

AGENDA

Finance and Governance Committee

Monday, 12 May 2025

6:00 PM

Waratah Room

Georges River Civic Centre

Hurstville



OATH OF OFFICE OR AFFIRMATION OF OFFICE

All Georges River Councillors are reminded of their Oath of Office or Affirmation of Office made at the time of their swearing into the role of Councillor.

All Councillors are to undertake the duties of the office of Councillor in the best interests of the people of the Georges River Council area and are to act faithfully and impartially carry out the functions, powers, authorities and discretions vested in them under the *Local Government Act 1993* or any other Act to the best of their ability and judgement.

DISCLOSURES OF INTEREST

All Georges River Councillors are reminded of their obligation to declare any conflict of interest (perceived or otherwise) in a matter being considered by Council or at any meeting of Council.

FINANCE AND GOVERNANCE COMMITTEE MEETING

ORDER OF BUSINESS

OPENING

ACKNOWLEDGEMENT OF COUNTRY

Council acknowledges the Bidjigal people of the Eora Nation, who are the Traditional Custodians of all lands, waters and sky in the Georges River area. I pay my respect to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples who live, work and meet on these lands.

APOLOGIES / LEAVE OF ABSENCE

REQUEST TO JOIN VIA AUDIO VISUAL LINK

NOTICE OF WEBCASTING

DISCLOSURES OF INTEREST

PUBLIC FORUM

CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

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CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Item: FIN015-25 Confirmation of the Minutes of the Finance and Governance Committee Meeting held on 14 April 2025

Author: Executive Services Officer

Directorate: Office of the General Manager

Matter Type: Previous Minutes

FIN015-25

RECOMMENDATION:

That the Minutes of the Finance and Governance Committee Meeting held on 14 April 2025, be confirmed.

ATTACHMENTS

Attachment [1](#)  Minutes of the Finance and Governance Committee Meeting held on 14 April 2025

MINUTES

Finance and Governance Committee

Monday, 14 April 2025

6:00 PM

Waratah Room

Georges River Civic Centre
Hurstville

UNCONFIRMED



GEORGES RIVER COUNCIL

PRESENT

COUNCIL MEMBERS

Mayor, Councillor Elise Borg, Councillor Christina Jamieson (Chairperson), Councillor Leon Pun, Councillor Peter Mahoney, and Councillor Sam Stratikopoulos.

COUNCIL STAFF

Director Business and Corporate Services - Danielle Parker, Chief Finance Officer – Scott Henwood, Chief Audit Executive – Steven Baker, Senior Property Officer – Kristen O'Grady, Integrated Planning and Reporting Officer – Marisa Severino, Executive Assistant to Mayor and Manager Office of the General Manager – Claudine Pfeiffer, Acting Executive Assistant Director Business and Corporate Services – Ally Chand (Minutes), and Technology Business Support Officer – Chris Stojanovski.

OPENING

The Chairperson, Councillor Jamieson, opened the meeting at 6:01pm.

ACKNOWLEDGEMENT OF COUNTRY

The Chairperson, Councillor Jamieson acknowledged the Bidjigal people of the Eora Nation, who are the Traditional Custodians of all lands, waters and sky in the Georges River area. I pay my respect to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples who live, work and meet on these lands.

APOLOGIES/LEAVE OF ABSENCE

There were no apologies or requests for leave of absence.

Councillor Ashvini Ambihaipahar has been granted a leave of absence.

REQUEST TO ATTEND VIA AUDIO VISUAL LINK

There were no requests to attend via Audio Visual Link.

NOTICE OF WEBCASTING

The Chairperson, Councillor Jamieson advised staff and the public that the meeting is being recorded for minute-taking purposes and is also webcast live on Council's website, in accordance with section 5 of Council's Code of Meeting Practice. This recording will be made available on Council's Website.

CODE OF MEETING PRACTICE

Council's Code of Meeting Practice prohibits the electronic recording of meetings without the express permission of Council.

DISCLOSURES OF INTEREST

There were no disclosures of interest made.

PUBLIC FORUM

There were no registered speakers.

CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

FIN009-25 Confirmation of the Minutes of the Finance and Governance Committee Meeting held on 10 March 2025

(Report by Executive Services Officer)

RECOMMENDATION: Councillor Mahoney, Councillor Stratikopoulos

That the Minutes of the Finance and Governance Committee Meeting held on 10 March 2025, be confirmed.

Record of Voting

For the Motion: Councillor Jamieson, Councillor Mahoney, Councillor Pun, Councillor Stratikopoulos, The Mayor, Councillor Borg

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

COMMITTEE REPORTS

FIN010-25 Investment Report as at 28 February 2025

(Report by Senior Financial Accountant - Reporting)

RECOMMENDATION: The Mayor, Councillor Borg, Councillor Mahoney

That the Investment Report as at 28 February 2025 be received and noted by Council.

Record of Voting

For the Motion: Councillor Jamieson, Councillor Mahoney, Councillor Pun, Councillor Stratikopoulos, The Mayor, Councillor Borg

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

FIN011-25 Audit, Risk and Improvement Committee - Minutes of Meetings held 14 November 2024 (Confirmed) and 13 March 2025 (Unconfirmed)

(Report by Chief Audit Executive)

RECOMMENDATION: Councillor Mahoney, The Mayor, Councillor Borg

(a) That the confirmed Minutes of the Audit, Risk and Improvement Committee meeting held on 14 November 2024 be received and noted by Council.

(b) That the unconfirmed Minutes of the Audit, Risk and Improvement Committee meeting held on 13 March 2025 be received and noted by Council.

Record of Voting

For the Motion: Councillor Jamieson, Councillor Mahoney, Councillor Pun, Councillor Stratikopoulos, The Mayor, Councillor Borg

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

FIN012-25 Quarterly Commercial Property Portfolio Report for Period Ending 31 December 2024

(Report by Senior Property Officer)

RECOMMENDATION: The Mayor, Councillor Borg, Councillor Mahoney

That Council receive and note the contents of this report in relation to the Quarterly Commercial Property Portfolio, for the period ending 31 December 2024.

Record of Voting

For the Motion: Councillor Jamieson, Councillor Mahoney, Councillor Pun, Councillor Stratikopoulos, The Mayor, Councillor Borg

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

FIN013-25 Half Year Progress Report: July 2024 - December 2024 (Report by Integrated Planning and Reporting Officer)

RECOMMENDATION: The Mayor, Councillor Borg, Councillor Mahoney

- (a) That Council receive and note the Half Year Progress Report July 2024 – December 2025 (Attachment 1) of performance made towards Georges River Council's Delivery Program 2022-2026 and Operational Plan 2024/25.
- (b) That a copy of the Half Year Progress Report July 2024 – December 2025 be published on Council's website and a link provided to the Office of Local Government.

Record of Voting

For the Motion: Councillor Jamieson, Councillor Mahoney, Councillor Pun, Councillor Stratikopoulos, The Mayor, Councillor Borg

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

FIN014-25 Reappointment of Independent Member to the Audit Risk and Improvement Committee (Report by Chief Audit Executive)

RECOMMENDATION: The Mayor, Councillor Borg, Councillor Pun

That Council reappoint Mr Cliff Haynes as an independent member and chairperson to the Audit, Risk and Improvement Committee (ARIC) in accordance with the Audit, Risk and Improvement Committee Terms of Reference, for a four (4) year period ending to 22 March 2029.

Record of Voting

For the Motion: Councillor Jamieson, Councillor Mahoney, Councillor Pun, Councillor Stratikopoulos, The Mayor, Councillor Borg

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

PROCEDURAL MOTION

CONFIDENTIAL ITEMS (CLOSED SESSION)

At this stage of the meeting, time being 6.06pm the Chair, Councillor Jamieson advised that the meeting would move into Closed Session in accordance with Section 10A of the *Local Government Act 1993*.

Accordingly, members of the press and public are excluded from the Closed Session and access to the correspondence and reports relating to the items considered during the course of the Closed Session will be withheld.

This action was taken to allow discussion of the following item/s:

FIN013A-25 Property Matter - Open Space Land Acquisition of 15 Keith Street Peakhurst

The Chair, Councillor Jamieson asked the Director Business and Corporate Services if any representations had been received from the public that the item should not be discussed in Closed Session.

The Director replied that no representations had been received in relation to the item in Closed Session.

MOTION: Councillor Mahoney, Councillor Stratikopoulos

That in accordance with the provisions of Part 1 of Chapter 4 of the Local Government Act 1993, the following matter be considered in closed meeting at which the press and public are excluded.

FIN013A-25 Property Matter - Open Space Land Acquisition of 15 Keith Street Peakhurst

(Report by Senior Property Officer)

THAT in accordance with the provisions of Part 1 of Chapter 4 of the Local Government Act 1993, the matters dealt with in this report be considered in closed Council Meeting at which the press and public are excluded. In accordance with Section 10A(2) (c) it is considered the matter information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

THAT in accordance with Section 10D it is considered that if the matter were discussed in an open Council Meeting, it would on balance, be contrary to the public interest as it information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

Record of Voting

For the Motion: Councillor Jamieson, Councillor Mahoney, Councillor Pun, Councillor Stratikopoulos, The Mayor, Councillor Borg

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

CLOSED CONFIDENTIAL SESSION

CONSIDERATION OF CONFIDENTIAL RECOMMENDATIONS

FIN013A-25 Property Matter - Open Space Land Acquisition of 15 Keith Street Peakhurst

(Report by Senior Property Officer)

RECOMMENDATION: Councillor Mahoney, The Mayor, Councillor Borg

- (a) That Council purchase the property at 15 Keith Street, Peakhurst, being Lot 132 in Deposited Plan 532403 on the terms outlined in this report.
- (b) That Council authorises the General Manager to execute the Contract for Sale, Transfer Document and all other associated documentation to complete the purchase of Lot 132 in DP532403, located at 15 Keith Street, Peakhurst.
- (c) That in accordance with Section 31 (2) of the Local Government Act 1993, the land be classified as Community Land following settlement.
- (d) The Councillors receive a workshop on the current/pending status of acquired properties for open space and any future plans for Hurstville and Kogarah.

