



FINANCE POLICY COMMITTEE

AGENDA

1 NOVEMBER 2022

Notice is hereby given, in accordance with the provisions of the Local Government Act 1993 that a **FINANCE POLICY COMMITTEE MEETING of ORANGE CITY COUNCIL** will be held in the **COUNCIL CHAMBER, CIVIC CENTRE, BYNG STREET, ORANGE on Tuesday, 1 November 2022.**

David Waddell
CHIEF EXECUTIVE OFFICER

For apologies please contact Administration on 6393 8106.

AGENDA

1	INTRODUCTION.....	3
1.1	Declaration of pecuniary interests, significant non-pecuniary interests and less than significant non-pecuniary interests.....	3
2	GENERAL REPORTS.....	5
2.1	Quarterly Budget Review - Quarter 1 of 2022/2023.....	5
2.2	Small Donations & Grants applications.....	23

1 INTRODUCTION

1.1 DECLARATION OF PECUNIARY INTERESTS, SIGNIFICANT NON-PECUNIARY INTERESTS AND LESS THAN SIGNIFICANT NON-PECUNIARY INTERESTS

The provisions of Chapter 14 of the Local Government Act, 1993 (the Act) regulate the way in which Councillors and designated staff of Council conduct themselves to ensure that there is no conflict between their private interests and their public role.

The Act prescribes that where a member of Council (or a Committee of Council) has a direct or indirect financial (pecuniary) interest in a matter to be considered at a meeting of the Council (or Committee), that interest must be disclosed as soon as practicable after the start of the meeting and the reasons given for declaring such interest.

As members are aware, the provisions of the Local Government Act restrict any member who has declared a pecuniary interest in any matter from participating in the discussion or voting on that matter, and requires that member to vacate the Chamber.

Council's Code of Conduct provides that if members have a non-pecuniary conflict of interest, the nature of the conflict must be disclosed. The Code of Conduct also provides for a number of ways in which a member may manage non pecuniary conflicts of interest.

RECOMMENDATION

It is recommended that Committee Members now disclose any conflicts of interest in matters under consideration by the Finance Policy Committee at this meeting.

2 GENERAL REPORTS

2.1 QUARTERLY BUDGET REVIEW - QUARTER 1 OF 2022/2023

RECORD NUMBER: 2022/1936

AUTHOR: Veronica Webb, Chief Financial Officer

EXECUTIVE SUMMARY

Presented is the Quarterly Budget Review for the first quarter of the financial year ending 30 June 2023. The purpose of the quarterly budget review is to advise council of the forecasted financial position and present variations for approval that have changed since setting the original budget.

LINK TO DELIVERY/OPERATIONAL PLAN

The recommendation in this report relates to the Delivery/Operational Plan strategy “17.2. Ensure financial stability and support efficient ongoing operation”.

FINANCIAL IMPLICATIONS

The September Quarterly Review has identified favourable variations totalling \$815,503 to Council’s Operating Result before capital. The effect of these variations has also improved Council’s projected overall deficit and cost to council by \$65,286.

Table 1 below presents Council’s Operating result before Capital - by Fund. It is important to note that all red bracketed numbers in Tables 1 and 2 below indicate a surplus result for Council.

Operating Result before Capital

Fund	Adopted Budget	Proposed Variations	Proposed Budget	
General	1,783,503	(1,007,003)	776,500	Deficit
Water	541,629	191,500	733,129	Deficit
Sewer	(1,342,697)	0	(1,342,697)	Surplus
Total	982,435	(815,503)	166,932	Deficit

Table 1: Projected Operating Result before Capital

Table 2 presents Council’s projected Cash result by Division, showing the Cost to Council (which includes capital expenditure, capital income and funding).

Cash Result by Direction (Cost to Council)

Direction	Adopted Budget	Proposed Variations	Proposed Budget	
Collaborate	(24,500,614)	(1,379,971)	(25,880,585)	Surplus
Live	14,143,507	970,226	15,113,733	Deficit
Prosper	1,290,728	15,750	1,306,478	Deficit
Preserve	12,653,804	328,709	12,982,513	Deficit
Total	3,587,425	(65,286)	3,522,139	Deficit

Table 2: Projected Cash result – Cost to council

POLICY AND GOVERNANCE IMPLICATIONS

Nil

RECOMMENDATION

That Council resolves:

- 1 That the information provided in the report on the quarterly budget and performance indicators review for July 2022 to September 2022 be acknowledged.**
- 2 To adopt favourable variations in the consolidated overall cost to council arising from the September 2022 quarterly review amounting to \$65,286.**

FURTHER CONSIDERATIONS

The recommendation of this report has been assessed against Council's other key risk categories and the following comments are provided:

Service Delivery	The Performance Indicators highlight progress in achieving the strategies and actions set by Council's Delivery/Operational Plan. The "traffic light" indicators show the status of each task. A green light indicates the task is on track. An amber light suggests some delay and a red light is provided to those tasks that are unable to be achieved. All tasks have a comment that indicates progress.
------------------	--

SUPPORTING INFORMATION**Income**

The September quarter budget variations for income has increased favourably by \$25.8m. The variations are due mainly to the expected receipt of numerous capital grant funds that will offset capital expenditure. These include; Sports precinct, Southern Feeder, Wade park amenities, Orange Conservatorium, Streets as shared spaces, Local road construction, NSW Regional housing fund, Transport for NSW various road projects. A list of major variations is included in the attached report.

Additionally, the Financial assistance grant has increased from our initial budget prediction with a positive increase of \$576k.

A reduction in expected Ophir carpark fees has been adjusted to reflect the decision not to charge fees until further decisions are made from council.

Income streams such as User Charges and Fees and Other Revenues are currently on track as generally their rate of receipt is consistent throughout the year. As Council's annual rates are levied in July of each year, this income is almost fully recognised in the first quarter.

Other income streams are subject to external influences including interest rates, occurrences of development, or the success of grant applications. These income streams are routinely reviewed, and adjusted as appropriate, at each quarterly review.

Figure 1 below provides a snapshot of the split of Council's income against budget.

