar Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Income</b>											
Rates and annual charges	32,895	-	-	90	-	-	32,985	(244)	-	32,741	24,584
User charges and fees	9,461	-	-	180	10	-	9,651	(1,251)	-	8,400	6,266
Interest and investment revenue	2,767	-	-	-	300	-	3,067	650	-	3,717	2,783
Other revenues	2,208	-	-	(56)	139	-	2,291	448	-	2,739	2,249
Grants and contributions - operating	13,607	48	100	1,002	1,056	-	15,813	(25)	-	15,788	13,211
Grants and contributions - capital	30,718	2,610	(0)	(3,310)	2,310	-	32,328	(7,434)	-	24,894	13,000
<b>Total income from continuing operations</b>	<b>91,656</b>	<b>2,658</b>	<b>100</b>	<b>(2,093)</b>	<b>3,815</b>	<b>-</b>	<b>96,135</b>	<b>(7,856)</b>	-	<b>88,279</b>	<b>62,093</b>
<b>Expenses</b>											
Employee benefits and on-costs	26,089	4	0	65	(325)	-	25,832	(71)	-	25,761	19,141
Borrowing costs	861	-	-	-	-	-	861	-	-	861	575
Materials and contracts	16,504	333	53	1,191	221	-	18,303	(87)	-	18,216	11,690
Depreciation and amortisation	15,255	-	-	-	-	-	15,255	-	-	15,255	11,446
Legal costs	208	-	-	55	-	-	263	320	-	583	403
Consultants	1,308	78	0	(68)	52	-	1,370	(221)	-	1,149	781
Other expenses	4,947	-	(53)	(123)	-	-	4,771	45	-	4,816	3,542
Net gains/losses on disposals of assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenses from continuing operations</b>	<b>65,172</b>	<b>415</b>	<b>0</b>	<b>1,120</b>	<b>(53)</b>	<b>-</b>	<b>66,655</b>	<b>(14)</b>	-	<b>66,641</b>	<b>47,578</b>
<b>Net operating result from continuing operations</b>	<b>26,483</b>	<b>2,243</b>	<b>100</b>	<b>(3,213)</b>	<b>3,867</b>	<b>-</b>	<b>29,481</b>	<b>(7,843)</b>	-	<b>21,638</b>	<b>14,515</b>
<b>Net Operating Result before Capital Items</b>	<b>(4,235)</b>	<b>(367)</b>	<b>100</b>	<b>97</b>	<b>1,557</b>	<b>-</b>	<b>(2,848)</b>	<b>(408)</b>	-	<b>(3,256)</b>	<b>1,515</b>

**Income & expenses budget review statement**

Budget review for the quarter ended 31 March 2025

**Income & expenses - Water Fund**

(\$000's)	Original budget 2024/25	Approved Changes					Revised budget 2024/25	Variations for this Mar Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Income</b>											
Rates and annual charges	6,244	-	-	-	-	-	6,244	2	-	6,246	4,604
User charges and fees	10,526	-	-	-	-	-	10,526	(435)	-	10,091	7,443
Interest and investment revenue	1,041	-	-	-	-	-	1,041	-	-	1,041	609
Other revenues	24	-	-	-	-	-	24	-	-	24	81
Grants and contributions - operating	227	-	-	78	-	-	305	(1)	-	304	247
Grants and contributions - capital	1,224	14	0	152	-	-	1,390	2,402	-	3,791	1,153
<b>Total income from continuing operations</b>	<b>19,285</b>	<b>14</b>	<b>0</b>	<b>231</b>	<b>-</b>	<b>-</b>	<b>19,529</b>	<b>1,967</b>	-	<b>21,497</b>	<b>14,136</b>
<b>Expenses</b>											
Employee benefits and on-costs	4,225	-	-	(154)	-	-	4,071	-	-	4,071	2,715
Borrowing costs	834	-	-	-	-	-	834	-	-	834	587
Materials and contracts	5,960	57	(218)	14	367	-	6,180	(118)	-	6,061	5,256
Depreciation and amortisation	4,476	-	-	-	-	-	4,476	-	-	4,476	3,357
Legal costs	-	-	-	-	-	-	-	-	-	-	23
Consultants	720	-	-	57	-	-	777	-	-	777	264
Other expenses	-	-	-	-	-	-	-	-	-	-	-
Net gains/losses on disposals of assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenses from continuing operations</b>	<b>16,214</b>	<b>57</b>	<b>(218)</b>	<b>(84)</b>	<b>367</b>	<b>-</b>	<b>16,336</b>	<b>(118)</b>	-	<b>16,218</b>	<b>12,203</b>
<b>Net operating result from continuing operations</b>	<b>3,071</b>	<b>(44)</b>	<b>218</b>	<b>315</b>	<b>(367)</b>	<b>-</b>	<b>3,193</b>	<b>2,085</b>	-	<b>5,278</b>	<b>1,933</b>
<b>Net Operating Result before Capital Items</b>	<b>1,848</b>	<b>(57)</b>	<b>218</b>	<b>162</b>	<b>(367)</b>	<b>-</b>	<b>1,803</b>	<b>(316)</b>	-	<b>1,487</b>	<b>780</b>

