

# Mid-Western Regional Council

Quarterly Budget Review – 2010/11 Management Plan

June 2011

*A progressive and prosperous community that  
we proudly call home*



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## Executive Introduction

I am pleased to present the fourth Quarterly Budget Review for the 2010/11 Management Plan. In addition to the regular monthly reports, this comprehensive package also includes:

- Financials & review for each Activity listed in the Management Plan;
- Full commentary on Councils financial position at 30 June 2011 (unaudited);
- Consolidated Financial Statements;
- Key Financial Indicators;
- Commentary & benchmarking of Councils Investment Portfolio; and
- Summary of Councillors expenses

This year has seen the completion of many major projects, including:

- Lions Drive Subdivision
- Glenwillow Grandstand
- Turkeys Nest Dam Construction, Gulgong
- Hill End Rd Repair
- Ulan Rd Flood Repairs
- Capital upgrade of Rylstone Hall
- Blackman Park Playground Upgrade
- Upgrade to LG Housing Units on Denison St & Walter St



*Glenwillow Grandstand*

It should also be noted that as a result of the December 2010 Floods, Council carried out some \$2.167m of repair works up to 30 June 2011. Council has managed to undertake this substantial amount of additional works, as well as fulfilling the operational service levels of the Management Plan and complete some 85% of the approved budgeted capital works program. Effective resource management has allowed us to achieve this volume of work.

Warwick Bennett  
General Manager

## Financial Commentary

This is the fourth quarterly budget review for the 2010/11 Management Plan. A commentary is provided on the financial position as at 30 June 2011.

It is essential to bear in mind that the financial statements are currently in draft format ready for audit, and changes may be required as a result of the ongoing end of financial year reporting and audit process.

## FUNDS

### General Fund

Council finished the 2010 financial year with an unrestricted cash balance of \$4.54 million, higher than anticipated due to an increased trade creditor balance. The Original Budget for 2011 estimated an increase of \$200k to the unrestricted cash balance by 30 June. Since then Council has approved \$208k of cash-funded revotes; \$305k of additional unrestricted cash funded works (Pitts Lane \$270k and Bitumen Emulsion Tank \$35k); \$80k unrestricted cash funded contribution to retain medical practitioners; and \$4k positive variation in heritage grant income. A further \$189k of positive variations was approved as part of the September Quarterly Review, \$8k of positive variations for the December Quarterly Review and \$147k of positive variations for the March Quarterly Review.

A summary of budget movements in unrestricted cash across the financial year is presented in the following table:

Budgeted Movement in General Fund Unrestricted Cash	Amount	Impact
Original Budget	200	Improvement
Revotes	(208)	Deterioration
Quarterly Budget Reporting – September	189	Improvement
Quarterly Budget Reporting – December	8	Improvement
Quarterly Budget Reporting – March	147	Improvement
Council Resolutions	(381)	Deterioration
<b>Estimated Movement at 30 June 2011</b>	<b>(45)</b>	<b>Deterioration</b>
<b>Actual Movement at 30 June 2011 (unaudited)</b>	<b>(803)</b>	<b>Deterioration</b>
<b>Estimated Unrestricted Cash at 30 June 2011</b>	<b>4,495</b>	
<b>Actual Unrestricted Cash at 30 June 2011 (unaudited)</b>	<b>3,737</b>	

Balance sheet movements have been the main cause of reduced anticipated unrestricted cash levels compared to actual with the following movements:

- Increase in Receivables at 30 June 2011 \$1,376k (U) - largely caused by outstanding RTA contributions at year end;
- Decrease in Trade Payables \$168k (U); and

- Decrease in Inventory balance \$13k (F).

These balance sheet variances have been somewhat mitigated by the following budget variations in unrestricted cash:

- Projects funded from general purpose revenue that have been recommended for revote \$270k (F);
- Better than anticipated performance in State Roads \$345k (F);
- Increased General Fund interest income received \$188k (F);
- Reduced Development Control expenditure and additional DA/planning fees income received \$104k (F);
- Higher than anticipated insurance reimbursements and premium rebates received \$109k (F);
- Payout of Workers Compensation makeup pay wages, accrued from previous years \$50k (U); and
- Unfavourable variance in Corporate & Community Building Maintenance (non-depreciation, non rates) \$47k (U).