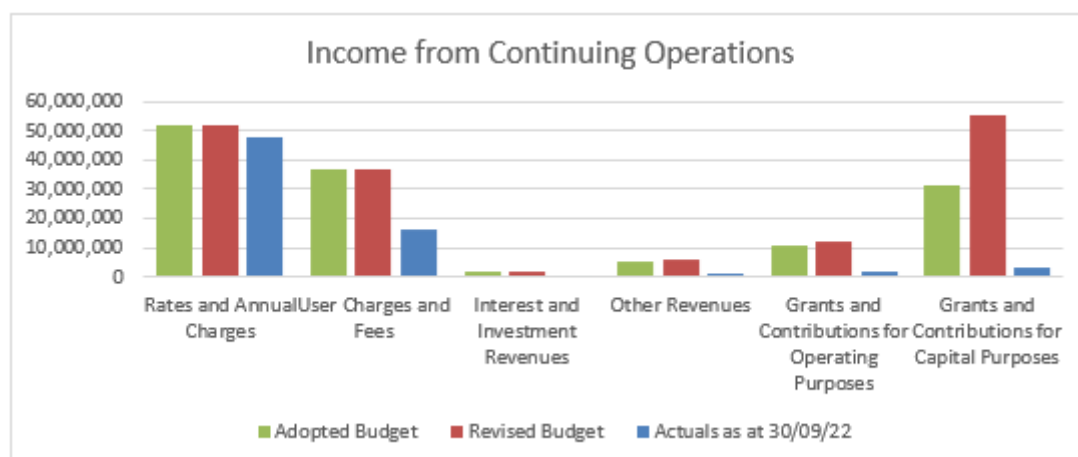


Figure 1: Income with Original Budget, Projected budget and Actuals as at 30 September 2022

Operating Expenditure

The September quarter budget variations for operational expenditure has increased unfavourably by \$903,753. Small variations include; Reconnecting Regional NSW grant project, Water meter replacement increase, E Planning project. A list of major variations is included in the attached report.

Actual expenditure is tracking in line as expected, however there could be pressure on existing maintenance, electricity and other budgets as rising and escalating costs are realised. Council will be well aware of the price rises for gas, electricity, fuel currently impacting operations and the further flagged increases in the Federal budget. Staff are doing what can be done to reduce these impacts through the long-term electricity contract recently signed and through solar and battery installs which will reduce demand. Project material and contactor price increases of around 25% are being experienced and will continue to impact the budget in the foreseeable future.

In general, Council's routine operational expenses should be incurred at a consistent rate. These include expense groupings such as Employee Costs, Materials and Contracts, Depreciation and Other Expenses.

2.1 Quarterly Budget Review - Quarter 1 of 2022/2023

Figure 2 provides a snapshot of the split of Council's operating expenditure

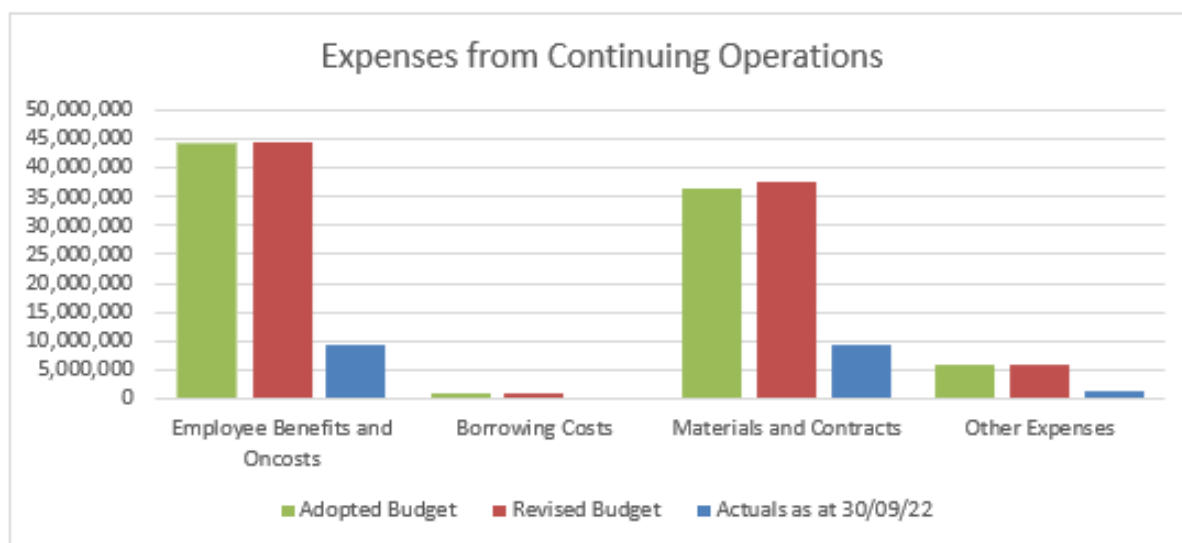


Figure 2: Expenditure Report with Original Budget, Projected budget and Actuals as at 30 September 2022

Mini Budget

Councillors were involved in an alignment workshop in July which was used to align the budget with CSP initiatives. Arising from the workshop there were changes to the budget, which now form part of this review.

Operational expenditure additions were allocated to engage an affordable housing consultant \$50k, funds for an Urban forest strategy \$30k and funds for Fish stocking \$10k.

Additionally, there were funds assigned from the assumed sale of Biodiversity credits from the Giralong offset block for capital projects; Showground structural works and study \$170k, Shade cloths over playgrounds \$40k, Aquatic centre expansion project scoping \$50k, additional Heavy Patching \$200k, Lucknow kerb & guttering \$200k, Jack Brabham shelters \$90k and splash park water filter \$50k.

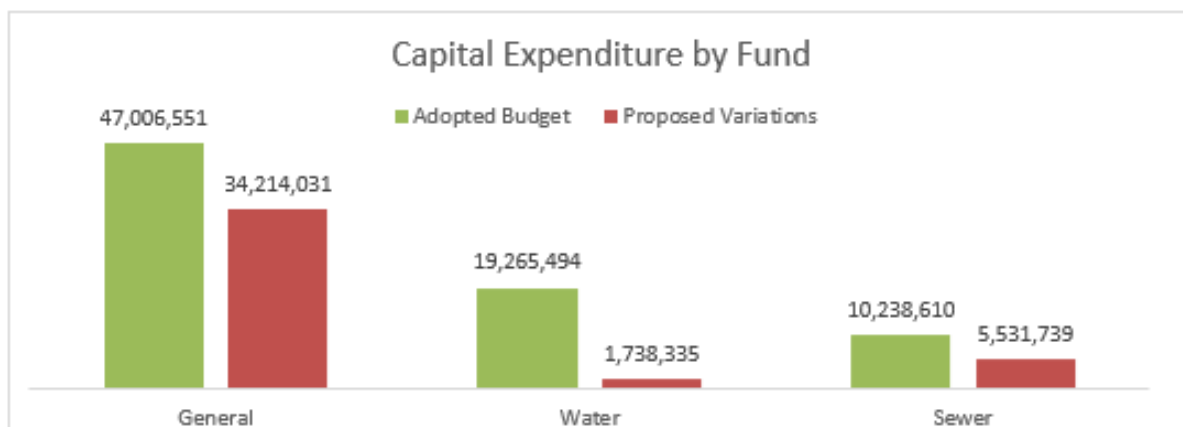
Capital Expenditure

The September quarter budget variations for capital expenditure has increased by \$41.4m. The table below represents Council's capital expenditure by fund. Capital expenditure variations for the first quarter include carry forward projects from last financial year. For various reasons these are requested to be carry forward and revoted into this current financial year. A list of major variations is included in the attached report.