**Income & expenses budget review statement**

Budget review for the quarter ended 31 March 2025

**Income & expenses - Sewer Fund**

(\$000's)	Original budget 2024/25	Approved Changes					Revised budget 2024/25	Variations for this Mar Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Income</b>											
Rates and annual charges	17,069	-	-	-	-	-	17,069	50	-	17,119	12,755
User charges and fees	2,018	-	-	-	-	-	2,018	250	-	2,268	1,654
Interest and investment revenue	1,244	-	-	-	-	-	1,244	-	-	1,244	730
Other revenues	6	-	-	-	-	-	6	-	-	6	1
Grants and contributions - operating	187	-	-	107	-	-	294	(13)	-	281	207
Grants and contributions - capital	1,405	(1)	-	19	575	-	1,998	1,101	-	3,100	2,190
<b>Total income from continuing operations</b>	<b>21,929</b>	<b>(1)</b>	<b>-</b>	<b>126</b>	<b>575</b>	<b>-</b>	<b>22,629</b>	<b>1,389</b>	-	<b>24,018</b>	<b>17,538</b>
<b>Expenses</b>											
Employee benefits and on-costs	4,048	-	-	(154)	-	-	3,893	-	-	3,893	2,809
Borrowing costs	575	-	-	-	-	-	575	-	-	575	402
Materials and contracts	6,532	274	(0)	(258)	430	-	6,979	(500)	-	6,479	5,762
Depreciation and amortisation	4,441	-	-	-	-	-	4,441	-	-	4,441	3,331
Legal costs	-	-	-	-	-	-	-	-	-	-	36
Consultants	469	-	-	274	-	-	743	(149)	-	594	290
Other expenses	-	-	-	-	-	-	-	-	-	-	-
Net gains/losses on disposals of assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenses from continuing operations</b>	<b>16,065</b>	<b>274</b>	<b>(0)</b>	<b>(138)</b>	<b>430</b>	<b>-</b>	<b>16,632</b>	<b>(649)</b>	-	<b>15,982</b>	<b>12,630</b>
<b>Net operating result from continuing operations</b>	<b>5,864</b>	<b>(275)</b>	<b>0</b>	<b>264</b>	<b>145</b>	<b>-</b>	<b>5,997</b>	<b>2,038</b>	-	<b>8,036</b>	<b>4,908</b>
<b>Net Operating Result before Capital Items</b>	<b>4,458</b>	<b>(274)</b>	<b>0</b>	<b>245</b>	<b>(430)</b>	<b>-</b>	<b>3,999</b>	<b>937</b>	-	<b>4,936</b>	<b>2,718</b>

**Income & expenses budget review statement**  
**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

Notes	Details
	Please refer to the Quarterly Report cover paper for detail on the budget variations

