



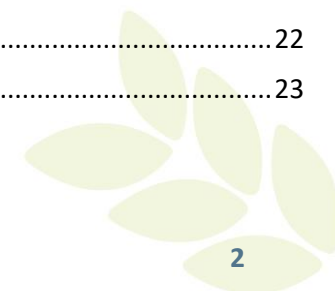
**COOTAMUNDRA-
GUNDAGAI REGIONAL
COUNCIL**

Quarterly Budget Review

30 September 2017

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Commentary

The purpose of this budget review statement is to present a summary of Council's financial position at the end of the September 2017 quarter and to report on progress made against the original budget adopted by Council in its 2017-18 Operational Plan.

This quarterly budget review has been produced from the two separate financial systems that currently exist at Cootamundra and Gundagai, and the accuracy of the information is dependent on the internal controls in place in those two systems.

The process for integrating the financial information from the two financial systems has been to reorganise both budgets in to one structure, grouping Council's functional areas based on the adopted organisational structure.

Council is currently in the process of implementing one, integrated financial system, to properly align budgets and expenditure.

Due to the differences in the way the two former council's organised their financial reporting structures, the budget line items do not always align well. There are differences in the levels that the two former councils reported to, and differences in the way they split their functional areas. Therefore, it is recognised that this budget review is limited, and will continue to develop and be improved upon. The budget will be further developed to simplify the level of reporting, reviewing budget line items and correcting any that may not have been translated correctly.

The next step in the process to prepare a single budget will be the continuation of the ongoing service review process. We are systematically reviewing each of Council's Service Units, looking for potential efficiency gains through cost savings or improved service delivery.

Staff have conducted a high level review of the integrated budget and have identified several items that should be adjusted to reflect current expectations. The budget variations detailed in this report have been recommended to Council.

Budgeted Operating Result

The Council's Income and Expenses, and Net Operating Result are reported on page 6 of this Review Statement.

The revised estimated net operating result for the year to 30 June 2018 is a deficit of \$1,703,000 (original budget was a deficit of \$4,747,000) and the revised estimated result before capital grants and contributions is a \$6,040,000 deficit (original \$5,462,000 deficit).

The deficit budget result in the 2017-18 Operational Plan is affected by significant timing differences which should be taken in to account when considering the budgeted financial results.

Net operating result excluding capital grants	(1,703)
<i>Adjusted for timing differences:</i>	
50% Financial Assistance Grant amount paid early	2,419
Merger implementation funds budgeted for expenditure	1,492
Adjusted net operating result excluding capital grants	2,209

Budget Variations to the Operating Result

The budget adjustments recommended to Council for approval in this report result in a net change to the operating result of \$3,044,000.

The material variations from the original budget for the year to date are attributed to:

Favourable variations

- There was a timing difference in the receipt of National Stronger Regions Capital Grant funding, and an additional \$183,093 is expected to be received in the current financial year, more than budgeted. This grant funding relates to the Gundagai main street redevelopment.
- The Financial Assistance Grant has been announced, and Council's share has increased by 4.39% on the previous financial year, and \$55,377 more

than budgeted.

- State Government funding of up to \$10m for the replacement of the sewerage treatment plant in Gundagai has been announced. Of the total, \$1 million has so far been allocated against expenditure that will be incurred in the current financial year.
- The Roads and Maritime Authority have approved capital funding of \$2,380,306 for flood damage repair work to be undertaken on local and regional roads.

Unfavourable variations

- Council had budgeted works in the previous financial year, and the budgets were not fully expended. The unexpended budget items were reported to the October Council meeting, and Council resolved to carry these budgets forward in accordance with the report. The additional budget expense in the current financial year is \$556,475.
- Council has resolved to donate \$30,000 towards the preparation of a business plan and interpretive plan for the Australian Road Transport Heritage Centre project.
- Council has been levied \$424,757 as its annual contribution to the State Government Emergency Services. The amount is \$45,985 more than was allowed in the current year budget.

Budget Cash Flows

The Council's Cashflow and Reserve Movements are reported on pages 19, 20 and 21 of this this Review Statement.

The revised estimated net cash movement over the year is a cash decrease of \$10,300,000 (original budget was for a cash decrease of \$7,449,000.)

