

ADDENDUM

OFFICERS' REPORTS – PART A - FOR DETERMINATION

CORPORATE AND COMMUNITY SERVICES

1. INTERIM 2025/2026 QUARTERLY BUDGET REVIEW AS AT 30 SEPTEMBER 2025

Report prepared by Senior Accountant/Team Leader Finance – Camilla Webb

REASON FOR REPORT

To present the Interim Budget Review as at 30 September 2025 in accordance with Section 203 of the Local Government (General) Regulation 2005.

REFERENCE TO DELIVERY PLAN ACTION

Not Applicable – legislative requirement

DISCUSSION

The interim budget review as at 30 September 2025 is included as **(ANNEXURE 3)** for Councillors' perusal. The budget review, as presented, indicates that the projected 2025/2026 cash deficit will be \$2,725 which represents a decrease of \$5,417 on the original estimated surplus of \$2,692.

The Office of Local Government (OLG) has amended the quarterly budget review guidelines for NSW Councils. The intent of the revised guidelines is to ensure that Councils have a mandatory requirement to report and standardised reporting templates to ensure Councillors have effective financial oversight and communities receive clear information. As a result, Councillors will now receive financial reporting for the quarterly budget review in the standardised templates developed by the OLG. The financial information contained in the standardised templates, along with the Council Report summary will be submitted on a quarterly basis to the OLG from November 2025.

In interpreting the financial templates, it is important to note that the OLG templates have cell restrictions on where information can be added and pre-populates results. Having said this, an additional financial report is enclosed within the Annexures that provides more detail and relates to the variances also described below. The overall financial position detailed within the financial statements presents as an overall deficit, which does not take into account transfers from operational reserves and it includes Depreciation expense.

During the quarterly budget review period from July to September 2025 there are very few variances greater than \$5,000. Therefore, we have reported on items less than \$5,000 that require an adjustment to the 2025/2026 Budget.

The reasons for this variance in overall financial result are discussed below;

Rates & Charges

There is an increase of \$16,000 to annual rates as a result of higher than anticipated income from Waste Charges on Rates Notices.

User Fees & Charges

An increase to disposal fees at the Council Landfill Facilities due to the proposed demolition of a local building that will require the disposal of asbestos, increasing user charges.

Grant & Contributions Operating

Council was unsuccessful in obtaining Noxious Weeds Grant funding and therefore a reduction to grants of approximately \$90,000 in 2025/2026.

Employment Benefits

A reduction in employment benefits of approximately \$90,000 as a direct result of the Noxious Weeds Grant Funding. A reduction of employment wages to offset this funding as labour will be utilised in other Council areas and on-costed (as opposed to outsourcing contractors, the work will be performed in-house and on-costed accordingly).

Approximately \$14,000 of labour costs were transferred to materials and services due to the engagement of contract labour in various other departments.

Materials and Services

Materials and services expenses overall exceeded the original budgeted allocation by approximately \$760,000 this is due to \$715,000 in carry forwards from 2024/2025 (please refer to the Uncompleted Works Table at the end of this Report for further details) and in addition to the carry forwards the following items:

- **Legal Expenses**

A budget adjustment of \$7,500 to accommodate increased legal expenditure during this reporting period. Legal costs have exceeded the original budget allocation for Elected Members. This adjustment reflects several legal matters that were unexpected and initial provision of \$2,500 was allocated, however expenditure has exceeded this amount.

- **Walla Walla Hall**

The air conditioner at Bank WAW required a repair at a cost of \$5,500. This item was considerably more than the allocated provision in the budget for the Walla Walla Hall Budget. An adjustment of \$3,000 is required to reflect these expenses and a further \$2,500 budget adjustment to cover this expense. A corresponding adjustment was made of \$3,000 to the Walla Walla Office budget to reflect the payment for the air conditioner.

- **Public Conveniences**

A budget adjustment is required of \$1,863 to cover the cost of multiple attacks of vandalism to various Council public toilet facilities. No provision was included in the budget for vandalism.