## Capital budget review statement

Budget review for the quarter ended 31 March 2025

## Capital budget - Council Consolidated

(\$000's)	Original budget 2024/25	Approved changes					Revised budget 2024/25	Variations for this Mar Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Capital expenditure</b>											
New assets											
- Plant & equipment	-	-	-	-	-	-	-	-	-	-	-
- Land & buildings	1,170	48	0	75	(620)	-	673	(250)	-	423	361
- Other	6,137	1,812	341	1,391	(76)	-	9,606	75	-	9,681	5,976
- Water assets	1,076	180	0	69	(34)	-	1,292	(25)	-	1,267	580
- Sewer assets	25	187	0	-	-	-	212	-	-	212	171
Renewal assets (replacement)											
- Plant & equipment	3,497	-	0	-	2,231	-	5,727	140	-	5,867	2,836
- Land & buildings	1,189	(56)	0	80	(319)	-	894	(149)	-	745	239
- Roads, bridges, footpaths	24,036	2,188	2	2,570	(1,391)	-	27,405	(9,060)	-	18,346	10,009
- Other	23,705	2,122	(25)	(7,279)	2,107	-	20,630	(2,151)	-	18,479	11,085
- Water assets	5,605	557	0	113	41	-	6,316	2,407	-	8,722	4,631
- Sewer assets	7,285	1,153	0	120	2,196	-	10,754	(1,233)	-	9,520	5,364
Loan repayments (principal)	4,359	-	-	-	-	-	4,359	-	-	4,359	3,247
<b>Total capital expenditure</b>	<b>78,084</b>	<b>8,191</b>	<b>318</b>	<b>(2,861)</b>	<b>4,135</b>	<b>-</b>	<b>87,868</b>	<b>(10,246)</b>	<b>-</b>	<b>77,621</b>	<b>44,499</b>
<b>Capital funding</b>											
Rates & other untied funding	6,613	2,270	194	466	302	-	9,844	(3,710)	-	6,134	10,668
Other grants & contributions	2,660	-	-	186	-	-	2,846	(558)	-	2,288	-
Capital grants & contributions	32,345	2,692	38	(3,743)	2,901	-	34,233	(6,078)	-	28,155	19,956
Reserves:											
- External restrictions/reserves	16,765	2,966	2	365	1,298	-	21,396	405	-	21,801	13,192
- Internal restrictions/reserves	1,075	263	84	(134)	(484)	-	804	(260)	-	545	-
New loans	18,000	-	-	-	-	-	18,000	-	-	18,000	-
<b>Receipts from sale of assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
- Plant & equipment	627	-	-	-	118	-	744	(46)	-	699	683
- Land & buildings											
- Office equipment											
- Other structures											
<b>Total capital funding</b>	<b>78,084</b>	<b>8,191</b>	<b>318</b>	<b>(2,861)</b>	<b>4,135</b>	<b>-</b>	<b>87,868</b>	<b>(10,246)</b>	<b>-</b>	<b>77,621</b>	<b>44,499</b>
<b>Net capital funding - surplus/(deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Capital budget review statement

Budget review for the quarter ended 31 March 2025

## Capital budget - General Fund

(\$000's)	Original budget 2024/25	Approved changes					Revised budget 2024/25	Variations for this Mar Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Capital expenditure</b>											
New assets											
- Plant & equipment											
- Land & buildings	1,170	48	0	75	(620)	-	673	(250)	-	423	361
- Other	6,137	1,812	341	1,391	(76)	-	9,606	75	-	9,681	5,976
Renewal assets (replacement)											
- Plant & equipment	3,497	-	0	-	2,231	-	5,727	140	-	5,867	2,836
- Land & buildings	1,189	(56)	0	80	(319)	-	894	(149)	-	745	239
- Roads, bridges, footpaths	24,036	2,188	2	2,570	(1,391)	-	27,405	(9,060)	-	18,346	10,009
- Other	23,705	2,122	(25)	(7,279)	2,107	-	20,630	(2,151)	-	18,479	11,085
Loan repayments (principal)	1,081	-	-	-	-	-	1,081	-	-	1,081	810
<b>Total capital expenditure</b>	<b>60,816</b>	<b>6,114</b>	<b>318</b>	<b>(3,163)</b>	<b>1,933</b>	<b>-</b>	<b>66,017</b>	<b>(11,395)</b>	-	<b>54,622</b>	<b>31,317</b>
<b>Capital funding</b>											
Rates & other untied funding	6,613	2,270	194	466	302	-	9,844	(3,710)	-	6,134	10,668
Other grants & contributions	2,660	-	-	186	-	-	2,846	(558)	-	2,288	-
Capital grants & contributions	31,029	2,679	38	(3,845)	2,326	-	32,227	(10,517)	-	21,710	14,216
Reserves:											
- External restrictions/reserves	5,812	902	2	164	(329)	-	6,551	3,696	-	10,247	5,750
- Internal restrictions/reserves	1,075	263	84	(134)	(484)	-	804	(260)	-	545	-
New loans	13,000	-	-	-	-	-	13,000	-	-	13,000	-
Receipts from sale of assets	-	-	-	-	-	-	-	-	-	-	-
- Plant & equipment	627	-	-	-	118	-	744	(46)	-	699	683
- Land & buildings											
- Office equipment											
- Other structures											
<b>Total capital funding</b>	<b>60,816</b>	<b>6,114</b>	<b>318</b>	<b>(3,163)</b>	<b>1,933</b>	<b>-</b>	<b>66,017</b>	<b>(11,395)</b>	-	<b>54,622</b>	<b>31,317</b>
<b>Net capital funding - surplus/(deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>

