

Notice of Meeting

Finance Advisory Committee Meeting

A Finance Advisory Committee Meeting of Byron Shire Council will be held as follows:

Venue	Conference Room, Station Street, Mullumbimby
Date	Thursday, 15 May 2025
Time	2:00 PM

Esmeralda Davis
Director Corporate and Community Services

I2025/667
Distributed 08/05/25

CONFLICT OF INTERESTS

What is a “Conflict of Interests” - A conflict of interests can be of two types:

Pecuniary - an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person or another person with whom the person is associated.

Non-pecuniary – a private or personal interest that a Council official has that does not amount to a pecuniary interest as defined in the Code of Conduct for Councillors (eg. A friendship, membership of an association, society or trade union or involvement or interest in an activity and may include an interest of a financial nature).

Remoteness – a person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to a matter or if the interest is of a kind specified in the Code of Conduct for Councillors.

Who has a Pecuniary Interest? - a person has a pecuniary interest in a matter if the pecuniary interest is the interest of the person, or another person with whom the person is associated (see below).

Relatives, Partners - a person is taken to have a pecuniary interest in a matter if:

- The person’s spouse or de facto partner or a relative of the person has a pecuniary interest in the matter, or
- The person, or a nominee, partners or employer of the person, is a member of a company or other body that has a pecuniary interest in the matter.

N.B. “Relative”, in relation to a person means any of the following:

- (a) the parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descends or adopted child of the person or of the person’s spouse;
- (b) the spouse or de facto partners of the person or of a person referred to in paragraph (a)

No Interest in the Matter - however, a person is not taken to have a pecuniary interest in a matter:

- If the person is unaware of the relevant pecuniary interest of the spouse, de facto partner, relative or company or other body, or
- Just because the person is a member of, or is employed by, the Council.
- Just because the person is a member of, or a delegate of the Council to, a company or other body that has a pecuniary interest in the matter provided that the person has no beneficial interest in any shares of the company or body.

Disclosure and participation in meetings

- A Councillor or a member of a Council Committee who has a pecuniary interest in any matter with which the Council is concerned and who is present at a meeting of the Council or Committee at which the matter is being considered must disclose the nature of the interest to the meeting as soon as practicable.
- The Councillor or member must not be present at, or in sight of, the meeting of the Council or Committee:
 - (a) at any time during which the matter is being considered or discussed by the Council or Committee, or

- (b) at any time during which the Council or Committee is voting on any question in relation to the matter.

No Knowledge - a person does not breach this Clause if the person did not know and could not reasonably be expected to have known that the matter under consideration at the meeting was a matter in which he or she had a pecuniary interest.

Non-pecuniary Interests - Must be disclosed in meetings.

There are a broad range of options available for managing conflicts & the option chosen will depend on an assessment of the circumstances of the matter, the nature of the interest and the significance of the issue being dealt with. Non-pecuniary conflicts of interests must be dealt with in at least one of the following ways:

- It may be appropriate that no action be taken where the potential for conflict is minimal. However, Councillors should consider providing an explanation of why they consider a conflict does not exist.
- Limit involvement if practical (eg. Participate in discussion but not in decision making or vice-versa). Care needs to be taken when exercising this option.
- Remove the source of the conflict (eg. Relinquishing or divesting the personal interest that creates the conflict)
- Have no involvement by absenting yourself from and not taking part in any debate or voting on the issue as of the provisions in the Code of Conduct (particularly if you have a significant non-pecuniary interest)

Committee members are reminded that they should declare and manage all conflicts of interest in respect of any matter on this Agenda, in accordance with the [Code of Conduct](#).

RECORDING OF VOTING ON PLANNING MATTERS

Clause 375A of the Local Government Act 1993 – Recording of voting on planning matters

- (1) In this section, **planning decision** means a decision made in the exercise of a function of a council under the Environmental Planning and Assessment Act 1979:
 - (a) including a decision relating to a development application, an environmental planning instrument, a development control plan or a development contribution plan under that Act, but
 - (b) not including the making of an order under that Act.
- (2) The general manager is required to keep a register containing, for each planning decision made at a meeting of the council or a council committee, the names of the councillors who supported the decision and the names of any councillors who opposed (or are taken to have opposed) the decision.
- (3) For the purpose of maintaining the register, a division is required to be called whenever a motion for a planning decision is put at a meeting of the council or a council committee.
- (4) Each decision recorded in the register is to be described in the register or identified in a manner that enables the description to be obtained from another publicly available document and is to include the information required by the regulations.
- (5) This section extends to a meeting that is closed to the public.

OATH AND AFFIRMATION FOR COUNCILLORS

Councillors are reminded of the oath of office or affirmation of office made at or before their first meeting of the council in accordance with Clause 233A of the Local Government Act 1993. This includes undertaking the duties of the office of councillor in the best interests of the people of Byron Shire and the Byron Shire Council and faithfully and impartially carrying out the functions, powers, authorities and discretions vested under the Act or any other Act to the best of one's ability and judgment.

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BUSINESS OF MEETING

1. APOLOGIES

2. DECLARATIONS OF INTEREST – PECUNIARY AND NON-PECUNIARY

3. MINUTES FROM PREVIOUS MEETINGS

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MINUTES FROM PREVIOUS MEETINGS

**Report No. 3.1 Adoption of Minutes of the Finance
Advisory Committee Meeting held 20
February 2025**

5

Directorate: Corporate and Community Services

File No: I2025/217

10

RECOMMENDATION:

That the minutes of the Finance Advisory Committee Meeting held on 20 February 2025 be confirmed.