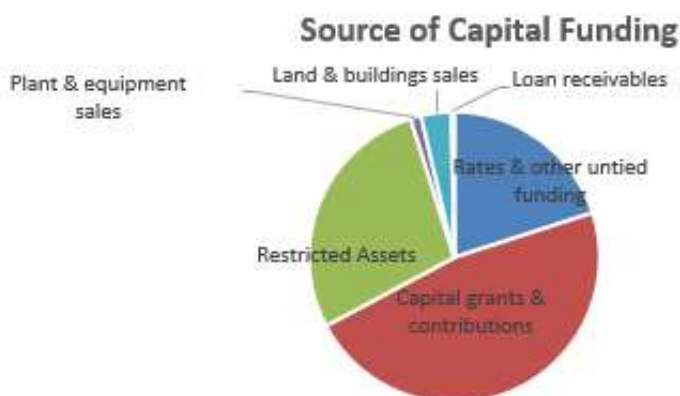
Capital Budget by Fund

Fund	Adopted Budget	Proposed Variations	Proposed Budget
General	47,006,551	34,214,031	81,220,582
Water	19,265,494	1,738,335	21,003,829
Sewer	10,238,610	5,531,739	15,770,349
Total	76,510,655	41,484,105	117,994,760

2.1 Quarterly Budget Review - Quarter 1 of 2022/2023



Council’s capital expenditure is funded by a mix of funding sources. The following table shows the funding source for capital expenditure.



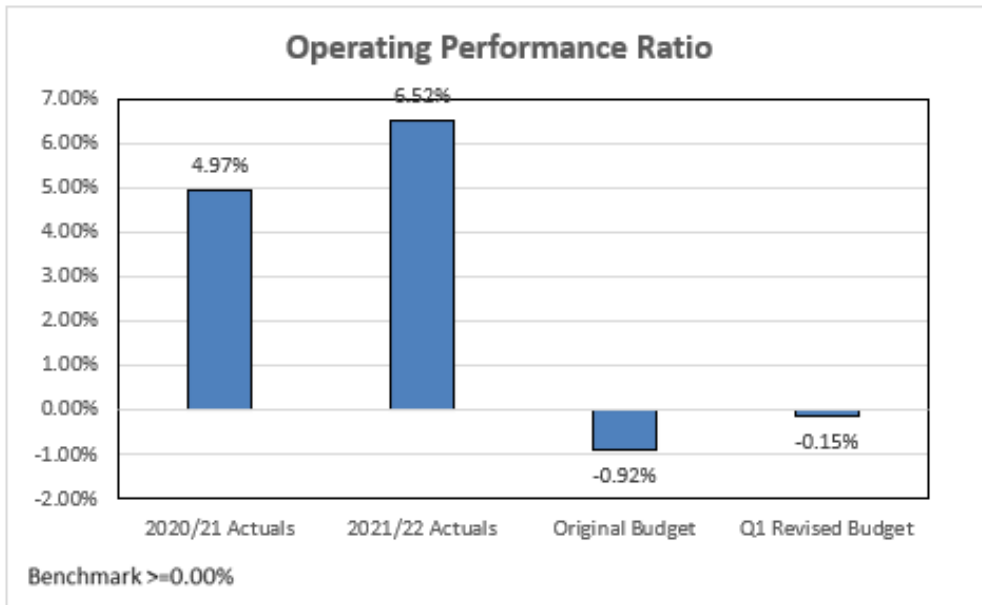
Cash Restrictions

The September quarter budget variations for restricted asset movements has resulted in a further draw down of \$16.2m. These variations will see a decrease in the total cash held as restrictions to \$193,074,959. The Table below shows the restricted cash held by each fund and the projected closing balance. The detail list of restrictions is included in the attached report.

Cash Restrictions Movement				
Fund	Opening Balance	Adopted Budget Transfers	Proposed Variations Transfers	Closing Balance
General	87,744,007	(9,966,438)	(11,094,238)	66,683,331
Water	75,727,021	(3,345,500)	222,920	72,604,441
Sewer	62,570,972	(3,414,000)	(5,369,785)	53,787,187
Total	226,042,000	(16,725,938)	(16,241,103)	193,074,959

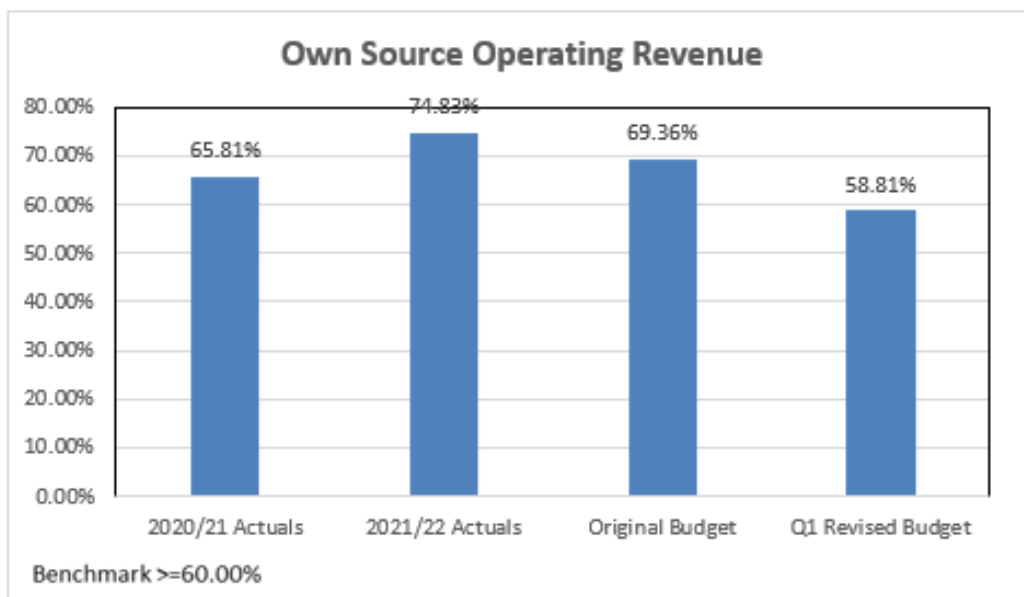
Financial Performance Indicators

The tables below represent financial performance against local government industry indicators from the annual financial statements. The charts compare actual performance from 2021/22 against the original 2022/23 budget and the proposed Q1 revised 2022/23 budget.