- **Halls**

An attack of vandalism occurred at the Culcairn Hall that resulted in significant clean up costs this required an adjustment of \$500 which is reflected in the Recreation and Culture Section for Public Halls.

- **Swimming Pools**

A rates adjustment of \$3,230 is required to cover the annual rates for all Council operated pools due to an under budgeted amount.

- **Aerodromes**

A rates adjustment of \$1,445 is required to cover the annual rates for the Holbrook Airport due to an under budgeted amount.

Other Expenses

Expenses that were carry forward from 2024/2025 of \$34,000 that relate to a variety of expenses that were planned to occur in the financial period, however did not occur and are now planned to occur in 2025/2026 (please refer to the Uncompleted Works Table at the end of this report for further details).

Vehicle Capital Purchase

A savings of \$11,866 has been achieved through the purchase from Biti Motors of a work vehicle at a lower cost than originally budgeted.

UNCOMPLETED WORKS AND UNEXPENDED GRANTS CARRIED FORWARD

The budget has been adjusted to bring forward uncompleted works and unexpended grants (where required). A list of the uncompleted works carried forward is listed in this report for Councillors reference.

OVERALL BUDGET REVIEW

Detailed below is a full review on a functional basis with comments. The commentary below provides an explanation of major variances except where offset within the same function. It should be noted that the variance figures quoted in the following table have been calculated on the basis of the actual budget variance figures net of the proposed carried forward amounts. A number of small adjustments have been made across functional areas to bring budget in line with actual costs for rates for 2025/2026. A positive number represents an improvement in the budget.

GOVERNANCE & ADMINISTRATION

Function	Projected Budget Variance	Budget Reallocation \$	Comment (where variance exceeds \$5000)
Elected Members Expenses	Nil		
Governance Expenses	-\$7,500		Legal Expenses
Risk Management	Nil		
Corporate Services Administration	Nil	-\$3,000	Repair air-conditioner at the Walla Walla Hall/Office
Information Technology Services	Nil		
Employment On-Costs	Nil		
Engineering Administration	Nil		
Depot Administration and Maintenance	+\$511		
Plant Operations	Nil		
TOTAL GOVERNANCE & ADMINISTRATION	-\$6,989	-\$3,000	

PUBLIC ORDER AND SAFETY

Function	Projected Budget Variance	Budget Reallocation \$	Comment (where variance exceeds \$5000)
Animal Control	Nil		
Fire Services	Nil		
Emergency Services	Nil		
TOTAL PUBLIC ORDER & SAFETY	Nil		

HEALTH SERVICES

Function	Projected Budget Variance	Budget Reallocation \$	Comment (where variance exceeds \$5000)
Health Administration	+11,866		Saving from the Purchase of Manager Waste & Facilities Vehicle
TOTAL HEALTH SERVICES	+\$11,866		

ENVIRONMENT

Function	Projected Budget Variance	Budget Reallocation \$	Comment (where variance exceeds \$5000)
Waste Management	Nil		
Noxious Animals & Insects	Nil		
Noxious Plants	Nil		
Street Cleaning	Nil		
Stormwater Maintenance & Drainage	Nil		
TOTAL PUBLIC ORDER & SAFETY	NIL		

COMMUNITY SERVICES AND EDUCATION

Function	Projected Budget Variance	Budget Reallocation \$	Comment (where variance exceeds \$5000)
Children Services	Nil		
Preschools	-\$511		
Youth Services	Nil		
Community Housing	Nil		
Frampton Court Rental Units	Nil		
Kala Court Rental Units	Nil		
Kala Court Self-Funded Units	Nil		
Aged Care Rental Units – Culcairn	Nil		
Aged Care Rental Units – Jindera	Nil		
Other Community Services	-\$223		
TOTAL COMMUNITY SERVICES & EDUCATION	-\$733		

HOUSING AND COMMUNITY AMENITIES

Function	Projected Budget Variance	Budget Reallocation \$	Comment (where variance exceeds \$5000)
Street Lighting	Nil		
Public Cemeteries	Nil		
Town Planning	Nil		
Public Conveniences	-\$1,683		Vandalism
Council Owned Housing	Nil		
Other Community Amenities	Nil		
TOTAL HOUSING & COMMUNITY AMENITIES	-\$1,683		

