

FINANCIAL PERFORMANCE REPORT – July 2023

This report provides a summary of key financial performance indicators for Federation Council for the reporting month.

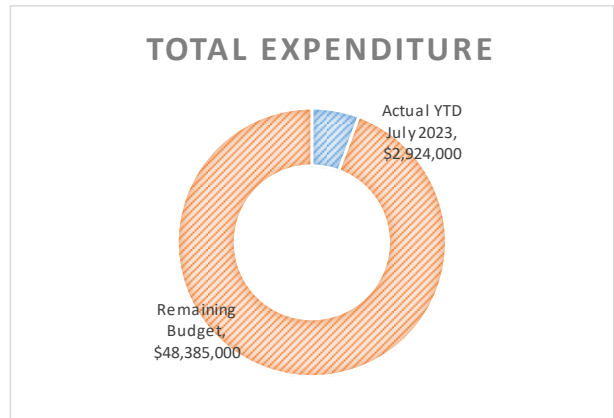
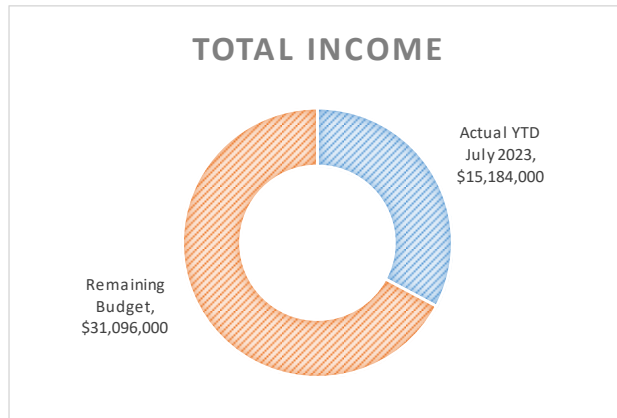
1. OPERATING RESULT

Consolidated position

	Actual YTD July 2023 (\$000's)	Annual Budget 2022/23 (\$000's)	Annual Budget % %	Notes
Income				
Rates and Annual Charges	13,732	19,806	69%	1
User Charges and Fees	330	9,626	3%	2
Interest and Investment Revenues	-	435	0%	
Other Revenues	18	407	4%	
Grants & Contributions - Operating	75	14,114	1%	
Grants & Contributions - Capital	1,007	852	118%	3
Net gain from disposal of assets	22	1,040		
Total Income	15,184	46,280	33%	
Expenses				
Employee Costs	949	17,578	5%	
Borrowing Costs	15	520	3%	
Materials & Contracts	743	18,024	4%	
Depreciation	1,208	14,491	8%	
Other Expenses	9	696	1%	
Total Expenses	2,924	51,309	6%	
Net Operating Result (Consolidated)	12,260	(5,029)	-244%	

Notes

1. Rates and Annual Charges – Rates annual charges have been raised but Water and Sewer annual charges still to be raised in November, March & June.
2. User Charges & Fees - Water and Sewer user fees still to be raised in November, March & June.
3. Capital Grants & Contributions have received \$1M for part payment for Saleyards grant that will be adjusted in the Carry forwards next month.



