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Report by Responsible Accounting Officer

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2005:

31 March 2017

It is my opinion that the Quarterly Budget Review Statement for Snowy Valleys Council for the quarter ended 31/03/17 indicates that Council's projected financial position at 30/6/17 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed:



John Proctor
Responsible Accounting Officer

date:

25/5/17

Snowy Valleys Council

Quarterly Budget Review Statement
for the period 01/01/17 to 31/03/17

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 March 2017

Income & Expenses - Council Consolidated

(\$000's)	Original Budget 2016/17	Approved Changes				Revised Budget 2016/17	Variations for 13 May to June 2016	Variations for this Mar Qtr	Notes	Projected Year End Result	Actual YTD figures
		Carry Forwards	Other than QBRs	Sep QBRs	Dec QBRs						
Income											
Rates and Annual Charges	17,721	-	-	-	-	17,721	864	-	18,585	15,355	
User Charges and Fees	17,842	-	-	397	21	18,260	600	(353)	18,507	14,493	
Interest and Investment Revenues	925	-	-	-	-	925	(47)	-	878	743	
Other Revenues	802	-	-	-	-	802	35	-	837	633	
Grants & Contributions - Operating	10,497	-	-	(53)	-	10,444	5,713	-	16,157	13,440	
Grants & Contributions - Capital	7,457	-	-	24	14	7,495	10,006	-	17,501	10,146	
Net gain from disposal of assets	30	-	-	-	-	30	36	-	66	276	
Share of interests in Joint Ventures	-	-	-	-	-	-	-	-	-	-	
Total Income from Continuing Operations	55,274	-	-	368	35	55,677	17,207	(353)	72,531	55,086	
Expenses											
Employee Costs	16,811	-	-	77	(22)	16,866	2,883	(8)	19,741	13,961	
Borrowing Costs	695	-	-	-	-	695	34	-	729	604	
Materials & Contracts	13,219	-	-	357	234	13,810	1,632	83	15,525	15,737	
Depreciation	10,924	-	-	-	-	10,924	1,015	-	11,939	9,287	
Other Expenses	5,147	-	1,385	11	-	6,543	277	-	6,820	4,591	
Interest & Investment Losses	250	-	-	-	-	250	52	-	302	181	
Net Loss from disposal of assets	-	-	-	-	-	-	-	-	-	-	
Share of interests in Joint Ventures	-	-	-	-	-	-	-	-	-	-	
Total Expenses from Continuing Operations	47,046	-	1,385	445	212	49,088	5,893	75	55,056	44,361	
Net Operating Result from Continuing Operations	8,228	-	(1,385)	(77)	(177)	6,589	11,314	(428)	17,475	10,725	
Discontinued Operations - Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	
Net Operating Result from All Operations	8,228	-	(1,385)	(77)	(177)	6,589	11,314	(428)	17,475	10,725	
Net Operating Result before Capital Items	771	-	(1,385)	(101)	(191)	(906)	1,308	(428)	(26)	579	

Snowy Valleys Council

Quarterly Budget Review Statement
for the period 01/01/17 to 31/03/17

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 March 2017

Income & Expenses - Council Consolidated

(\$000's) Income	Original Budget 2016/17	Approved Changes				Revised Budget 2016/17	Variations for 13 May to June 2016	Variations for this Mar Qtr	Notes	Projected Year End Result	Actual YTD figures
		Carry Forwards	Other than by QBRs	Sep QBRs	Dec QBRs						
Administration											
Administration	-	-	-	-	-	15,005	-	1	15,005	15,105	
Corporate Support	171	-	-	-	171	1	13	2	185	134	
Engineering Works /Assets & Design	215	-	-	-	215	55	-	1	270	179	
Governance	6	-	-	-	6	24	-	1	30	36	
Other Support Services	88	-	-	-	88	353	-	1	441	-	
Public Order & Safety											
Emergency Services/RFS	873	-	-	-	887	43	8	1	938	201	
Animal Control	56	-	-	-	56	6	-	-	62	39	
Local Govt Regs Enforcement	2	-	-	-	2	-	-	-	2	-	
Administration & Inspections	58	-	-	-	64	-	-	-	64	16	
Noxious Weeds	63	-	-	-	63	-	2	-	65	58	
Community Services & Education											
Community Programs and Grants	128	-	-	-	128	14	-	1	142	383	
Community Development	80	-	-	-	80	-	-	-	80	31	
Education	1,290	-	-	-	1,290	168	33	1, 3	1,491	752	
Health Centre	81	-	-	-	81	3	-	-	84	41	
Youth Services	3	-	-	-	3	-	-	-	3	1	
Aged & Disabled	434	-	-	-	434	129	23	1, 4	586	245	
Other Community Services	-	-	-	-	-	-	-	-	-	-	
Housing & Community Amenities											
Town Planning	166	-	-	-	166	45	3	1	214	192	
Public Conveniences	-	-	-	-	-	-	-	-	-	-	
Cemeteries	213	-	-	-	213	46	6	1	265	227	
Stormwater/Drainage	26	-	-	-	26	4	-	-	30	28	
Street Cleaning	-	-	-	-	-	-	-	-	-	-	
Other Community Amenities	-	-	-	-	-	-	-	-	-	-	
Environmental Projects	10	-	-	-	10	9	-	-	19	10	
Domestic Waste Management	2,160	-	-	-	2,160	288	2	1	2,450	2,495	
Other Waste Management	153	-	-	-	153	14	3	1	170	130	