15 **Attachments:**

1 Minutes 20/02/2025 Finance Advisory Committee, I2025/181 

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MINUTES FROM PREVIOUS MEETINGS

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Report

The attachment to this report provides the minutes of the Finance Advisory Committee Meeting of 20 February 2025 .

5 Report to Council

The minutes were reported to Council on 27 March 2025.

Comments

In accordance with the Committee Recommendations, Council resolved the following:

**Report No. 14.2 Report of the Finance Advisory Committee
Meeting held on 20 February 2025**

File No: I2025/215

25-001 Resolved that Council notes the minutes of the Finance Advisory Committee Meeting held on 20 February 2025. (Hauge/Dods)

10

25-002 Resolved:

Report No. 4.1 Budget Review - 1 October to 31 December 2024
File No: I2025/134

Committee Recommendation 4.1.1

That Council:

1. Authorises the itemised budget variations as shown in Attachment 2 (#E2025/15611) which include the following results in the 31 December 2024 Quarterly Review of the 2024/2025 Budget:
 - a) General Fund – \$75,500 decrease to the Estimated Unrestricted Cash Result
 - b) General Fund - \$9,502,200 increase in reserves
 - c) Water Fund - \$671,600 increase in reserves
 - d) Sewerage Fund - \$1,405,200 increase in reserves
2. Adopts the revised General Fund Estimated Unrestricted Cash Surplus of \$400,000 for the 2024/2025 financial year as at 31 December 2024.

(Hauge/Dods)

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Report No. 4.1 Budget Review - 1 January to 31 March 2025

Directorate: Corporate and Community Services

5 **Report Author:** James Brickley, Manager Finance

File No: I2025/570

Summary:

10 This report has been prepared to comply with Section 203 of the *Local Government (General) Regulation 2021* and to inform Council and the community of Council's estimated financial position for the 2024/2025 financial year, reviewed as at 31 March 2025.

This report contains an overview of the proposed budget variations for the General Fund, Water Fund and Sewerage Fund. The specific details of these proposed variations are included in Attachment 1 and 2 for Council's consideration and authorisation.

15 Attachment 3 contains the Integrated Planning and Reporting Framework (IP&R) Quarterly Budget Review Statement (QBRS) as outlined by the Office of Local Government in circular 10-32.

RECOMMENDATION:



20 **That Council:**

1. **Authorises the itemised budget variations as shown in Attachment 2 (#E2025/43407) which include the following results in the 31 March 2025 Quarterly Review of the 2024/2025 Budget:**

- 25
- a) **General Fund – \$0 movement to the Estimated Unrestricted Cash Result**
 - b) **General Fund - \$1,093,000 decrease in reserves**
 - c) **Water Fund - \$495,000 increase in reserves**
 - d) **Sewerage Fund - \$948,200 increase in reserves**

2. **Adopts the revised General Fund Estimated Unrestricted Cash Surplus of \$400,000 for the 2024/2025 financial year as at 31 March 2025.**

30 **Attachments:**

- 1 Budget Variations for General, Water and Sewerage Funds, E2025/43403 
- 2 Itemised Listing of Budget Variations for General, Water and Sewerage Funds, E2025/43407 

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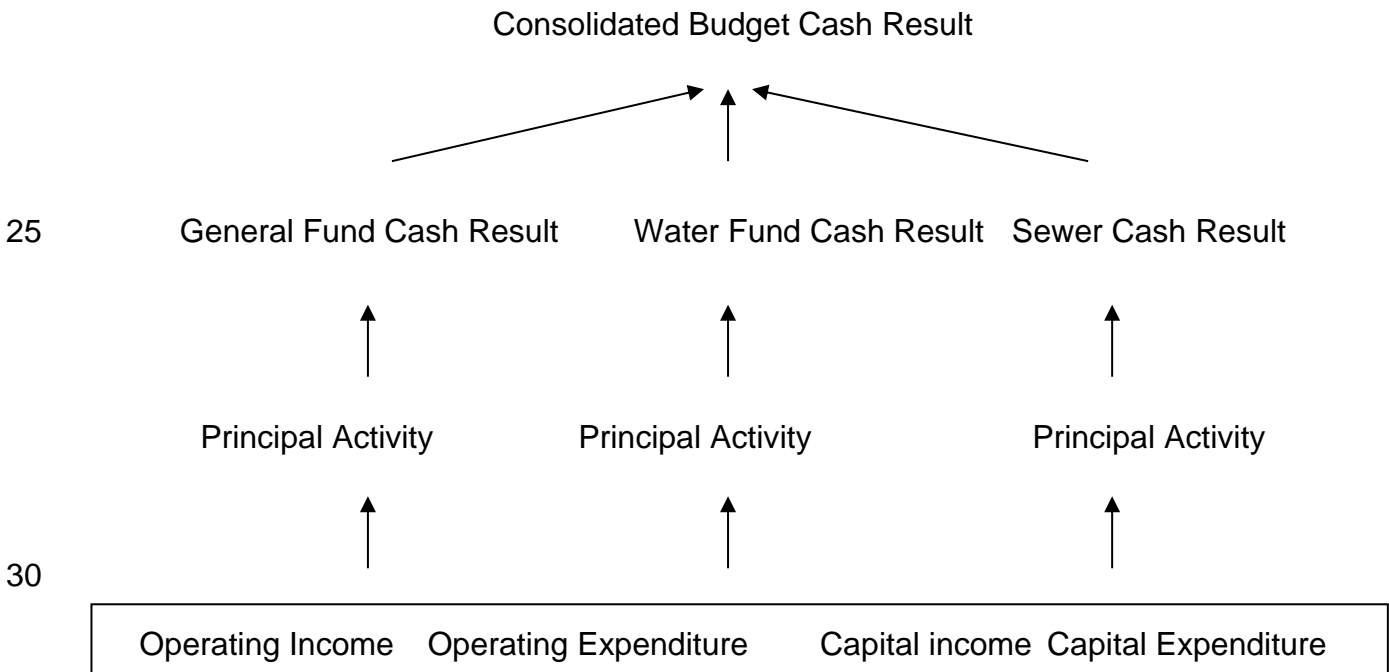
3 Integrated Planning and Reporting Framework (IP&R) required Quarterly Review Statements, E2025/43408 