RECREATION AND CULTURE

Function	Projected Budget Variance	Budget Reallocation \$	Comment (where variance exceeds \$5000)
Public Halls	-\$3,213	+\$3,000	Walla Walla Hall/Office Air conditioner repairs and vandalism at the Culcairn Hall
Libraries	+490		
Museums			
Swimming Pools	-\$3,231		
Sporting Grounds & Recreation Reserves	Nil		
Parks & Gardens	-\$141		
Other Cultural Services	Nil		
TOTAL RECREATION & CULTURE	-\$6,093	\$3,000	

MINING, MANUFACTURING & CONSTRUCTION

Function	Projected Budget Variance	Budget Reallocation \$	Comment (where variance exceeds \$5000)
Building Control	Nil		
Quarries & Pits	Nil		
TOTAL MINING, MANUFACTURING & CONSTRUCTION	Nil		

TRANSPORT AND COMMUNICATIONS

Function	Projected Budget Variance	Budget Reallocation \$	Comment (where variance exceeds \$5000)
FAG Grant – Roads Component	Nil		
Urban Roads Local	Nil		
Sealed Rural Roads – Local	Nil		
Sealed Rural Roads – Regional	Nil		
Unsealed Rural Roads – Local	Nil		
Bridges	Nil		
Kerb & Gutter	Nil		
Footpaths	Nil		
Aerodromes	-\$1,445		
Bus Shelters	Nil		
Ancillary Road Works and PAMPS	Nil		
State Roads RMCC Works	Nil		
Natural Disaster Recovery	Nil		
TOTAL TRANSPORT & COMMUNICATIONS	-\$1,445		

ECONOMIC AFFAIRS

Function	Projected Budget Variance	Budget Reallocation \$	Comment (where variance exceeds \$5000)
Jindera Medical Centre	Nil		
Caravan Parks	-\$340		
Tourism Operations	Nil		
Visitor Information Centre & Submarine Museum	Nil		
Economic Development	Nil		
Community Development Projects	Nil		
Real Estate Development	Nil		
Real Estate Sales	Nil		
Private Works	Nil		
TOTAL ECONOMIC AFFAIRS	-\$340		

GENERAL PURPOSE REVENUES

Function	Projected Budget Variance	Budget Reallocation \$	Comment (where variance exceeds \$5000)
FAG Grant – General Component	Nil		
Interest on Investments	Nil		
Rates	Nil		
TOTAL GENERAL PURPOSE REVENUES	Nil		

SUMMARY OF BUDGET VARIATIONS

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WATER AND SEWERAGE

General income and expenditure figures appear to be satisfactory.

SUMMARY

Council's overall budget position has reduced as at 30 September 2025 with a deficit of \$5,417 predicted.