**Capital budget review statement**

Budget review for the quarter ended 31 March 2025

**Capital budget - Water Fund**

(\$000's)	Original budget 2024/25	Approved changes					Revised budget 2024/25	Variations for this Mar Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Capital expenditure</b>											
New assets											
- Water assets	1,076	180	0	69	(34)	-	1,292	(25)	-	1,267	580
Renewal assets (replacement)											
- Water assets	5,605	557	0	113	41	-	6,316	2,407	-	8,722	4,631
Loan repayments (principal)	1,848	-	-	-	-	-	1,848	-	-	1,848	1,375
<b>Total capital expenditure</b>	<b>8,529</b>	<b>737</b>	<b>0</b>	<b>182</b>	<b>7</b>	<b>-</b>	<b>9,455</b>	<b>2,382</b>	-	<b>11,837</b>	<b>6,585</b>
<b>Capital funding</b>											
Rates & other untied funding											
Other grants & contributions											
Capital grants & contributions	424	14	-	102	-	-	539	3,738	-	4,277	3,989
Reserves:											
- External restrictions/reserves	3,106	723	0	80	7	-	3,916	(1,356)	-	2,561	2,596
- Internal restrictions/reserves											
New loans	5,000	-	-	-	-	-	5,000	-	-	5,000	-
<b>Total capital funding</b>	<b>8,529</b>	<b>737</b>	<b>0</b>	<b>182</b>	<b>7</b>	<b>-</b>	<b>9,455</b>	<b>2,382</b>	-	<b>11,837</b>	<b>6,585</b>
<b>Net capital funding - surplus/(deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>

**Capital budget review statement**

Budget review for the quarter ended 31 March 2025

**Capital budget - Sewer Fund**

(\$000's)	Original budget 2024/25	Approved changes					Revised budget 2024/25	Variations for this Mar Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Capital expenditure</b>											
New assets											
- Sewer assets	25	187	0	-	-	-	212	-	-	212	171
Renewal assets (replacement)											
- Sewer assets	7,285	1,153	0	120	2,196	-	10,754	(1,233)	-	9,520	5,364
Loan repayments (principal)	1,430	-	-	-	-	-	1,430	-	-	1,430	1,062
<b>Total capital expenditure</b>	<b>8,739</b>	<b>1,340</b>	<b>0</b>	<b>120</b>	<b>2,196</b>	<b>-</b>	<b>12,395</b>	<b>(1,233)</b>	-	<b>11,162</b>	<b>6,597</b>
<b>Capital funding</b>											
Rates & other untied funding							-			-	
Other grants & contributions											
Capital grants & contributions	893	(1)	-	-	575	-	1,467	701	-	2,168	1,752
Reserves:											
- External restrictions/reserves	7,847	1,341	0	120	1,621	-	10,928	(1,935)	-	8,993	4,846
- Internal restrictions/reserves											
New loans							-			-	
<b>Total capital funding</b>	<b>8,739</b>	<b>1,340</b>	<b>0</b>	<b>120</b>	<b>2,196</b>	<b>-</b>	<b>12,395</b>	<b>(1,233)</b>	-	<b>11,162</b>	<b>6,597</b>
<b>Net capital funding - surplus/(deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>

**Capital budget review statement**  
**Recommended changes to revised budget**

Budget variations being recommended include the following material items:

Notes	Details
Please refer to the Quarterly Report cover paper for detail on the budget variations	

**Cash & investments budget review statement**

Budget review for the quarter ended 31 March 2025

**Cash & investments - Council Consolidated**

(\$000's)	Original budget 2024/25	Approved changes					Revised budget 2024/25	Variations for this Mar Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Externally restricted <sup>(1)</sup></b>											
Developer Contributions	28,758	-	1,432	(113)	-	-	30,077	(115)		29,962	31,010
Unexpended Grants	6,032	-	5,963	-	-	-	11,996	-		11,996	19,342
Domestic Waste Management	472	-	1,183	(1,626)	222	-	250	(29)		221	987
On-site sewerage management reserve	789	-	(32)	(41)	(84)	-	632	82		714	683
Holiday Parks Reserve	7,237	-	18	(87)	570	-	7,738	81		7,819	8,639
Environmental Levy	752	(21)	786	30	478	-	2,025	359		2,383	2,830
Contributions - ancillary works	38	-	-	-	-	-	38	-		38	38
Stormwater management	38	-	320	(300)	(58)	-	(0)	52		52	157
Deposits, retentions and bonds	2,295	-	13	-	-	-	2,308	-		2,308	2,295
Water - Other	12,594	-	2,133	(648)	(373)	-	13,705	(259)		13,446	12,588
Sewer - Other	17,706	-	1,522	(1,471)	(2,278)	-	15,479	3,319		18,798	20,479
<b>Total externally restricted</b>	<b>76,710</b>	<b>(21)</b>	<b>13,338</b>	<b>(4,257)</b>	<b>(1,522)</b>	<b>-</b>	<b>84,246</b>	<b>3,489</b>		<b>87,736</b>	<b>99,048</b>
(1) Funds that must be spent for a specific purpose											
<b>Cash, cash equivalents and investments not subject to external restrictions*</b>	31,641	-	(11,518)	-	448	-	20,571	2,350		22,921	5,846
<b>Total Cash &amp; investments</b>	<b>108,351</b>	<b>(21)</b>	<b>1,820</b>	<b>(4,257)</b>	<b>(1,074)</b>	<b>-</b>	<b>104,818</b>	<b>5,839</b>		<b>110,657</b>	<b>104,894</b>