Council is holding a significant amount of funding that is planned for expenditure on project and capital items over the course of the current financial year.



for the quarter ended 30th September 2017

Income & Expenses Budget Review	Original Budget	Recommended changes for Council resolution	Notes	Projected Budget	Actual YTD
	2018 \$'000			2018 \$'000	2018 \$'000
Income from continuing operations					
Rates and annual charges	12,332	-		12,332	9,833
User charges and fees	5,548	-		5,548	670
Interest and investment revenue	690	-		690	144
Other revenues	358	50	1	408	72
Operating grants and contributions	5,694	129	2	5,823	1,465
Capital grants and contributions	715	3,621	3	4,337	256
Net gain from the disposal of assets	50	-		50	-
Total Income	25,388	3,801		29,188	12,440
Expenses from continuing operations					
Employee benefits and on-costs	11,657	5	4	11,661	2,853
Borrowing costs	161	-		161	-
Materials and contracts	5,864	698	5	6,562	2,538
Depreciation and amortisation	8,104	-		8,104	2,648
Other expenses	4,348	54	6	4,402	849
Net loss from the disposal of assets	-	-		-	-
Total Expenses	30,134	757		30,891	8,888
Net Operating Result	(4,747)	3,044		(1,703)	3,552
Net operating result before grants and contributions provided for capital purposes	(5,462)	(578)		(6,040)	3,296

Budget Income Statement	Original Budget 2018 \$'000	Recommended changes for Council resolution \$'000	Projected Budget 2018 \$'000
Income by function			
Executive Office	-	-	-
Civic Leadership	1	-	1
Human Resources	74	-	74
Community Engagement	-	-	-
Project Management Office	-	-	-
Total Income	74	-	74
Expenses by function			
Executive Office	416	-	416
Civic Leadership	328	(21)	307
Human Resources	1,210	85	1,295
Community Engagement	99	-	99
Project Management Office	2,028	-	2,028
Total Expenses	4,081	64	4,146
Net Operating Result	(4,007)	(64)	(4,071)

Budget Income Statement	Original Budget 2018 \$'000	Recommended changes for Council resolution \$'000	Projected Budget 2018 \$'000
Income from continuing operations			
Development and Building	306	-	306
Regulatory Services	267	-	267
Tourism and Economic Development	95	50	145
Community Services	4	-	4
Libraries	75	-	75
Total Income	747	50	797
Expenses from continuing operations			
Development and Building	567	-	567
Regulatory Services	855	29	884
Tourism and Economic Development	610	160	770
Community Services	32	4	36
Libraries	607	-	607
Total Expenses	2,671	193	2,864
Net Operating Result	(1,923)	(143)	(2,067)

Budget Income Statement	Original Budget 2018 \$'000	Recommended changes for Council resolution \$'000	Projected Budget 2018 \$'000
Income from continuing operations			
Governance and Business Systems	-	-	-
Information Technology	-	-	-
Customer Service	12	-	12
Finance	9,969	55	10,024
Internal Allocation of Overhead Costs	(108)	-	(108)
Total Income	9,873	55	9,929
Expenses from continuing operations			
Governance and Business Systems	557	-	557
Information Technology	591	-	591
Customer Service	273	-	273
Finance	758	-	758
Internal Allocation of Overhead Costs	(1,382)	-	(1,382)
Total Expenses	797	-	797
Net Operating Result	9,077	55	9,132

Budget Income Statement	Original Budget 2018 \$'000	Recommended changes for Council resolution \$'000	Projected Budget 2018 \$'000
Income from continuing operations			
Infrastructure	4,237	2,380	6,617
Plant Management	333	-	333
Buildings and Property Management	455	-	455
Noxious Weeds	71	-	71
Recreation Facilities	183	58	241
Waste Management	2,237	-	2,237
Total Income	7,517	2,438	9,955
Expenses from continuing operations			
Infrastructure	9,672	-	9,672
Plant Management	197	-	197
Buildings and Property Management	1,634	28	1,662
Noxious Weeds	303	-	303
Recreation Facilities	1,847	41	1,888
Waste Management	2,014	85	2,099
Total Expenses	15,667	154	15,821
Net Operating Result	(8,151)	2,285	(5,866)