5 **Report**

Council adopted the 2024/2025 budget on 27 June 2024 via Resolution **24-328**. Council also considered and adopted the budget carryovers from the 2023/2024 financial year, to be incorporated into the 2024/2025 budget at its Ordinary Meeting held on 15 August 2024 via Resolution **24-380**, the September Quarterly Budget review adopted by Council at its ordinary meeting held on 28 November 2024 via resolution **24-545** and the December Quarterly Budget Review adopted by council on 27 February via resolution **25-019**. Since that date, Council has reviewed the budget and progress through the first three quarters of the 2024/2025 financial year. This report considers the March 2025 Quarter Budget Review (QBR).

15 The details of the budget review for the Consolidated, General, Water and Sewer Funds are included in Attachment 1, with an itemised listing in Attachment 2. This aims to show the consolidated budget position of Council, as well as a breakdown by Fund and Principal Activity. The document in Attachment 1 is also effectively a publication outlining a review of the budget and is intended to provide Councillors with more detailed information to assist with decision making regarding Council's finances.

20 Contained in the document at Attachment 1 is the following reporting hierarchy:



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5 The pages within Attachment 1 are presented (from left to right) by showing the original budget as adopted by Council on 30 June 2024 plus the adopted carryover budgets from 2023/2024, followed by the resolutions between July and December and the revote (or adjustment for this review) and next, the revised position projected for 30 June 2025 as at 31 March 2025.

On the far right of the Principal Activity, there is a column titled "Note". If this is populated by a number, it indicates there has been an adjustment in the quarterly review. This number then corresponds to the notes at the end of the Attachment 1 which provides an explanation of the variation.

10 There is also information detailing restricted assets (reserves) to show Council's estimated balances as at 30 June 2025 for all Council's reserves.

A summary of Capital Works is also included by Fund and Principal Activity.

Office of Local Government Budget Review Guidelines:

15 The Office of Local Government on 10 December 2010 issued Quarterly Budget Review Guidelines via Circular 10-32, with the reporting requirements to apply from 1 July 2011. This report includes a Quarterly Budget Review Statement (refer Attachment 3) prepared by Council in accordance with the guidelines. These Guidelines are currently being reviewed by the Office of Local Government.

20 The Quarterly Budget Review Guidelines set a minimum standard of disclosure, with these standards being included in the Local Government Code of Accounting Practice and Financial Reporting as mandatory requirements for Councils to address.

Since the introduction of the new planning and reporting framework for NSW Local Government, it is now a requirement for Councils to provide the following components when submitting a Quarterly Budget Review Statement (QBR):

- 25
- A signed statement by the Responsible Accounting Officer on Council's financial position at the end of the year based on the information in the QBR
 - Budget review income and expenses statement in one of the following formats:
 - Consolidated
 - By fund (e.g. General, Water, Sewer)
 - 30 ○ By function, activity, program etc. to align with the management plan/operational plan
 - Budget Review Capital Budget
 - Budget Review Cash and Investments Position
 - Budget Review Key performance indicators
 - Budget Review Contracts and Other Expenses

35 The above components are included in Attachment 3 and outlined below:

Income and Expenditure Budget Review Statement by Type

This shows Council's income and Expenditure by type. This has been split by Fund. Adjustments are shown, looking from left to right. These adjustments are commented on through the last 9 pages of Attachment 1.

5 Capital Budget Review Statement

This statement identifies in summary Council's capital works program on a consolidated basis and then split by Fund. It also identifies how the capital works program is funded.

Cash and Investments Budget Review Statement

10 This statement reconciles Council's restricted funds (reserves) against available cash and investments. Council has attempted to indicate an actual position as at 31 March 2025 of each reserve to show a total cash position of reserves with any difference between that position and total cash and investments held as available cash and investments. It should be recognised that the figure is at a point in time and may vary greatly in future quarterly reviews depending on cash flow movements.