The purpose of the operating performance ratio is to measure the extent to which Council succeeds in containing operating expenditure within operating revenue (excluding capital grants and contributions).

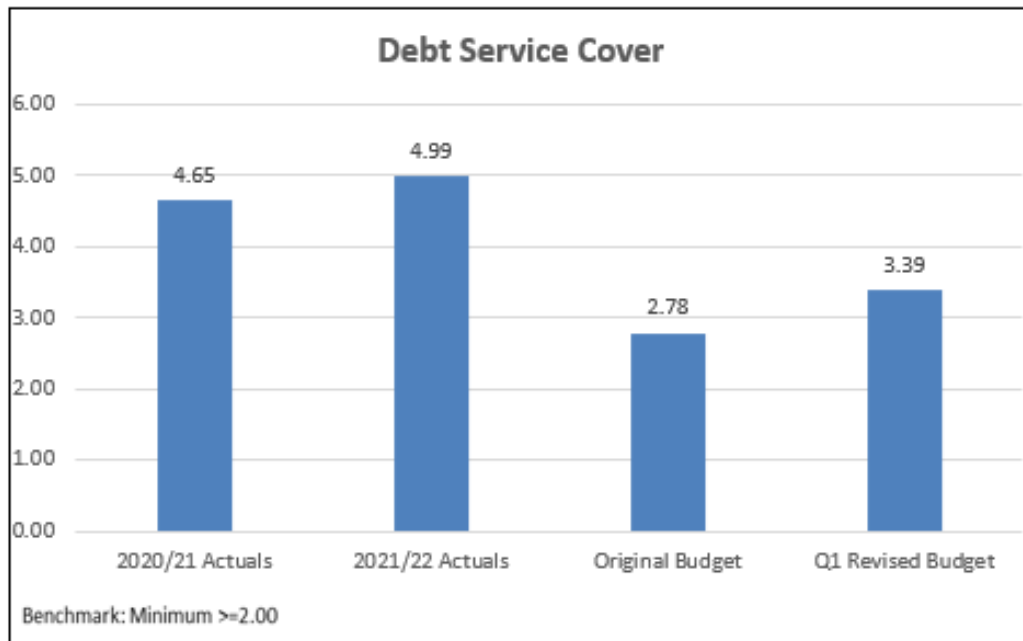
The performance to date indicates Council is tracking below the benchmark due mainly to the forecast of a operating deficit for the 2022/23 year when compared to the operating surplus achieved in 2021/22.



The purpose of the own source operating revenue ratio is to measure fiscal flexibility by analysing the degree of reliance on external funding sources.

2.1 Quarterly Budget Review - Quarter 1 of 2022/2023

The performance to date indicates Council is below the benchmark, with a significant increase in the level of funding expected to come from capital grants and contributions for major projects in 2022/23.

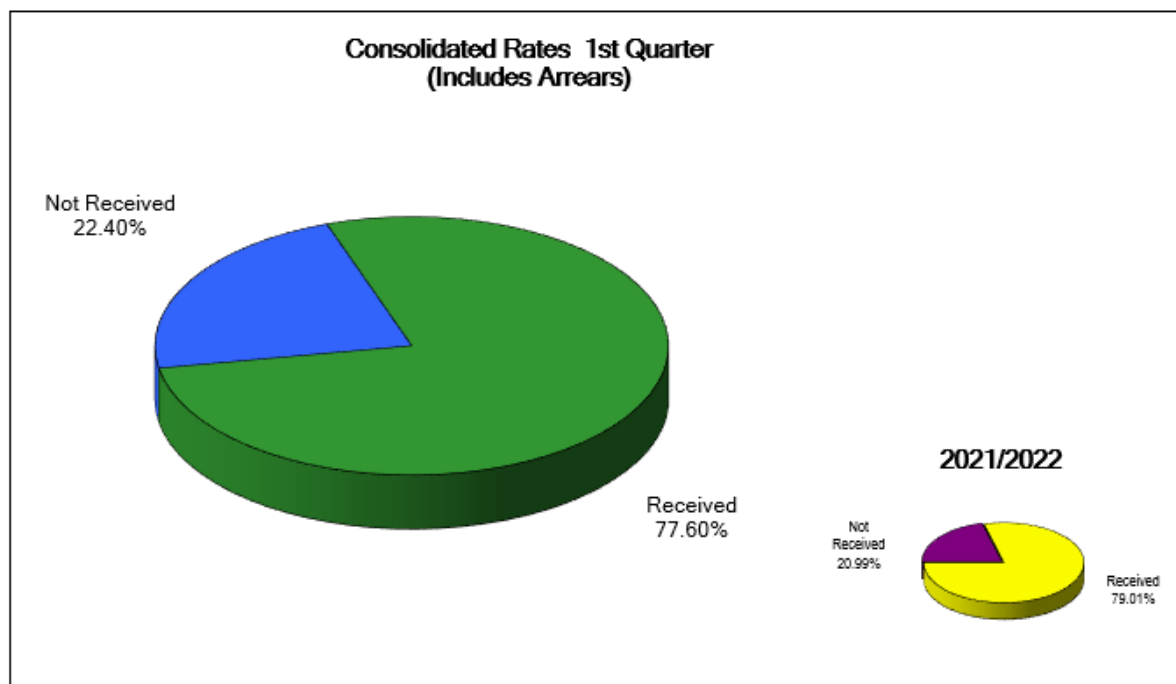


The purpose of the debt service cover ratio is to measure the availability of operating cash to service debt including interest, principal and lease payments.

The performance to date indicates Council is tracking in advance of the benchmark. The budgeted performance is below the 2021/22 ratio due to the surplus operating result achieved in 2021/22 combined with lower loan repayments and interest than is forecast for 2022/23.

