
NARROMINE SHIRE COUNCIL
ORDINARY MEETING BUSINESS PAPER – 11 AUGUST 2021
REPORTS TO COUNCIL – FINANCE & CORPORATE STRATEGY

1. INVESTMENT REPORT AS AT 31 JULY 2021

Author	Director Finance & Corporate Strategy
Responsible Officer	Director Finance & Corporate Strategy
Link to Strategic Plans	CSP – 4.3 A financially sound Council that is responsible and sustainable DP - 4.3.1.5 Provide monthly cash balances and detailed quarterly financial reports to Council.

Executive Summary

Council's investments are made in accordance with legislative requirements and are certified as such by the Responsible Accounting Officer.

Report

Under the Local Government Act 1993 and Local Government (General) Regulation 2005, the Responsible Accounting Officer is required to report on Council's Investment portfolio on a monthly basis.

The management of Council's Investments is delegated by the General Manager to the Director of Finance and Corporate Strategy.

Council's current investment portfolio is diversified across a number of investment types and institutions. This includes term deposits, on-call accounts and managed funds. Investments are in accordance with the Office of Local Government's Guidelines and Council's Investment Policy.

The Government Guarantee on aggregated Investments up to \$1 million per account holder per institution expired 1 February 2012 and the new cap is \$250,000.

The investment portfolio increased **\$378,991** during the reporting period. This is due mostly to investment returns.

Financial Implications

The 2021/22 Budget estimates the total annual Investment Revenue as \$879,279 which represents an estimated return of 4.4% and is split proportionally across General, Water and Sewer Funds and changes on a monthly basis in accordance with cash flow requirements.

The market value of Council's Investments held as at 31 July 2021 is **\$22,997,698** (last month \$22,618,706). The full list of investments is in **Attachment No. 1**.

1. INVESTMENT REPORT AS AT 31 JULY 2021 (Cont'd)

Legal and Regulatory Compliance

- Local Government Act, 1993 – Section 625
- Local Government (General) Regulation, 2005 – Clause 212
- Council Investment Policy adopted 11 March 2015
- Ministerial Investment Order – 12 January 2011

Risk Management Issues

Council's risk management strategy is to diversify the allocation of funds across different financial institutions and government authorities based on credit ratings as per the Investment Policy. The investment portfolio is regularly reviewed in order to maximise investment performance and minimise risk.

Certification – Responsible Accounting Officer

I hereby certify that the investments listed in the report have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2005 and Council's Investment Policy.

Attachments

- 1 Investments – 31 July 2021 (estimates)

RECOMMENDATION

1. That the report regarding Council's Investment Portfolio be received and noted;
2. That the certification of the Responsible Accounting Officer is noted and the report adopted.

2. CARRY FORWARD WORKS AND RE-VOTES FROM 2020/21

Author	Director Finance & Corporate Strategy
Responsible Officer	Director Finance & Corporate Strategy
Link to Strategic Plans	4.3.1 Operate and manage Council in a Financially sustainable manner that meets all statutory and regulatory compliance and Council policies

Executive Summary

This report lists capital works recommended to be carried forward into the 2021/22 financial year.

Report

A list of started but uncompleted projects is provided as **Attachment 2** for Council's notation. All unspent monies on these projects were placed in reserves at the 30 June 2021 year end and will be brought forward to cover the cost of these projects. These works with their matching reserves and/or unspent grant monies will be carried forward into the 2021/22 financial year under Local Government (General) Regulations.

A list of unstarted projects with their matching reserves and/or unspent grant monies is provided as **Attachment 3**. These works did not fall within clause 211 of Local Government (General) Regulation 2005 and must be adopted as part of the 2021/22 budget by a vote from Council.

Financial Implications

All monies for unspent projects from 2020/21 were placed in reserve at year end and/or had unspent grant monies attached, therefore there is no effect on this year's budget.

Legal and Regulatory Compliance

Local Government (General) Regulation 2005 (clause 211) – Authorisation of expenditure

Risk Management Issues

Nil

2. CARRY FORWARD WORKS AND RE-VOTES FROM 2020/21 (Cont'd)

Internal/External Consultation

Nil

Attachments

- 2 Projects Commenced But Not Yet Completed as at 30 June 2021
- 3 2020/21 Projects Not Commenced as at 30 June 2021

RECOMMENDATION

1. That the list of carry forward works which were commenced in 2020/2021 but not completed (as shown in Attachment 2) be noted.
2. That the list of carry forward works which did not fall within clause 211 of Local Government (General) Regulation 2005 (as shown in Attachment 3), be adopted as part of the 2021/22 budget.