Record of Voting

For the Motion: Councillor Jamieson, Councillor Mahoney, Councillor Pun, Councillor Stratikopoulos, The Mayor, Councillor Borg

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

PROCEDURAL MOTION

OPEN SESSION

MOTION Councillor Stratikopoulos, Councillor Pun

That the meeting revert to Open Session, the time being 6:19pm.

Record of Voting

For the Motion: Councillor Jamieson, Councillor Mahoney, Councillor Pun, Councillor Stratikopoulos, The Mayor, Councillor Borg

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

OPEN SESSION

CONFIRMATION OF RECOMMENDATIONS FROM CLOSED SESSION

RECOMMENDATION: Councillor Stratikopoulos, Councillor Pun

That the recommendations from the Closed Session be confirmed as recommendations of the Committee.

Record of Voting

For the Motion: Councillor Jamieson, Councillor Mahoney, Councillor Pun, Councillor Stratikopoulos, The Mayor, Councillor Borg

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

CONCLUSION

The Meeting was closed at 6:21pm.

Chairperson

COMMITTEE REPORTS**Item:** FIN016-25 Investment Report as at 31 March 2025**Author:** Senior Financial Accountant - Reporting**Directorate:** Business and Corporate Services**Matter Type:** Committee Reports**RECOMMENDATION:**

That the Investment Report as at 31 March 2025 be received and noted by Council.

EXECUTIVE SUMMARY

1. This report details Council's performance of its investment portfolio as at 31 March 2025 and compares its performance against key benchmarks.
2. This report also includes the estimated market valuation of Council's investment portfolio, loan liabilities and any required update on Council's legal action against various parties.
3. Council's annualised rate of return as at 31 March 2025 is 4.94% which is 0.49% above benchmark with income from interest on investments totalling \$9,353,000 which is \$554,000 higher than the year-to-date adopted budget of \$8,799,000.

BACKGROUND

4. Council's Responsible Accounting Officer is required to report monthly on Council's investment portfolio and certify that the investments are held in accordance with Council's Investment Policy, section 625 of the Local Government Act 1993 and Local Government (General) Regulation 2021.

INVESTMENT PERFORMANCE COMMENTARY

5. Council's performance against the benchmark for returns of its investment portfolio for March 2025, are as follows:

	1 Month	3 Month	12 Month
Portfolio Performance	0.419%	1.233%	4.94%
Performance Index	0.347%	1.072%	4.45%
Excess Performance	0.072%	0.161%	0.49%

Notes:

- (a) Portfolio performance is the rate of return of the portfolio over the specified period.
- (b) The Performance Index is the Bloomberg Ausbond Bank Bill Index.
- (c) Excess performance is the rate of return of the portfolio in excess of the (b) Performance Index.

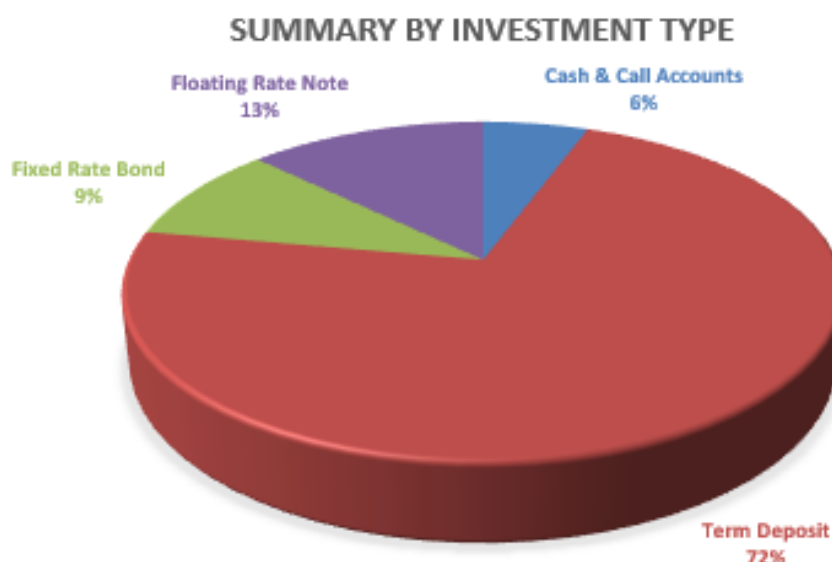
6. Council's investment portfolio as at the end of March 2025 was as follows:

Security Type	Market Value \$000's	% Total Value
At Call Deposit	6,314	2.34%
Consolidated Cash Fund	8,985	3.33%
Term Deposit	194,700	72.14%
Fixed Rate Bond	25,300	9.37%

Floating Rate Note	34,594	12.82%
Portfolio Total	269,893	100%

7. At the end of March 2025, total cash and investments were \$270 million, which was a \$4 million decrease from the previous month (February 2025: \$274 million).
8. Council continues to utilise the Federal Government's current guarantee (\$250,000) investing in term deposits with a range of Authorised Deposit Taking Institutions (ADI's).

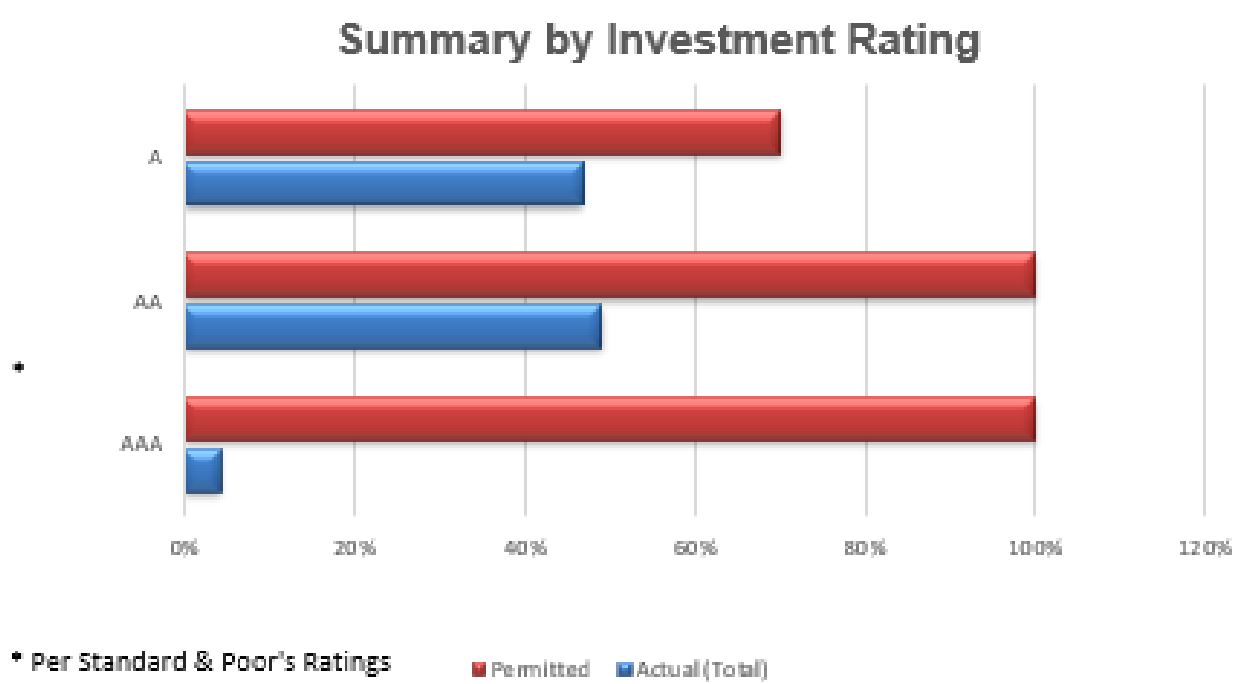
TYPE OF INVESTMENTS



9. The majority of Council's investment portfolio is made up of term deposits, which account for approximately 72% of total investments.
10. Floating Rate Notes (FRN) can offer liquidity and a higher rate of income accrual, which is highly recommended by our Investment Advisors (CPG Research & Advisory).
11. The following are the types of investments held by Council:
 - a) Cash and Call Accounts refer to funds held at a financial institution and can be recalled by Council either same day or on an overnight basis.
 - b) A Floating Rate Note (FRN) is a debt security issued by a company with a variable interest rate. This can either be issued as Certificates of Deposit (CD) or as Medium-Term Notes (MTN). The interest rate is floating, where the adjustments to the interest rate are usually made quarterly and are tied to a certain money market index such as the Bank Bill Swap Rate.
 - c) A Term Deposit is a debt security issued by a company with a fixed or floating interest rate over the term of the deposit, where the adjustments to the interest rate are usually made quarterly and are tied to a certain money market index such as the Bank Bill Swap Rate.
 - d) A Fixed Rate Bond is a debt security can be issued by a company or government in a form of fixed rate of interest at a specified time.

POLICY LIMITS

12. The graph below shows the investment rating limits, as a percentage of total cash investments, which are allowed under Council's Investment Policy. All funds invested are within the limits set in the Investment Policy.



INVESTMENT INCOME

13. Income from interest on investments totals \$9,353,000 which is \$554,000 higher than the year-to-date adopted budget of \$8,799,000.
14. Investments have been made in accordance with the Local Government Act 1993, Minister's Guidelines, Regulations and Council's Investment Policy.