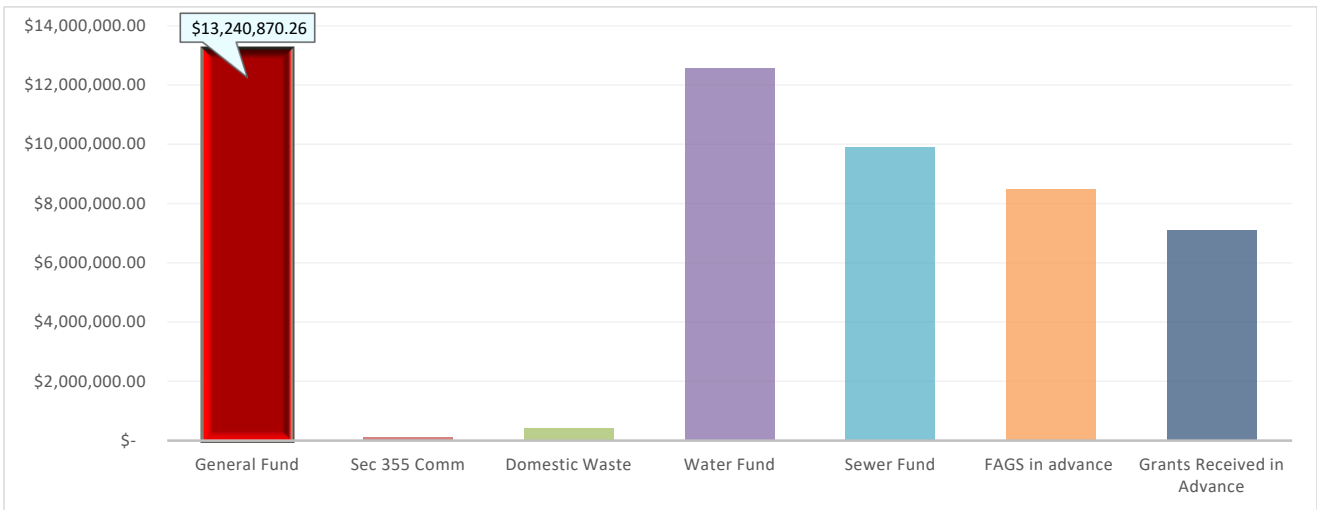
2. BALANCE SHEET

BANK BALANCES AND RECONCILIATION

Council's Bank Balance as per Bank Statement at report date: 31st July 2023

\$

General Account	0000 0022	448,056.54
Business Online Saver Account	1014 2522	4,388,719.09
Investments		<u>47,024,021.52</u>
	Sub Total	51,860,797.15
Plus Deposits not yet lodged:		
Corowa Tourism		15.00
Corowa		802.73
	Sub Total	51,861,614.88
Less Unpresented Cheques		160.00
Balance as per Ledger		51,861,454.88
Less FAGS in advance		8,500,916.00
Less External Restricted Funds		<u>30,119,668.62</u>
Balance of General Fund Ledger		13,240,870.26



The normal Cashflow graph has not been produced due to two months of data is needed for a line graph. The budgeted opening cash balance was as forecast at the time that the budget was prepared meaning the budgeted Cashflow for the end of July was \$26,002,953. The actual cash position at the end of July was \$51,861,455.

The actual cash position is above budget at this stage of the financial year, due primarily to the following factors:

- Financial Assistance Grants prepayment of \$8.501 million made in 2023 included in the actual cash
- Receipt of grant funding for projects that were not completed by 30 June 2023
- Carry over grant funded capital works that were not completed by 30 June 2023

Certificate of reconciliation

I certify that Council's general ledger bank accounts have been reconciled with the appropriate bank statements as at 31 July 2023.

S Norman
Manager Finance

INVESTMENTS

The following list of investment securities held at reporting date. Investment of funds on behalf of Council has been undertaken in accordance with the Local Government Act and Regulations.