15 Key Performance Indicators (KPIs)

The KPIs within this report are:

- **Debt Service Ratio** - This assesses the impact of loan principal and interest repayments on the discretionary revenue of Council.
- **Rates and Annual Charges Outstanding Ratio** – This assesses the impact of uncollected rates and annual charges on Councils liquidity and the adequacy of recovery efforts.
- **Asset Renewals Ratio** – This assesses the rate at which assets are being renewed relative to the rate at which they are depreciating.

25 These may be expanded in future to accommodate any additional KPIs that Council may adopt to use.

Contracts and Other Expenses - This report highlights any contracts Council entered into during the January to March quarter that are greater than \$50,000.

CONSOLIDATED RESULT

30 The following table provides a summary of the overall Council budget on a consolidated basis inclusive of all Funds' budget movements for the 2024/2025 financial year projected to 30 June 2025, revised as at 31 March 2025.

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2024/2025 Budget Review Statement as at 31 March 2025	Original Estimate (Including Carryovers) 1/7/2024	Adjustments to 31 Mar 2025 including Resolutions*	Proposed 31 Mar 2025 Review Revotes	Revised Estimate 30/6/2025 at 31/3/2025
Operating Revenue	121,626,000	(1,301,900)	39,000	120,363,100
Operating Expenditure	127,469,300	3,564,700	(870,700)	130,163,300
Operating Result – Surplus/Deficit	(5,843,300)	(4,866,600)	909,700	(9,800,200)
Add: Capital Revenue	52,658,200	(21,523,500)	(5,411,600)	25,723,100
Change in Net Assets	46,814,900	(26,390,100)	(4,501,900)	15,922,900
Add: Non Cash Expenses	20,657,300	0	0	20,657,300
Add: Non-Operating Funds Employed	9,941,100	(486,900)	(5,635,600)	3,818,600
Subtract: Funds Deployed for Non-Operating Purposes	104,669,500	(19,517,300)	10,487,700	74,664,500
Cash Surplus/(Deficit)	(27,256,200)	(7,359,700)	350,200	(34,265,700)
Restricted Funds – Increase / (Decrease)	(27,331,700)	(7,284,200)	350,200	(34,265,700)
Forecast Result for the Year – Surplus/(Deficit) – Unrestricted Cash Result	75,500	(75,500)	0	0

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GENERAL FUND

In terms of the General Fund projected Unrestricted Cash Result the following table provides a reconciliation of the estimated position as at 30 September 2024:

Opening Balance – 1 July 2024	\$400,000
Plus original budget movement and carryovers	75,500
Council Resolutions July – September Quarter	0
Recommendations September QBR – increase/(decrease)	0
Council Resolutions October – December Quarter	0
Recommendations December QBR – increase/(decrease)	(75,500)
Council Resolutions January – March Quarter	0
Recommendations within this Review – increase/(decrease)	0
Estimated Unrestricted Cash Result Closing Balance – 30 June 2025	\$400,000

- 5 The General Fund financial position overall has remained the same as a result of this budget review, leaving the forecast cash result for the year at an estimated balanced budget result and an estimated unrestricted cash result of \$400,000. The proposed budget changes are detailed in Attachment 1 and summarised further in this report below.

Council Resolutions

- 10 Part 2 of Resolution **25-011** from the 13 February 2025 Planning Meeting requested consideration of allocating \$40,000 in the next Quarterly Budget Review to undertake a feasibility study into installing a community battery for Byron Shire, including options for equitable operating models, technologies and sites within the Shire.

- 15 The next Quarterly Budget Review referred to in Resolution **25-011** is this review and there is the possibility to provide funding should Council require it. A specific budget allocation has not been made but provision has been considered through a proposed additional transfer of \$40,000 to the Property Development Reserve. This had been able to be achieved through additional interest revenue. It is understood that grant funding opportunities are currently being sought for the community battery as an alternative.

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Budget Adjustments

The budget adjustments identified in Attachments 1 and 2 for the General Fund have been summarised by Budget Directorate in the following table:

Budget Directorate	Revenue Increase/ (Decrease) \$	Expenditure Increase/ (Decrease) \$	Accumulated Surplus (Unrestricted Cash) Increase/ (Decrease) \$
General Manager	75,000	75,000	0
Corporate & Community Services	145,900	137,900	8,000
Infrastructure Services	(9,073,100)	(9,080,500)	7,400
Sustainable Environment & Economy	60,000	75,400	(15,400)
Total Budget Movements	(8,792,200)	(8,792,200)	0

Budget Adjustment Comments

- 5 Within each of the Budget Directorates of the General Fund, are a series of budget adjustments identified in detail at Attachment 1 and 2. More detailed notes on these are provided in Attachment 1. The major additional items included are summarised below by Directorate and are included in the overall budget adjustments table above.

General Managers Office

- 10
- In the General Managers program, it is proposed to increase operating income due to legal fees recovered and increase operating expenditure due to additional legal expenses. The difference can be funded from the Legal Services reserve.

