

**Report by Responsible Accounting Officer**

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2005:

**31 December 2020**

It is my opinion that the Quarterly Budget Review Statement for Liverpool Plains Shire Council for the quarter ended 31/12/20 indicates that Council's projected financial position at 30/6/21 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

**Signed:** 

Raju Koirala  
Responsible Accounting Officer

**Date:**

1/02/2021

**Income & Expenses Budget Review Statement**

Budget review for the quarter ended 31 December 2020

**Income & Expenses - Council Consolidated**

(\$000's)	Original Budget 2020/21	Approved Changes		Revised Budget 2020/21	Variations for this Dec Qtr	Projected Year End Result	Actual YTD figures
		Sep QBRS	Dec QBRS				
<b>Income</b>							
Rates and Annual Charges	11,161,007	1,635,766	-	12,796,773	-	12,796,773	12,570,002
User Charges and Fees	4,370,778	(1,701,859)	-	2,668,919	-	2,668,919	1,527,773
Interest and Investment Revenues	352,596	-	-	352,596	(182,516)	170,080	89,386
Other Revenues	405,094	11,058	-	416,152	-	416,152	330,536
Grants & Contributions - Operating	6,354,107	756,500	-	7,110,607	-	7,110,607	2,833,731
Grants & Contributions - Capital	2,125,000	-	-	2,125,000	-	2,125,000	1,126,008
<b>Total Income from Continuing Operations</b>	<b>24,768,581</b>	<b>701,465</b>	<b>-</b>	<b>25,470,046</b>	<b>(182,516)</b>	<b>25,287,530</b>	<b>18,477,437</b>
<b>Expenses</b>							
Employee Costs	11,370,435	(84,109)	-	11,286,326	-	11,286,326	5,005,107
Borrowing Costs	368,736	-	-	368,736	-	368,736	97,892
Materials & Contracts	6,098,409	(87,602)	-	6,010,807	97,000	6,107,807	3,033,342
Depreciation	9,999,459	-	-	9,999,459	3,389,834	13,389,293	6,694,679
Other Expenses	1,437,223	785,048	-	2,222,271	-	2,222,271	1,357,320
Net Loss from disposal of assets	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>29,274,262</b>	<b>613,337</b>	<b>-</b>	<b>29,887,599</b>	<b>3,486,834</b>	<b>33,374,433</b>	<b>16,188,341</b>
<b>Net Operating Result from Continuing Operations</b>	<b>(4,505,680)</b>	<b>88,128</b>	<b>-</b>	<b>(4,417,552)</b>	<b>(3,669,350)</b>	<b>(8,086,903)</b>	<b>2,289,096</b>
<b>Net Operating Result before Capital Items</b>	<b>(6,630,680)</b>	<b>88,128</b>	<b>-</b>	<b>(6,542,552)</b>	<b>(3,669,350)</b>	<b>(10,211,903)</b>	<b>1,163,088</b>

**Income & Expenses Budget Review Statement**

Budget review for the quarter ended 31 December 2020

**Income & Expenses - Council General Fund**

(\$000's)	Original Budget 2020/21	Approved Changes		Revised Budget 2020/21	Variations for this Dec Qtr	Projected Year End Result	Actual YTD figures
		Sep QBRs	Dec QBRs				
<b>Income</b>							
Rates and Annual Charges	7,708,744	1,583,766		9,292,510		9,292,510	9,064,593
User Charges and Fees	3,056,237	(1,696,859)		1,359,378		1,359,378	934,106
Interest and Investment Revenues	120,960			120,960	(53,920)	67,040	35,233
Other Revenues	400,094	6,058		406,152		406,152	324,396
Grants & Contributions - Operating	6,302,107	808,500		7,110,607		7,110,607	2,833,731
Grants & Contributions - Capital	2,125,000			2,125,000		2,125,000	1,126,008
Net gain from disposal of assets				-		-	-
<b>Total Income from Continuing Operations</b>	<b>19,713,141</b>	<b>701,465</b>	<b>-</b>	<b>20,414,606</b>	<b>(53,920)</b>	<b>20,360,686</b>	<b>14,318,066</b>
<b>Expenses</b>							
Employee Costs	10,123,718	(84,109)		10,039,609		10,039,609	4,440,563
Borrowing Costs	29,669			29,669		29,669	4,170
Materials & Contracts	5,043,225	(1,121,147)		3,922,078	97,000	4,019,078	2,288,806
Depreciation	8,195,320			8,195,320	3,389,834	11,585,154	5,792,577
Other Expenses	1,336,578	785,048		2,121,626		2,121,626	1,214,030
Net Loss from disposal of assets				-		-	-
<b>Total Expenses from Continuing Operations</b>	<b>24,728,509</b>	<b>(420,208)</b>	<b>-</b>	<b>24,308,301</b>	<b>3,486,834</b>	<b>27,795,136</b>	<b>13,740,147</b>
<b>Net Operating Result from Continuing Operations</b>	<b>(5,015,368)</b>	<b>1,121,673</b>	<b>-</b>	<b>(3,893,695)</b>	<b>(3,540,754)</b>	<b>(7,434,449)</b>	<b>577,920</b>
<b>Net Operating Result before Capital Items</b>	<b>(7,140,368)</b>	<b>1,121,673</b>	<b>-</b>	<b>(6,018,695)</b>	<b>(3,540,754)</b>	<b>(9,559,449)</b>	<b>548,088</b>