Investment Type	Institution	Amount Lodged	Date Lodged	Rate	Days	Maturity Date
Term Deposit	CBA	\$1,001,355.34	04/08/2022	3.81	366	04/08/2023
Term Deposit	Westpac	\$1,000,000.00	10/02/2023	4.55	182	10/08/2023
Term Deposit	NAB	\$3,000,000.00	23/02/2023	4.50	182	23/08/2023
Term Deposit	NAB	\$2,001,854.25	01/12/2022	4.12	275	01/09/2023
Term Deposit	Westpac	\$1,000,000.00	23/09/2022	4.47	368	25/09/2023
Term Deposit	Westpac	\$1,000,000.00	23/09/2022	4.47	368	25/09/2023
Term Deposit	Suncorp	\$1,000,000.00	16/01/2023	4.46	274	16/10/2023
Term Deposit	Westpac	\$2,000,000.00	19/10/2023	4.43	366	19/10/2023
Term Deposit	Westpac	\$500,000.00	01/11/2022	4.54	366	01/11/2023
Term Deposit	Westpac	\$500,000.00	03/11/2022	4.60	366	03/11/2023
Term Deposit	NAB	\$2,006,883.39	17/11/2022	4.35	366	17/11/2023
Term Deposit	CBA	\$1,003,441.69	17/11/2022	4.29	366	17/11/2023
Term Deposit	Westpac	\$1,500,000.00	02/12/2021	1.20	733	04/12/2023
Term Deposit	Westpac	\$1,000,000.00	08/12/2022	4.35	366	08/12/2023
Term Deposit	Westpac	\$2,000,000.00	14/12/2021	1.13	731	14/12/2023
Term Deposit	NAB	\$1,000,000.00	04/04/2023	4.48	276	04/01/2024
Term Deposit	NAB	\$500,000.00	04/07/2023	5.45	185	04/01/2024
Term Deposit	NAB	\$500,000.00	04/07/2023	5.45	185	04/01/2024
Term Deposit	Suncorp	\$2,000,000.00	30/06/2023	5.47	190	05/01/2024
Term Deposit	Westpac	\$1,000,000.00	31/01/2022	1.49	731	31/01/2024
Term Deposit	Suncorp	\$1,003,605.75	12/05/2023	4.75	277	12/02/2024
Term Deposit	CBA	\$1,000,000.00	13/02/2023	5.01	366	13/02/2024
Term Deposit	Suncorp	\$1,000,000.00	23/05/2023	4.90	277	23/02/2024
Term Deposit	Westpac	\$1,006,881.10	03/03/2023	4.93	368	04/03/2024
Term Deposit	NAB	\$1,000,000.00	09/03/2023	4.85	369	11/03/2024
Term Deposit	NAB	\$2,000,000.00	15/03/2023	4.67	367	15/03/2024
Term Deposit	NAB	\$1,000,000.00	16/03/2023	4.50	369	18/03/2024
Term Deposit	CBA	\$1,000,000.00	29/06/2023	5.40	274	28/03/2024

Term Deposit	Suncorp	\$2,000,000.00	04/04/2023	4.56	367	04/04/2024
Term Deposit	Suncorp	\$1,000,000.00	04/04/2023	4.56	367	04/04/2024
Term Deposit	NAB	\$500,000.00	06/04/2023	4.45	369	08/04/2024
Term Deposit	NAB	\$500,000.00	06/04/2023	4.45	369	08/04/2024
Term Deposit	NAB	\$1,000,000.00	04/05/2023	4.75	369	06/05/2024
Term Deposit	CBA	\$2,000,000.00	29/06/2023	5.45	366	28/06/2024
Term Deposit	NAB	\$1,000,000.00	30/06/2023	5.56	365	28/06/2024
Term Deposit	CBA	\$2,000,000.00	07/07/2023	5.73	368	08/07/2024
Term Deposit	NAB	\$500,000.00	06/07/2023	5.54	369	08/07/2024
Term Deposit	Westpac	\$1,000,000.00	08/09/2022	4.30	733	09/09/2024
Term Deposit	Westpac	\$1,000,000.00	16/02/2023	4.90	733	17/02/2025