Corporate and Community Services

- 15
- In the General Purpose Revenues Program an additional \$40,000 in interest revenue can be realised.
 - In the Information Services program, it is proposed to move \$45,000 budget from Cyber Penetration Testing to Cyber Security Vulnerability Management to cover actual costs.
- 20
- In the Corporate Services program, it is proposed to decrease operating expenditure due to \$8,000 not required for Customer Service Initiatives in 2024/25. This can be redirected to the Foyer Security Works in the Facilities Management program.
- 25
- In the Community Development program, it is proposed to increase operating income and expenditure due to a grant being received from the Siddle Foundation for rough sleeping (\$215,000). It is proposed to decrease operating expenditure by \$5,000 due to

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5 \$84,000 being added to the salaries budget for a Community Facilities Officer in the original 2024/25 budget, but only \$79,000 being required. It is proposed to further decrease operating expenditure due to 2323.001 Public Art (\$16,000), 2331.053 Aboriginal/Torres Strait Islander Projects (\$4,000), 2331.058 Aboriginal Leadership & Engagement (\$42,000) and 2331.106 Arts & Culture (\$50,000) not being required in 2024/25 and move to the Draft 2025/26 budget.

Infrastructure Services

- 10 • In the Asset Management program, it is proposed to increase capital income due to the sale of part of road reserve Lot 1 DP1287743. It is proposed to transfer this to the Sale of Road Assets reserve.
- 15 • In the Projects & Commercial Development program, it is proposed to decrease operating expenditure due to the budgets for Property Consultancy Services (\$10,700) and Survey Services (\$8,600) not being required in 2024/25. It is also proposed to increase operating expenditure by \$3,300 for a land valuation.
- 20 • In the Depot Services program, it is proposed to remove Loan funding of \$3,672,100 for fleet replacement and fund this from the Plant reserve. During the course of 2024/25, the Plant reserve has obtained the capacity to fund these purchases through revised charge out rates and higher plant hire recoveries.
- 25 • In the Local Roads and Drainage program, there are a number of adjustments outlined under Note 8 on pages 54 to 56 in the Budget Variations explanations section of Attachment 1. Further disclosure is included on the second page of Attachment 2 under the budget program heading Local Roads and Drainage.
- 30 • In the Infrastructure Recovery program, it is proposed to adjust capital expenditure by for various EPARs to vary the budgets to a revised level of expected expenditure for the 2024/25 financial year.
- 35 • In the Open Space and Recreation program, it is proposed to decrease Capital expenditure by \$96,000 due to 4835.317 Linda Vidler Shelter & Path Extension (\$180,000) being removed and added to the Draft 2025/26 budget. This is offset by an increase against 4835.309 Playground Renewal (\$84,000) due to a grant that has been approved.
- 40 • In the Waste Management program, it is proposed to decrease various budgets due to works not being undertaken this financial year. Further disclosure is included on the fourth page of Attachment 2 under the budget program heading Waste & Recycling.
- 45 • In the First Sun Holiday Park program, it is proposed to increase operating income as actual income for Tourist Sites is trending above the budget. It is proposed to decrease capital expenditure due to the Land Purchase of the Rail Corridor not being undertaken this financial year. This is loan funded and will be moved to the Draft 2025/26 budget. It is also proposed to change the loan funding (\$165,000) of 4265.1 - Detailed design and preparation of DA to reserve funding. The Holiday Park reserve is able to

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accommodate funding these capital works in 2024/25 and therefore defer the Holiday Park reserve from paying loan repayment costs.

- 5 • In the Suffolk Park Holiday Park program, it is proposed to change the loan funding of 4270.2 - Bbqs, Signs, Minor works (\$30,000), 4270.5 - Park Improvements (\$15,000), 4270.6 - Compliance Works Program (\$196,000) and 4270.7 - Caravan Replacements (\$600,500) to reserve funding. The Holiday Park reserve is able to accommodate funding these capital works in 2024/25 and therefore defer the Holiday Park reserve from paying repayment costs.
- 10 • In the Facilities Management program, it is proposed to increase operating income and expenditure due to income received from the Electric Vehicle charging stations (\$4,000). It is proposed to increase operating expenditure by a further \$8,000 due to a budget of \$22,600 being required for the Council Building Foyer Security upgrade. This
15 can be partly funded by a decrease against the budget for the Chambers roof replacement which is complete (\$14,600). This difference of \$8,000 can be funded from a decrease in Customer Service Initiatives in the Corporate Services program.

Sustainable Environment and Economy

- 20 • In the Development & Certification program, it is proposed to increase operating income due to actual income being higher than the budget for Footpath Dining (\$110,000) and the Information Technology Service Fee (\$20,400). These can be transferred through their respective reserves. It is also proposed to decrease the budget for Development
25 Application Fees (\$213,600) as they are trending below the budgeted income due to a decrease in development applications across the Shire. This can be offset by adjustments to various income numbers where the actual income is trending higher than the budget. A further breakdown of these items is on page 3 of Attachment 2.
- 30 • In the Planning Policy & Natural Environment program, It is proposed to increase operating income and expenditure by \$90,000 due to grants received for the Northern Rivers Ark Project (\$85,000) and a Friends of the Koala Grant (\$5,000). A further \$207,300 as itemised on page 60 of Attachment 1 in expenditure has been reduced and transferred to reserve to fund a proposed staff restructure in the Planning Policy & Natural Environment/Economic Development area. Page 60 also details additional
35 project expenditure budgets that will not be expended in 2024/25 but will be added to the Draft 2025/26 budget.
- 40 • In the Economic Development program, it is proposed to decrease operating expenditure due to budgets not being required for Tourism Memberships and Projects (\$12,500) and Senior Capacity Building (\$16,400). It is also proposed to decrease the budget for Billinudgel is back in Business (\$21,000). Although this grant funded project was acquitted in 2020, two of the grants Council issued to local business' as part of the project remained unspent and have subsequently been returned to Council.

