

Income and Expenses Statement Year Ending 30 June 2023

	Budget 2021/22 \$'000	Budget 2022/23 \$'000	Notes
Income			
Rate Income	879	885	
Annual Charges Income	1,553	1,598	
User Charges & Fees	9,388	9,716	
Interest & Investment Revenue	93	54	1
Other Revenues	382	405	
Operating Grants	6,780	5,559	2
Capital Grants	16,084	24,394	3
Contributions	1,864	3,185	4
Total income from continuing operations	37,023	45,796	
Expenditure			
Employee Benefits	5,532	6,968	5
Borrowing Costs	52	39	6
Materials & Contracts	8,437	7,696	
Depreciation	4,139	4,324	
Other Expenses	2,596	2,257	7
Bad Debts Write-off	-	-	
Total expenses from continuing operations	20,756	21,284	
Operating result from continuing operations	16,267	24,512	
Net operating result before capital grants and contributions	183	118	

Notes

1. Interest and Investment Revenue

is expected to decrease due to a decrease in investment interest rates previously used and level of cash held.

2. Operating Grants

Operating grants are expected to decrease for the budget year 2022-23. This is due to the Federal Grants Commission prepaying a portion of Council's grant entitlement in the current financial year. As this amount must be recognised as income by Council in the year in which it is received, it cannot be included as income for the 2022-23 budget year. The funds form part of Council's cash balance at the end of the current financial year.

3. Capital Grants

Capital grants will increase due to additional funding of the Pooncarie Road Project when compared to last year.

New funding to be received for the 2022-23 year:	\$'000
Fixing Local Roads	1,302
Crown Reserves Improvement Fund	233
Regional Roads Repair Program	400

Funding to cease in the 2022-23 year:

- Drought Relief
- Drought Support
- Building Better Regions Fund

It should also be noted that there is no capital works funding for Aerodromes for the 2022-23 year. This funding stream still exists however as Council is not undertaking any grant compliant capital works at any of the Aerodromes in the 2022-23 year, no funding has been applied for.

4. Contributions

The Block Funding for the Budget Year 2021-22 was incorrectly calculated, and subsequently amended at Council's December Quarterly Budget Review.

5. Employee Benefits

Budgeted employee expenses have increased for the 2022-23 budget year due to 5 additional positions, an Eb pay increase of 2.8% and the establishment of an 'On-call Roster' to manage out of hours Council responsibilities.

6. Borrowing Costs

The budget for Borrowing Costs will reduce due to the payout of Council's long term loan during the 2021-22 financial year

7. Other Expenses

The budget for 2022-23 has increased due to an increase in the NSW Fire Service Levy and an increase in Training costs for council staff.

Income and Expenses Statement Year Ending 30 June 2023

	Budget 2020/21 \$'000	Budget 2021/22 \$'000	Budget 2022/23 \$'000	Notes
Income				
Rate Income	875	879	885	
Annual Charges Income	1,423	1,553	1,598	
User Charges & Fees	8,712	9,388	9,716	
Interest & Investment Revenue	79	93	54	
Other Revenues	331	382	405	
Operating Grants	8,253	6,780	5,559	
Capital Grants	15,450	16,084	24,394	
Contributions	2,777	1,864	3,185	
Total income from continuing operations	37,900	37,023	45,796	
Expenditure				
Employee Benefits	5,425	5,532	6,968	
Borrowing Costs	88	52	39	
Materials & Contracts	9,146	8,437	7,696	
Depreciation	3,960	4,139	4,324	

Other Expenses	3,185	2,596	2,257
Bad Debts Write-off	-	-	-
Total expenses from continuing operations	21,804	20,756	21,284
Operating result form continuing operations	16,096	16,267	24,512
Net operating result before capital grants and contributions	646	183	118

	Budget 2020/21 \$'000	Budget 2021/22 \$'000	Budget 2022/23 \$'000	Notes
Income				
Rates				
Residential	347	356	362	
Farmland	462	475	475	
Business	47	48	48	
Total Rates	857	879	885	
Annual Charges Income				
Water Services	634	655	676	
Sewer Services	249	266	277	
Waste Services	515	632	645	
Total Annual Charges	1,398	1,553	1,598	
User Charges & Fees				
Water Supply Services	307	418	409	
Sewerage Services	0	-	2	
Planning & Building Regulation	33	25	42	
Private Works	612	623	316	
Caravan Parks	33	45	43	
Rent & Hire of Council Property	13	18	1	
RMS	6,550	8,182	8,830	
Swimming Pools	4	4	3	
Waste Disposal Tipping Fees	24	52	70	
Other	8	12	-	
Total User Charges & Fees	7,584	9,379	9,716	
Interest & Investment Revenue				
Overdue Rates	38	45	22	
Interest on Investment	8	8	1	
Water Fund Operations	29	32	22	
Sewer Fund Operations	4	8	9	
Total Interest & Investment Revenue	79	93	54	
Other Revenues				