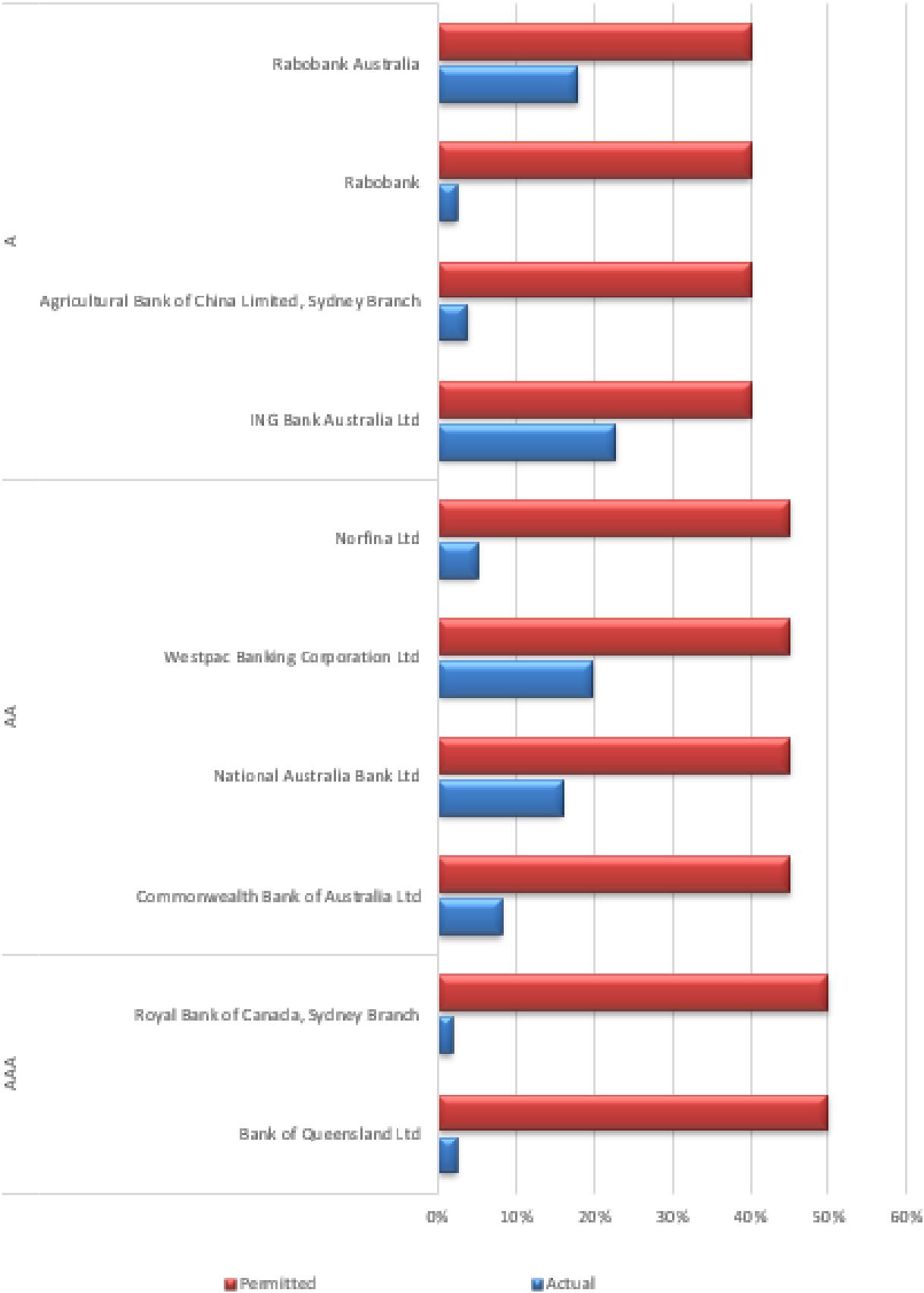
ANALYSIS OF INVESTMENTS

15. Investment Duration

Investment Term	Market Value \$000's	% Total Value	Policy Limits %
0 to < 1 Year	108,078	40.05%	100%
1 to < 3 Years	105,828	39.21%	60%
3 to < 5 Years	55,987	20.74%	40%
Portfolio Total	269,893	100%	

16. Council's portfolio is moderately liquid, with 40% of assets maturing within 12 months. FRNs, At-Call Funds and Fixed Rate Bonds also provide additional liquidity in an emergency.
17. The following graph shows the analysis of the total cash investment by institution as at 31 March 2025.

Investment by Institution



CREDIT RATING

18. Credit ratings are generally a statement as to an institution's credit quality. Council's investment advisors (CPG Research & Advisory) use standard & poor's credit ratings to classify the investments held by Council. Ratings ranging from AAA to A are considered investment grade.
19. A general guide for the meaning of each credit rating that Council deals with is as follows:
 - AAA: The highest possible quality. An obligor's capacity to meet its financial commitments on the obligation is extremely strong.
 - AA: The best quality companies, reliable and stable. An obligor's capacity to meet its financial commitments on the obligation is very strong.
 - A: The obligor's capacity to meet its financial commitments on the obligation is still strong but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions.
20. The credit quality of Council's portfolio is high with 100% of assets rated 'A' or higher.

COUNCIL'S INVESTMENT POWERS

21. Council's investment powers are regulated by Section 625 of the Local Government Act 1993, which states:
 - A council may invest money that is not, for the time being, required by the council for any other purpose.
 - Money may be invested only in a form of investment notified by order of the Minister published in the Gazette.
 - An order of the Minister notifying a form of investment for the purposes of this section must not be made without the approval of the Treasurer.
 - The acquisition, in accordance with Section 358, of a controlling interest in a corporation or an entity within the meaning of that section is not an investment for the purposes of this section.
22. Council's Investment Policy and strategy requires that all investments are to be made in accordance with:
 - *Local Government Act 1993 - Section 625*
 - *Local Government Act 1993 - Order (of the Minister) dated 12 January 2011*
 - *The Trustee Amendment (Discretionary Investments) Act 1997 - Sections 14A (2), 14C (1) & (2)*
 - *Local Government (General) Regulations 2021*
 - *Investment guidelines issued by the Department of Local Government*

LEGAL MATTERS

23. Since January 2019 Georges River Council has been participating in a Group Class Action against Fitch Ratings Inc and Fitch Ratings Ltd (collectively Fitch), in respect to losses suffered in relation to products Council acquired which were rated by Fitch, specifically the Corsair (Cayman Islands) No.4 Ltd Series 6 Kakadu Collateralised Debt Obligation (CDO) notes (rated AA by Fitch but estimated in fact BB). Council suffered a capital loss of \$215,000 on these investments dating back to December 2006 and will seek damages of the capital loss including lost interest, as part of the action.

24. As a Group Member, Council will not incur any legal costs or disbursements or be liable for any adverse costs order that the Court may make in the proceedings. The Banton Group Pty Ltd (Banton) is the legal firm acting for Council in relation to the class action proceedings against Fitch, engaged on November 2020. Banton has been working on the matter and conferring with consultant experts on Fitch's ratings methodology. The latest quarterly correspondence on this matter was in late April 2025. On 3 April 2025, the Court decided not to dismiss the claim that Fitch may have acted unfairly under the law. Fitch now has until 6 June 2025 to formally respond, and the applicant must reply by 4 July 2025. Both sides are required to share what documents they believe should be handed over by 1 August 2025. A further court hearing is scheduled for 14 August 2025 to manage the next steps.

FINANCIAL IMPLICATIONS

25. Income from interest on investments totals \$9,353,000 which is \$554,000 higher than the year-to-date adopted budget of \$8,799,000.
26. The majority of Council's cash is restricted for specific purposes, with approximately 19% available as unrestricted operating cash. Around 53% of the cash is externally restricted by legislation or formal agreements, mainly involving developer contributions, domestic waste, and unspent grants. Internally restricted cash, approximately 28% of the funds, are reserved for governance and sustainability to support funding strategies and asset management. This financial structure highlights the need for effective management of these restricted funds to ensure the Council's financial health and operational requirements.

RISK IMPLICATIONS

27. Financial Sustainability is Council's number one strategic risk, which is Council's failure to implement appropriate financial strategies and controls to ensure financial sustainability. This requirement may be impacted by Council's failure to deliver the Long-Term Financial Plan and inability to meet emerging risks and delivery of Council's Community Strategic Plan as well as absorbing additional financial obligations without adequate resourcing.
28. The risk has been managed by Council's management of investments in accordance with the relevant Act and Regulations, along with Council's adopted Investment Policy. To further minimise the risk, Council is progressively moving towards the placement of investments only in investments rated A or above.