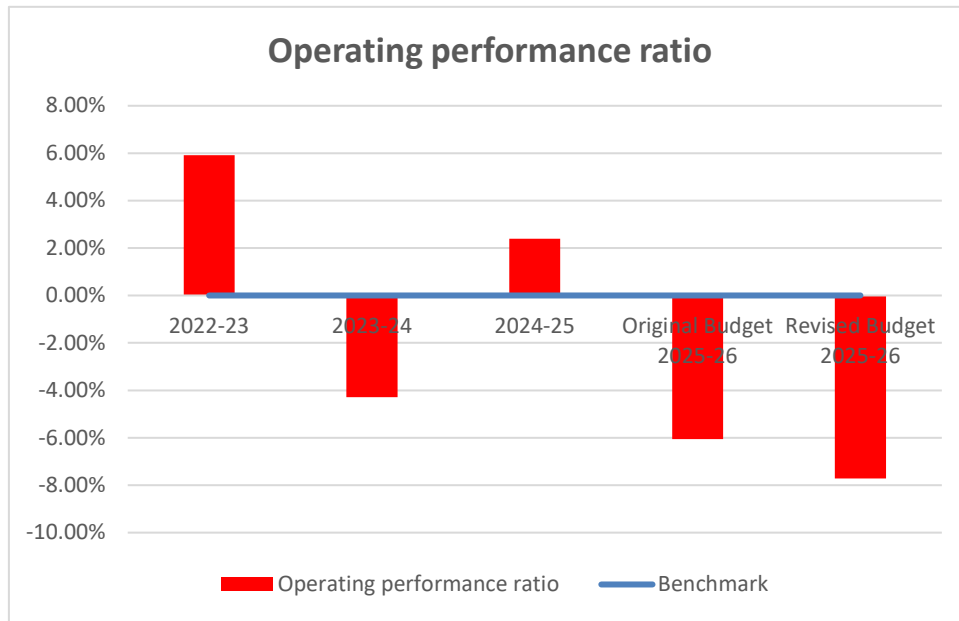
It should be noted that this review is for one quarter only, further adjustments may be necessary as the year progresses. The budget also includes a number of projects which will require additional funding to be sourced if they are to proceed. Some of this may need to come from own sourced funding which will impact on the reported surplus.

Shown below are a number of Council's financial indicators as at 30 September 2025. These indicators are consistent with those reported in Council's Annual Financial Statement.

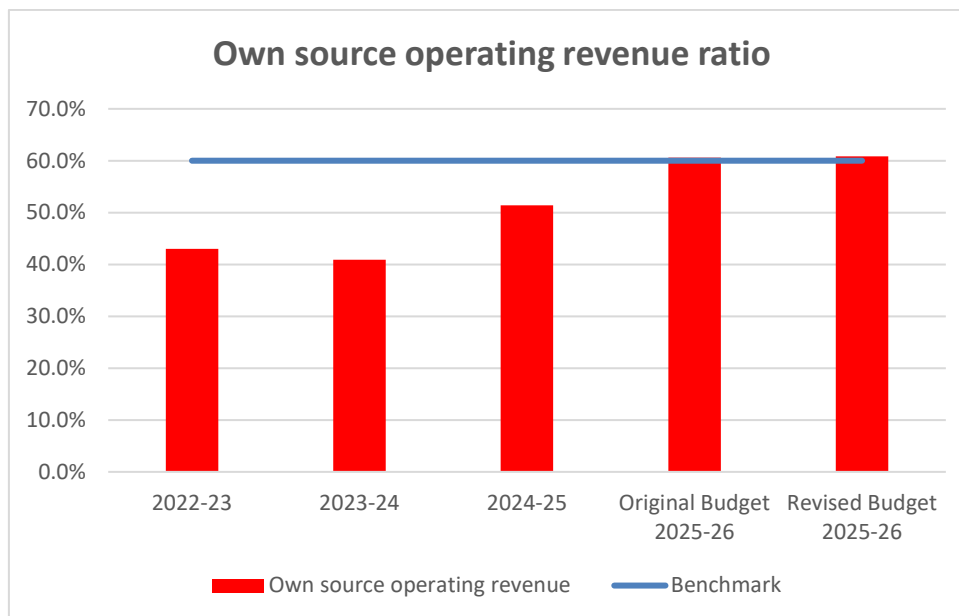
RECOMMENDATION

That Council note and approve the Interim Budget Review Statements which include the recommended variations as at 30 September 2025.