\*Cash not subject to external restrictions includes Fleet reserve and Working Capital reserve

**Cash & investments budget review statement**

Budget review for the quarter ended 31 March 2025

**Cash & investments - General Fund**

(\$000's)	Original budget 2024/25	Approved changes					Revised budget 2024/25	Variations for this Mar Qtr		Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRS	Sep QBRS	Dec QBRS	Mar QBRS						
<b>Externally restricted <sup>(1)</sup></b>												
Developer Contributions	9,573	-	101	(113)	-	-	9,560	(115)			9,445	10,647
Unexpended Grants	440	-	5,965	-	-	-	6,406	-			6,406	16,941
Domestic Waste Management	472	-	1,183	(1,626)	222	-	250	(29)			221	987
On-site sewerage management reserve	789	-	(32)	(41)	(84)	-	632	82			714	683
Holiday Parks Reserve	7,237	-	18	(87)	570	-	7,738	81			7,819	8,639
Environmental Levy	752	(21)	786	30	478	-	2,025	359			2,383	2,830
Contributions - ancillary works	38	-	-	-	-	-	38	-			38	38
Stormwater management	38	-	320	(300)	(58)	-	(0)	52			52	157
Deposits, retentions and bonds	2,295	-	13	-	-	-	2,308	-			2,308	2,295
<b>Total externally restricted</b>	<b>21,633</b>	<b>(21)</b>	<b>8,354</b>	<b>(2,139)</b>	<b>1,129</b>	<b>-</b>	<b>28,956</b>	<b>430</b>			<b>29,386</b>	<b>43,217</b>
(1) Funds that must be spent for a specific purpose												
<b>Cash, cash equivalents and investments not subject to external restrictions*</b>	31,641	-	(11,518)	-	448	-	20,571	2,350			22,921	5,846
<b>Total Cash &amp; investments</b>	<b>53,274</b>	<b>(21)</b>	<b>(3,164)</b>	<b>(2,139)</b>	<b>1,577</b>	<b>-</b>	<b>49,527</b>	<b>2,779</b>			<b>52,307</b>	<b>49,063</b>

\*Cash not subject to external restrictions includes Fleet reserve and Working Capital reserve

## Cash &amp; investments budget review statement

Budget review for the quarter ended 31 March 2025

## Cash &amp; investments - Water Fund

(\$000's)	Original budget 2024/25	Approved changes					Revised budget 2024/25	Variations for this Mar Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Externally restricted <sup>(1)</sup></b>											
Developer Contributions	11,853	-	422	-	-	-	12,276	-		12,276	12,042
Unexpended Grants	4,032	-	318	-	-	-	4,350	-		4,350	1,643
Water Augmentation Reserve	12,594	-	2,133	(648)	(373)	-	13,705	(259)		13,446	12,588
<b>Total externally restricted</b>	<b>28,479</b>	<b>-</b>	<b>2,873</b>	<b>(648)</b>	<b>(373)</b>	<b>-</b>	<b>30,331</b>	<b>(259)</b>		<b>30,071</b>	<b>26,273</b>
<b>Unrestricted</b> (ie. available after the above Restrictions)	-	-	-	-	-	-	-	-		-	-
<b>Total Cash &amp; investments</b>	<b>28,479</b>	<b>-</b>	<b>2,873</b>	<b>(648)</b>	<b>(373)</b>	<b>-</b>	<b>30,331</b>	<b>(259)</b>		<b>30,071</b>	<b>26,273</b>