COMMUNITY ENGAGEMENT

29. No community consultation is required.

FILE REFERENCE

D25/88118

ATTACHMENTS

Attachment [1](#) P09. Investment Portfolio as at 31 Mar 2025





INVESTMENT REPORT

As at 31 Mar 2025



TABLE OF CONTENTS

1. Portfolio as at 31 Mar 2025
2. Portfolio Valuation by Categories as at 31 Mar 2025



Investment Report
Georges River Council
as at 31 Mar 2025

1. Portfolio Valuation As At 31 Mar 2025

	Fixed Interest Security	ISIN	Face Value Original	Market Value	% Total Value
Cash at Bank					
	CBA Consolidated operating 70 & 18		8,985,105.23	8,985,105.23	3.33%
			8,985,105.23	8,985,105.23	3.33%
At Call Account					
	CBA Cash deposit 167242		35.96	35.96	0.00%
	CBA Online saver 7676		6,313,863.49	6,313,863.49	2.34%
			6,313,899.45	6,313,899.45	2.34%
Fixed rate bond					
	NAB 4.95 25 Nov 2027 1826DAY Fixed	AU3CB0294502	7,400,000.00	7,400,000.00	2.74%
	ING 4.70 8 Dec 2025 1096DAY Fixed	AU3CB0294759	3,750,000.00	3,750,000.00	1.39%
	Norfinia 4.80 14 Dec 2027 1826DAY Fixed	AU3CB0294957	5,200,000.00	5,200,000.00	1.93%
	Rabobank 5.71 21 Nov 2028 1827DAY Fixed	AU3CB0304525	6,750,000.00	6,750,000.00	2.50%
	Norfinia 4.75 19 Mar 2029 1826DAY Fixed	AU3CB0307809	1,200,000.00	1,200,000.00	0.44%
	ING 4.84 22 Mar 2027 1095DAY Fixed	AU3CB0307908	1,000,000.00	1,000,000.00	0.37%
			25,300,000.00	25,300,000.00	9.37%
Floating rate note					
	BOQ 1.07 14 May 2025 FRN	AU3FN0054086	6,500,000.00	6,529,835.00	2.42%
	RBCSyd 0.73 30 Jun 2026 FRN	AU3FN0079133	5,000,000.00	5,019,200.00	1.86%
	Norfinia 1.05 12 Jul 2028 FRN	AU3FN0079406	3,000,000.00	3,023,370.00	1.12%
	CBA 0.95 17 Aug 2028 FRN	AU3FN0080396	2,000,000.00	2,013,160.00	0.75%
	ABOCSyd 0.90 4 Sep 2026 FRN	AU3FN0080859	10,000,000.00	10,008,800.00	3.71%
	Norfinia 0.92 27 Sep 2029 FRN	AU3FN0091906	4,000,000.00	4,000,000.00	1.48%
	WBC 0.84 21 Jan 2030 FRN	AU3FN0094843	2,400,000.00	2,400,000.00	0.89%
	NAB 0.83 18 Mar 2030 FRN	AU3FN0096699	1,600,000.00	1,600,000.00	0.59%
			34,500,000.00	34,594,365.00	12.82%



Investment Report
Georges River Council
as at 31 Mar 2025

Term Deposit

ING 3.90 08 Aug 2025 1096DAY TD	5,000,000.00	5,000,000.00	1.85%
WBC 4.67 30 Aug 2027 1827DAY TD	5,000,000.00	5,000,000.00	1.85%
CBA 4.36 05 Sep 2025 1096DAY TD	5,000,000.00	5,000,000.00	1.85%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	1.85%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	1.85%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	1.85%
ING 5.00 05 Oct 2027 1827DAY TD	5,000,000.00	5,000,000.00	1.85%
WBC 4.76 05 Oct 2027 1827DAY TD	5,000,000.00	5,000,000.00	1.85%
WBC 5.08 18 Oct 2027 1826DAY TD	5,000,000.00	5,000,000.00	1.85%
WBC 5.15 10 Nov 2027 1826DAY TD	10,000,000.00	10,000,000.00	3.71%
ING 4.65 14 Dec 2027 1827DAY TD	5,000,000.00	5,000,000.00	1.85%
ING 5.13 06 Mar 2028 1827DAY TD	5,000,000.00	5,000,000.00	1.85%
ING 4.85 14 Mar 2028 1827DAY TD	5,000,000.00	5,000,000.00	1.85%
ING 5.20 15 Jun 2028 1827DAY TD	4,000,000.00	4,000,000.00	1.48%
ING 5.41 19 Jun 2025 731DAY TD	4,000,000.00	4,000,000.00	1.48%
WBC 5.41 07 Jul 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.11%
WBC 5.06 20 Jul 2026 1098DAY TD	2,200,000.00	2,200,000.00	0.82%
WBC 5.12 24 Jul 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.11%
ING 5.37 18 Aug 2025 731DAY TD	5,000,000.00	5,000,000.00	1.85%
ING 5.01 24 Aug 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.11%
ING 5.00 04 Sep 2026 1096DAY TD	5,000,000.00	5,000,000.00	1.85%
ING 5.30 03 Oct 2025 730DAY TD	2,500,000.00	2,500,000.00	0.93%
ING 5.19 19 Feb 2029 1827DAY TD	1,000,000.00	1,000,000.00	0.37%
Rabo 5.15 26 Feb 2029 1827DAY TD	3,000,000.00	3,000,000.00	1.11%
Rabo 5.06 5 Mar 2029 1827DAY TD	3,000,000.00	3,000,000.00	1.11%
WBC 5.29 29 Apr 2025 365DAY TD	3,000,000.00	3,000,000.00	1.11%
NAB 5.30 06 May 2025 365DAY TD	2,000,000.00	2,000,000.00	0.74%
Rabo 5.30 15 May 2025 365DAY TD	2,000,000.00	2,000,000.00	0.74%
Rabo 5.23 17 Jun 2025 365DAY TD	3,000,000.00	3,000,000.00	1.11%
NAB 5.40 09 Jul 2025 365DAY TD	3,000,000.00	3,000,000.00	1.11%
Rabo 5.36 15 Jul 2025 365DAY TD	6,000,000.00	6,000,000.00	2.22%
ING 5.33 18 Jul 2025 365DAY TD	4,000,000.00	4,000,000.00	1.48%
NAB 5.10 12 Aug 2025 365DAY TD	5,000,000.00	5,000,000.00	1.85%
NAB 5.00 26 Aug 2025 365DAYTD	5,000,000.00	5,000,000.00	1.85%
NAB 5.00 27 Aug 2025 365DAY TD	5,000,000.00	5,000,000.00	1.85%
Rabo 4.95 02 Sep 2025 365DAY TD	5,000,000.00	5,000,000.00	1.85%
Rabo 5.00 06 Jun 2025 270DAY TD	4,000,000.00	4,000,000.00	1.48%
NAB 4.95 10 Jun 2025 365DAY TD	4,000,000.00	4,000,000.00	1.48%
Rabo 4.83 11 Sep 2029 1825DAY TD	4,000,000.00	4,000,000.00	1.48%
NAB 4.90 16 Sep 2025 365DAY TD	4,000,000.00	4,000,000.00	1.48%
NAB 4.90 23 Sep 2025 365DAY TD	4,000,000.00	4,000,000.00	1.48%
Rabo 4.95 15 Oct 2029 1827DAY TD	2,000,000.00	2,000,000.00	0.74%
ING 5.05 18 Nov 2027 1095DAY TD	1,000,000.00	1,000,000.00	0.37%
Rabo 5.10 03 Dec 2029 1827DAY TD	2,000,000.00	2,000,000.00	0.74%
NAB 5.00 09 Dec 2025 365DAY TD	2,000,000.00	2,000,000.00	0.74%
Rabo 4.95 17 Dec 2029 1827DAY TD	3,000,000.00	3,000,000.00	1.11%
Rabo 4.96 07 Jan 2030 1827DAY TD	1,000,000.00	1,000,000.00	0.37%
ING 5.08 16 Jan 2030 1826DAY TD	1,000,000.00	1,000,000.00	0.37%
ING 5.02 21 Jan 2030 1826DAY TD	1,000,000.00	1,000,000.00	0.37%
Rabo 4.97 05 Feb 2030 1827DAY TD	2,000,000.00	2,000,000.00	0.74%
Rabo 5.07 19 Feb 2030 1827DAY TD	1,000,000.00	1,000,000.00	0.37%
Rabo 5.10 25 Feb 2030 1826DAY TD	2,000,000.00	2,000,000.00	0.74%
Rabo 5.02 05 Mar 2030 1825DAY TD	3,000,000.00	3,000,000.00	1.11%
Rabo 4.94 18 Mar 2030 1826DAY TD	2,000,000.00	2,000,000.00	0.74%
	194,700,000.00	194,700,000.00	72.14%
Portfolio Total		269,893,369.68	100%

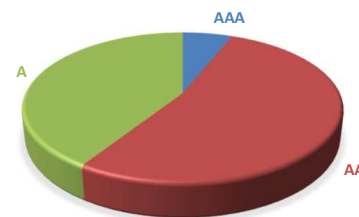


Investment Report
Georges River Council
as at 31 Mar 2025

2. Portfolio Valuation By Categories As At 31 Mar 2025

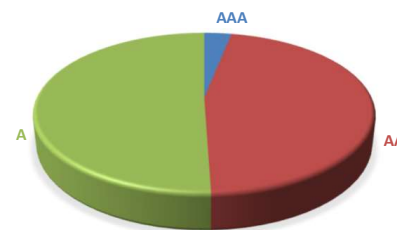
Short Term Issuer/Security Rating Group	Market Value	% Total Value
AAA	6,529,835	2.42%
AA	57,299,005	21.23%
A	44,250,000	16.40%
Portfolio Total	108,078,840	40.05%

MARKET VALUE BY SECURITY RATING GROUP
(SHORT TERM)



Long Term Issuer/Security Rating Group	Market Value	% Total Value
AAA	5,019,200	1.86%
AA	75,036,530	27.80%
A	81,758,800	30.29%
Portfolio Total	161,814,530	59.95%

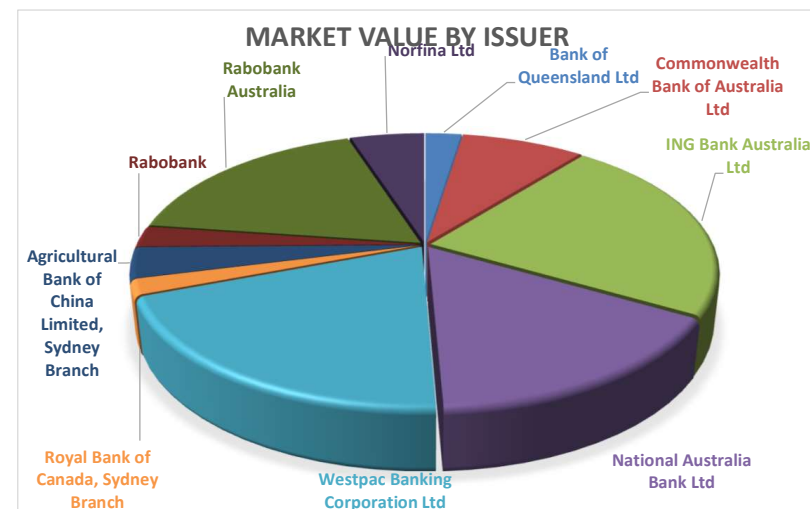
MARKET VALUE BY SECURITY RATING GROUP
(LONG TERM)