Rates and Charges Collection

For the first quarter, a total of \$5.69 million (22.4 per cent) remained outstanding for rates and annual charges. For the purposes of comparison, for the same quarter last financial year, \$4.8m (20.99 per cent) of the amount payable remained outstanding.

Outstanding rates Q1 2022/23 vs Q1 2021/22

During 2019, the OLG mandated that councils halt debt recovery actions, during the covid period. During this time, council did not undertake any debt recovery in regards to outstanding debts by ratepayers. The mandate has now been removed and councils are able to take action in regards to outstanding debts owed to council. As a first, soft approach, ratepayers have recently received reminder letters detailing outstanding balances.

Report by Responsible Accounting Officer

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

As the Responsible Accounting Officer, it is my opinion that the Quarterly Budget Review Statement for Orange City Council for the quarter ended 30 September 2022 indicates that Council's projected financial position for 30 June 2023 will be satisfactory having regard to the project estimates of income and expenditure, and variations contained therein.

Veronica Webb, Responsible Accounting Officer

ATTACHMENTS

- 1 Quarterly Budget Review, D22/68869 [↓](#)



**Quarterly Budget Review Statement
for the period 01/07/22 to 30/09/22**

Table of contents

1. Summary Report	2
2. Budget Review statements	
Consolidated Report	3
General Fund	4
Water Fund	5
Sewer Fund	6
3. Capital budget review statement	7
Capital Budget Review	
Capital Funding source	
4. Major Variations	8
Operating Income	
Operating Expenditure	
Capital Expenditure	
5. Cash Restrictions	9
External Restrictions	
Internal Restrictions	
5. Key performance indicators	10

September Qtr Review - Summary

	Adopted Budget	Proposed Variations	Proposed Budget	
Consolidated				
- Operating Result	982,435	(815,503)	166,932	Deficit
- Overall Cost to Council	3,587,425	(65,286)	3,522,139	Deficit
- Restricted Cash Movement	(16,725,938)	(16,241,103)	(32,967,041)	
General				
- Operating Result	1,783,503	(1,007,003)	776,500	Deficit
- Cost to Council	3,974,990	(452,851)	3,522,139	Deficit
- Restricted Cash Movement	(4,488,416)	(11,074,238)	(15,562,654)	
Water Fund				
- Operating Result	541,629	191,500	733,129	Deficit
- Restricted Cash Movement	(7,997,992)	222,920	(7,775,072)	
Sewer Fund				
- Operating Result	(1,342,697)	0	(1,342,697)	Surplus
- Restricted Cash Movement	(4,239,500)	(5,389,785)	(9,629,285)	

Cash Result by Direction (Cost to Council)

Direction	Adopted Budget	Proposed Variations	Proposed Budget	
Collaborate	(24,500,614)	(1,379,971)	(25,880,585)	Surplus
Live	14,143,507	970,226	15,113,733	Deficit
Prosper	1,290,728	15,750	1,306,478	Deficit
Preserve	12,653,804	328,709	12,982,513	Deficit
Total	3,587,425	(65,286)	3,522,139	Deficit

Operating Result before Capital

Fund	Adopted Budget	Proposed Variations	Proposed Budget	
General	1,783,503	(1,007,003)	776,500	Deficit
Water	541,629	191,500	733,129	Deficit
Sewer	(1,342,697)	0	(1,342,697)	Surplus
Total	982,435	(815,503)	166,932	Deficit

Capital Budget by Fund

Fund	Adopted Budget	Proposed Variations	Proposed Budget
General	47,006,551	34,214,031	81,220,582
Water	19,265,494	1,738,335	21,003,829
Sewer	10,238,610	5,531,739	15,770,349
Total	76,510,655	41,484,105	117,994,760

September Qtr Review - Consolidated Report

	Adopted Budget	Actuals as at 30/09/2022	Proposed Variation	Revised Budget
Income From Continuing Operations				
Rates and Annual Charges	(51,663,144)	(48,017,105)	0	(51,663,144)
User Charges and Fees	(36,868,466)	(16,257,837)	77,619	(36,790,847)
Interest and Investment Revenues	(2,168,326)	(286,457)	0	(2,168,326)
Other Revenues	(5,488,907)	(1,475,438)	(650,115)	(6,139,022)
Grants and Contributions for Operating Purposes	(10,967,706)	(1,888,908)	(1,146,760)	(12,114,466)
Grants and Contributions for Capital Purposes	(31,525,969)	(3,088,759)	(24,133,640)	(55,659,609)
Total Income from Continuing Operations	(138,682,518)	(71,014,505)	(25,852,896)	(164,535,414)
Expenses from Continuing Operations				
Employee Benefits and Oncosts	44,400,098	9,504,237	67,098	44,467,196
Borrowing Costs	1,160,963	20,199	(217,248)	943,715
Materials and Contracts	36,492,731	9,394,084	1,053,903	37,546,634
Depreciation and Amortisation	20,282,207	5,070,552	0	20,282,207
Other Expenses	5,802,985	1,304,433	0	5,802,985
Total Expenses from Continuing Operations	108,138,984	25,293,506	903,753	109,042,737
Operating Result from Continuing Operations	(30,543,534)	(45,720,999)	(24,949,143)	(55,492,677)
Operating Result before Capital Items	982,435	(42,632,240)	(815,503)	166,932
CashFlow Adjustments				
Sale of Assets				
Total Income from the Sale of Assets	(4,998,048)	(558,137)	(359,145)	(5,357,193)
Capital Expenditure				
Total Capital Renewals	10,374,627	322,868	16,876,261	27,250,888
Total Capital Upgrades	42,000	0	0	42,000
Total Capital Replacements	59,900,225	2,239,350	25,534,182	85,434,407
Loan Repayments	6,193,803	991,198	(926,338)	5,267,465
Total Capital expenditure	76,510,655	3,553,415	41,484,105	117,994,760
Other Income				
Loan Receivables	(373,533)	0	0	(373,533)
Adjustment for Non Cash items				
Less: Non Cash Depreciation	(20,282,207)	(5,070,552)	0	(20,282,207)
Restricted Movements				
Restricted Assets (transfers to/from)	(16,725,908)	541,375	(16,241,103)	(32,967,011)
Cost to Council	3,587,425	(47,254,897)	(65,286)	3,522,139