(1) Funds that must be spent for a specific purpose

## Cash &amp; investments budget review statement

Budget review for the quarter ended 31 March 2025

## Cash &amp; investments - Sewer Fund

(\$000's)	Original budget 2024/25	Approved changes					Revised budget 2024/25	Variations for this Mar Qtr	Notes	Projected year end result	Actual YTD figures
		Carry forwards	Other than by QBRs	Sep QBRs	Dec QBRs	Mar QBRs					
<b>Externally restricted <sup>(1)</sup></b>											
Developer Contributions	7,332	-	909	-	-	-	8,241	-		8,241	8,322
Unexpended Grants	1,560	-	(320)	-	-	-	1,240	-		1,240	758
Sewerage Augmentation Reserve	17,706	-	1,522	(1,471)	(2,278)	-	15,479	3,319		18,798	20,479
<b>Total externally restricted</b>	<b>26,598</b>	<b>-</b>	<b>2,111</b>	<b>(1,471)</b>	<b>(2,278)</b>	<b>-</b>	<b>24,960</b>	<b>3,319</b>		<b>28,278</b>	<b>29,558</b>
<b>Unrestricted</b> (ie. available after the above Restrictions)	-	-	-	-	-	-	-	-		-	-
<b>Total Cash &amp; investments</b>	<b>26,598</b>	<b>-</b>	<b>2,111</b>	<b>(1,471)</b>	<b>(2,278)</b>	<b>-</b>	<b>24,960</b>	<b>3,319</b>		<b>28,278</b>	<b>29,558</b>

(1) Funds that must be spent for a specific purpose



Cash & investments budget review statement

Comment on cash & investments position

Not applicable

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 \$104,894,003

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.  
The date of completion of this bank reconciliation is 31/03/25

Reconciliation status

The YTD cash & investment figure reconciles to the actual balances held as follows: \$ 000's

Cash at bank (as per bank statements)		8,210,008
Investments on hand		96,683,645
less: unpresented cheques	(Timing Difference)	-
add: undeposited funds	(Timing Difference)	350

Reconciled cash at bank & investments	<hr/> 104,894,003 <hr/>
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Balance as per QBRs review statement:	<hr/> 104,894,003 <hr/>
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Difference:	-
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**Key performance indicators budget review statement - Industry KPI's (OLG)**

3%

Budget review for the quarter ended 31 March 2025

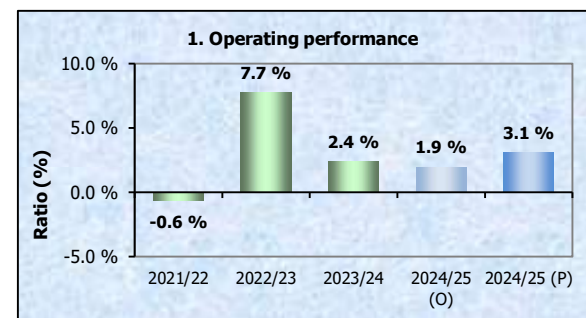
(\$000's)	Current projection		Original budget 24/25	Actuals prior periods	
	Amounts	Indicator		23/24	22/23
	24/25	24/25			

NSW local government industry key performance indicators (OLG):

**1. Operating performance**

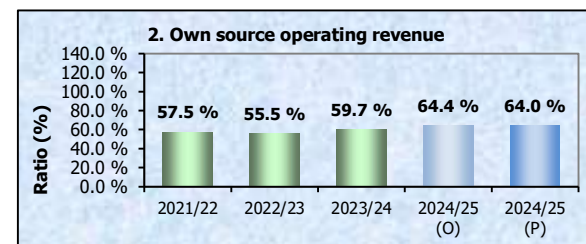
Operating revenue (excl. capital) - operating expenses	3,166,878	3.1 %	1.9 %	2.4 %	7.7 %
Operating revenue (excl. capital grants & contributions)	102,008,300				

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


**2. Own source operating revenue**

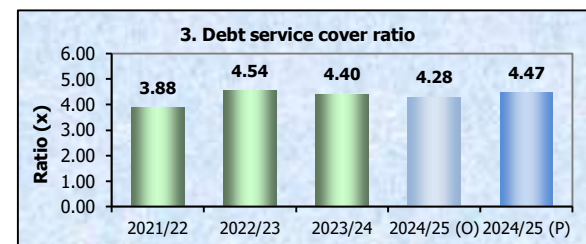
Operating revenue (excl. ALL grants & contributions)	85,635,144	64.0 %	64.4 %	59.7 %	55.5 %
Total Operating revenue (incl. capital grants & cont)	133,793,536				

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


**3. Debt service cover ratio**

Operating result before interest & dep. exp (EBITDA)	29,608,316	4.47	4.28	4.40	4.54
Principal repayments + borrowing interest costs	6,628,438				

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



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

3%

Budget review for the quarter ended 31 March 2025

(\$000's)	Current projection		Original budget 24/25	Actuals prior periods	
	Amounts	Indicator		23/24	22/23
	24/25	24/25			
4. Building and infrastructure renewals ratio					
Asset renewals (building, infrastructure & other structures)	61,679,630	255.2 %	270.2 %	62.4 %	40.6 %
Depreciation, amortisation & impairment	24,172,106				