Investment Report
Georges River Council
as at 31 Mar 2025

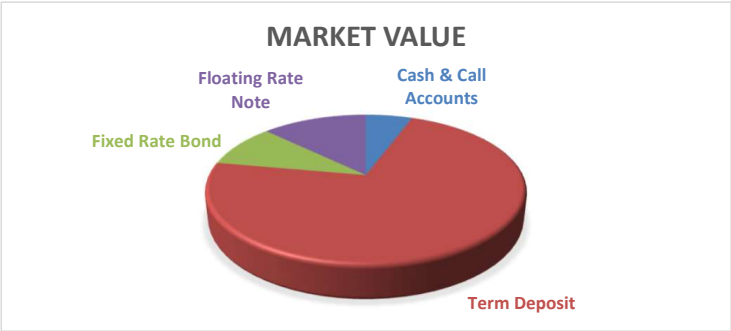
Issuer	Market Value	% Total Value
Bank of Queensland Ltd	6,529,835	2.42%
Commonwealth Bank of Australia Ltd	22,312,165	8.27%
ING Bank Australia Ltd	61,250,000	22.69%
National Australia Bank Ltd	43,000,000	15.93%
Westpac Banking Corporation Ltd	53,600,000	19.86%
Royal Bank of Canada, Sydney Branch	5,019,200	1.86%
Agricultural Bank of China Limited, Sydney Branch	10,008,800	3.71%
Rabobank	6,750,000	2.50%
Rabobank Australia	48,000,000	17.78%
Norfin Ltd	13,423,370	4.97%
Portfolio Total	269,893,370	100.00%





Investment Report
Georges River Council
as at 31 Mar 2025

Security Type	Market Value	% Total Value
Cash & Call Accounts	15,299,005	5.67%
Term Deposit	194,700,000	72.14%
Fixed Rate Bond	25,300,000	9.37%
Floating Rate Note	34,594,365	12.82%
Portfolio Total	269,893,370	100.00%

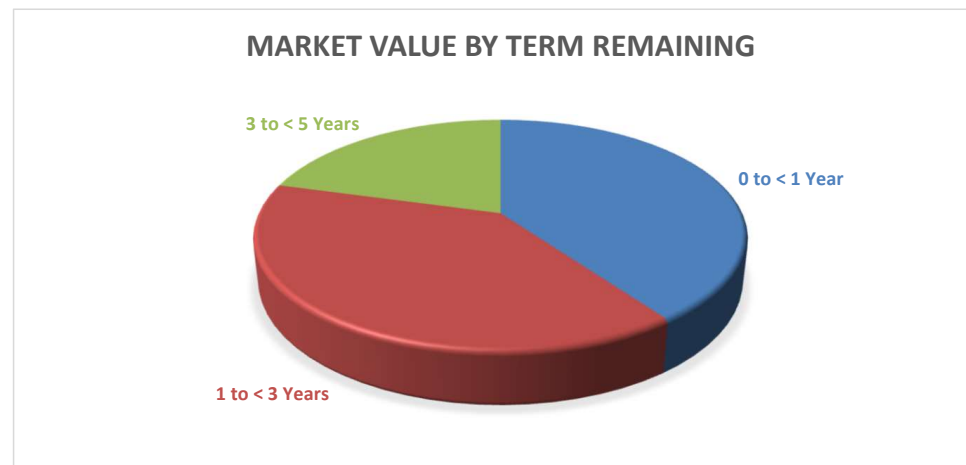




Investment Report
Georges River Council
as at 31 Mar 2025

Term Remaining	Market Value	% Total Value	Policy Limits %
0 to < 1 Year	108,078,840	40.05%	100%
1 to < 3 Years	105,828,000	39.21%	60%
3 to < 5 Years	55,986,530	20.74%	40%
Portfolio Total	269,893,370	100.0%	

Note: Term Remaining is calculated using a weighted average life date (WAL) where appropriate and available otherwise the interim (initial) maturity date is used.



Item: FIN017-25 Quarterly Commercial Property Portfolio Report for Period Ending 31 March 2025

Author: Senior Property Officer

Directorate: Business and Corporate Services

Matter Type: Committee Reports

RECOMMENDATION:

That Council receive and note the contents of this report in relation to the Quarterly Commercial Property Portfolio, for the period ending 31 March 2025.

EXECUTIVE SUMMARY

1. This report contains information about the properties within the Commercial Property Portfolio including commercial car parking.
2. The table below outlines the performance of the portfolio for the period 1 January 2025 to 31 March 2025.

BACKGROUND

3. This report provides a summary of income performance against budget for Council's Commercial Property Portfolio.

Property Type	No. of Properties /Agreements	No. of Current Vacant Premises	YTD Net Result Actual	YTD Net Result Budget	Variance	Comments
Commercial Properties inc. retail	68	5	\$2,551,760	\$2,791,414	\$239,654 (Unfavourable)	Income is below budget due to a combination of tenant vacancies, payments of R&M Air Con and Fire Protection Service expenses not being in the original budget estimates.
Commercial Car Parks	7	NA	\$562,998	\$437,202	\$125,796 (Favourable)	Gross income is exceeding the current budgeted expectations. Note: A total of 50,783 free 1-hour tickets were issued in Pay and Display car parks.
Footway Trading	138	NA	\$57,236	\$61,800	\$4,564 (Unfavourable)	Income under budget due to the timing of rental payment.
Outdoor Furniture Advertising	3	0	\$143,828	\$145,500	\$1,672 (Unfavourable)	Immaterial variance, on track.
Telecoms	5	0	\$40,783	\$67,200	\$26,417 (Unfavourable)	Income under budget due to the timing of rental payment.
Totals	221	5	\$3,356,605	\$3,503,116	\$146,511 (Unfavourable)	

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FINANCIAL IMPLICATIONS

- 4. The table above outlines the budget variations. Overall, the portfolio is performing below budget by 4% or \$146,511, primarily due to vacancies and necessary repairs and maintenance.

RISK IMPLICATIONS

- 5. Council's top strategic risk is financial sustainability. The commercial property portfolio offers an additional revenue stream to support community services and infrastructure. By growing the revenue from the Commercial Property Portfolio, Council can reduce its dependence on ratepayers to fund services.

COMMUNITY ENGAGEMENT

- 6. No community engagement is required for this report.

FILE REFERENCE

D25/139188

ATTACHMENTS

Nil

Item: FIN018-25 **Quarterly Budget Review Report for Period Ending 31 March 2025**

Author: Senior Business Performance Accountant

Directorate: Business and Corporate Services

Matter Type: Committee Reports

RECOMMENDATION:

- (a) That Council receives and notes the contents of this report in relation to the Quarterly Budget Review for the period ending 31 March 2025.
- (b) That Council adopt the proposed amendments to the 2024/25 Budget as outlined in the attachment.

EXECUTIVE SUMMARY

1. This report highlights Council's March year to date (YTD) performance against the 2024/25 budget and presents budget variations in consideration of projected financial results for the remainder of the financial year.
2. The proposed amendments to the 2024/25 Operational Budget have resulted in a revised operating budget surplus of \$3.1 million, noting the original adopted budget surplus was \$2.0 million.
3. The improvement on the original adopted budget surplus of \$2.0 million is largely from one off gains, being derived from an insurance claim reimbursement, increased interest income on investments (a large portion of which is restricted income), and other commercial property operational income. These positive income variances are partially offset by an overspend on employee costs.
4. The proposed amendments to the Capital Program result in a new 3-year Capital Works Program budget of \$120.0 million, which covers 2024/25 to 2026/27. This can be broken down across the 3-years as follows:
 - a) 2024/25 – budget expenditure of \$47.5 million
 - b) 2025/26 – budget expenditure of \$42.4 million
 - c) 2026/27 – budget expenditure of \$30.2 million

BACKGROUND

5. Section 203 of the *Local Government (General) Regulation 2021* requires that a Quarterly Budget Review be considered by Council that shows current estimates for income and expenditure for the year; indicates whether Council's financial position is satisfactory and makes recommendations for remedial action, if required.

Overview - Financial Performance

6. The 2024/25 Budget will be the third year Council is forecast to achieve a surplus and difficult prioritisation of valued services, projects and programs will be essential in achieving financial sustainability and compliance with Councils legislative obligations.
7. The overall financial performance of Council to March 2025 is an operating surplus of \$5.7 million, which is illustrated in the table below. The positive variance is largely due to investment income returns, stronger than expected operating grants, and an underspend

in materials and services expenditure which is forecast to align more closely with the budget by the end of the financial year, based on historical trends.

8. YTD operating income of \$141.6 million is currently higher than budget by \$933,000, and YTD expenditure of \$136.0 million is below budget by \$2.9 million.