3. DATES FOR FINANCIAL YEAR END

Author	Director Finance & Corporate Strategy
Responsible Officer	Director Finance & Corporate Strategy
Link to Strategic Plans	CSP – 4.3 A financially sound Council that is responsible and sustainable

Executive Summary

The General Manager requested a report on the timetable for adoption of the financial statements.

Report

The timetable for adoption of the financial statements:

1 Sep	IAC to give in-principle consent to refer Financial Statements to audit
8 Sep	Council to refer Financial Statements to audit, sign management letter
10 Nov	Council to approve audited financial statements

3. DATES FOR FINANCIAL YEAR END (Cont'd)

Financial Implications

None

Legal and Regulatory Compliance

- Local Government Act, 1993
- Local Government (General) Regulation, 2005

Risk Management Issues

None

Attachments

None

RECOMMENDATION

1. That the report regarding Council's timetable for adoption of the financial statements be received and noted.

John Sevil
Director Finance & Corporate Strategy
Responsible Accounting Officer

Attachment 1 Investments – 31 July 2021

Financial Institution	Bank Rating	Investment Type/Maturity Date	Investment Rating	Current Rate	Term	Amount (\$)
Cash & At Call						
CBA	AA-	Business Online Saver - at call	A-1+	0.10%	N/A	1,417,953.08
TOTAL						1,417,953.08
Percentage Exposure of Total Portfolio						6.17%
Pooled Managed Investments						
				Mth %	FYTD%	Market Value
TCorp	AAA	T-CorpIM Long Term Growth Fund		1.86%	1.86%	17,290,832
TCorp	AAA	T-CorpIM Medium Term Growth Fund		1.50%	1.50%	4,288,913
TOTAL						21,579,745
Percentage Exposure of Total Portfolio						93.83%
Total Investments and Cash						\$ 22,997,698

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Attachment 2 Projects Commenced But Not Yet Completed as at 30 June 2021