**Income & Expenses Budget Review Statement**

Budget review for the quarter ended 31 December 2020

**Income & Expenses - Water Fund**

(\$000's)	Original Budget 2020/21	Approved Changes		Revised Budget 2020/21	Variations for this Dec Qtr	Projected Year End Result	Actual YTD figures
		Sep QBRS	Dec QBRS				
<b>Income</b>							
Rates and Annual Charges	2,254,271	32,000		2,286,271		2,286,271	2,307,134
User Charges and Fees	1,179,541	(5,000)		1,174,541		1,174,541	526,617
Interest and Investment Revenues	137,556			137,556	(81,046)	56,510	29,699
Other Revenues	5,000	5,000		10,000		10,000	4,814
Grants & Contributions - Operating	32,000	(32,000)		-		-	-
Grants & Contributions - Capital	-			-		-	-
<b>Total Income from Continuing Operations</b>	<b>3,608,368</b>	<b>-</b>	<b>-</b>	<b>3,608,368</b>	<b>(81,046)</b>	<b>3,527,322</b>	<b>2,868,264</b>
<b>Expenses</b>							
Employee Costs	687,997			687,997		687,997	391,917
Borrowing Costs	339,067			339,067		339,067	93,722
Materials & Contracts	746,000	570,359		1,316,359		1,316,359	514,094
Depreciation	1,064,774			1,064,774		1,064,774	532,420
Other Expenses	80,848			80,848		80,848	129,958
Net Loss from disposal of assets	-			-		-	-
<b>Total Expenses from Continuing Operations</b>	<b>2,918,686</b>	<b>570,359</b>	<b>-</b>	<b>3,489,045</b>	<b>-</b>	<b>3,489,045</b>	<b>1,662,112</b>
<b>Net Operating Result from Continuing Operations</b>	<b>689,682</b>	<b>(570,359)</b>	<b>-</b>	<b>119,323</b>	<b>(81,046)</b>	<b>38,277</b>	<b>1,206,152</b>
<b>Net Operating Result before Capital Items</b>	<b>689,682</b>	<b>(570,359)</b>	<b>-</b>	<b>119,323</b>	<b>(81,046)</b>	<b>38,277</b>	<b>1,206,152</b>