	Original Budget 2024/25 (\$'000)	Qtr 1 Budget Variation (\$'000)	Qtr 2 Budget Variation (\$'000)	Qtr 3 Budget Variation (\$'000)	Revised Budget 2024/25 (\$'000)	YTD Actuals (\$'000)	YTD Budget 2024/25 (\$'000)	YTD Actuals (\$'000)
Total Income	183,717	5,749	729	(934)	189,262	141,642	140,708	933
Total Expenses	181,689	3,203	772	533	186,197	135,984	138,915	2,932
Operating Result before Capital Revenue – Surplus/(Deficit)	2,028	2,546	(43)	(1,466)	3,065	5,658	1,793	3,865
Capital Grants & Contributions	20,020	1,249	350	(304)	21,315	10,972	16,214	(5,243)

Overview of the Quarter 3 (Q3) Proposed Budgetary Changes

9. The proposed amendments to the 2024/25 Budget result in a revised Operating Budget Surplus of \$3.1 million, which is a \$1.5 million reduction to the revised Quarter 2 (Q2) budget position.
10. Several events/trends have evolved following the 2024/25 Q2 Budget variations which are expected to materially impact the result and have required a change as part of the Q3 budget review.
11. Income variations:
 - (a) The Rates and Annual charges forecasted growth assumption has been revised and has resulted in a \$935,000 reduction in rates income, aligning the budget to actuals.
 - (b) An additional \$800,000 interest income has been added to the budget as a result of continued strong returns on Council Investments.
 - (c) Several roads, traffic, and miscellaneous operating grants have been received which were higher than expected, resulting in a \$900,000 adjustment.
12. Expense variations:
 - (a) An allowance of \$1.6 million has been added to the budget to account for asset write-offs as a result of the asset renewal program for roads, footpaths, stormwater, and open space that are scheduled to be completed in 2024/25
 - (b) The adopted budget strategy included an employee cost natural vacancy rate of 6.5%. Employee Costs have been trending above budget throughout the year due to the use of Temporary Agency and Casual Staff to backfill vacant roles and ensure service standards are met. Efforts have been made to contain costs, such as the application of a mandated vacancy rate, however it remains likely these overruns will be in the vicinity of \$900,000 by the end of the financial year and, as such, the budget has been adjusted to reflect this.
 - (c) A budget adjustment of \$150,000 has been made based on the resolution of Council to expand the Development and Building team resourcing. This is split between recruitment fees and employee costs.
 - (d) An audit of the payroll system identified a required correction to leave liability accrual, with the budget adjusted by \$141,000.

- (e) Depreciation costs are below budget by \$266,000 and are forecasted to finish under budget by \$300,000 due to a lower turnover of passenger fleet renewals than what was anticipated. The budget has been adjusted to reflect this change.
- (f) The Emergency Services Levy budget was greater than the actual amount levied and thus the budget has been adjusted to capture the saving of \$320,000.
13. The proposed changes to the operational budget can be found in Table 2 of the attachment.
14. As per previous reviews, any further variances to budget will be monitored to make every effort to ensure that they are offset by expenditure savings or other sources of income, ensuring there is minimum impact to Council's adopted budget position.

Capital Program, Cash Flow and Reserve Balances - Financial Quarter Performance

15. As illustrated in the table below, Capital expenditure to March was \$21.7 million or 42% of the revised 2024/25 Capital Budget, with material expenditure occurring on the:
- Road Resheeting program \$6.1 million
 - Carss Park Pool Site remediation works \$5.4 million
 - Land Acquisition \$1.8 million
 - Carss Bush Park Playspace Upgrade \$832,000
 - Passenger Vehicle Purchases \$893,000
 - Footpath Renewals \$403,000
 - IT Computer Hardware \$320,000

Capital Program by Asset Class	Adopted 2024/25 Capital Budget	2023/24 Carry Over*	Qtr 1 Variation	Qtr 2 Variation	Qtr 3 Variation	Revised 2024/25 Capital Budget	March YTD Actuals
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
New Assets	11,480	3,759		(446)	931	15,724	3,392
Renewal of Assets	29,066	7,780	1,670	(3,777)	(4,643)	30,096	17,299
Capitalised Project Salaries	1,650					1,650	970
Total	42,196	11,539	1,670	(4,223)	(3,712)	47,470	21,661

16. The proposed amendments to the Capital Program result in a revised 3-year Capital Program Budget of \$120.0 million (FY25-FY27). The main change to the outlook for the Capital Program has been to rephase \$3.9 million worth of expenditure from 2024/25 into the future years of the 3-year program, with the current year now expected to total \$47.5 million.
17. Table 5 of the attachment (summarised below) shows the timing of expenditure for the revised Capital Budget from 2024/25 to 2026/27.

Capital Program Phasing Expenditure Forecast	Original Adopted Capital Program				REVISED Q2 Capital Program			
	FY25 Budget	FY26 Budget	FY27 Budget	Total FY25-27	FY25 Budget	FY26 Budget	FY27 Budget	Total FY25-27
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
New Assets	11,480	11,870	8,904	32,254	15,724	14,305	10,751	40,780
Renewal of Assets	29,066	21,464	16,795	67,325	30,096	26,444	17,795	74,335
Capitalised Project Salaries	1,650	1,650	1,650	4,950	1,650	1,650	1,650	4,950
Total	42,196	34,984	27,349	104,529	47,470	42,399	30,196	120,065

18. The income budgeted for Capital Grants has decreased by \$304,000 due to a reclassification of an Active Transport Design Grant being classified as operating in nature rather than capital.
19. Details of all adjustments to the Capital Program can be seen in Table 4 of the attachment.

FINANCIAL IMPLICATIONS

20. Attachment 1 shows the detailed information on the Quarterly results and the proposed budget changes.
21. The proposed amendments to the 2024/25 Operational Budget have resulted in a revised operating budget surplus of \$3.1 million, noting the original adopted budget surplus was \$2.0 million.
22. The proposed amendments to the Capital Program result in a new 3-year Capital Works Program budget of \$120.0 million, which covers 2024/25 to 2026/27. This can be broken down across the 3-years as follows:
 - d) 2024/25 – budget expenditure of \$47.5 million
 - e) 2025/26 – budget expenditure of \$42.4 million
 - f) 2026/27 – budget expenditure of \$30.2 million
23. It should be noted that the Long-Term Financial Plan (LTFP) is projecting deficits in the coming years, and a focus must be to continue to adhere to the principles of sound financial management to protect cash to fund ongoing operations.

RISK IMPLICATIONS

24. Financial Sustainability is Council's number one strategic risk, which is Council's failure to implement appropriate financial strategies and controls to ensure financial sustainability. This requirement may be impacted by Council's failure to deliver the Long-Term Financial Plan and inability to meet emerging risks and delivery of Council's Community Strategic Plan as well as absorbing additional financial obligations without adequate resourcing.
25. The Long-Term Financial Plan (LTFP) indicates a deficit position will occur in the coming years (shown as Model 1 in the Resourcing Strategy) and will need to be addressed as a priority to ensure Council's ongoing financial sustainability.
26. Council must comply with *Section 8B of the Local Government Act* - Principles of sound financial management; and in particular, the following sub sections of section 8B:
 - “(a) Council spending should be responsible and sustainable, aligning general revenue and expenses...”*
 - “(d) Councils should have regard to achieving intergenerational equity, including ensuring the following:

 - (i) policy decisions are made after considering their financial effects on future generations,*
 - (ii) the current generation funds the cost of its services”.**

COMMUNITY ENGAGEMENT

27. No community consultation is required because of this report.

FILE REFERENCE

D25/139355

ATTACHMENTS

Attachment [↓](#)1 Quarterly Budget Review Report Q3 March 2025





BUDGET REVIEW STATEMENT

for the Quarter ended 31 March 2025

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Report by Responsible Accounting Officer

In accordance with Clause 203(2) of the Local Government (General) Regulations 2021, it is my opinion that the Quarterly Budget Review Statement for Georges River Council for the quarter ended 31 March 2025 indicates that Council's projected financial position at 30 June 2025 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Danielle Parker

Director Business & Corporate Services

Responsible Accounting Officer

30 April 2025

Appendices**Table 1: Income & Expenditure Budget Review Statement**

	Original Budget 2024/25	Qtr 1 Budget Variation	Qtr 2 Budget Variation	Qtr 3 Budget Variation	Revised Budget 2024/25	March YTD Actuals	March YTD Budget	March YTD Variance
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Income								
Rates and Annual Charges	129,024	1,000		(935)	129,090	96,909	97,768	(860)
User Charges & Fees	17,143	4,746	(274)		21,615	15,998	16,269	(271)
Interest	9,500	1,500	1,000	800	12,800	9,674	9,000	674
Other Revenues from Ordinary Activities	14,535	3,271		(155)	17,651	14,572	13,891	681
Operating Grants and Contributions	12,955	(4,768)	2	907	9,096	4,187	3,360	827
Net Gain/(Loss) on Disposal	560			(1,550)	(990)	303	420	(117)
Total Income	183,717	5,749	729	(934)	189,262	141,642	140,708	933
Expense								
Employee Costs	69,014	1,399	(186)	1,120	71,347	53,703	52,896	(807)
Borrowing Costs Expense	1	-			1	-	1	1
Materials & Services	77,890	374	935	33	79,232	56,137	58,960	2,823
Depreciation	30,461	1,000		(300)	31,161	23,351	23,617	266
Other Expenses	4,323	430	23	(320)	4,456	2,793	3,441	648
Total Expenses	181,689	3,203	772	533	186,197	135,984	138,915	2,932
Operating Result before Capital Revenue – Surplus/(Deficit)	2,028	2,546	(43)	(1,466)	3,065	5,658	1,793	3,865
Capital Grants & Contributions	20,020	1,249	350	(304)	21,315	10,972	16,214	(5,243)

Table 2: Detailed Operational Budget Variations

Project Description	Directorate	Major Account Category	Reason	Funding Source	Budget Variations (\$'000)
Asset write off as a result of capital renewals	A&I	Net Gain / Loss on Disposal	Allowance for Asset Write offs for 2024/25 capital renewal programs.	General Revenue	(1,550)
Interest Income	E&P/BACS	Interest	Continued strong returns on Council investments, noting over half will be returned to a restricted reserve	Developer Contributions Reserves/ General Revenue	800
Rates Income	Corp Finance	Rates and Annual Charges	Reduction in forecasted growth assumption	General Revenue	(935)
Sponsorship Income	A&I	Other Revenue	Sponsorship income variation	General Revenue	(75)
Belgrave Street Rental Income	BACS	Other Revenue	Reduction in budgeted income based on current tenancy contract.	General Revenue	(80)
Bushfire Risk Mitigation and Resilience Support	A&I	Operating Grants	Successful grant application.	Grant	30
Local Government Road Safety Program	A&I	Operating Grants	Successful grant application.	Grant	9
Roads to Recovery (R2R) Grant Income	A&I	Operating Grants	Grant Income awarded more than budget	Grant	217
Hurstville, Mortdale, Peakhurst Flood Risk Management Study and Plan	A&I	Operating Grants	Portion of grant income and spend to be brought forward	Grant	27
Oatley to Como Active Transport Design	A&I	Operating Grants	Project reclassified from Capital. State government agency will manage the construction and eventual ownership of the asset.	Grant	304
Road Safety Officer Programs	A&I	Operating Grants	Grant Income awarded more than budget	Grant	80
RMS Bus Weight Subsidy	A&I	Operating Grants	Grant Income awarded more than budget	Grant	40
Traffic Grants	A&I	Operating Grants	Grant Income awarded more than budget	Grant	200
Total Income					(934)
Development and Building Resourcing	E&P	Employee Costs	Resolution of Council to expand the Development and Building team resourcing (ENV014A-25)	General Revenue	70