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WATER FUND

The estimated Water Fund reserve balances as at 30 June 2025, and forecast in this Quarter Budget Review, are derived as follows:

Capital Works Reserve

Opening Reserve Balance at 1 July 2024	\$4,111,700
Plus original budget reserve movement	(3,820,500)
Resolutions July - September Quarter – increase / (decrease)	0
September Quarterly Review Adjustments – increase / (decrease)	1,099,200
Resolutions October - December Quarter – increase / (decrease)	0
December Quarterly Review Adjustments – increase / (decrease)	374,300
Resolutions January - March Quarter – increase / (decrease)	0
March Quarterly Review Adjustments – increase / (decrease)	495,000
Forecast Reserve Movement for 2024/2025 – Increase / (Decrease)	(1,852,000)
Estimated Reserve Balance at 30 June 2025	\$2,259,700

5 Section 64 Developer Contributions

Opening Reserve Balance at 1 July 2024	\$1,746,500
Plus original budget reserve movement	(1,253,000)
Resolutions July - September Quarter – increase / (decrease)	0
September Quarterly Review Adjustments – increase / (decrease)	1,026,400
Resolutions October - December Quarter – increase / (decrease)	0
December Quarterly Review Adjustments – increase / (decrease)	297,300
Resolutions January - March Quarter – increase / (decrease)	0
March Quarterly Review Adjustments – increase / (decrease)	0
Forecast Reserve Movement for 2024/2025 – Increase / (Decrease)	70,700
Estimated Reserve Balance at 30 June 2025	\$1,817,200

Movements for Water Fund can be seen in Attachment 1 with a proposed estimated increase to reserves (including S64 Contributions) overall of \$495,000 from the 31 March 2025 Quarter Budget Review.

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SEWERAGE FUND

Capital Works Reserve

Opening Reserve Balance at 1 July 2024	\$7,577,100
Plus original budget reserve movement	(2,588,900)
Resolutions July - September Quarter – increase / (decrease)	0
September Quarterly Review Adjustments – increase / (decrease)	881,200
Resolutions October - December Quarter – increase / (decrease)	0
December Quarterly Review Adjustments – increase / (decrease)	1,150,000
Resolutions January - March Quarter – increase / (decrease)	0
March Quarterly Review Adjustments – increase / (decrease)	590,600
Forecast Reserve Movement for 2024/2025 – Increase / (Decrease)	32,900
Estimated Reserve Balance at 30 June 2025	\$7,610,000

Plant Reserve

Opening Reserve Balance at 1 July 2024	\$896,200
Plus original budget reserve movement	0
Resolutions July - September Quarter – increase / (decrease)	0
September Quarterly Review Adjustments – increase / (decrease)	0
Resolutions October - December Quarter – increase / (decrease)	0
December Quarterly Review Adjustments – increase / (decrease)	0
Resolutions January - March Quarter – increase / (decrease)	0
March Quarterly Review Adjustments – increase / (decrease)	0
Forecast Reserve Movement for 2024/2025 – Increase / (Decrease)	0
Estimated Reserve Balance at 30 June 2025	\$896,200

5 The below reserve is funded from income received for temporary housing on Sewer Fund land.

Property Development Reserve – Temporary Housing

Opening Reserve Balance at 1 July 2024	\$136,200
Plus original budget reserve movement	136,200
Resolutions July - September Quarter – increase / (decrease)	0
September Quarterly Review Adjustments – increase / (decrease)	0

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Resolutions October - December Quarter – increase / (decrease)	0
December Quarterly Review Adjustments – increase / (decrease)	0
Resolutions January - March Quarter – increase / (decrease)	0
March Quarterly Review Adjustments – increase / (decrease)	0
Forecast Reserve Movement for 2024/2025 – Increase / (Decrease)	136,200
Estimated Reserve Balance at 30 June 2025	\$272,400

Section 64 Developer Contributions

Opening Reserve Balance at 1 July 2024	\$8,043,300
Plus original budget reserve movement	(7,500)
Resolutions July - September Quarter – increase / (decrease)	0
September Quarterly Review Adjustments – increase / (decrease)	(1,050,000)
Resolutions October - December Quarter – increase / (decrease)	0
December Quarterly Review Adjustments – increase / (decrease)	255,200
Resolutions January - March Quarter – increase / (decrease)	0
March Quarterly Review Adjustments – increase / (decrease)	357,600
Forecast Reserve Movement for 2024/2025 – Increase / (Decrease)	(444,700)
Estimated Reserve Balance at 30 June 2025	\$7,598,600

Unexpended Public Works Grant

Opening Reserve Balance at 1 July 2024	\$253,149
Plus original budget reserve movement	0
Resolutions July - September Quarter – increase / (decrease)	0
September Quarterly Review Adjustments – increase / (decrease)	0
Resolutions October - December Quarter – increase / (decrease)	0
December Quarterly Review Adjustments – increase / (decrease)	0
Resolutions January - March Quarter – increase / (decrease)	0
March Quarterly Review Adjustments – increase / (decrease)	0
Forecast Reserve Movement for 2024/2025 – Increase / (Decrease)	0
Estimated Reserve Balance at 30 June 2025	\$253,149

Movements for the Sewerage Fund can be seen in Attachment 1 with a proposed estimated overall increase to reserves (including S64 Contributions) of \$948,200 from the 31 March 2025 Quarter Budget Review.