Fund	Desc	Funded By	Total
General	Resources For Regions Round R4R7-0048 - Cale Oval Clubhouse & Grandstand	General Fund Reserves	1,162,802
	Narromine Pool Renew Internal Shell	Grant	500,000
	Resources For Regions Round R4R7-0048 - Cale Oval Clubhouse & Grandstand	Grant	462,802
	Grant - Local Roads & Community Infrastructure Program - Cale Oval Grandstand & Facilities - F	Grant	333,000
	Regional Airports Grant Program - Round 1 - Narromine Aerodrome Illuminated Wind Sock	Grant	290,000
	Regional Airports Grant Program - Round 1 - Narromine Aerodrome Runway Lighting Upgrade	General Fund Reserves	289,843
	Resources for Regions Round R4R7-0015 - Refurbishment Narromine Pool & Surrounds	Grant	225,000
	Narromine Wetlands Extension	Grant	216,750
	Murray-Darling Basin Eco Dev Prog RD2 - Aerodrome Hangar - Lot 19	Grant	211,668
	Resources for Regions Round R4R7-0015 - Refurbishment Narromine Pool & Surrounds	General Fund Reserves	211,008
	SCC Round 3 - Cale Oval South End Development	Grant	196,418
	Resources for Regions Round R4R7-0015 - Tomingley Multi Purpose Court	Grant	150,000
	Murray-Darling Basin Eco Dev Prog RD2 - Aerodrome Hangar - Lot 3	General Fund Reserves	150,000
	Tullamore Road Repair Grant Oaks Bridge Road Realignment - 0.00km to 1.0km	General Fund Reserves	93,531
	Drought Communities Extension Programme - Narromine Aero Club Auditorium Upgrade	General Fund Reserves	89,082
	IT Authority V7 Upgrade	General Fund Reserves	79,000
	Murray-Darling Basin Eco Dev Prog RD2 - Aerodrome Hangar - Lot 3	Grant	75,000
	Grant - Local Roads & Community Infrastructure Program - Burroway Road	General Fund Reserves	72,131
	Grant - Local Roads & Community Infrastructure Program - Cale Oval Spectator Hill	General Fund Reserves	64,000
	Fowler Engine Restoration	General Fund Reserves	58,069
	Grant - Local Roads & Community Infrastructure Program - Cale Oval Playing Area Fencing	General Fund Reserves	53,840
	Round Building - HubnSpoke Project	General Fund Reserves	50,711
	Grant - Local Roads & Community Infrastructure Program - Willydah Road	General Fund Reserves	45,416
	SCC Round 3 - Dundas Park Playground Upgrade	General Fund Reserves	42,655
	Trangie Tennis Club Upgrade - Toilets and Entrance Ramp	General Fund Reserves	41,500
	Narromine Dundas Park - Softfall	General Fund Reserves	40,000
	Grant - Local Roads & Community Infrastructure Program - Trangie Heavy Vehicle Truck Stop	General Fund Reserves	35,352
	Trangie Tennis Club Upgrade - Toilets and Entrance Ramp	Grant	30,002
	Grant - Local Roads & Community Infrastructure Program - Tomingley Drainage	General Fund Reserves	21,034
	Narromine Dundas Park Play Equipment Capital Upgrade	General Fund Reserves	16,777
	SCC Round 3 - Dundas Park Playground Upgrade	Grant	15,478
	Regional Airports Grant Program - Round 1 - Narromine Aerodrome Runway Lighting Upgrade	General Fund Reserves	13,750
	Regional Airports Grant Program - Round 1 - Narromine Aerodrome Illuminated Wind Sock	Grant	13,750
	Murray-Darling Basin Eco Dev Prog RD2 - Aerodrome Hangar - Lot 19	General Fund Reserves	13,332
	Trangie Depot Improvements - Upgrade Meal Room	General Fund Reserves	12,977
	IT Equip - Virtual Server Hardware x 2	General Fund Reserves	9,884
	IT Small Capital Works	General Fund Reserves	8,568
	Narromine Wetlands Extension	General Fund Reserves	7,781
	IT Optical Fibre Main Office to Depot	General Fund Reserves	7,029
	Grant - Local Roads & Community Infrastructure Program - Cale Oval Spectator Hill	Grant	6,000
	Regional NSW Planning Portal Grant - Capital	General Fund Reserves	5,971
	Council Offices - Council Customer Services Centre Additional Office/Walls	General Fund Reserves	5,500
Grant - Local Roads & Community Infrastructure Program - Trangie Heavy Vehicle Truck Stop	Grant	2,500	
Total			5,429,910
Water	Tomingley Water Supply Augmentation Project	Grant	270,000
	Water - Capital Works Extend Narromine Rising Main	Water Fund Reserves	249,337
	Water Electronic Water Meter Reading Equipment Capital Replacement	Water Fund Reserves	89,268
	Water Telemetry Capital Upgrade	Water Fund Reserves	56,865
	Water Telemetry Capital Upgrade	Water Fund Reserves	42,883
	Water Tomingley Treatment Plant Capital	Water Fund Reserves	37,808
	Water - Redundant Bore Remediation	Water Fund Reserves	19,126
Total			765,288
Sewer	Sewer Treatment Plant Capital Upgrade - Trangie	Sewer Fund Reserves	75,696
	Sewer Manhole Capital Upgrades	Sewer Fund Reserves	33,284
Total			108,980
Grand Total			6,304,178

Attachment 3 2020/21 Projects Not Commenced as at 30 June 2021

Fund	Desc	Funded By	Total
General	BULK LED streetlights	General Fund Reserves	297,000
	Grant - Local Roads & Community Infrastructure Pogram - Boat Ramp Rotary Park	General Fund Reserves	63,000
	2019-2020-2021 Renew Workshop Concrete Floor - Stage 2 & 3 Narromine Depot	General Fund Reserves	23,184
	Grant - Crown Reserves Improvement Fund - Trangie Showground Judges Tower Upgrade	General Fund Reserves	16,840
	Narromine Sports Centre Roof and Gutter Repairs Capital Upgrade	General Fund Reserves	7,624
	Grant - Local Roads & Community Infrastructure Pogram - Boat Ramp Rotary Park	Grant	7,000
Grand Total			414,648

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