\$47,024,021.52

Certificate of reconciliation

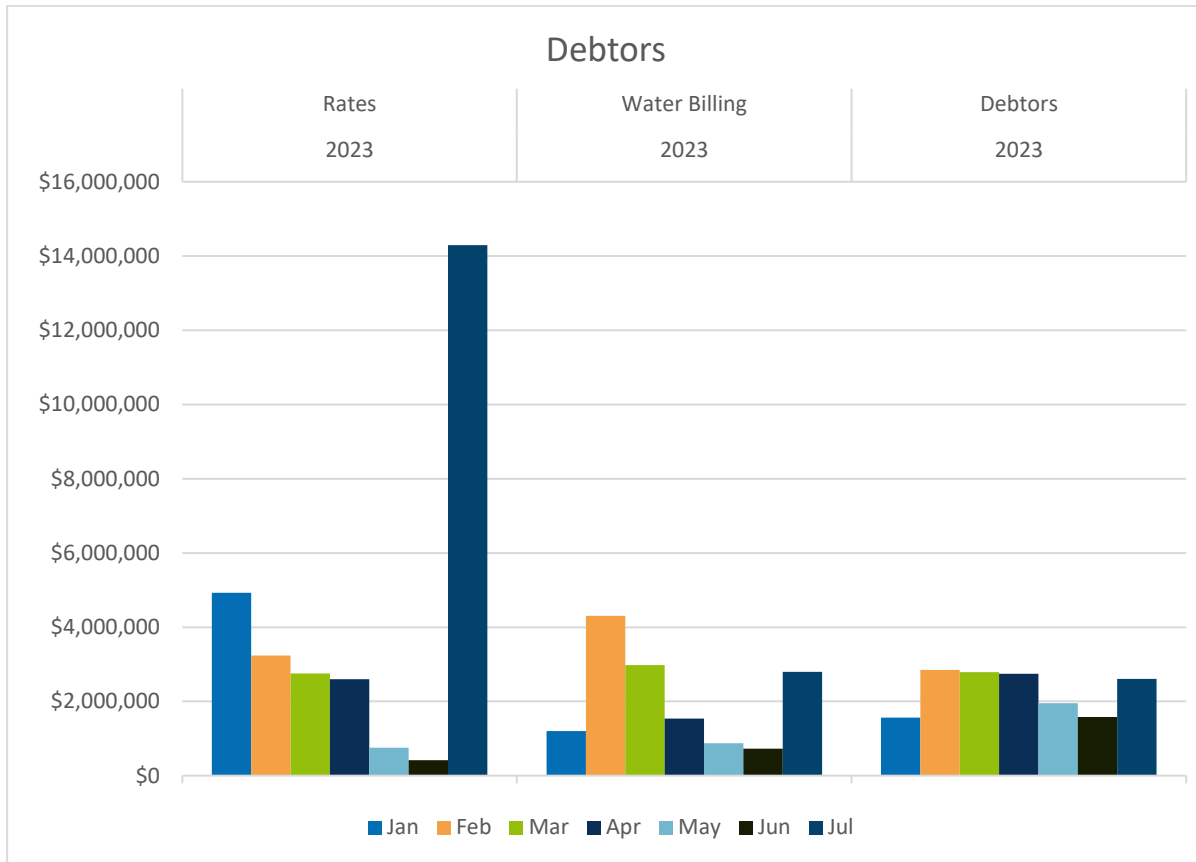
I certify that the investments have been made in accordance with section 625 of the Local Government Act 1993, the Regulations and Council's policies.

