



DIRECTOR CORPORATE AND COMMUNITY SERVICES REPORT

2 February 2010

DCCS4	FINANCIAL STATEMENT FOR THE PERIOD TO 31 DECEMBER 2009		
	FILE: 321	AVB (NRN)	{Folio No. *}

SUMMARY:

Reporting that the Budget Review for the quarter ending 31 December 2009 has been prepared for all funds.

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DESCRIPTION:

The Budget Review Summary is attached at [\(Appendix H Part 1, Part 2, Part 3 – Page CCS19\)](#)

The Budget review summary incorporates a Note’s section outlining major variations for the quarter.

A comparison of the estimated financial result of each fund for the quarter is as follows:

Fund	September Budget Review	December Budget Review	December Quarter Variances
General	142,277 (D)	136,719 (D)	5,558 (S)
Water	0	0	0
Sewer	0	0	0

General Fund

The Budget Review shows a revised deficit as at the close of the quarter of \$136,719 representing a reduction of \$5,558.

Significant variations in **revenue** funded items that contributed to the result in the quarter are set out below:

Surplus Variations

Increased Income:

Waste depot fees	274,544
Animal Control	8,850

Decreased Expenditure:

Salaries (Net – General Revenue Funded Only)	38,262
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Deficit Variations

Decreased Income

Building Fees	30,600
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Increased Expenditure:

Waste Depot Operation	65,936
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Waste Levy	55,000
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Flood Damage	45,484
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Baths	67,547
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Working funds comprise those uncommitted funds held by council from surpluses generated in previous years. By nature working funds are readily convertible to cash in the short term. The working funds provide council with a buffer against the impact of significant unbudgeted financial imposts. It is considered prudent to maintain the level of working funds at \$650,000.

Council current working fund balance is set out below:.

Balance 1/7/2009	\$922,900
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Plus: 2009 / 10 budgeted result	-
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	\$136,719
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Estimated Balance 30/6/2010	\$786,181
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Water Fund

The review maintains a balanced budget with an additional transfer to the Augmentation Reserve of \$111,711.

The variations in revenue funded items in the quarter are set out below:

Increased Income:

Water Sales	207,480
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Increased Expenditure:

Pumping Stations – Electricity	90,000
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Decreased Expenditure:

Pumping Stations – Operations & Repairs	35,000
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Working Funds

The working funds balance as at 30 June 2010 is estimated to be \$327,275.

Sewerage Fund

The review maintains a balanced budget utilising \$120,127 from previous surpluses held in the Water Augmentation Reserve.

The significant variations in revenue funded items in the quarter are set out below:

Increased Expenditure:

Treatment Plant - operation & maintenance	22,240
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Pump Stations – operation & maintenance	83,278
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Sewer – Repairs	80,750
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Increased Income:

Sewer volumetric charges	47,945
Investment Income	20,000

The working funds balance as at 30 June 2010 is estimated to be \$708,148.

RECOMMENDATION IMPLICATIONS:

• **Environmental**

Nil

• **Social**

Nil

• **Economic (Financial)**

The financial implications of the following recommendation would be:

- a. A decrease in the General Fund budgeted deficit in the amount of \$5,558.*
- b. A zero variation in the Water and Sewer Fund budgeted result.*

• **Policy or Statutory**

Nil

• **Director's Review**

As per report.

RECOMMENDATION:

That the Budget Review for the period ending 31 December 2009 is adopted and the variations contained therein be approved and financed from the sources as indicated.