Budget Income Statement	Original Budget 2018 \$'000	Recommended changes for Council resolution \$'000	Projected Budget 2018 \$'000
Income from continuing operations			
Asset Management	-	-	-
Land Development	50	-	50
Water and Sewer	6,230	1,000	7,230
Emergency Management	365	74	439
Major Projects	531	183	714
Total Income	7,176	1,257	8,433
Expenses from continuing operations			
Asset Management	700	-	700
Land Development	50	-	50
Water and Sewer	5,331	660	5,991
Road Safety	35	-	35
Emergency Management	710	141	852
Major Projects	93	(456)	(363)
Total Expenses	6,918	346	7,264
Net Operating Result	258	911	1,169

Income & Expenses Budget Review

Budget variations being recommended include the following material items:

Notes Details

1	50,000	The former Gundagai Shire Council made a successful bid to host the Australian Local Government Womens Association (ALGWA) conference in 2018. It is estimated that the conference will generate enough income to cover the estimated expenses of \$50,000, however the risk is borne by Council.
2	74,007	Council has been granted \$93,399 to prepare a floodplain risk management study and plan for Gundagai. The project commenced last financial year, and will be concluded by May 2018. \$74,007 grant income is to be received in the current year.
	55,377	Council has received confirmation of the amount of the Financial Assistance Grant for the 2017-18 year. The Federal Government resumed indexation of the grants, after pausing it for three years. The total grant amount has increased by 4.39% on the previous financial year, exceeding the amount budgeted. This Federal funding is a critical source of revenue for Council, being approximately \$430 per person.
	129,384	
3	8,000	The former Cootamundra Shire Council agreed to assist the Cootamundra Beach Volleyball committee to purchase and erect a shed on the pool grounds. The Committee will reimburse Council for the cost of the shed.
	183,093	The remaining funding payments of \$640,843 from the National Stronger Regions Fund for the Sheridan Street redevelopment are expected to be received in the current financial year. This is a change of timing and exceeds the budget amount \$457,750 in the current year.
	50,000	The Manager of Social and Community has advised that the National Rugby League are holding \$50,000 in funding contributions for the upgrade of the Stan Crowe Oval amenities building.
	1,000,000	The Hon Katrina Hodgkinson, MP, announced funding of up to \$10 m from the NSW Government for the replacement of the sewerage treatment plant in Gundagai. Council had budgeted \$1million expenditure out of the Sewerage Reserve funds in the current financial year, that will now be funded through capital grants.
	2,380,306	As reported to the August Council meeting, the RMS have approved funding of \$2,380,306 for flood damage repair to local and regional roads.
	3,621,399	
4 & 5	95,387	Council has been granted \$93,399 toward the cost of preparing a floodplain risk management study and plan for Gundagai. Council's contribution to the project cost is an additional \$15,567. The project commenced last financial year, and will be completed by May 2018.
	3,255	Recommendation for unexpended budget to be rolled over from previous financial year - Wallendbeen hall major maintenance
	5,000	Recommendation for unexpended budget to be rolled over from previous financial year - Memorial Wall North Gundagai Cemetery
	4,000	Recommendation for unexpended budget to be rolled over from previous financial year - Gundagai Lawn Cemetery

Income & Expenses Budget Review

Budget variations being recommended include the following material items:

Notes Details

4 & 5	40,755	Recommendation for unexpended budget to be rolled over from previous financial year - Carberry Park masterplan
	194,424	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Remediation of underground petroleum storage systems
	919	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - NAIDOC week celebrations
	77,441	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Old Gundagai gaol masterplan and moonlight display
	19,864	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Responsible pet ownership program
	2,381	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Back to business week grant
	84,931	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Organics waste collection grant
	4,008	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Gundagai Youth Project
	84,789	Recommendation for unexpended budget to be rolled over from previous financial year - Risk Management Improvements
	24,708	Recommendation for unexpended budget to be rolled over from previous financial year - Remediation of the ex AGL site
	10,000	Recommendation for unexpended budget to be rolled over from previous financial year - GIS equipment
	50,000	The former Gundagai Shire Council made a successful bid to host the Australian Local Government Womens Association (ALGWA) conference in 2018. It is estimated that the conference will generate enough income to cover the estimated expenses of \$50,000, however the risk is borne by Council.
	640	The Gundagai Regional Enhancement Group (GREG) have requested a Council contribution for the purchase of the Old Mill building in Sheridan Lane Gundagai. They would like to develop the site as part of an interpretation project focusing on the Old Town and the local indigenous history. A structural assessment of this building is a pre-cursor to the development of the site, and needs to be undertaken. Staff have recommended a Council contribution of \$640 to complete the structural assessment.
	702,502	
6	1,500	The Mayor and Deputy Mayor have authorised a donation of \$1,500 to the GREG Christmas Decorations Committee.
	(23,077)	The original budget allowed for 3 months of committee fees and expenses for the Implementation Advisory Group and the Local Representative Committees. As those committees were wound up in July 2017, there is a budget saving of \$23,077.