**Income & Expenses Budget Review Statement**

Budget review for the quarter ended 31 December 2020

**Income & Expenses - Sewer Fund**

(\$000's)	Original Budget 2020/21	Approved Changes			Revised Budget 2020/21	Variations for this Dec Qtr	Projected Year End Result	Actual YTD figures
		Sep QBRS	Dec QBRS	Mar QBRS				
<b>Income</b>								
Rates and Annual Charges	1,197,992	20,000			1,217,992		1,217,992	1,198,275
User Charges and Fees	135,000				135,000		135,000	67,051
Interest and Investment Revenues	94,080				94,080	(47,550)	46,530	24,454
Other Revenues	-				-		-	1,326
Grants & Contributions - Operating	20,000	(20,000)			-		-	
<b>Total Income from Continuing Operations</b>	<b>1,447,072</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,447,072</b>	<b>(47,550)</b>	<b>1,399,522</b>	<b>1,291,106</b>
<b>Expenses</b>								
Employee Costs	558,719				558,719		558,719	172,627
Borrowing Costs	-				-		-	
Materials & Contracts	309,184	463,186			772,370		772,370	230,442
Depreciation	739,365				739,365		739,365	369,683
Other Expenses	19,797				19,797		19,797	13,331
<b>Total Expenses from Continuing Operations</b>	<b>1,627,066</b>	<b>463,186</b>	<b>-</b>	<b>-</b>	<b>2,090,252</b>	<b>-</b>	<b>2,090,252</b>	<b>786,082</b>
<b>Net Operating Result from Continuing Operations</b>	<b>(179,994)</b>	<b>(463,186)</b>	<b>-</b>	<b>-</b>	<b>(643,180)</b>	<b>(47,550)</b>	<b>(690,730)</b>	<b>505,024</b>
<b>Net Operating Result before Capital Items</b>	<b>(179,994)</b>	<b>(463,186)</b>	<b>-</b>	<b>-</b>	<b>(643,180)</b>	<b>(47,550)</b>	<b>(690,730)</b>	<b>505,024</b>

**Capital Budget Review Statement**                      **Consolidated**

Budget review for the quarter ended 31 December 2020

**Capital Budget**

(\$000's)	Original Budget 2020/21	Approved Changes		Revised Budget 2020/21	Variations for this Dec Qtr	Notes	Projected Year End Result	Actual YTD figures
		Sep QBRS	Dec QBRS					
<b>Capital Expenditure</b>								
<b>New Assets</b>								
Water Fund	14,190,345	-		14,190,345			14,190,345	12,438
Sewer Fund	-	-		-			-	
Waste Fund	1,000,000	(1,000,000)		-			-	
General Fund	5,645,027	3,403,728		9,048,755			9,048,755	1,316,776
<b>Renewal Assets (Replacement)</b>								
Water Fund	284,000			284,000			284,000	75,096
Sewer Fund	920,000			920,000			920,000	120,355
Waste Fund		1,000,000		1,000,000			1,000,000	64,884
General Fund	6,124,000	1,180,528		7,304,528			7,304,528	1,984,022
<b>Total Capital Expenditure</b>	<b>28,163,372</b>	<b>4,584,256</b>	<b>-</b>	<b>32,747,628</b>	<b>-</b>		<b>32,747,628</b>	<b>3,573,570</b>
<b>Capital Funding</b>								
Capital Grants & Contributions -water fund	8,562,500			8,562,500			8,562,500	-
Capital Grants & Contributions -general fund*	7,866,826	4,558,256		12,425,082			12,425,082	1,355,390
Reserves:								
- Water Fund	2,486,845	-		2,486,845			2,486,845	87,534
- Sewer Fund	920,000	-		920,000			920,000	
- Waste Fund	1,000,000			1,000,000			1,000,000	64,884
- General Fund	3,185,027	26,000		3,211,027			3,211,027	96,114
New Loans water fund	3,425,000			3,425,000			3,425,000	
Special Rate Variation	717,174			717,174			717,174	717,174
<b>Total Capital Funding</b>	<b>28,163,372</b>	<b>4,584,256</b>	<b>-</b>	<b>32,747,628</b>	<b>-</b>		<b>32,747,628</b>	<b>2,321,096</b>
<b>Net Capital Funding - Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>(1,252,474)</b>

\*Includes only current year receipt. Transfer to/from Contract Assets/Liabilities, where relevant, will be done at the end of the financial year depending upon the completion stage of capital work.

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

Budget Variations being recommended include the following material items:

Notes	Details	Amount	Description
<b>Operating Statement</b>			
<b>1 . Increase in expenditure</b>		<b>More information (Indicative reason for variation)</b>	
1.1	Increase in Expenses - Materials and Contract - General Fund	97,000	Council Resolution 2020/251 - Community Consultation & Org. Structure Review
1.2	Increase in Expenses - Depreciation - General Fund	3,389,834	Correction of Depreciation Method. Effective FY 2019/20
<b>2. Decrease in revenue</b>			
2.1	Decrease in Income - Interest - General Fund	53,920	To accommodate the downward pressure on investment returns on Council's investment. Weighted average return was 1.08% during May 2020 now reduced to 0.56%.
2.2	Decrease in Income - Interest - Water Fund	81,046	Interest income further impacted by the COVID relief.
2.3	Decrease in Income - Interest - Sewer Fund	47,550	
<b>Total</b>		<b>3,669,350</b>	