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

**5. Infrastructure backlog ratio**

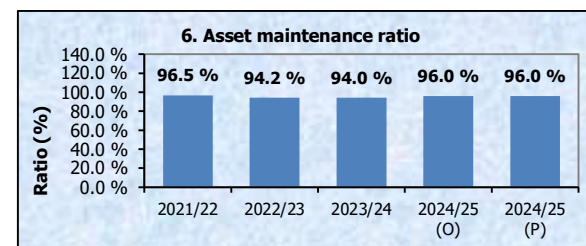
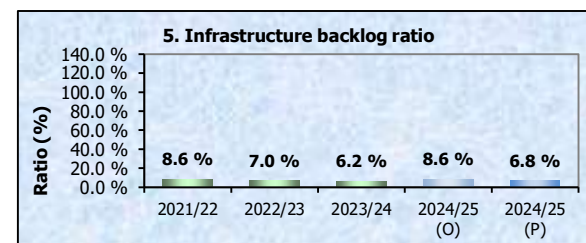
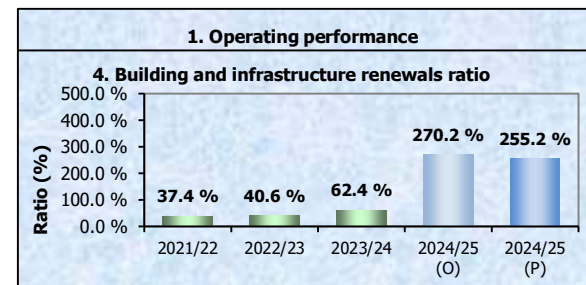
Estimated cost to bring assets to a satisfactory condition	80,687,665	6.8 %	8.6 %	6.2 %	7.0 %
Total value of infrastructure, building, other structures & depreciable land improvement assets	1,179,419,727				

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

**6. Asset maintenance ratio**

Actual asset maintenance	0.96	96.0 %	96.0 %	94.0 %	94.2 %
Required asset maintenance	1				

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the Infrastructure Backlog growing.



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

Budget review for the quarter ended 31 March 2025

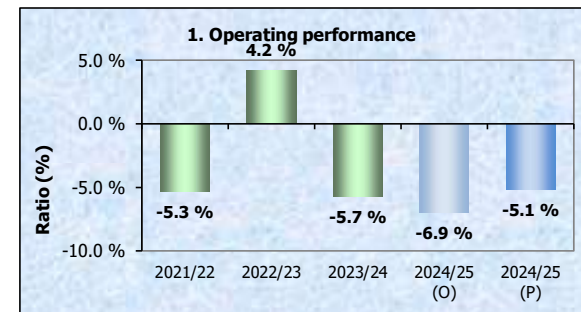
(\$000's)	Current projection		Original budget 24/25	Actuals prior periods	
	Amounts	Indicator		23/24	22/23
	24/25	24/25			

NSW local government industry key performance indicators (OLG):

**1. Operating performance**

Operating revenue (excl. capital) - operating expenses	-3,256,007	-5.1 %	-6.9 %	-5.7 %	4.2 %
Operating revenue (excl. capital grants & contributions)	63,384,888				

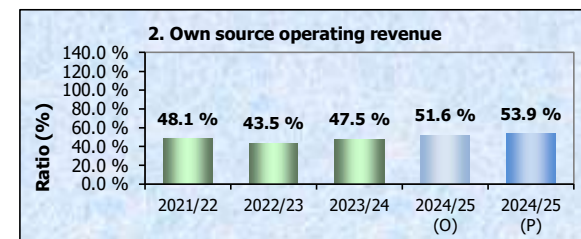
This ratio measures Council's achievement of containing operating expenditure within operating revenue.



**2. Own source operating revenue**

Operating revenue (excl. ALL grants & contributions)	47,596,986	53.9 %	51.6 %	47.5 %	43.5 %
Total Operating revenue (incl. capital grants & cont)	88,278,953				

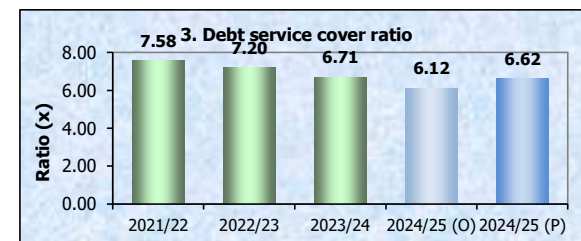
This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants & contributions.