Income & Expenses Budget Review

Budget variations being recommended include the following material items:

Notes Details

6	45,985	Council has received notification of the Emergency Services Levy payable to the State Government to assist them with provision of the NSW Rural Fire Service, State Emergency Service and Fire and Rescue NSW. The total levy payable for the current year is \$424,757, and Council's original budget of \$378,772 will not be sufficient. The levy charged by the State Government to Local Governments has been increasing significantly over the past several years.
	30,000	At its July meeting, Council resolved to provide funding of \$30,000 for the preparation of a business plan and interpretive plan for the Australian Road Transport Heritage Centre project.
	54,408	

for the quarter ended 30th September 2017

	Actual 30-Jun-17 \$'000	Original budget movement \$'000	Original Budget 30-Jun-18 \$'000	Recommended changes for Council resolution \$'000	Projected Budget 30-Jun-18 \$'000
Budget Balance Sheet					
Assets					
Current Assets					
Cash and cash equivalents	41,382	(7,449)	33,932	(2,851)	31,081
Receivables	3,148	-	3,148	-	3,148
Inventories	1,163	-	1,163	-	1,163
Other	1	-	1	-	1
Total Current Assets	45,694	(7,449)	38,244	(2,851)	35,393
Non-Current Assets					
Receivables	-	-	-	-	-
Inventories	826	-	826	-	826
Infrastructure, property, plant and equipment	369,624	2,253	371,877	5,895	377,772
Total Non-Current Assets	370,450	2,253	372,703	5,895	378,598
Total Assets	416,144	(5,196)	410,947	3,044	413,991
Liabilities					
Current Liabilities					
Payables	2,375	-	2,375	-	2,375
Borrowings	410	-	410	-	410
Provisions	3,026	-	3,026	-	3,026
Total Current Liabilities	5,811	-	5,811	-	5,811
Non-Current Liabilities					
Borrowings	3,049	(450)	2,599	-	2,599
Provisions	271	-	271	-	271
Total Non-Current Liabilities	3,320	(450)	2,870	-	2,870
Total Liabilities	9,131	(450)	8,681	-	8,681
Net Assets	407,013	(4,747)	402,266	3,044	405,310
Equity					
Retained Earnings	405,346	(4,747)	400,599	3,044	403,643
Revaluation Reserves	1,667	-	1,667	-	1,667
Total Equity	407,013	(4,747)	402,266	3,044	405,310

Capital Budget Review Statement	Original Budget	Recommended changes for Council resolution	Notes	Projected Budget	Actual YTD
	2018			2018	2018
Capital expenditure - by class					
Plant and equipment	1,478,250	20,000	1	1,498,250	478,871
Office equipment	35,000	-		35,000	-
Buildings	85,000	620,099	2	705,099	6,627
Land improvements	25,000	-		25,000	-
Other structures	-	425,000	3	425,000	45
Roads, bridges and footpaths	3,261,685	4,221,210	4	7,482,895	496,089
Stormwater drainage	205,000	-		205,000	-
Water supply network	63,891	584,927	5	648,818	8,686
Sewerage network	1,836,278	-		1,836,278	11,576
Other assets	30,180	23,800	6	53,980	61,926
Stronger Communities Infrastructure Fund	4,000,000	-		4,000,000	-
Total	11,020,284	5,895,036		16,915,320	1,063,820
Capital expenditure - by type					
New	45,120	506,300		551,420	
Upgrade	1,619,381	2,306,701		3,926,082	
Renewal	9,355,783	3,082,035		12,437,818	
Total	11,020,284	5,895,036		16,915,320	
Capital funding					
Rates and other untied funding	1,533,803	46,755		1,580,558	
Capital grants and contributions	5,777,882	3,038,202		8,816,084	
Loans	-	1,398,831		1,398,831	
Externally restricted reserves	2,105,169	596,227		2,701,396	
Internally restricted reserves	1,603,430	815,021		2,418,451	
Total	11,020,284	5,895,036		16,915,320	

Capital Budget Review

Budget variations being recommended include the following material items:

Notes Details

1	20,000	Recommendation for unexpended budget to be rolled over from previous financial year - Fisher and Nicholson Park irrigation
2	11,300	The former Cootamundra Shire Council agreed to assist the Cootamundra Beach Volleyball committee to purchase and erect a shed on the pool grounds. The Committee will reimburse the cost of the shed, and will be responsible for the installation and erection of the shed, with Council to pay for some site preparation and the relocation of existing fencing. Council's total contribution is estimated to be \$3,300
	193,236	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Gundagai library extension
	18,885	Recommendation for unexpended budget to be rolled over from previous financial year - Gundagai Council admin building renovations
	10,000	Recommendation for unexpended budget to be rolled over from previous financial year - Visitors Centre roof renewal
	151,608	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Old Primary School and Mens Shed building renewal
	15,000	Recommendation for unexpended budget to be rolled over from previous financial year - bathroom renovations at Gundagai depot
	18,870	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Multipurpose venue at the Cootamundra Showground
	71,200	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Stan Crowe Oval amenities
	50,000	The Manager of Social and Community has advised that the National Rugby League are holding \$50,000 in funding contributions for the upgrade of the Stan Crowe Oval amenities building
	80,000	At its August meeting, Council resolved to provide funding of \$80,000 for the construction of the new amenities building at Country Club Oval
	620,099	

Capital Budget Review

Budget variations being recommended include the following material items:

Notes Details

3	120,000	The former Cootamundra Shire Council had planned for the construction of a recycling shelter and recycling drop off area. The amount is fully funded through the waste management reserve.
	35,000	The former Cootamundra Shire Council had planned for the installation of two gates at the entry points to the Cootamundra transfer station, and a boom gate at the weighbridge. The amount is fully funded through the waste management reserve.
	150,000	Recommendation for unexpended budget to be rolled over from previous financial year - Closure of the Wallendbeen and Stockinbingal Transfer Stations
	120,000	At its August meeting, Council resolved to purchase two containerised fuel tanks for both the Gundagai and Cootamundra Depots. The total cost was to be funded through the Council's plant reserves.
	425,000	
4	1,570,904	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Sheriden Street upgrade
	20,000	Recommendation for unexpended budget to be rolled over from previous financial year - Wallendoon Street footpath adjacent to the Art Centre
	250,000	Recommendation for unexpended budget to be rolled over from previous financial year - Sheridan and West Street round-a-bout
	2,380,306	As reported to the August Council meeting, the RMS have approved funding of \$2,380,306 for flood damage repair to local and regional roads
	4,221,210	
5	569,927	Recommendation for unexpended budget to be rolled over from previous financial year - Cootamundra phased water mains renewal
	15,000	Recommendation for unexpended budget to be rolled over from previous financial year - Gundagai reservoir roof renewal
	584,927	
6	23,800	Recommendation for unexpended grant to be reinstated as a budget in the current financial year - Old Gundagai gaol masterplan and moonlight display

for the quarter ended 30th September 2017

Budget Cash-Flow Statement**Cash flows from operating activities**

Receipts:

Rates and annual charges	12,332	-	12,332
User charges and fees	5,548	-	5,548
Investment and interest revenue received	690	-	690
Grants and contributions	6,409	3,751	10,160
Other	358	50	408

Payments:

Employee benefits and on-costs	(11,657)	(5)	(11,661)
Materials and contracts	(5,864)	(698)	(6,562)
Borrowing costs	(161)	-	(161)
Other	(4,348)	(54)	(4,402)

Net cash provided (or used in) operating activities

3,308 3,044 6,352

Cash flows from investing activities

Receipts:

Sale of infrastructure, property, plant and equipment	713	-	713
Deferred debtors receipts	-	-	-

Payments:

Purchase of property, plant and equipment	(11,020)	(5,895)	(16,915)
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Net cash provided (or used in) investing activities

(10,307) (5,895) (16,202)

Cash flows from financing activities

Receipts:

New loans	-	-	-
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Payments:

Repayment of borrowings and advances	(450)	-	(450)
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Net cash provided (or used in) investing activities

(450) - (450)

Net increase / (decrease) in cash

(7,449) (2,851) (10,300)