### Water Fund

Council finished the 2010 financial year with a Water Fund cash balance of \$4.761million, which includes \$1.562 million of developer contributions, \$11k of unspent grants and \$3.518 million of reserves. This left other Water Fund cash of (\$330k).

The Original Budget for 2011 estimated an increase of \$193k to unrestricted cash; a reduction in Water Reserves of \$2,755k; and a reduction of S64 holdings of \$855k. Council has since approved \$249k of revotes funded from Reserves (nil impact on unrestricted cash); September Quarterly Review negative variations of \$500k; December Quarterly Review negative variations of \$59k; and March Quarterly Review negative variations of \$444k on unrestricted cash.

Budgeted Movement in Water Fund Unrestricted Cash	Amount	Impact
Original Budget	193	Improvement
Revotes	0	Nil
Quarterly Budget Reporting – September	(500)	Deterioration
Quarterly Budget Reporting – December	(59)	Deterioration
Quarterly Budget Reporting – March	(444)	Deterioration
Council Resolutions	0	Nil
<b>Estimated Movement at 30 June 2011</b>	<b>(810)</b>	<b>Deterioration</b>
<b>Actual Movement at 30 June 2011 (unaudited)</b>	<b>(817)</b>	<b>Deterioration</b>
<b>Estimated Unrestricted Cash at 30 June 2011</b>	<b>(1,140)</b>	
<b>Actual Unrestricted Cash at 30 June 2011 (unaudited)</b>	<b>(1,147)</b>	

Water Fund has finished the 2011 financial year with a cash balance of \$3.462 million including \$2.941 million in Reserves; \$11k in Unspent Grants; and \$1.658 million of S64 Contributions. Other Water Fund cash has declined to a negative balance of \$1.147 million, with an immaterial variation from estimated figures.

Water Fund cash variations included a decrease in Trade Payables \$80k (U); a decrease in Inventory balance \$41k (F); an increase in Receivables of \$203k (U); and additional water usage revenue of \$212k (F).

### Sewer Fund

Council finished the 2010 financial year with a Sewer Fund cash balance of \$7.811 million, which includes \$2.328 million of developer contributions and \$3.863 million of reserves. This left other Sewer Fund cash of \$1.62 million.

The Original Budget for 2011 estimated a decrease of \$234k in other Sewer Fund cash. Also provided for in the Original Budget was an increase in developer contributions of \$189k, and a decrease in Sewer Reserves of \$561k. Council has since approved \$14k of revotes, funded from Sewer Reserves; and \$3 million for the Mudgee Sewer Augmentation funded from Reserves (\$730k) and S64 (\$2,300k). The variations in the December Quarterly Review had a positive impact of \$115k; and the March Quarterly Review variations had a positive impact of \$14k on unrestricted cash.

Budgeted Movement in Sewer Fund Unrestricted Cash	Amount	Impact
Original Budget	(234)	Deterioration
Revotes	0	Nil
Quarterly Budget Reporting – September	0	Nil
Quarterly Budget Reporting – December	115	Improvement
Quarterly Budget Reporting - March	14	Improvement
Council Resolutions	0	Nil
<b>Estimated Movement at 30 June 2011</b>	<b>(105)</b>	<b>Deterioration</b>
<b>Actual Movement at 30 June 2011 (unaudited)</b>	<b>315</b>	<b>Improvement</b>
<b>Estimated Unrestricted Cash at 30 June 2011</b>	<b>1,515</b>	
<b>Actual Unrestricted Cash at 30 June 2011 (unaudited)</b>	<b>1,935</b>	

Sewer fund has finished the 2011 financial year with a cash balance of \$5.508 million, which includes \$273k of developer contributions and \$3.3 million in reserves. This left other Sewer Fund cash of \$1.935 million.

The primary variations to Sewer fund other cash included balance sheet movements of:

- Increase in Trade Payables of \$291k (F); and
- Increase in Receivables of \$39k (U).

Adding to this were budget variations of:

- Higher than anticipated interest income received \$88k (F);
- Lower than anticipated sewer new connections \$89k (U);

- Decreased borrowing costs \$120k (F) (resulting from loan funded works pushed out to 2012); and
- Improved performance of treatment works operations \$66k (F).