*S Norman
Manager Finance*

DEBTORS

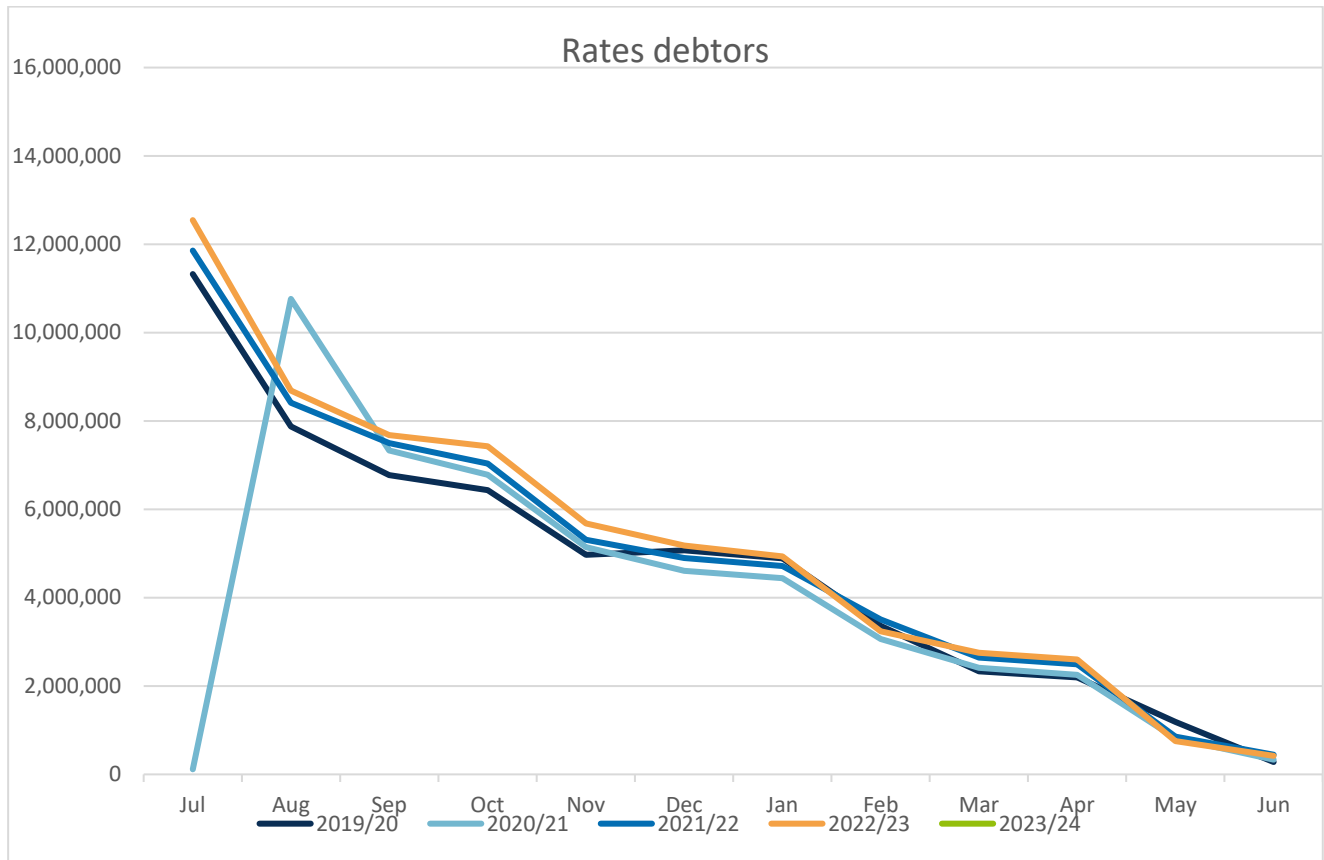
Debtors balance as at 31st July 2023 is \$19,699,514 with an overall increase of \$16,971,176 from the previous month due to Rates & Water Billing being raised in July.

As detailed in the below graph, rates debtor has increased by \$13,877,956 and Water debtor has increased by \$2,797,051 and sundry debtor increased by \$1,025,994.



The graph above illustrates that the water billing debtor balance spike in February and July as expected when water bills were issued and rates debtor balance spike in July when rates are raised.

The graph below shows rates outstanding each month for the last four years.

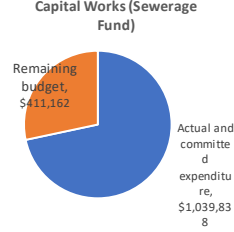
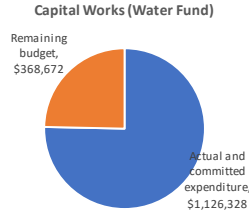
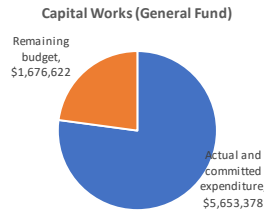
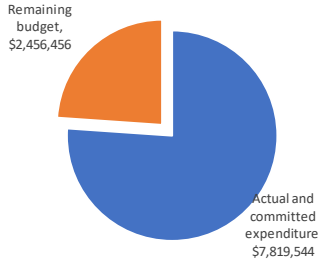


3. CAPITAL EXPENDITURE

A Council report will go to the September Council meeting regarding carry forward funds which which effect the figures in the below table & graph.