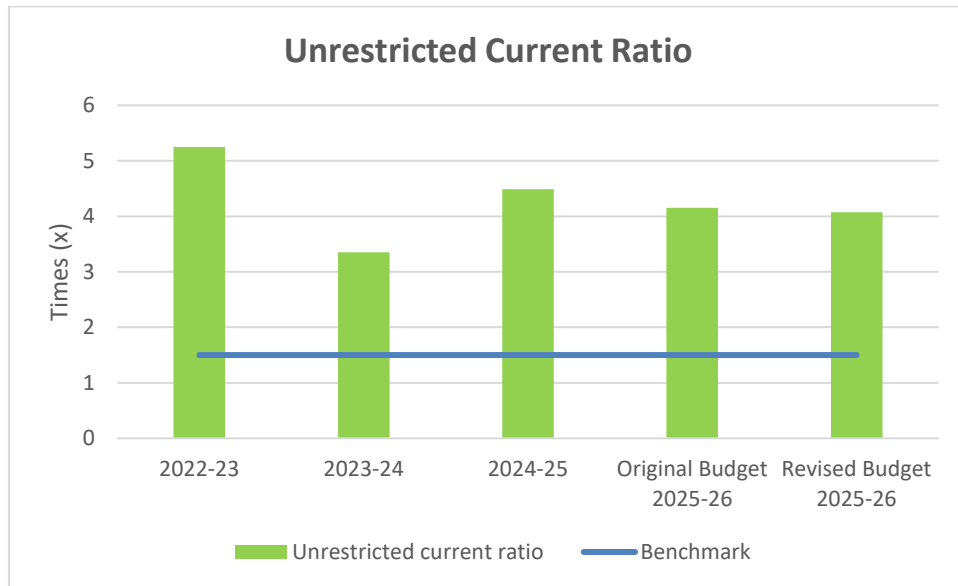
KEY FINANCIAL INDICATORS



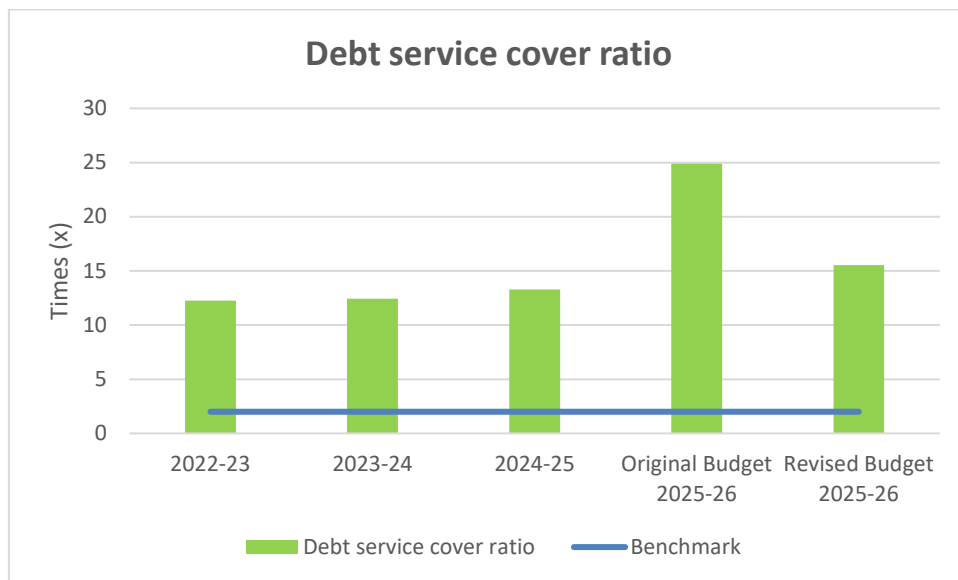
This ratio measures Council's achievement of containing operating expenditure within operating revenue.