5

BYRON SHIRE COUNCIL

Legal Expenses

A financial concern for Council over previous years has been legal expenses. Not only does this item represent a large expenditure item funded by general revenue, but can also be susceptible to large fluctuations.

- 5 The table that follows indicates the allocated budget and actual legal expenditure within Council on a fund basis as at 31 March 2025.

Total Legal Income & Expenditure as at 31 March 2025

Program	2024/2025 Budget (\$)	Actual (\$)	Percentage To Revised Budget
Income			
Legal Expenses Recovered	0	60,000	0%
Total Income	0	60,000	0%
Expenditure			
General Legal Expenses	350,000	418,924	119.69%
Total Expenditure General Fund	350,000	418,924	119.69%

- 10 Note: It is proposed to increase the Legal Services budget by a further \$75,000 at this QBR, funded from the Legal Service reserve as legal expenses are trending higher than the existing budget. This should continue to be monitored to ensure there is enough funding for future expenses. This transfer from the Legal Services Reserve brings the budget into line with actual expenditure. If this transfer from the reserve is adopted, the Legal Services reserve will have a balance of \$35,000 following the recovery of \$60,000 in legal expenses. A budget for the legal expenses recovered is also proposed in this
- 15 Quarterly Budget Review.

Strategic Considerations

Community Strategic Plan and Operational Plan

CSP Objective	CSP Strategy	DP Action	Code	OP Activity
1: Effective Leadership	1.3: Ethical and efficient management of resources	1.3.1: Financial Management - Ensure the financial integrity and sustainability of Council through effective financial management	1.3.1.2	Provide Quarterly Budget Reviews to Council for adoption.

Legal/Statutory/Policy Considerations

In accordance with Section 203 of the Local Government (General) Regulation 2021 the Responsible Accounting Officer of a Council must:

- 5 (1) *Not later than 2 months after the end of each quarter (except the June quarter), the responsible accounting officer of a council must prepare and submit to the council a budget review statement that shows, by reference to the estimate of income and expenditure set out in the statement of the council's revenue policy included in the operational plan for the relevant year, a revised estimate of the income and*
- 10 *expenditure for that year.*
- (2) *A budget review statement must include or be accompanied by:*
- (a) *a report as to whether or not the responsible accounting officer believes that the statement indicates that the financial position of the council is satisfactory, having regard to the original estimate of income and expenditure, and*
- 15 *(b) if that position is unsatisfactory, recommendations for remedial action.*
- (3) *A budget review statement must also include any information required by the Code to be included in such a statement.*

Financial Considerations

20 The 31 March 2025 Quarter Budget Review of the 2024/2025 Budget has left the overall estimated budget result at \$0. This leaves the movement against the unrestricted cash balance attributable to the General Fund to an estimated balanced result for the year, leaving the General Fund unrestricted cash balance at an estimated \$400,000 surplus at 30 June 2025.

25 It is the view of the Responsible Accounting Officer that the short term financial position of the Council is satisfactory for the 2024/2025 financial year, having consideration of the original estimate of income and expenditure at the 31 March 2025 Quarter Budget Review.

30 This opinion is based on the estimated General Fund Unrestricted Cash Result position and that the current indicative budget position for 2024/2025 outlined in this Budget Review is maintained or further improved through the remaining quarterly budget review for the 2024/2025 financial year. Council must remember it has a short term financial goal of maintaining \$1,000,000 in unrestricted cash.

Report No. 6.1 2025-2035 Long-Term Financial Plan

Directorate: Corporate and Community Services

5 **Report Author:** James Brickley, Manager Finance

File No: I2025/658

Summary:

10 As part of the Integrated Planning and Reporting suite, Council produces a Resourcing Strategy, which includes the Long-Term Financial Plan as a key component. The Long-Term Financial Plan for the period 2023-2035 is currently being compiled and will be presented to Council for adoption at the Extraordinary Meeting to be held on 30 June 2025.