September Qtr Review - General Fund

	Adopted Budget	Actuals as at 30/09/2022	Proposed Variation	Revised Budget
Income From Continuing Operations				
Rates and Annual Charges	(46,275,939)	(46,487,810)	0	(46,275,939)
User Charges and Fees	(16,403,390)	(4,225,499)	77,619	(16,325,771)
Interest and Investment Revenues	(933,652)	(270,751)	0	(933,652)
Other Revenues	(5,438,898)	(1,282,708)	(650,115)	(6,089,013)
Grants and Contributions for Operating Purposes	(10,614,489)	(1,888,908)	(1,146,760)	(11,761,249)
Grants and Contributions for Capital Purposes	(22,583,214)	(2,763,880)	(22,286,496)	(44,869,710)
Total Income from Continuing Operations	(102,249,582)	(56,919,556)	(24,005,752)	(126,255,334)
Expenses from Continuing Operations				
Employee Benefits and Oncosts	39,604,104	8,580,887	42,098	39,646,202
Borrowing Costs	944,043	15,411	(217,248)	726,795
Materials and Contracts	24,639,518	2,865,336	887,403	25,526,921
Depreciation and Amortisation	12,946,441	3,236,610	0	12,946,441
Other Expenses	3,315,765	1,005,399	0	3,315,765
Total Expenses from Continuing Operations	81,449,871	15,703,643	712,253	82,162,124
Operating Result from Continuing Operations	(20,799,711)	(41,215,912)	(23,293,499)	(44,093,210)
Operating Result before Capital Items	1,783,503	(38,452,033)	(1,007,003)	776,500
CashFlow Adjustments				
Sale of Assets				
Total Income from the Sale of Assets	(4,796,993)	(558,137)	(299,145)	(5,096,138)
Capital Expenditure				
Total Capital Renewals	7,644,627	256,719	17,119,261	24,763,888
Total Capital Upgrades	0	0	0	0
Total Capital Replacements	33,646,540	1,211,981	18,021,108	51,667,648
Loan Repayments	5,715,384	873,309	(926,338)	4,789,046
Total Capital Expenditure	47,006,551	2,342,009	34,214,031	81,220,582
Adjustment for Non Cash items				
Less: Non Cash Depreciation	(12,946,441)	(3,236,610)	0	(12,946,441)
Restricted Movement				
Restricted Assets (transfers to/from)	(4,488,416)	216,927	(11,074,238)	(15,562,654)
Cost to Council	3,974,990	(42,451,724)	(452,851)	3,522,139

September Qtr Review - Water Fund

	Adopted Budget	Actuals as at 30/09/2022	Proposed Variation	Revised Budget
Income From Continuing Operations				
Rates and Annual Charges	(5,387,205)	(1,529,296)	0	(5,387,205)
User Charges and Fees	(9,493,232)	(2,291,297)	0	(9,493,232)
Interest and Investment Revenues	(353,398)	(19,201)	0	(353,398)
Other Revenues	(47,509)	(120,687)	0	(47,509)
Grants and Contributions for Operating Purposes	(183,481)	0	0	(183,481)
Grants and Contributions for Capital Purposes	(7,777,198)	(201,454)	(1,847,144)	(9,624,342)
Total Income from Continuing Operations	(23,242,023)	(4,161,935)	(1,847,144)	(25,089,167)
Expenses from Continuing Operations				
Employee Benefits and Oncosts	2,925,864	494,912	25,000	2,950,864
Borrowing Costs	199,045	3,097	0	199,045
Materials and Contracts	7,053,281	3,800,065	166,500	7,219,781
Depreciation and Amortisation	4,247,489	1,061,872	0	4,247,489
Other Expenses	1,580,775	156,138	0	1,580,775
Total Expenses from Continuing Operations	16,006,454	5,516,085	191,500	16,197,954
Operating Result from Continuing Operations	(7,235,569)	1,354,150	(1,655,644)	(8,891,213)
Operating Result before Capital Items	541,629	1,555,604	191,500	733,129
CashFlow Adjustments				
Sale of Assets				
Total Income from the Sale of Assets	(70,055)	0	(20,000)	(90,055)
Capital Expenditure				
Total Capital Renewals	1,660,000	48,751	(88,000)	1,572,000
Total Capital Replacements	17,296,068	356,947	1,826,335	19,122,403
Loan Repayments	309,426	76,247	0	309,426
Total Capital Expenditure	19,265,494	481,945	1,738,335	21,003,829
Adjustment for Non Cash items				
Less: Non Cash Depreciation	(4,247,489)	(1,061,872)	0	(4,247,489)
Restricted Movements				
Restricted Assets (transfers to/from)	(7,997,992)	201,454	222,920	(7,775,072)
Cost to Council	(285,611)	975,677	285,611	0

September Qtr Review - Sewer Fund

	Adopted Budget	Actuals as at 30/09/2022	Proposed Variation	Revised Budget
Income From Continuing Operations				
User Charges and Fees	(10,971,844)	(9,741,041)	0	(10,971,844)
Interest and Investment Revenues	(881,276)	3,495	0	(881,276)
Other Revenues	(2,500)	(72,043)	0	(2,500)
Grants and Contributions for Operating Purposes	(169,736)	0	0	(169,736)
Grants and Contributions for Capital Purposes	(1,165,557)	(123,425)	0	(1,165,557)
Total Income from Continuing Operations	(13,190,913)	(9,933,014)	0	(13,190,913)
Expenses from Continuing Operations				
Employee Benefits and Oncosts	1,870,130	428,438	0	1,870,130
Borrowing Costs	17,875	1,692	0	17,875
Materials and Contracts	4,799,932	2,728,683	0	4,799,932
Depreciation and Amortisation	3,088,277	772,069	0	3,088,277
Other Expenses	906,445	142,895	0	906,445
Total Expenses from Continuing Operations	10,682,659	4,073,777	0	10,682,659
Operating Result from Continuing Operations	(2,508,254)	(5,859,237)	0	(2,508,254)
Operating Result before Capital Items	(1,342,697)	(5,735,812)	0	(1,342,697)
CashFlow Adjustments				
Sale of Assets				
Total Income from the Sale of Assets	(131,000)	0	(40,000)	(171,000)
Capital Expenditure				
Total Capital Renewals	1,070,000	17,398	(155,000)	915,000
Total Capital Upgrades	42,000	0	0	42,000
Total Capital Replacements	8,957,617	670,422	5,686,739	14,644,356
Loan Repayments	168,993	41,642	0	168,993
Total Capital Expenditure	10,238,610	729,461	5,531,739	15,770,349
Other Income				
Loan Receivables	(373,533)	0	0	(373,533)
Adjustment for Non Cash items				
Less: Non Cash Depreciation	(3,088,277)	(772,069)	0	(3,088,277)
Restricted Movements				
Restricted Assets (transfers to/from)	(4,239,500)	122,994	(5,389,785)	(9,629,285)
Cost to Council	(101,954)	(5,778,851)	101,954	0