### Waste Fund

Council finished the 2010 financial year with a Waste Fund cash balance of \$955k, which includes \$909k of restricted reserves and \$68k of unexpended contributions. This leaves other Waste Fund cash of (\$22k).

The Original Budget for 2011 estimated a decrease of \$35k to unrestricted cash. Also provided for in the Original Budget was a decrease in Waste Reserves of \$495k. Council has since approved \$68k of revotes funded from unexpended contributions, and \$55k of new recycling bin purchases for businesses funded from Waste Reserves. Neither of these variations have an impact on projected unrestricted cash balances. September Quarterly variations had a negative impact of \$9k and March Quarterly variations have had a positive impact on unrestricted cash of \$53k.

Budgeted Movement in Waste Fund Unrestricted Cash	Amount	Impact
Original Budget	(35)	Deterioration
Revotes	0	Nil
Quarterly Budget Reporting – September	(9)	Deterioration
Quarterly Budget Reporting – December	0	Nil
Quarterly Budget Reporting – March	53	Improvement
Council Resolutions	0	Nil
<b>Estimated Movement at 30 June 2011</b>	<b>9</b>	<b>Improvement</b>
<b>Actual Movement at 30 June 2011 (unaudited)</b>	<b>64</b>	<b>Improvement</b>
<b>Estimated Unrestricted Cash at 30 June 2011</b>	<b>(13)</b>	
<b>Actual Unrestricted Cash at 30 June 2011 (unaudited)</b>	<b>42</b>	

The Waste Fund has finished the 2011 financial year with a cash balance of \$1.542 million. This includes Waste Reserves of \$1.434 million; \$66k of unexpended contributions and other Waste Fund cash of \$42k.

Waste Fund cash variations included a decrease in Trade Payables \$29k (U); an increase in Receivables of \$35k (U); and better than anticipated performance of Mudgee Recycling \$66k (F) and Waste Operations \$53k (F).

### Other Funds

Other funds maintained by Council are:

- Mudgee Showgrounds

- Mudgee Sports Council
- Private Works
- Gulgong Sports Council
- Saleyards
- Rylstone Sports Council

Movements in cash balances across the other Funds of Council have been negligible, with the highest movements in Saleyards and Private Works, which have both increased. Private Works Fund is up to \$145k from \$89k, and Saleyards Fund reduced its negative balance from \$1.025 million to negative \$966k. Both of these results are attributable to favourable operating results, excluding non cash items such as depreciation.



## ACTIVITIES

When reviewing the enclosed reports, it is important to keep in mind that end of year financial year reporting is in progress, and certain items, such as depreciation, have not yet been finalised. These items are of a non-cash nature, so will not impact items such as unrestricted cash levels.

### *Financial Reporting of Impairments*

It should be noted that when impairment to a Council asset has occurred due to flood damage or fire, a budget is created for the income (grant or insurance received) and expenditure (work required to rectify). Australian Accounting Standards require that damage is to be recorded against the asset values on the balance sheet which means that any expenditure on repairs has to be moved out of operating expenditure and onto the Balance Sheet. However, the income received for flood repairs is still reported in the Income Statement. This will impact the reported performance of an Activity by creating a favourable variance for the amount of Impairment Income received. For that reason, we have highlighted and removed the impairment impact wherever this has occurred in the figures below.

### *Roads and Bridges*

Major project achievements in the Roads & Bridges 2010/11 works program include

- 81 kilometres of resheeting
- 878 kilometres of grading
- \$1.744 million of reseals and rehabilitations across the local and regional road networks
- \$563k flood repairs to Ulan Rd
- \$2.124 million additional flood repairs to roads and causeways
- Upgrades to Gollan Rd and Ulan Rd
- Seal extension to Hill End Rd
- Installation of the Queen St pedestrian gates

### *State Roads*

*\$345k*

*Favourable*

The State Roads activity performed favourably when compared to budget. The major variations are:

- Additional Ordered Works income earned \$728k (F) – a larger than anticipated amount of Ordered Works was completed, and income accrued, up to the end of the financial year.
- Additional Ordered Works completed \$385k (U) – this is again due to a larger than anticipated scope of works performed to end of year.