**3. Debt service cover ratio**

Operating result before interest & dep. exp (EBITDA)	12,860,172	6.62	6.12	6.71	7.20
Principal repayments + borrowing interest costs	1,942,352				

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

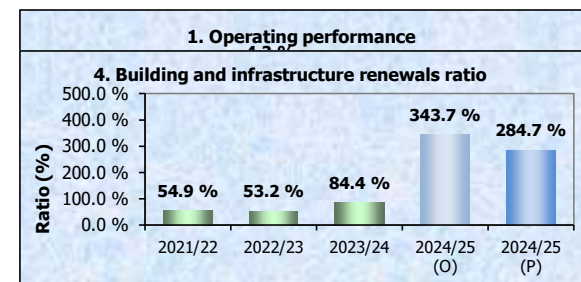


**General Fund - Key performance indicators budget review statement - Industry KPI's (OLG)**

Budget review for the quarter ended 31 March 2025

(\$000's)	Current projection		Original budget 24/25	Actuals prior periods	
	Amounts	Indicator		23/24	22/23
	24/25	24/25			
4. Building and infrastructure renewals ratio					
Asset renewals (building, infrastructure & other structures)	43,437,052	284.7 %	343.7 %	84.4 %	53.2 %
Depreciation, amortisation & impairment	15,255,255				

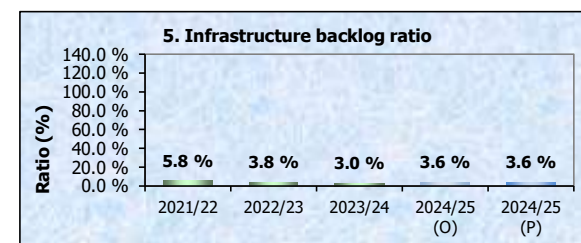
To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.



**5. Infrastructure backlog ratio**

Estimated cost to bring assets to a satisfactory condition	30,687,665	3.6 %	3.6 %	3.0 %	3.8 %
Total value of infrastructure, building, other structures & depreciable land improvement assets	851,734,814				

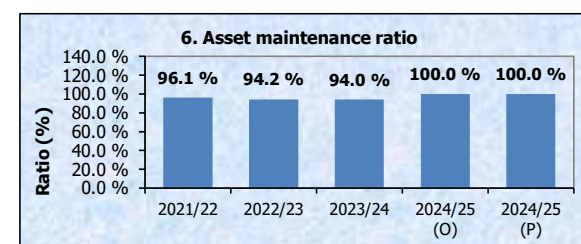
This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.



**6. Asset maintenance ratio**

Actual asset maintenance	1	100.0 %	100.0 %	94.0 %	94.2 %
Required asset maintenance	1				

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the Infrastructure Backlog growing.



**Contracts budget review statement**

Budget review for the quarter ended 31 March 2025

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

Contractor	Contract detail & purpose	Contract value '\$	Start date	End date	Budgeted (Y/N)	Notes
Boral Construction Materials Group Limited; Coastal Earthmoving; HY-TEC	Supply & Delivery of Ready Mix Concrete	\$ 9,000,000	01/01/25	31/12/27	Y	
Alliance Construction Group Pty Ltd	Design and Construction of Settlers Way Water Booster Pump Station	\$ 489,236	06/03/25	04/06/25	Y	
Interflow Pty Ltd	Rehabilitation of Sewer Mains & Junctions 2024-2025	\$ 650,960	24/02/25	30/04/25	Y	
Alliance Construction Group Pty Ltd	Upgrade to Crescent Head STP aeration system.	\$ 179,272	16/01/25	30/04/25	Y	
LC Eire	Design, construction and commissioning of Steuart McIntyre Dam Water Treatment Plant	\$ 45,843,084	13/01/25	31/01/27	Y	
KPMG	Provision of GPS system and associated software.	\$ 129,503	01/01/25		Y	
Nexon Asia Pacific Pty Ltd	Replacement of core server infrastructure.	\$ 326,431	05/02/25	04/02/30	Y	

## Notes:

1. Minimum reporting level is 1% of estimated income from continuing operations of Council or \$50,000 - whatever is the lesser.
2. Contracts listed are those entered into during the quarter being reported and exclude contractors on Council's Preferred Supplier list.
3. Contracts for employment are not required to be included.

**Consultancy & legal expenses budget review statement**

## Consultancy &amp; legal expenses overview

<b>Expense</b>	<b>YTD expenditure (actual dollars)</b>	<b>Budgeted (Y/N)</b>
Consultancies	1,335,217	Y
Legal Fees	461,328	N

**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**

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A \$320,000 increase in legal fees has been submitted in this quarterly budget review to cover fees for ongoing development legal case and for employee related legal and compliance advice.

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