Capital budget review statement

	Adopted Budget	Actuals as at 30/09/2022	Proposed Variation	Revised Budget
Capital expenditure				
Plant & equipment	4,519,188	793,504	1,352,826	5,872,014
Land	910,000	102,192	15,750	925,750
Buildings	13,767,743	229,652	(7,731,405)	6,036,338
Furniture & Fittings	58,500	11,617	125,285	183,785
Library Books	468,191	17,947	0	468,191
Office Equipment	41,084	20,117	29,133	70,217
Other structures	10,580,619	342,979	4,281,372	14,861,991
Roads, bridges, footpaths	10,145,527	593,835	22,530,383	32,675,910
Stormwater drainage	2,640,000	0	168,800	2,808,800
Water fund assets	16,915,000	216,232	1,511,692	18,426,692
Sewer fund assets	8,459,000	145,745	5,285,000	13,744,000
Land development costs	0	37,785	1,360,458	1,360,458
Real estate for sale	1,600,000	28,625	0	1,600,000
Loan repayments (principal)	6,193,803	991,198	(926,338)	5,267,465
Other	212,000	21,988	13,481,149	13,693,149
Total capital expenditure	76,510,655	3,553,415	41,484,105	117,994,760
Capital funding				
Rates & other untied funding	(22,887,197)	(447,895)	(750,217)	(23,637,414)
Capital grants & contributions	(31,525,969)	(3,088,759)	(24,133,640)	(55,659,609)
Restricted Assets	(16,725,908)	541,375	(16,241,103)	(32,967,011)
Plant & equipment sales	(1,073,048)	(215,010)	(304,600)	(1,377,648)
Land & buildings sales	(3,925,000)	(343,127)	(54,545)	(3,979,545)
Loan receivables	(373,533)	0	0	(373,533)
Total capital funding	(76,510,655)	(3,553,415)	(41,484,105)	(117,994,760)
Net capital funding - surplus/(deficit)	0	0	0	0

September Qtr Review - Major Variations

MAJOR INCOME VARIATIONS			
Operating Grants	Increase	Increase in the budget for Financial Assistant Grant	576,606
	Increase	E planning Grant	80,000
	Increase	Reconnecting Regional NSW grant	287,582
	Increase	Museum grant funds	46,000
Capital Grants	Increase	Conservatorium Grant funds	1,700,000
	Increase	Sports Precint grant funds	13,000,000
	Increase	Wade Park grant funds	948,191
	Increase	Blackmans swamp grant funds	1,847,144
	Increase	Fixing Local Roads	1,277,466
	Increase	NSW Regional Housing fund	1,400,000
	Increase	HVSP - Heavy vehicle safety productivity grant funds	3,300,000
	Increase	Local Roads & Community Infrastructure grant funds	3,522,281
	Increase	TNSW - Pedestrian Safety around schools	775,000
	Increase	TNSW - Active Transport program	569,730
	Increase	National Blackspot grant funds	500,000
	Increase	Streets as Shared Spaces	500,000
Other Revenues	Increase	Museum café income not in Original budget	50,000
	Increase	Potential sale of Biodiversity credits	600,000
User Charges	Decrease	Reduction in Ophir Carpark fees	(59,226)
MAJOR OPERATING EXPENDITURE VARIATIONS			
Material & Contracts	Increase	e Planning project	80,000
	Increase	Water meter replacement increase to budget	150,000
	Increase	Museum grant funded projects	46,000
	Increase	Mini budget projects	90,000
	Increase	Reconnecting Regional NSW project	287,582
MAJOR CAPITAL EXPENDITURE VARIATIONS			
General Fund	Decrease	Regional Conservatorium adjust for costings for 2022/2023	(9,900,000)
	Increase	Clergate Road Stage 2 construction	4,470,335
	Increase	Southern Feeder Stage 4 - Anson to Woodward	12,442,160
	Increase	Shiralee Road - Railway to Southern Feeder	1,400,000
	Increase	Sports Precint project costings in 2022/2023	13,000,000
	Increase	Wade Park Amenities & Upgrades	1,003,005
	Increase	Plant replacements	531,919
	Increase	Development costs for Narrambla estate	1,360,458
	Increase	Lake Canobolas - Implement projects from Master Plan	470,804
	Increase	Max Stewart Oval upgrade	292,500
	Increase	Playground renewals	178,000
	Increase	Glenroi Oval project	148,660
	Increase	Moulder Park amenities	150,000
	Increase	Banjo Paterson Park Toilets	315,448
	Increase	Sir Jack Brabham Park womens changerooms	497,944
	Increase	Beasley Road construction to Blunt	1,706,780
	Increase	Dalton & Clinton Streets Roundabout	500,000
	Increase	Huntley road upgrade	302,000
	Increase	Traffic facilities - crossings	821,000
	Increase	Footpath construction	595,706
	Increase	Cemetery upgrades	205,290
	Increase	Waste facilities - upgrades	1,203,419
	Increase	Library air handler unit	150,000
	Increase	Art gallery fitout	240,369
	Increase	CBD Public Art	423,348
	Increase	CBD Lords Place South upgrade	1,400,000
	Increase	Mini Budget - Heavy Patching increase	200,000
	Increase	Mini Budget - Projects	400,000
Sewer Fund	Increase	Lake Canobolas - sewer upgrade	1,735,000
	Increase	Pump station upgrades	140,000
	Increase	Treatment plant inlet works	2,650,000
Water Fund	Increase	Blackmans Swamp increase to works	4,467,904
	Decrease	Shiralee water supply augmentation	(6,150,000)
	Increase	Icely road treatment solar project	150,000