Cash at the beginning of the year

41,382 41,382

Cash at the end of the year

33,932 31,081

for the quarter ended 30th September 2017

	Actual 30-Jun-17	Original Budget Cashflows	Original Budget 30-Jun-18	Recommended changes for Council resolution	Notes	Projected year end result
Cash & Investments						
Externally restricted cash & investments						
Developers Contributions	-	60,000	60,000	-		60,000
Sheridan Street Upgrade Loan Funds	398,832	-	398,832	(398,832)	1	-
Specific Purpose Unexpended Grants & Contributions	1,584,993	-	1,584,993	(709,604)	2	875,389
Water network infrastructure	4,634,622	661,669	5,296,291	(894,927)	3	4,401,364
Sewer network infrastructure	4,422,549	(529,460)	3,893,089	650,000	4	4,543,089
Gundagai Town Improvement District	1,197,545	-	1,197,545	(40,755)	5	1,156,790
Domestic Waste Management	1,669,722	366,860	2,036,582	(305,000)	6	1,731,582
Stormwater infrastructure renewal	245,931	-	245,931	-		245,931
Total externally restricted	14,154,194	559,069	14,713,263	(1,699,118)		13,014,145
Internally restricted cash & investments						
Merger Implementation Fund	3,698,317	(1,999,940)	1,698,377	-		1,698,377
Stronger Communities Fund	8,920,259	(4,000,000)	4,920,259	-		4,920,259
Aerodrome Bitumen Resurfacing	233,686	1,166	234,852	-		234,852
Bradman's Birthplace	22,814	11,330	34,144	-		34,144
Coolac bypass	103,810	(25,375)	78,435	-		78,435
Cootamundra Caravan Park	64,623	(48,685)	15,939	-		15,939
Council Election Reserve	-	-	-	-		-
Development	578,902	115,458	694,360	-		694,360
Employee Leave Entitlements	1,396,215	-	1,396,215	-		1,396,215
Financial Assistance Grant	2,422,943	(2,419,096)	3,847	(3,847)	7	-
Heritage Centre	6,395	2,000	8,395	-		8,395
Incomplete Works	1,057,938	93,333	1,151,271	(918,506)	8	232,765
Plant Replacement	2,465,593	147,809	2,613,402	(120,000)	9	2,493,402
Quarries & Pit Restoration	79,375	1,184	80,559	-		80,559
Saleyards	264,697	66,272	330,969	-		330,969
Special Projects	421,953	29,165	451,118	(15,000)	10	436,118

for the quarter ended 30th September 2017

Cash & Investments	Actual 30-Jun-17	Original Budget Cashflows	Original Budget 30-Jun-18	Recommended changes for Council resolution	<i>Notes</i>	Projected year end result
Swimming Pool Pump & Equipment	6,288	3,000	9,288	-		9,288
Total internally restricted	21,743,808	(8,022,379)	13,721,429	(1,057,353)		12,664,076
Unrestricted cash & investments	5,483,547	14,147	5,497,694	(94,691)	11	5,403,003
Total cash & investments	41,381,549	(7,449,163)	33,932,386	(2,851,162)		31,081,224

Cash and Investments Budget Review

Comment on cash and investments position

The Cash and Investments position has been adjusted to reflect the budget adjustments detailed in this report.

Investments

Investments have been invested in accordance with the former Councils' investment policies.

Cash

The cash at bank amount is reconciled daily (work days) to Council's physical bank statements.
The balance in the Council's General Bank Account was \$2,052,101 as at 30 September 2017.

Reconciliation

The YTD Cash & Investment figure, reconciled to the actual balances held, is made up of:

Investments on Hand	39,726,851
Cash at Bank	2,052,101
Reconciled cash at bank and investments	41,778,952

Cash and Investments Budget Review

Budget variations being recommended include the following material items:

Notes Details

1	(398,832)	The remaining unexpended portion of loan funds borrowed for the Sheridan Street development will be fully utilised in the current financial year.
2	(709,604)	Council received grant funding in the previous financial year that was not fully expended. The unexpended budget items were reported to the October Council meeting, and Council resolved to carry these budgets forward in accordance with the report.
3	(300,000) (594,927) (894,927)	The budget for the Sheridan Street redevelopment includes \$300,000 contribution from the Water Fund. This amount will be recognised in the current financial year. At its October meeting, Council resolved to carry forward unexpended budgets from the previous financial year in to the current financial year.
4	(350,000) 1,000,000 650,000	The budget for the Sheridan Street redevelopment includes \$350,000 contribution from the Sewer Fund. This amount will be recognised in the current financial year. The Hon Katrina Hodgkinson, MP, announced funding of up to \$10 m from the NSW Government for the replacement of the sewerage treatment plant in Gundagai. Council had budgeted \$1million expenditure out of the Sewerage Reserve in the current financial year, that will now be funded through capital grants.
5	(40,755)	At its October meeting, Council resolved to carry forward the unexpended budget for the Carberry Park Masterplan from the previous financial year.
6	(305,000)	The former Cootamundra Shire Council has planned for extensive improvements at the Cootamundra landfill site, and the closure of the Village transfer stations at Stockinbingal and Wallendbeen. All the works were to be fully funded from the waste management reserve. Works at the Cootamundra landfill will involve the construction of a shelter over the recycling drop-off area, two gates at the entry points, and a boom gate at the weighbridge.
7	(3,847)	Council received an advance payment of the Financial Assistance Grant in June 2017, required for Council operations in the 2017-18 financial year. The amount of the advance payment was underestimated in the budget figures by \$3,847.

Cash and Investments Budget Review

Budget variations being recommended include the following material items:

Notes Details

8	(918,506)	At its October meeting, Council resolved to carry forward unexpended budgets from the previous financial year.
9	(120,000)	At its August meeting, Council resolved to purchase two containerised fuel tanks for both the Gundagai and Cootamundra Depots. The total cost was to be funded through the Council's plant reserves.
10	(15,000)	At its April meeting, Council resolved to approve a loan of up to \$15,000 to the Cootamundra APH&I Association to enable the completion of the construction of a new multi-purpose building at the Cootamundra Showground. It was resolved that the loan be funded from the Special Projects Reserve and be repaid on an annual basis over a maximum six year term, with interest to be calculated based on Council's investment returns. The APH&I Association are now completing the project, and are expected to draw down the maximum loan amount of \$15,000 in the coming months.
11	(15,567)	Council has been granted \$93,399 toward the cost of preparing a floodplain risk management study and plan for Gundagai. Council's contribution to the project cost is an additional \$15,567. The project commenced last financial year, and will be completed by May 2018.
	(3,300)	The former Cootamundra Shire Council agreed to assist the Cootamundra Beach Volleyball committee to purchase and erect a shed on the pool grounds. The Committee will reimburse the cost of the shed, and will be responsible for the installation and erection of the shed, with Council to pay for some site preparation and the relocation of existing fencing. Council's total contribution is estimated to be \$3,300
	(1,500)	The Mayor and Deputy Mayor have authorised a donation of \$1,500 to the GREG Christmas Decorations Committee.
	59,224	Council has received confirmation of the amount of the Financial Assistance Grant for the 2017-18 year. The Federal Government resumed indexation of the grants, after pausing it for three years. The total grant amount has increased by 4.39% on the previous financial year, exceeding the amount budgeted. This Federal funding is a critical source of revenue for Council, and amounts to a contribution of approximately \$430 per person.
	23,077	The original budget allowed for 3 months of committee fees and expenses for the Implementation Advisory Group and the Local Representative Committees. As those committees were wound up in July 2017, there is a budget saving of \$23,077.
	(640)	The Gundagai Regional Enhancement Group (GREG) have requested a Council contribution for the purchase of the Old Mill building in Sheridan Lane Gundagai. They would like to develop the site as part of an interpretation project focusing on the Old Town and the local indigenous history. A structural assessment of this building is a pre-cursor to the development of the site, and needs to be undertaken. Staff have recommended a Council contribution of \$640 to complete the structural assessment.

Cash and Investments Budget Review

Budget variations being recommended include the following material items:

Notes Details

11	(45,985)	Council has received notification of the Emergency Services Levy payable to the State Government to assist them with provision of the NSW Rural Fire Service, State Emergency Service and Fire and Rescue NSW. The total levy payable for the current year is \$424,757, and Council's original budget of \$378,772 will not be sufficient. The levy charged by the State Government to Local Governments has been increasing significantly over the past several years.
	(30,000)	At its July meeting, Council resolved to providing funding of \$30,000 for the preparation of a business plan and interpretive plan for the Australian Road Transport Heritage Centre project.
	(80,000)	At its August meeting, Council resolved to provide funding of \$80,000 for the construction of the new amenities building at Country Club Oval.
	(94,691)	

COOTAMUNDRA-GUNDAGAI REGIONAL COUNCIL

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