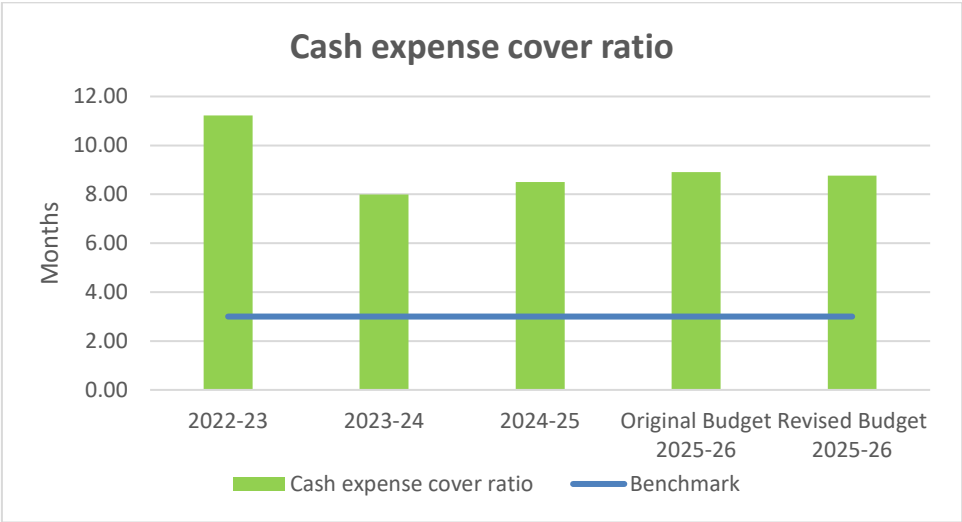
This ratio measure fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. It should be noted that the benchmark 60% is unlikely to be achieved In rural councils such as Greater Hume Council due to their heavy reliance on grants and contributions due to their large area and small populations.



This ratio assesses the adequacy of Council's working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.



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



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

UNCOMPLETED WORKS - 30 June 2025	
	Closing Balance as at 30 June 2025
Governance	
Elected Members - Training	7,500
Audit Services	5,000
Council Contributions	5,000
Meeting Room - Upgrades	15,600
Administration	
Administration Offices – Capital Improvements	22,496
IT – Cable Upgrades	24,529
IT – Hardware & Software	342,400
Engineering	
Asset Revaluation	58,200
Jindera Shared Bike Path Study	
Replacement Motor Vehicle - Manager Traffic & Infrastructure	60,000
Replacement Motor Vehicle – Asset Manager	40,000
Depot - Henty Improvements	8,000
Depot -Jindera - Bulk Tanker Pad	12,000
Depot - Jindera - PA Door	2,200
Depot – Walla Walla Improvements	3,500
Health	
Replacement Motor Vehicle - Manager Waste & Facilities	45,000
Environment	
<u>Waste</u>	
Waste - Culcairn Landfill New Cell	50,000
<u>Stormwater</u>	
Federal Street/Fahey Crescent, Culcairn	53,073
Housing & Community Amenities	
<u>Street Lights</u>	
Street Lighting installations	18,486
<u>Cemeteries</u>	
Bungowannah Cemetery Contribution	1,300
Walla Walla Cemetery - Watering System	10,000
Jindera Cemetery - Watering System	10,000
Various Cemeteries - Plinths	5,000
<u>Town Planning</u>	
Settlement Strategy	71,543
Legal Expenses	15,000
West Jindera Rezoning	89,451

<u>Public Toilets</u>	
Gallipoli Victoria Cross Rest Area - Toilet Upgrade	40,000
Village Green, Jindera – Toilet Upgrade	40,000
<u>Recreation & Culture</u>	
<u>Halls</u>	
Mullengandra Public Hall Committee Contribution	3,000
<u>Swimming Pools</u>	
Various – Pool Cleaners	29,149
Culcairn - Watering System	10,000
Holbrook - Watering System	10,000
Jindera - Sand Filter Replacement	11,173
Walla Walla - Watering System	10,000
Walla Walla – Amenities Upgrade	45,950
<u>Sports and Recreation Grounds</u>	
Culcairn Recreation Reserve – Contribution	12,730
Wymah Recreation Reserve – Contribution	5,480
Other Committee – Contributions	1,950
Burrumbuttock Recreation Reserve - Playground	70,000
New Cricket Wickets Pech Oval Henty	6,075
<u>Parks</u>	
Jindera Pioneer Park - Install concrete path	31,186
Culcairn - Eric Thomas Park Footbridge	37,281
Holbrook Dog Park	12,161
<u>Transport & Communication</u>	
<u>Villages Services</u>	
TBA - Villages Vote	77,514
<u>Urban Road Construction</u>	521,246
<u>Gravel Resheeting Program</u>	235,779
<u>Bus Shelters</u>	10,000
<u>Economic Affairs</u>	
Community Wellbeing Projects	77,730
Total	2,273,682