Employee Costs	ALL	Employee Costs	Increase budget for overspend in temporary agency staff and casuals that have covered staff vacancies throughout the year.	General Revenue	909
Employee Costs	ALL	Employee Costs	Impact of system setup issue regarding annual leave and long service leave calculation for staff that had taken leave at half pay.	General Revenue	141
Local Government Road Safety Program	A&I	Materials & Services	Successful grant application.	Grant	9
Hurstville, Mortdale, Peakhurst Flood Risk Management Study and Plan	A&I	Materials & Services	Portion of grant income and spend to be brought forward	Grant/ General Revenue	40
Oatley to Como Active Transport Design	A&I	Materials & Services	Project reclassified from Capital. State government agency will manage the construction and eventual ownership of the asset.	Grant	304
Development and building recruitment	E&P	Materials & Services	Recruitment costs - Resolution of Council to expand the Development and Building team resourcing (ENV014A-25)	General Revenue	80
Bushfire Risk Mitigation and Resilience Support	A&I	Materials & Services	Successful grant application.	Grant	30
Demolition of acquired properties	BACS	Materials & Services	Demolition of two properties due to safety concerns	Developer Contributions	120
Waste Disposal Costs	E&P	Materials & Services	Reduction in waste disposal costs due to new contracted rates	Domestic Waste Reserve	(550)
Emergency Services Levy	BACS	Other Expenses	Emergency Service Levy budget estimate for 2024/25 was greater than the actual levy.	General Revenue	(320)
Depreciation Adjustment	ALL	Depreciation	Depreciation adjustment due to reduction in rate of passenger fleet renewals	General Revenue	(300)
Total Expenses					533
Net change of variations Surplus / (Deficit)					(1,466)

Table 3: Capital Program Budget Review Statement Summary

Capital Program by Asset Class	Adopted 2024/25 Capital Budget \$'000	2023/24 Carry Over*	Qtr 1 Variation \$'000	Qtr 2 Variation* \$'000	Qtr 3 Variation* \$'000	Revised 2024/25 Capital Budget \$'000	March YTD Actuals \$'000
New Assets							
Buildings - Non Specialised	3,375	523		(2,687)	(360)	851	485
Buildings - Specialised							
Footpaths		100			20	120	33
Open Space/Recreational	2,550	786		241		3,577	694
Operational Land Council Owned		1,906		2,000	2,300	6,206	1,883
Other Structures							
Roads	5,070	399			(1,029)	4,440	187
Office Equipment	295	44				339	62
Various Plant and Equip Other	190					190	48
Sub-Total	11,480	3,759		(446)	931	15,724	3,392
Renewal of Assets							
Buildings - Non Specialised	7,306	1,357	1,670	(2,637)	(2,903)	4,793	1,699
Buildings - Specialised							
Footpaths	696	276				972	212
Library Collections	460					460	285
Office Equip	480			(60)		420	369
Open Space/Recreational	8,584	3,498		(1,080)	(260)	10,742	7,308
Other Structures							
Plant and Equipment	1,800	1,150				2,950	893
Roads	7,220	1,176				8,396	6,030
Stormwater	2,170	323			(1,380)	1,113	501
Various Plant and Equipment Other	350				(100)	250	2
Sub-Total	29,066	7,780	1,670	(3,777)	(4,643)	30,096	17,299
Capitalised Project Salaries	1,650					1,650	970
Total	42,196	11,539	1,670	(4,223)	(3,712)	47,470	21,661

*Includes Q1 adjustments to carryovers

** Includes rephasing to FY26

Table 4: Detailed Capital Program Variations

Project Description	Direct.	Major Account Category	Reason	Funding Source	Budget Variations (\$'000)
Oatley to Como Active Transport Design	A&I	Capital Grant	Project to be reclassified as operational	Grant	(304)
Total Capital Grants					(304)
Oatley to Como Active Transport Design	A&I	Capital	Project to be reclassified as operational	Grant	(304)
Land Acquisition	BACS	Capital	Land Acquisition	Developer Contributions	2,300
Stormwater Improvement Works Program	A&I	Capital	Budget not required	General Revenue	(380)
Stormwater Renewals / Relining -Rehabilitation	A&I	Capital	Budget not required	Stormwater Levy	(1,000)
Bus Stop Upgrade Program	A&I	Capital	Budget not required	General Revenue	(300)
Croydon Rd Hurstville Traffic Works	A&I	Capital	Budget not required	General Revenue	(100)
Gloucester Rd Footpath	A&I	Capital	Increased cost of materials due to time passed since initial design and the use of Flexi-Pave material to reduce the risk of lifting.	General Revenue	20
Total Capital Expenditure					236
Jack High Child Care Centre - Outdoor & Building improvement	A&I	Capital	Rephase Partial Budget to FY26	Internal Reserve	(200)
Oatley West Childcare - Rectification Works	A&I	Capital	Rephase Partial Budget to FY26	General Revenue	(100)
Oatley West Childcare - Replacement of Passenger Lift	A&I	Capital	Rephase Partial Budget to FY26	General Revenue	(130)
Hurstville House Aircon Upgrade	A&I	Capital	Rephase Partial Budget to FY26	Internal Reserve	(500)
Hurstville Civic Centre - Mechanical Renewal Works	A&I	Capital	Rephase Partial Budget to FY26	General Revenue	(100)
Hurstville Entertainment Centre Renewal	A&I	Capital	Rephase Partial Budget to FY26	Internal Reserve	(1,420)
Olds Park - Shared Path & Pedestrian Lighting Upgrade	A&I	Capital	Rephase Partial Budget to FY26	General Revenue	(30)
Rose St - Forest Road Traffic Works	A&I	Capital	Rephase Partial Budget to FY26	General Revenue	(325)
Peakhurst Park Community Centre Design	A&I	Capital	Rephase Partial Budget to FY26	General Revenue	(553)
Olds Park Premium Sporting and Community Facility	A&I	Capital	Rephase Partial Budget to FY26	Internal Reserve	(360)
Penshurst Park Operable Fence	A&I	Capital	Rephase Partial Budget to FY26	Internal Reserve	(230)
Total Capital Rephasing from FY25 to FY26					(3,948)
Total Capital Works Program expenditure change to 2024/25 Budget					(3,712)

Table 5: Capital Program Phasing – Expenditure Forecast

Asset Class	Original Adopted Capital Program				REVISED Capital Program			
	FY25 Budget \$'000	FY26 Budget \$'000	FY27 Budget \$'000	Total FY25-27 \$'000	FY25 Budget \$'000	FY26 Budget \$'000	FY27 Budget \$'000	Total FY25-27 \$'000
New Assets								
Buildings - Non Specialised	3,375	6,100	1,200	10,675	851	7,300	3,047	11,198
Buildings - Specialised								
Footpaths		1,500	3,000	4,500	120	1,500	3,000	4,620
Furniture and Fittings								
Open Space/Recreational	2,550	1,790	2,474	6,814	3,577	2,700	2,474	8,751
Operational Land Council Owned					6,206			6,206
Other Structures								
Plant and Equipment								
Roads	5,070	1,880	1,880	8,830	4,440	2,205	1,880	8,525
Office Equipment	295			295	339			339
Stormwater								
Various Plant and Equipment Other	190	600	350	1,140	190	600	350	1,140
Sub-Total	11,480	11,870	8,904	32,254	15,724	14,305	10,751	40,780
Renewal of Assets								
Buildings - Non-Specialised	7,306	3,929	1,375	12,610	4,793	8,629	2,375	15,797
Buildings - Specialised								
Footpaths	696	550	550	1,796	972	550	550	2,072
Library Collections	460	460	460	1,380	460	460	460	1,380
Office Equipment	480	420	420	1,320	420	420	420	1,260
Open Space/Recreational	8,584	3,285	1,560	13,429	10,742	4,375	1,560	16,677
Other Structures								
Plant and Equipment	1,800	1,800	1,800	5,400	2,950	1,800	1,800	6,550
Roads	7,220	7,450	7,450	22,120	8,396	7,450	7,450	23,296
Stormwater	2,170	2,560	2,170	6,900	1,113	2,560	2,170	5,843
Various Plant and Equipment Other	350	1,010	1,010	2,370	250	200	1,010	1,460
Sub-Total	29,066	21,464	16,795	67,325	30,096	26,444	17,795	74,335
Capitalised Project Salaries	1,650	1,650	1,650	4,950	1,650	1,650	1,650	4,950
Total	42,196	34,984	27,349	104,529	47,470	42,399	30,196	120,065