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Details
1	Variations due to merger date of 12th May 2016. Income and expenditure from period 12 of 2015/2016 needs to be carried forward, to report in the current financial year.
2	Additional income received from Southern Phone being for Dividend received 2016/17
3	Increased income for Education due to an increase in children's enrolments in both Tumboosh & Carcoola.
4	Increased income for Aged & Disabled due to an increase in services provided to clients
5	Grant income for Upper Murray Songlines project
6	Increased income from Sewerage user charges.
7	Additional income received from Building certificates.
8	Adjustments to funding from RMS as the end of year draws closer. Ordered works reduced by \$860K, Block & Repair funding increased by \$111K and additional Flood funding of \$350K.
9	Funding received for Hume & Hovell website project
10	Funding received for Back to Business week program \$10K
11	Increased Corporates services wages \$140K and reduced Computer & IT costs \$11K
12	Increased Engineering & Environmental wages
13	Reviewed operations and reduced expenditure for Childcare services.
14	Reviewed operations and reduced expenditure for Aged & Disabled services.
15	Increased Street cleaning in both Tumbarumba & Khancoban townships
16	Increased Library wages, due to increased community programs held within the library.
17	Saving of \$22K for the operations of the Khancoban swimming pool.
18	Bull Paddock top dressing to be capitalised - improvements to site
19	Reduced maintenance costs to Sporting grounds
20	Water Meter Replacement project continued - funded from Cloverdale Reticulation Main
21	Increased expenditure in the Sewerage operations, Tumbarumba \$62K & Khancoban \$20K
22	Increased gravel expenditure in winning costs.
23	Reduced expenditure for RMS to reflect income as above.
24	Favourable adjustment to Urban Roads expenditure, as projects are completed
25	Tumut Airpark Feasibility Report
26	Saving in Economic Development for this financial year, due to merger process.
27	Increased expenditure for Hume & Hovell project of \$9K as noted above 9 and Tumbafest expenses \$23K

Capital Budget Review Statement

Budget review for the quarter ended 31 March 2017

Capital Budget - Council Consolidated

(\$'000's)	Original Budget 2016/17	Approved Changes				Revised Budget 2016/17	Variations for 13 May to June 2016	Variations for this Mar Qtr	Notes	Projected Year End Result	Actual YTD figures
		Carry Forwards	Other than by QBRs	Sep QBRs	Dec QBRs						
Capital Expenditure											
New Assets											
- Plant & Equipment	42	-	-	-	42	20	-	1	62	30	
- Land & Buildings	1,702	155	-	-	1,857	-	(1,155)	2	702	419	
- Roads, Bridges, Footpaths	95	360	-	-	455	12	(4)	1	463	70	
- Other	3,025	304	-	(3)	3,326	-	(3,488)	3	(162)	297	
Renewal Assets (Replacement)											
- Plant & Equipment	1,364	41	-	7	1,412	284	64	1, 4	1,760	842	
- Land & Buildings	502	577	-	-	1,079	-	158	5	1,237	222	
- Roads, Bridges, Footpaths	8,049	771	-	-	8,820	276	(3,563)	1, 6	5,533	2,997	
- Other	4,853	523	-	151	5,527	119	247	1, 7	5,893	1,576	
Loan Repayments (Principal)	1,038	-	-	-	1,038	86	-	1	1,124	677	
Total Capital Expenditure	20,670	2,731	-	155	23,556	797	(7,741)		16,612	7,130	
Capital Funding											
Rates & Other Untied Funding	6,607	-	-	(18)	6,589	247	380		7,216	3,595	
Capital Grants & Contributions	8,416	-	-	14	8,430	-	(6,700)		1,730	1,027	
Reserves:											
- External Restrictions/Reserves	2,196	296	-	155	2,647	200	(871)		1,976	1,538	
- Internal Restrictions/Reserves	2,451	2,435	-	4	4,890	350	(50)		5,190	970	
New Loans	1,000	-	-	-	1,000	-	(500)		500	-	
Total Capital Funding	20,670	2,731	-	155	23,556	797	(7,741)		16,612	7,130	
Net Capital Funding - Surplus/(Deficit)	-	-	-	-	-	-	-		-	-	

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Details
1	Variations due to merger date of 12th May 2016. Capital from period 12 of 2015/2016 needs to be carried forward, to report in the current financial year.
2	Funds being returned for the Tumbarumba Retirement Village as the project will not commence this financial year.
3	Funds being returned as the Rail Trail project will commence next financial year.
4	An increase in plant replacement expenditure as Council had to replace the Street Cleaning truck after the accident.
5	Bull Paddock Drainage Project - moved from operational to capital, improving existing asset and capital improvement works at the Tumbarumba Depot.
6	The decrease in expenditure of Roads & Infrastructure renewals is due to the Clarkes Hill Reconstruction being deferred until 2017/18 and Little River Road Widening
7	The increase in expenditure of Other structure renewals is due to the replacement of the Netball court and Water Meter Replacement project continued - funded from Cloverdale Reticulation Main