Rental Income Other Council Property	72	73	75	
Commissions & Agency Fees	157	160	183	
Cemeteries	8	9	8	
Insurance Claims Recovery	32	10	11	
Micellaneous Sales	12	12	-	8
Sales General	55	125	106	
Other	2	2	23	
Total Other Revenues	339	391	405	
Operating Grants				
FAGS - General	3,775	3,775	3,000	
FAGS - Roads	1,612	1,612	800	
Pensioner Rate Rebate	19	19	19	
Bushfire & Emergency	125	125	135	
Community Care	29	-	-	
Community Centres	30	-	-	
Flood Mapping	-	-	100	
Heritage & Culture	18	17	17	
Recreation & Culture	1	1	-	
Roads to Recovery	1,127	1,125	1,125	
Water & Sewer (Aboriginal W&S)	105	105	105	
Youth	1	1	3	
Stronger Country Communities	-	-	20	
Drought Stimulus	1,430	-	235	
Total Operating Grants	8,271	6,780	5,559	
Capital Grants				
Drought Relief	850	160	-	
Drought Support	-	268	-	
Building Better Regions Fund	-	517	-	
Fixing Local Roads	-	-	1,302	
Crown Reserves Improvement Fund	-	-	233	
Regional Roads Repair Program	-	-	400	
Stronger Country Communities	-	532	120	
Wilcannia and Ivanhoe Water Treatment Plants - Safe & Secure Funding	3,000	3,000	3,600	
Local Roads & Community Infrastructure	-	807	4,099	
Drought Stimulus	770	150	140	
Pooncarie Road	8,000	8,000	12,000	
Aerodromes	80	150	-	
White Cliffs Water Treatment Plant - Restart Funding	2,750	2,500	2,500	
Total Capital Grants	15,450	16,084	24,394	
Contributions				
Regional Road Block Funding	1,450	1,150	2,810	9
Far West Joint Organisation	-	714	375	
Total Contributions	1,450	1,150	3,185	

Total income from continuing operations	35,428	36,309	45,796	
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8. Micellaneous Sales
Is now included in Sale General

9. Regional Road Block Funding
This funding is used to fund various road projects

	Budget 2020/21 \$'000	Budget 2021/22 \$'000	Budget 2022/23 \$'000	Notes
Expenditure				
Employee Benefits				
Salaries and Wages	4,803	4,905	6,121	
Superannuation	456	466	643	
Worker's compensation Insurance	114	116	144	
Fringe Benefits Tax	52	45	60	
	5,425	5,532	6,968	
Borrowing Costs				
Interest on Loan	12	12	-	
Interest Right of Use Assets	43	14	14	
Tip Remediation	33	26	25	
	88	52	39	
Materials & Contracts				
Raw Materials and Consumables	7,930	5,494	1,862	10
Contractor Costs	1,191	2,916	5,800	10
Operating Leases	25	27	34	
	9,146	8,437	7,696	
Depreciation				
Right of Use Assets	258	250	360	
Plant & Equipment	137	125	215	
Buildings	843	852	826	
Other Structures	23	231	262	
Roads	1,911	1,899	1,858	
Stormwater Drainage	25	25	25	
Water Infrastructure	628	640	668	
Sewerage Infrastructure	86	87	97	
Landfill	49	30	13	
	3,960	4,139	4,324	
Other Expenses				
Advertising	16	36	32	
Auditor's Remuneration	55	60	65	
Bank Charges	4	7	7	

NSW Rural Fire Service Levy	100	120	255
Consultants	1,384	430	262
Legal Expenses	60	101	26
Donations & Contributions	25	10	10
Electricity & Heating	314	287	240
Insurance	344	518	518
Printing & Stationery	25	51	36
Subscriptions	182	265	261
Telephone & Communications	116	170	95
Training	181	92	121
Valuation Fees	16	20	20
Other	374	430	310
	3,195	2,596	2,257
Total expenses from continuing operations	21,814	20,756	21,284

10. Raw Materials and Consumables

In previous budgets, 'Raw Materials and Consumables' also included a portion of incorrectly coded 'Contractor Costs'. This anomaly has now been corrected.

	Budget 2020/21 \$'000	Budget 2021/22 \$'000	Budget 2022/23 \$'000	Notes
Cash Flows from Operating Activities				
Receipts				
Rates & Annual Charges	1,839	2,432	2,639	
User Charges & Fees	8,625	9,200	8,097	
Investment and interest Revenue Received	79	93	54	
Grants & Contributions	26,480	24,728	33,138	
Payments				
Employee Benefits & Oncosts	(5,606)	(5,740)	(7,150)	
Materials and Contracts	(11,430)	(10,371)	(9,754)	
Borrowing Costs	(12)	(12)	(14)	
Net Cash Provided by operating Activities	19,975	20,331	27,010	
Cash Flows from Investing Activities				
Receipts				
Proceeds from sale of non-current assets	-	-	-	
Payments				
Purchase of Assets	(19,596)	(20,956)	(29,673)	
Net Cash Inflow (Outflow)	(19,596)	(20,956)	(29,673)	
Cash Flows from Financing Activities				

Receipts				
Proceeds for Borrowing	-	-	-	
Payments				
Loan repayments	(153)	(153)	-	
Lease payments	(442)	(480)	(466)	
Net Cash Inflow (Outflow)	(595)	(633)	(466)	
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,258)	(1,258)	(3,129)	
Cash at Beginning of Year	3,830	7,775	8,727	
Cash at End of Year	2,572	6,517	5,598	

	Opening Balance 2022 \$'000	Transfer In \$'000	Transfer Out \$'000	Closing Balance 2023 \$'000
Plant Replacement Reserve	NIL	25	-	25
Waste Management Reserve	NIL	165	-	165

For the 2022-23 Budget Year, Council has established two reserves.

1. Plant Replacement Reserve

To be based on one percent of the profit, from the previous financial year, generated from private works and works completed for RMS. The funds to be transferred into this reserve are not to have an adverse effect on the working capital of Council. This reserve is to be used for the long term replacement of Council plant.

2. Waste Management Reserve

A loan was taken out during the 2013 financial year to fund the purchase of three garbage trucks and other operational expenditure. The loan was with the Westpac Banking Corporation and the loan balance as at the year ended 30 June 2013 was \$1,249,000.

Council had been paying interest and principal payments of \$13,750 per month to service the loan for the garbage trucks. These payments were being funded by the Annual Charge levied for waste management.

Council will now allocate these funds, into a waste reserve for the future funding for various waste management projects.

The annual total of funds to be placed into the Waste Management Reserve will be \$165,000.