### *Regional Roads*

*\$200k*

*Favourable*  
*Less: Impairment*      *\$56k*  
*variance*

*\$144k*

*Unfavourable*

The Regional Roads activity performed unfavourably when compared to budget. The major variations are:

- Depreciation \$84k (F) – a small reduction in expected depreciation to the end of financial year caused by a variance in the estimated depreciation of the revalued roads network
- Erosion & Sediment Control \$25k (F) – Additional grant income was received in May that was unbudgeted, from Hunter Catchment Authority
- Grading program \$15k (F) – ARTC Contractors have been working on the Wollar Rd and have been maintaining it, so Council delayed the final annual grade. Grading commenced in late June and continuing in July.
- Regional Bridge Maintenance \$17k (F)
- Non-cash end of year assets accounting \$300k (U) – this is a book entry for the scrapping of existing infrastructure, after replacement with new capital works.

**Council Roads**

**\$1,794k**

**\$1,778k**

**Favourable**

**Less: Impairment variance**

**Favourable**

**\$16k**

The Council Roads activity performed favourably when compared to budget. The major variations are:

- Financial Assistance Grant \$497k (F) – the Local Government Grants Commission paid the first instalment of the 2012 grant allocation to Councils in June. This payment has been transferred to the externally restricted Unspent Grants account for utilisation in the 2012 financial year.
- Depreciation \$150k (F) – a small reduction in expected depreciation to the end of financial year caused by a variance in the estimated depreciation of the revalued roads network
- REF Consultation \$25k (F) – reduced number of external roadside Reviews of Environmental Factors
- Charbon Roads Contribution \$26k (F) – Transferred to Unspent Grants for use in 2012
- Non-cash end of year assets accounting \$718k (U) – this is a book entry for the scrapping of existing infrastructure, after replacement with new capital works.

**Roads & Bridges Capital**

**\$374k**

**Favourable**

The Roads & Bridges Capital activity performed favourably when compared to budget. The major variations are:

- Road Sealing Programs \$171k (F) – sealing programs that were not completed during the 2011 year due to contractor and weather issues have been revoted to 2012 for completion
- Ulan Road Flood Repairs \$88k (F) – \$58k has been revoted to 2012 to complete the reseal for this job, with further savings of \$30k identified
- Spring Creek Rd Rehab \$105k (F) – this Blackspot funded work will be completed in 2012, with a transfer to externally restricted Unspent Grants

**Carparking, Cycleways and Streetscaping**

**Favourable**

**\$86k**

Major project achievements in this area for 2010/11 were:

- A continuation of the Angus Avenue streetscaping improvements project
- Footways extension and replacement program
- CBD Taxi Rank Shelter

The Carparking, Cycleways and Streetscaping activity performed favourably when compared to budget, with the major variations being:

- Depreciation \$14k (F) – a small reduction in expected depreciation to the end of financial year caused by a variance in the estimated depreciation of the revalued roads network
- Maintenance of town approaches \$23k (F) – additional budget was allocated to the maintenance of town approaches in the December Quarterly Business Review due to continued wet weather causing an elevated growing season. Cessation of wet weather after this and some staff vacancies at end of year left a partially underspent budget.
- Streetscape Maintenance \$10k (F) – some staff vacancies in this department towards end of year has caused a slight underspend
- Carparking Maintenance \$10k (F) – reduced carparking maintenance expenditure due to competing use of resources on flood damaged roads
- Cnr Short/ Perry St Carpark Upgrade \$30k (F) – preparation work completed for this job, awaiting seal by contractor, budget revoted to 2012 for completion
- Street cleaning \$13k (U) – Additional plant hire costs incurred due to increased levels of service in latter part of 2010/11.
- CBD Taxi Shelter \$10k (F) – completed \$10k under revised budget estimates.