Snowy Valleys Council

Quarterly Budget Review Statement
for the period 01/01/17 to 31/03/17

Cash & Investments Budget Review Statement

Budget review for the quarter ended 31 March 2017

Cash & Investments - Council Consolidated

(\$000's)	Original Budget 2016/17	Approved Changes				Revised Budget 2016/17	Variations for this Mar Qtr	Notes	Projected Year End Result	Actual YTD figures
		Carry Forwards	Other than by QBRS	Sep QBRS	Dec QBRS					
Externally Restricted ⁽¹⁾										
Water Fund	1,701	-	(78)	-	-	1,623	-	1,623	1,929	
Sewer Fund	1,108	-	292	-	-	1,400	-	1,400	1,663	
Domestic Waste	740	-	63	-	-	803	-	803	1,066	
Developer Contributions	2,825	-	187	-	-	3,012	-	3,012	2,958	
Unexpended Specific Purpose Grants	71	-	111	-	-	182	-	182	71	
Stronger Communities Fund	-	-	-	10,000	-	-	-	-	8,918	
Implementation Fund	1,000	-	-	4,000	-	5,000	-	5,000	4,253	
Water Fund - Tumbarumba	895	-	302	(165)	(65)	967	(65)	902	926	
Sewer Fund - Tumbarumba	1,331	-	1,396	(12)	(161)	2,554	(161)	2,393	2,660	
Domestic Waste - Tumbarumba	298	-	(41)	(4)	-	253	-	253	233	
Tumbarumba Retirement Village - Tumbarumba	542	-	(334)	-	-	208	-	208	446	
Unexpended Specific Purpose Grants - Tumbarumt	766	-	79	-	(111)	734	(111)	623	774	
Urban Stormwater - - Tumbarumba	117	-	(4)	-	-	113	-	113	126	
High Country Touring Contributions - Tumbarumba	49	-	-	-	-	49	-	49	49	
Total Externally Restricted	11,443	-	1,973	13,819	(337)	16,898	(337)	16,561	26,072	

(1) Funds that must be spent for a specific purpose

Cash & Investments Budget Review Statement

Comment on Cash & Investments Position

Not Applicable

Investments

Investments have been invested in accordance with Council's Investment Policy.

Cash

The Cash at Bank figure included in the Cash & Investment Statement totals \$44,461

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.
The date of completion of this bank reconciliation is 31/03/17

Reconciliation Status

The YTD Cash & Investment figure reconciles to the actual balances held as follows:		\$ 000's
Cash at Bank (as per bank statements)		14,890
Investments on Hand		29,521
less: Unpresented Cheques	(Timing Difference)	(17)
add: Undeposited Funds	(Timing Difference)	67
Reconciled Cash at Bank & Investments		<u>44,461</u>
Balance as per Review Statement:		<u>44,461</u>
Difference:		-

Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Details
1	The water reserve has been adjusted to reflect additional income from Rates & User charges of \$100K, offset by additional Operating expenditure of \$124K and additional Capital funding of \$48K for the Geotechnical study & design for the Tumbarumba Reservoir.
2	The sewer reserve has been adjusted to reflect additional income from User charges, offset by additional Operating expenditure for the Sewer Treatment Plant.
3	Funds being returned to the Tumbarumba Retirement Village of \$930K offset by the loan of \$500K not being taken out this financial year. The project will be carried over until next financial year.
4	The Plant Reserve has been adjusted to reflect the purchase of the new Street Cleaning truck and additional funds to complete the Tumbarumba Depot.
5	The Community Service Reserve has increased as funds for the Activity Centre at Rotary Place have been returned as the project has been deferred until next financial year.
6	The Tumbafest Reserve has been adjusted to reflect actual costs for this year.

Contracts Budget Review Statement

Budget review for the quarter ended 31 March 2017

Part A - Contracts Listing - contracts entered into during the quarter

Contractor	Contract Value	Start Date	Duration of Contract	Budgeted (Y/N)	Notes
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Contract detail & purpose

Notes:

1. Minimum reporting level is 1% of estimated income from continuing operations of Council or \$50,000 - whatever is the lesser.
2. Contracts listed are those entered into during the quarter being reported and exclude contractors on Council's Preferred Supplier list.
3. Contracts for employment are not required to be included.

Consultancy & Legal Expenses Budget Review Statement

Consultancy & Legal Expenses Overview

Expense	YTD Expenditure (Actual Dollars)	Budgeted (Y/N)
Consultancies	190,300	Part
Legal Fees	129,000	Part

Definition of a consultant:

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

Comments

Expenditure included in the above YTD figure but not budgeted includes:

Details

Moloney Asset Management Systems - \$59,950 (Assets Management - Roads)
Itron Australasia Pty Ltd - \$13,000 (SVC Mobile AMR)
Morrison Low Consultants - \$86,000 (Tumut Airpark Feasibility)