Table 6: Budgeted Statement of Cash Flows

	2023/24 Actual \$'000	2024/25 Original Budget \$'000	2024/25 Revised Budget \$'000
OPERATING ACTIVITIES			
Receipts			
Rates and Annual Charges	116,735	129,929	129,994
User Charges and Fees	22,093	17,032	21,504
Grants and Contributions	9,751	12,877	9,139
Other	24,688	14,444	17,460
Payments			
Employee Benefits and On-Costs	(65,141)	(67,841)	(70,074)
Borrowing Costs	(1)	(1)	(1)
Materials and Contracts	(77,263)	(75,819)	(77,132)
Other	(5,278)	(4,783)	(4,916)
Net Cash Provided from Operating Activities	25,584	25,838	25,974
INVESTING ACTIVITIES			
Receipts			
Investment & Interest Revenue Received	9,099	8,889	12,189
Capital Grants & Contributions	15,555	20,020	21,086
Proceeds from Sale of Assets	10	1,200	1,200
Payments			
Capital Works and Purchase of Fixed Assets	(35,000)	(39,835)	(47,470)
Net Cash Provided from Investing Activities	(10,336)	(9,726)	(12,995)
FINANCING ACTIVITIES			
Receipts			
Proceeds from Borrowings		-	-
Payments			
Loan Principal Payment	-	-	-
Principal component of lease payments	(38)	(46)	(46)
Net Cash Provided from Financing Activities	(38)	(46)	(46)
Net Increases/(Decreases) in Cash, Cash Equivalents and Investments	15,210	16,066	12,933
Opening Cash Balance – Beginning of the Year	227,070	244,858	242,280
Total Cash, Cash Equivalents, and Investments	242,280	260,924	255,213

Table 7: Restricted Cash Reserves

	2023/24 Actual \$'000	2024/25 Original Budget \$'000	2024/25 Revised Budget \$'000
Externally Restricted Closing Balances			
Developer Contributions	107,871	110,593	114,583
Specific Purpose Unexpended Grants	5,045	9,331	5,045
Domestic Waste Management Reserve	21,470	13,565	15,503
Stormwater Management	2,671	1,185	2,658
Environmental Levy		93	93
Town Improvement Levy Funds	2,268	2,220	2,292
Infrastructure Plus	372	203	372
Total Externally Restricted Balances	139,697	137,190	140,546
Internally Restricted Closing Balances			
Employee Leave Entitlements	6,126	7,761	6,906
Plant and Vehicle Replacement	6,586	4,121	4,196
Election	2,013	1,112	1,112
Childcare Assets Reserve	843	0	277
Hurstville Golf Course	112	112	112
Financial Assistance Grant	4,636	4,500	3,827
Bonds and Damage Deposits	4,240	4,530	4,530
Merger Initiatives Allocation	538	538	538
Assets, Roads and Infrastructure Management	18,547	28,389	26,656
Commercial Property	17,866	17,170	16,392
Strategic Centres	5,743	5,743	5,743
Revolving Energy	142	177	178
Tree Preservation	1,180	1,011	1,180
Aquatic Facilities	58	58	0
Outdoor Synthetic Sports Fields Reserve	114	2,314	2,314
Heritage Building Grants Program Reserve	23	23	0
Street Lighting Project Reserve	179	179	179
Passenger Sustainable Fleet Reserve	31	31	31
Waste Strategy Implementation	2,550	2,550	2,550
Net Zero Emissions	102	102	102
Co-Contributions Reserve	8,975	10,000	7,060
Carss Park Aquatic Facility Construction Contribution Reserve	0	0	0
Total Internally Restricted Balances	80,604	90,421	83,884
Total Restricted Cash Reserve Balances	220,301	227,611	224,430
Unrestricted Cash Balance Forecast	21,979	33,313	30,783
Total Cash, Cash Equivalents, and Investments	242,280	260,924	255,213

Table 8: Interest and Investment Income

	2023/24 Actual \$'000	2024/25 Original Budget \$'000	2024/25 Revised Budget \$'000	2024/25 YTD Actual \$'000
Interest Income - General	5,340	4,817	6,346	4,794
Interest Income - Restricted	5,749	4,683	6,454	4,880
Total Interest and Investment Income	11,089	9,500	12,800	9,674

Table 9: Key Performance Indicators

Indicators	Description	Benchmark	Original Budget 2024/25	Revised Budget	YTD Actuals
Operating Performance	Measures Council's achievement of containing operating expenditure within operating revenue	Greater than 0%	1.1%	1.6%	4.2%
Own Source Operating Revenue	Measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants & contributions.	Greater than 60%	84.3%	85.6%	90.1%
Rates, annual charges, outstanding percentage	Highlights the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.	Less than 5.00%	4.40%*	n/a	5.52%
Debts over \$20,000	Highlights the number of debts outstanding that are over \$20,000	0	n/a	n/a	\$1,943,038 (42 Debtors)
Unrestricted Current Ratio	Highlights the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.	Greater than 1.5x	1.8	n/a	2.2

* Rates and annual charges outstanding baseline is as at 30 June 2024

Table 10: Consultancy, Contractor, and Labour Hire & Legal Expenses Review

Consultancy Costs by Directorate	YTD Expenditure (\$'000)	Current YTD Budget (\$'000)	Variance (\$'000)
Environment and Planning	599	671	72
Business and Corporate Services	347	420	73
Assets and Infrastructure	175	668	493
Office of the General Manager	116	236	120
Community and Culture	36	57	21
Total	1,273	2,052	779

Contractors & Labour Hire Costs by Directorate	YTD Expenditure (\$'000)	Current YTD Budget (\$'000)	Variance (\$'000)
Environment and Planning	749	722	-27
Business and Corporate Services	310	374	64
Assets and Infrastructure	4,843	4,639	-204
Office of the General Manager	115	18	-97
Community and Culture	105	203	98
Total	6,122	5,956	-166

Legal Costs by Category	YTD Actuals (\$'000)	Current Full Year Budget (\$'000)	Variance (\$'000)
Legal Fees Recovery	(445)	(750)	-305
Expenses			
Legal - Class 1 Appeals - Consultants for Court Proceedings	818	951	133
Legal - Class 1 Appeals External Lawyers	620	720	100
Legal - Class 3 Appeals	139	140	1
Legal - Class 4 Appeals	31	68	37
Legal - Class 5 Appeals	108	75	-33
Legal - Local Court Prosecutions / Enforcements	8	19	11
Legal - Code of Conduct	13	0	-13
Legal - Advice	127	227	100
Total Expenses	1,864	2,200	336
Net Legal Costs (Surplus)/Deficit	1,419	1,450	31

Table 11: Quarterly Contracts Awarded (greater than \$50,000)

Contract	Contractor	Commencement Date	Duration	Budgeted (Y/N)	Amount Incl. GST
Q24/183 Transport General Infrastructure Project - Riverwood High Pedestrian Activity Area Works	State Civil Pty Ltd	18 December 2024	12 months	Y	\$2,248,837.53
Q24/120 Lugarno Passive Watercraft Launching Facility Construction	GPM Marine Constructions Pty Ltd	31 January 2025	12 months	Y	\$714,792.40
Q24/190 Master Plan for Riverwood Local Centre	Ethos Urban Pty Ltd	19 March 2025	18 months	Y	\$396,832.87
Q24/156 Hurstville Precinct Playspace Development – Construction – Woodville Park	Auscape Pty Ltd	17 March 2025	6 months	Y	\$313,840.56
Q24/156 Hurstville Precinct Playspace Development – Construction – Empress Reserve	Auscape Pty Ltd	25 March 2025	6 months	Y	\$385,215.05
Q24/188 Kogarah Strategic Centre Master Plan	Conybeare Morrison International Pty Ltd	19 March 2025	18 months	Y	\$315,872.92
Q24/145 Endeavour Street Wharf Design and Construction	GPM Marine Constructions Pty Ltd	14 February 2025	12 months	Y	\$307,554.50
Q25/003 Carss Park Community and Childcare Centre Rectifications Works	Ally Infrastructure Pty Ltd	26 February 2025	6 months	Y	\$262,784.08
Q24/150 Lime Kiln Bay Constructed Wetlands Detailed Design	Rhelm Pty Ltd	7 January 2025	6 months	Y	\$198,792
Q24/125 Georges River Council Lift Replacement Project	KONE Elevators Pty Ltd	13 January 2025	12 months	Y	\$183,700
Q24/117 2024/25 Stormwater Works - Connells Point Road, Connells Point	NSW Building and Civil Pty Ltd	6 March 2025	6 months	Y	\$140,459
Q24/118 2024/25 Stormwater Works - Lawrence Street, Peakhurst	KK Engineering Pty Ltd	6 March 2025	6 months	Y	\$126,907
Q24/203 Asphalt Maintenance Package Q2-Q3 FY24/25	Stateline Asphalt Pty Ltd	16 January 2025	3 months	Y	\$95,216.46
Q24/115 Stormwater Works - Pacific Lane and Grove Avenue, Penshurst	Ally Infrastructure Pty Ltd	6 January 2025	6 months	Y	\$118,221.40
Q24/178 2024/25 Footpath Renewal Program - Ramsgate Road, Beverley Park	State Civil Pty Ltd	25 January 2025	6 months	Y	\$117,235.80

Q24/098 2024-25 Kerb and Gutter Renewal Program	NSW Building and Civil Pty Ltd	31 March 2025	6 months	Y	\$113,338.50
Development Application Assessments - Landscape Referrals	Craig Kenworthy (Sydney Landscape Consultants)	18 February 2025	6 months	Y	\$100,000
Q24/144 Oatley Bay Memorial Boardwalk Detailed Design	Thompson Berrill Landscape Design Pty Ltd	24 February 2025	6 months	Y	\$ 86,762.77
Q25/031 Georges River Council - VMware Renewa	Datacom Systems (AU) Pty Ltd	24 March 2025	3 months	Y	\$ 75,740.63
Q24/113 HALC Mechanical and Electrical Renewal Project - Mechanical Works	Airmaster Australia Pty Ltd	12 March 2025	3 months	Y	\$ 72,398.03
Parkside Tennis - Emergency Sports Lighting Replacement	REES Electrical Pty Ltd	27 March 2025	3 months	Y	\$ 65,450.00