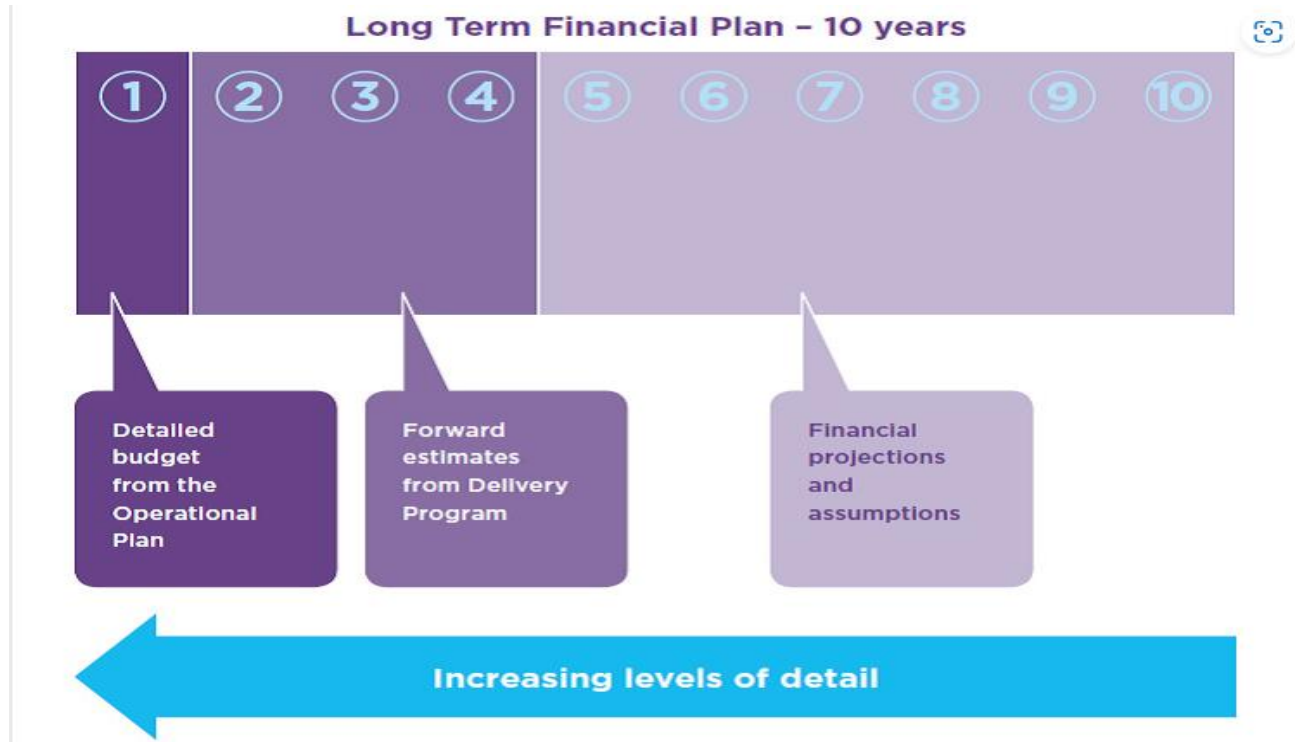
15 The purpose of this report is to provide the Finance Advisory Committee with a briefing and an overview of the model underpinning the Long-Term Financial Plan.

Report

5 As part of the Integrated Planning and Reporting suite, Council produces a Resourcing Strategy, which includes the Long-Term Financial Plan as a key component. The Long-Term Financial Plan for the period 2023-2035 is currently being compiled and will be presented to Council for adoption at the Extraordinary Meeting to be held on 30 June 2025.

The purpose of this report is to provide the Finance Advisory Committee with a briefing and an overview of the model underpinning the Long-Term Financial Plan.

- 10 The Long-Term Financial Plan must project financial forecasts for the council for at least ten years and be updated annually as part of the development of the Operational Plan. The Long-Term Financial Plan must be used by Council to inform its decision-making during the finalisation of the Community Strategic Plan and the development of the Delivery Program.
- 15 The Long-Term Financial Plan must be structured to include:
- projected income and expenditure, a balance sheet and cash flow statement
 - planning assumptions that were used in the Plan's development
 - a sensitivity analysis which highlights the factors and assumptions most likely to impact on the Plan
- 20
- financial modelling for at least up to three different scenarios, for example the planned scenario, an optimistic scenario (eg taking into account a yet-to-be-approved special rate variation) and a conservative scenario
 - methods of monitoring financial performance.
- 25 The diagram below suggests the level of detail and basis in formulating the Long-Term Financial Plan:



For the information of Councillors, the current Council Long-Term Financial Plan can be found at the following link:

[Long Term Financial Plan 2023 to 2033 - Byron Shire Council](#)

- 5 Although this version of the Plan is now outdated, it still provides an indication of the likely format Council will consider upon adoption on 30 June 2025. The key aspect of the Plan will be the proposed scenarios. To this end, it is proposed the scenarios will be as follows:
1. The current base case.
 2. The current base case with funding required to address the asset renewal shortfall over time identified in the Draft Strategic Asset Management Plan.
 3. The current base case with funding required to address the asset renewal shortfall and asset backlog shortfall over time identified in the Draft Strategic Asset Management Plan.

15 At the time this Report is prepared, work is still required in order to complete the 2025-2035 Long Term Financial Plan. It will not be finalised by the time of this Meeting however it will provide an opportunity to introduce the modelling to Councillors and offer an opportunity for discussion about the Plan and its issues.

Strategic Considerations

Community Strategic Plan and Operational Plan

CSP Objective	CSP Strategy	DP Action	Code	OP Activity
1: Effective Leadership	1.3: Ethical and efficient management of resources	1.3.5: Resourcing - Identify and investigate resourcing to meet future needs	1.3.5.2	Prepare the 2025/26-2034/35 Long Term Financial Plan for adoption by 30 June 2025

Legal/Statutory/Policy Considerations

5 [Section 403](#) of the Local Government Act 1993 requires that a Council must have a long-term resourcing strategy for the provision of the resources required to perform its functions. The resourcing strategy includes the long term financial plan, asset management strategy, and workforce management strategy.

Financial Considerations

10 The financial implications or considerations for the 2025-2035 Long Term Financial Plan will be finalised and presented as part of the adoption report for the 30 June 2025 Extraordinary Meeting.