

6.2.8 Monthly Budget Review for February 2014

REPORT BY THE MANAGER, FINANCIAL PLANNING TO 2 APRIL 2014 COUNCIL MEETING
Monthly Budget Review for February 2014
GOV400038, A0100056, FIN300062

RECOMMENDATION

That:

1. **the report by the Manager, Financial Planning on the Monthly Budget Review for February 2014 be received;**
2. **the 2013/14 Operational Plan be amended in accordance with the variations as listed on page 2 of the February 2014 Monthly Budget Review - 2013/14 Operational Plan/Delivery Program, and reproduced in the report below.**

Executive summary

This report presents to Council the February Monthly Budget Review of the 2013/14 Operational Plan.

Detailed report

Clause 202 of the *Local Government (General) Regulation 2005* states that the responsible accounting officer is to maintain a system of budgetary control that enables actual income and expenditure to be monitored each month and compared with the estimate of Council's income and expenditure and that any material difference be reported to the next meeting of Council.

This February Monthly Budget Review contains General Fund variations as follows:

- The take up of grant funding from the Rural Fire Service in order to build a heritage building at the Mudgee Airport. The estimated works this year will be \$150,000 with further grant funded works to this building to be approved next financial year;
- Provision for repairs to the emulsion tank at Mudgee Depot; and
- A reduction in expected income from S93F (Voluntary Planning Agreements) for Stage 2 of Moolarben Mine. This income is not expected until 2014/15, and has therefore been deferred.

There are also variations to the Water Fund to reallocate capital works budgets and the Saleyards Fund as specified in the table below.

Monthly Reporting:		<i>Proposed Variations</i>	
COMMUNITY PLAN THEME	VARIATION	AMOUNT	
GENERAL FUND			
Contra Variations			
Looking after our Community	Savings Mullamuddy Rural Fire Service station capital works	50,000	C
Looking after our Community	Grant funding for the Cudgegong Heritage Rural Fire Service building	100,000	C
Looking after our Community	Construction of Cudgegong Heritage Rural Fire Service building, located at Mudgee Airport	(150,000)	C
Good Government	Transfer from reserves - Asset Replacement Reserve	17,000	C
Good Government	Repairs to the emulsion tank at Mudgee depot	(17,000)	C
Good Government	Reduce transfer to VPA - Moolarben stage 2	1,500,000	C
Good Government	Defer Moolarben stage 2 VPA contributions to 2014/15	(1,500,000)	C
Total Contra Variations		0	
TOTAL GENERAL FUND		0	
WATER FUND			
Contra Variations			
Protecting our Natural Environment	Reduce water mains - capital budget only	20,000	C
Protecting our Natural Environment	Bawden Road water mains replacement - due to frequent water main breaks, it is recommended this project be moved forward from the 2014/15 program, and undertaken immediately	(20,000)	C
Protecting our Natural Environment	Transfer from unspent grants - Rylstone security of supply water monitoring	11,000	C
Protecting our Natural Environment	Rylstone security of supply water monitoring - construction of lids for the valve chamber that house control equipment funded by the grant originally (2010)	(11,000)	C
Total Contra Variations		0	
TOTAL WATER FUND		0	
SALEYARDS FUND			
Contra Variations			
Building a Strong Local Economy	Savings in electrical switch upgrade	3,000	C
Building a Strong Local Economy	Savings in post and rail replacement	2,000	C
Building a Strong Local Economy	Emergency replacement of potable water tank	(5,000)	C
Total Contra Variations		0	
TOTAL SALEYARDS FUND		(5,000)	
Code			
U - Unfavourable; F - Favourable; C - Contra			

Financial and Operational Plan implications

The proposed variations have nil impact on Council's projected unrestricted cash position to 30 June 2014.

Community Plan implications

Not applicable.



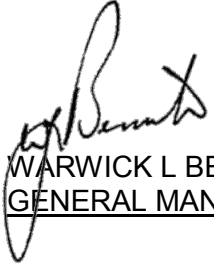
LEONIE JOHNSON
MANAGER FINANCIAL PLANNING

BRETT EXELBY
DIRECTOR, FINANCE & ADMINISTRATION

21 March 2014

Attachments: 1. Monthly Budget Review - Operational Plan/Delivery Program 2013/14 - February 2014 (included at the end of the Business Paper)

APPROVED FOR SUBMISSION:



WARWICK L BENNETT
GENERAL MANAGER