September Qtr Review - Restricted Cash

	Closing Balance 30 June 2022	Original Budget Transfers	Proposed Variation	Projected Balance 30 June 2023
Externally restricted				
Specific Purpose Unexpended Grants - General	21,666,363		(801,366)	20,864,997
Special Purpose Unexpended Loans - General	1,167,917			1,167,917
Specific Purpose Unexpended Grants - Water	613,042			613,042
Developer Contributions - General	14,964,988	571,217	(5,178,796)	10,357,409
Developer Contributions - Water	24,072,401	(5,477,992)		18,594,409
Developer Contributions - Sewer	13,271,101	(825,500)		12,445,601
Water Supplies	51,041,579	(2,520,000)	222,920	48,744,499
Sewerage Services	49,299,870	(3,414,000)	(5,369,785)	40,516,085
Domestic Waste Management	12,708,297	108,801	(1,302,419)	11,514,679
Stormwater Management	1,836,045	(1,151,195)	(50,000)	634,850
Total externally restricted	190,641,603	(12,708,669)	(12,479,446)	165,453,488
Internally restricted				
Plant and Vehicle Replacement	3,096,254	611,176	(377,319)	3,330,111
Infrastructure Replacement	976,958	54,013		1,030,971
Employees Leave Entitlements	3,488,684			3,488,684
Ageing / Disability Services	418,262			418,262
Airport Operations	882,504	(23,097)	(20,000)	839,407
Asset renewal / Capital Reserve	6,470,295	(4,500,000)	(213,502)	1,756,793
Children's Services	13,838			13,838
Heritage and Tourism promotion	59,868			59,868
Insurance Incentive Bonus	104,038	(23,580)		80,458
Land Development	3,396,211	(43,954)	42,534	3,394,791
Library	4,343			4,343
Parks / Sportgrounds / Recreation	40,209			40,209
Pool Redevelopment	181,981	(200,000)		(18,019)
Quarry Operation	108,156	(19,590)		88,566
Regional Art Gallery	20,411	1,728		22,139
Rural Fire Service	69,231			69,231
Community Safety	7,486			7,486
Election Expenses	75,000	110,000		185,000
Other	2,823,483	16,035		2,839,518
FAG in Advance	3,976,933			3,976,933
Carry Forward	3,193,370		(3,193,370)	-
Total internally restricted	29,407,517	(4,017,269)	(3,761,657)	21,628,591
Total Restricted Cash	226,042,000	(16,725,938)	(16,241,103)	193,074,959

2.2 SMALL DONATIONS & GRANTS APPLICATIONS

RECORD NUMBER: 2022/1986

AUTHOR: Kristina Gottschall-Finkel, Grants Officer

EXECUTIVE SUMMARY

This report provides information for Council so they can make a resolution in regard to three applications for funding through the Small Donations & Grants program.

LINK TO DELIVERY/OPERATIONAL PLAN

The recommendation in this report relates to the Delivery/Operational Plan strategy “15.2. Support community organisations and groups to deliver services and programs”.

FINANCIAL IMPLICATIONS

The budget for General Donations within the Small Donations & Grants Program for 2022/2023 is \$60,000. Funds remaining to date: **\$31,302.50**.

POLICY AND GOVERNANCE IMPLICATIONS

Refer to Council’s Donations and Grants Policy - ST029.

This policy is in accordance with these sections in the Local Government Act 1993:

1. section 356 (financial assistance)
2. section 377 (delegated authority)

And in accordance with this section in the Local Government Regulation 2005:

3. section 207 (record of donations for auditing purposes)

RECOMMENDATION

That Council determine the following:

- 1a) **Donate \$4,000 (or a lesser amount) of ‘in-kind’ support to waive venue hire fees (Naylor Pavilion) for Newcrest Cadia Valley Operations’ Open Day 2023.**
- 1b) **Nominate a local charity to be the recipient of the ‘gold coin’ entry fee at Newcrest Cadia Valley Operations’ Open Day 2023.**
- 2) **Donate \$1,000 to Anglicare Orange for their Annual Christmas Party in December for foster children and their carers.**
- 3) **Donate \$500 to Canobolas Rural and Technology High School for their annual Presentation Night, recognising students who have excelled in the past year.**

FURTHER CONSIDERATIONS

Consideration has been given to the recommendation’s impact on Council’s service delivery; image and reputation; political; environmental; health and safety; employees; stakeholders and project management; and no further implications or risks have been identified.

2.2 Small Donations & Grants applications

SUPPORTING INFORMATION	
Applicant 1	Newcrest Cadia Valley Operations
Assistance Would Support	The cost to hire the Naylor Pavilion for Newcrest Cadia Valley Operation's Open Day, 28 May 2023.
Amount Requested	\$4,000 (or a lesser amount)
Policy Category	Projects or Equipment Purchase or Providing a Community Service.
Category Maximum	\$2,500.
Complies With Policy	Cadia is a for-profit organisation, so is not eligible for a donation, however, the Open Day is a not-for-profit event where all proceeds go to charity. Cadia asks for venue hire fees to be waived, in this case, equalling \$4, 000, which is technically over the category maximum.
Previously funded by Council?	No.
Additional Information	Newcrest Cadia Valley Operations' Open Day gives local community members and visitors the opportunity to explore and learn about the mine's operations. The Open Day is a not-for-profit event where visitors are asked to contribute a gold coin donation towards a local charity. The 2019 Open Day attracted 72% of visitors from the regions of Orange, Blayney and Cabonne, with 28% of visitors from outside these areas. Cadia asks if Council could waive the cost to hire Naylor Pavilion at the Orange Showgrounds (or a lesser amount) and if Council would like to nominate a local charity that the gold coin donation would go to.
Applicant 2	Anglicare provides children in Out of Home Care with safe and caring placements with a dedicated team of Foster Carers.
Assistance Would Support	Anglicare Orange's Annual Christmas Party in December for foster children and their carers.
Amount Requested	\$1,000
Policy Category	Projects or Equipment Purchase or Providing a Community Service.
Category Maximum	\$2,500.
Complies With Policy	Yes.
Previously funded by Council?	\$1, 000 in 2020.
Applicant 3	Canobolas Rural and Technology High School
Assistance Would Support	the School's annual Presentation Night, recognising students who have excelled in academic, sporting and cultural activities in the past year.
Amount Requested	\$500

2.2 Small Donations & Grants applications

Policy Category	Within the Small Donations & Grants program is the Educational Recognition category for School Annual Prize Giving for Year 12: <ul style="list-style-type: none"> • Assistance is a \$500 donation to each of the 8 high schools in Orange (in reserve). • The donation is via the schools for annual prize giving to Year 12 students.
Category Maximum	\$500.
Complies With Policy	Yes.
Previously funded by Council?	\$500 in 2020. \$500 in 2019.

ATTACHMENTS

- 1 E-mail - Small Donations and Grants - Newcrest Cadia, D22/66615 [↓](#)
- 2 Application - Small Donations and Grants - Anglicare, D22/62048 [↓](#)
- 3 Application - Small Donations and Grants - Canobolas Rural Technology High School, D22/67031 [↓](#)