Liverpool Plains Shire Council  
Cash, Investments and Borrowing Statement

Quarterly Budget Review Statement  
for the period 01/10/20 to 31/12/20

Description	Balance as at	Movement (1/07/2020 - 31/12/2020)		Balance as at	Comment
	30/06/2020	Increase	Decrease	31/12/2020	
Cash on hand and at bank	8,775,776	744,308		9,520,084	
Investments (Maturity less than 12 months)	25,250,000	-	50,000	25,200,000	
<b>Total Cash and Cash Equivalents</b>	<b>34,025,776</b>	<b>744,308</b>	<b>50,000</b>	<b>34,720,084</b>	
<i>Attributable to :</i>					
External restrictions	26,121,001	77,378	-	26,198,378	
Internal restrictions	6,766,220	110,304	2,254,562	4,621,962	
Unrestricted	1,138,555	2,761,188		3,899,743	
	<b>34,025,776</b>	<b>2,948,870</b>	<b>2,254,562</b>	<b>34,720,084</b>	
<b>Restrictions</b>					
A Externally Restricted Reserves					
1 Specific purpose unexpended grants - general fund (Liability)*	3,330,660			3,330,660	
2 Specific purpose unexpended grants - general fund (Revenue recognised)*	801,457			801,457	
3 Specific purpose unexpended grants - water fund*	320,000			320,000	
4 Developer contribution - general fund	1,317,983	77,378		1,395,361	DC received
5 Developer contribution - water fund	594,575			594,575	
6 Developer contribution - sewer fund	28,856			28,856	
7 Water supplies	10,387,332			10,387,332	
8 Sewer services	9,276,581			9,276,581	
9 Deposits, Retentions and Bonds	63,556.83			63,557	
<b>Total external restriction</b>	<b>26,121,001</b>	<b>77,378</b>	<b>-</b>	<b>26,198,378</b>	
B Internally Restricted					
1 Property	500,000	110,304		610,304	Assets disposal
2 Employees leave entitlement	1,200,000			1,200,000	
3 Remediation - Quarry	100,000			100,000	
4 Remediation - Waste	1,000,000		64,884	935,116	Actual expenditure
5 Infrastructure/Renewal	200,000		-	200,000	
6 FAG - Operational - Received in Advance	1,280,418		1,280,418	-	Restriction removed
7 FAG - Road - Received in Advance	735,802		735,802	-	Restriction removed
8 Business System Remediation	800,000		96,114	703,886	Actual expenditure
9 Plant and vehicle replacement reserve	950,000		77,344	872,656	Actual expenditure
<b>Total internal restriction</b>	<b>6,766,220</b>	<b>110,304</b>	<b>2,254,562</b>	<b>4,621,962</b>	

**Borrowings**

Loan Reference	111	112	114	Total
Purpose	Urban Stormwater	Quipolly Dam Upgrade	Quipolly Dam Upgrade	
Fund	General	Water	Water	
Interest Rate Type	Flexible	Fixed	Fixed	
Current Interest Rate	2.62%	6.53%	5.21%	
Commencement Date	22/09/2010	28/06/2012	30/06/2015	
Maturity Date	20/09/2030	28/06/2032	30/06/2035	
Principal Amount (Original)	1,100,000	1,837,596	2,355,500	5,293,096
<b>Outstanding Amount (31/12/2020)</b>	<b>599,210</b>	<b>1,444,821</b>	<b>1,928,282</b>	<b>3,972,314</b>

\*Transfer from/to unexpended grants liability/revenue will be processed at the end of the financial year



**Contracts Budget Review Statement**

Budget review for the quarter ended 31 December 2020

**Contracts Listing** - contracts entered into during the quarter

<b>Contractor</b>	<b>Contract Detail and Purpose</b>	<b>Selection Method</b>	<b>Contract Value</b>	<b>Notes</b>
CT Management Group Pty Ltd	Provision of Services relating to Special Rate Variation	Quotation	44,550	
CT Management Group Pty Ltd	Provision of Services relating to Organisational Structure	Quotation	26,950	
Pri-Fab Engineering	Quirindi Showground Trotting Track Fence	Open Tender	74,800	
Best Practice Construction Pty Ltd	Construction of Quirindi Library Precinct	Open Tender	1,450,593	
Safety1 Pty Ltd	Quirindi Showground Rodeo & Campcraft Arena Upgrade	Open Tender	199,953	