Federation Council											
Capital Works Reporting (Snapshot)											
31 July 2023											
Description	Original Budget	C/F	Council approved budget transfers	Qrt 1 - 30 Sept 23	Qrt 2 - 31 Dec 23	Qrt 3 - 31 Mar 24	Revised Budget	Actual and committed expenditure	% budget committed	Remaining budget	Notes
Buildings, Land Improvements, Land & Recreation	-	-	-	-	-	-	-	609,970	no budget	(609,970)	
Information Technology	307,000	-	-	-	-	-	307,000	20,223	7%	286,777	
Local Road Community Infrastructure	-	-	-	-	-	-	-	314,188	no budget	(314,188)	
Plant & Equipment	1,906,000	-	-	-	-	-	1,906,000	1,411,578	74%	494,422	
Regional Growth Fund Grants	-	-	-	-	-	-	-	91,463	no budget	(91,463)	
Roads, Footpaths, Bridges, Kerb & Guttering, Drainage	5,117,000	-	-	-	-	-	5,117,000	460,577	9%	4,656,423	
Saleyards	-	-	-	-	-	-	-	2,745,379	no budget	(2,745,379)	
Sewerage	1,451,000	-	-	-	-	-	1,451,000	1,039,838	72%	411,162	
Water	1,495,000	-	-	-	-	-	1,495,000	1,126,328	75%	368,672	
Total Capital Works 2023/24	10,276,000	-	-	-	-	-	10,276,000	7,819,544	76%	2,456,456	
Capital Works (General Fund)	7,330,000	-	-	-	-	-	7,330,000	5,653,378	77%	1,676,622	
Capital Works (Water Fund)	1,495,000	-	-	-	-	-	1,495,000	1,126,328	75%	368,672	
Capital Works (Sewerage Fund)	1,451,000	-	-	-	-	-	1,451,000	1,039,838	72%	411,162	
Total Capital Works 2023/24	10,276,000	-	-	-	-	-	10,276,000	7,819,544	76%	2,456,456	

Total Capital Works 2023/24



4. FLOOD EVENT

In preparing the 2022/23 Annual Budget, an amount of \$170,000 was budgeted as an operating expense to cover the property insurance deductible and the threshold for accessing essential asset disaster funding in the event of an emergency.

The NSW Government disaster-declared the Federation Council area for the flood event from 14 September 2022 onwards (Australian Government reference number 1034).

In December 2022, Council increased its Annual Budget by \$3.2M to accommodate the costs incurred by council that will be claimable under the insurance policy or recoverable through the NSW Disaster Assistance Arrangements. The damage assessment is nearing finalisation with data required to be submitted by 31 July 2023. Further detail will be provided to Council as it becomes available.

Costs incurred in protecting council assets from floods are not claimable under insurance and have been costed to the service area where the assets are managed. The cost of repairing flood damaged infrastructure that is not claimable under Council's insurance policy or NSW Disaster Assistance Arrangements is still being assessed.

A report of the estimation of the costs to repair flood damage is in the Director Engineering Services report Item 1 - Report on the progress of the Works Program of this agenda.

Income & Expenditure to 31st July 2023

	Income	Expenditure
Roads	\$ 1,000,000.00	\$ 2,213,290.65
Building & Facilities	\$ -	\$ 210,453.77
Parks & Gardens	\$ -	\$ 85,931.67
Ball Park Caravan Park Clean Up	\$ -	\$ 7,626.80
Resilience NSW	\$ -	\$ -
Total	\$ 1,000,000.00	\$ 2,517,302.89