### *Water Supply* *\$102k*

*Unfavourable*

Major project achievements in this area for 2010/11 were:

- Construction of a new river pumping station at Rylstone Dam
- Installation of telemetry link at Rylstone Water Treatment Plant
- Turkeys Nest Dam, Gulgong
- Parks irrigation mains at Glenwillow & Blackman Park
- Water mains – Pitts Lane, Nicholson St, Rouse St & Robertson Rd
- Water Pump Station, Water Reservoir and Water Treatment work minor upgrades
- Bulk water meter replacement program continuing

The major variations across the Water Supply activity for 2010/11 were:

- Water usage income \$212k (F) – at the March Quarterly Business Review, we estimated that the June 2011 billing run would be 15% lower than the June 2010 billing run, due to the ongoing wet conditions in 2010/11. However, with a couple of dry months towards the end of the financial year, the June 2011 billing run generated 16% *more* revenue than June 2010.
- Water Augmentation Rylstone & Kandos \$158k (F) – Due to difficulties in finding a cost effective solution to upgrading the power supply to complete the works by the end of the financial year. These funds have been requested for revote in order to complete works in 2012

- Flirtation Hill Reservoir, Gulgong \$70k (F) – A parks irrigation scheme has been approved in lieu of a new reservoir at this site. Balance of funds to be revoted towards Phase 2 of this plan.
- Raw Mains extension Golf Club \$55k (F) – Project started at end of financial year, committed from Raw Water Disconnection budget. Revote has been requested to complete these works in 2012 as there is no Raw Water Disconnection budget allocated in 2012.
- Capital works completed under budget \$59k (F) – Bulk Water Meters \$16k (F), Water New Connections \$20k (F), Open Space & Raw Water Meters \$23k (F); some of these programs underspent due to vacancies towards end of financial year however New Water Connections is based on estimated demand, with costs down fractionally this year.
- Non-cash end of year assets accounting \$686k (U) – this is an entry to remove works undertaken at Redbank Dam (2008 – 2010) from Council’s list of assets, and recognise a decrement in revalued classes of assets.

### *Sewerage*

*\$575k*

*Favourable*

Major project achievements in this area for 2010/11 were:

- Progress on the Mudgee sewer augmentation, with the construction of the pipelines completed
- Progress on the Rylstone/Kandos sewer augmentation
- Sewer mains extensions and replacements across the region
- Upgrades at the Mudgee and Gulgong sewer treatment plants

The Sewerage activity showed a favourable variation for the 2010/11 year. Major variations were:

- Interest income \$88k (F) – higher than estimated interest income earned, as Sewer Fund cash balances were higher than anticipated.
- Sewer connection fees \$89k (U) – the volume of new sewer connections required during 2011 was lower than anticipated. The reduction in revenue is partially offset by savings \$32k (F) in the expenditure on new sewer connections.
- Sewer Treatment Works Operations \$66k (F) – savings across all four sewer treatment works operations, partially offset by \$8k (U) overspend on Sewer Pump Station operations.
- Rylstone/Kandos Sewer Augmentation \$30k (F) – this project spans several years, and budgets for this have been incorporated into the 2012 Management Plan.
- Industrial Sewer Pump Station \$161k (F) – awaiting delivery of pumps before installation and completion of works, revote of funds has been requested to complete works in 2012.
- Sewer mains program \$265k (F) - this budget was intended for use replacing sewer mains connecting the Industrial Pump Station, however delays in completion of Industrial Sewer Pump Station and competing priorities have seen this work put off until 2012.
- Sewer Pump Station Capital \$13k (F) – works across various Pump Stations & Treatment Works were completed under budget this year.
- Borrowing costs \$120k (F) – loan funded works pushed out to 2012.
- Non-cash end of year assets accounting \$77k (U) – this is an entry to recognise a decrement in revalued classes of assets.

## Solid Waste Management

\$596k

*Favourable*

Major project achievements in this area for 2010/11 were:

- Supply of recycling bins to businesses
- Waste sites rehabilitation
- Home Rule Waste Transfer Station upgrade

The Solid Waste Management activity ended 2010/11 with an unfavourable variance. Major variations are:

- Recycling \$67k (F) – operating results outperformed expectations, mainly due to an increase in scrap metal income
- Waste Tipping Fees \$146k (F) – Waste Tipping Fees were above expected levels and prior years
- Waste Operating Expenditure \$62k (U) – due to additional work in particular cleanup of inappropriate dumping at Rural Waste Transfer Stations (\$21k U) and additional collection of rubbish from street/park bins (\$41k U)
- Depreciation \$18k (U) – minor variance in estimated depreciation expense.
- Interest income \$35k (F) – interest earnings on Waste fund higher than anticipated due to deferral of some major projects
- Non-cash end of year assets accounting \$53k (U) – this is a book entry for the depreciation of reinstatement assets.
- Rural Waste Depot Upgrade \$30k (F) – this was set aside for Ulan Waste Depot Upgrade, which was delayed and recommended for completion in 2012.
- New Tip Construction \$28k (F) – this project was deferred to 2012/13 Management Plan, small budget remained to cover planning costs
- New Recycling Bins \$28k (F) – Some businesses slow to uptake recycling bins, roll out to continue in 2011/12 with remaining budget requested for revote
- Kandos Waste Depot Landfill Closure \$25k (F) – Plan completed late in 2010/11, unable to start work on priority areas until 2011/12. Recommended revote.
- Relocate Ulan Waste Transfer Station \$66k (F) – delays in property acquisition, works scheduled to go ahead in 2012. Recommended revote.
- Rural Waste Trade Station Collection Facilities Upgrade \$90k (F) – delays with contractor building cages, prototype cage designed & built, bulk order to roll out early in 2011/12. Recommended revote.
- Non-cash end of year assets accounting \$228k (F) – this is an entry to recognise an increment in revalued classes of assets.

## Stormwater

\$33k

*Favourable*

*Add: Impairment variance*      \$13k

*Favourable*      \$46k

End of year treatment of impairment variance has been different for Stormwater which has been posted as a loss, instead of against Asset Revaluation Reserve (Balance Sheet). This is because Stormwater does not have an ARR balance to offset the impairment against. This has resulted in an unfavourable impairment variance.

Major project achievements in this area for 2010/11 were:

- Culvert installations along rural roads
- Causeway improvements at Beragoo Rd, Green Gully Rd, Old Grattai Rd, Whyaldra Ln, Triangle Swamp & Aarons Pass Rd

Major variations for the year were:

- Income \$25k (F) – payment of the first instalment of the 2012 Financial Assistance Grant. This amount has been transferred to Unexpended Grants for utilisation in 2011
- Causeway improvements at Old Grattai Rd and Whyaldra Lane \$25k (F) – these Roads to Recovery funded projects were completed under budget, the balance being transferred to unspent grants for reallocation next year.
- Drainage works at Mudgee Airport \$12k (F) – completion of these works has been delayed. A revote request has been submitted to allow these works to be completed in 2012.
- Depreciation \$5k (F)
- Non-cash end of year assets accounting \$24k (U) – this is a book entry for the scrapping of existing stormwater assets, after replacement with new capital works.

**Airport** *Unfavourable* **\$10k**

Major project achievements in this area for 2010/11 were:

- Continuation of the fencing at Mudgee Airport

The unfavourable variance resulted from:

- Airport Income \$11k (F) – landing fees and Air Service provider reimbursements up
- Operating expenditure \$27k (U) – Corresponding contractor payments and wages are higher than budgeted
- Airport Fencing \$8k (F) – Fencing contractor completed majority of work before 30 June 2011, some overrun into July. A revote request has been submitted to allow these works to be completed in 2012.

**Cemeteries** *Favourable* **\$25k**

There were no capital projects allocated in the 2010/11 Management Plan for Cemeteries. Major variations for the year were:

- Cemetery Fees \$12k (F)
- Cemetery maintenance expenditure \$12k (F) – materials expenditure down this financial year

**Corporate and Community Buildings** *Favourable*  
**\$142k**

Major project achievements in this area for 2010/11 were:

- Progress on the development of Town Hall renovations
- Rylstone Hall upgrade

- Kandos Hall upgrade
- Gulgong Memorial Hall upgrade
- Bylong Valley and Clandulla facility upgrades
- Corporate Building upgrades
- New emulsion tank at Mudgee Depot

The favourable budget result for this activity is made up of:

- Rates \$17k (F) – Business rates were removed for Council property in 2011, however user charges (Water, Sewer) were higher than expected
- Depreciation expense \$15k (F)
- Old Police Station Upgrade \$9k (F) – completed under budget
- Kandos Museum \$76k (F) – grant funding and tied income to be revoted to 2011/12 for completion
- Regional Library \$36k (F) – due to an extended consultation process, planning and development will continue into 2012.
- Kandos Hall Upgrade \$28k (F) – grant funding and tied income to be revoted to 2011/12 for completion
- Rylstone Hall Upgrade \$6k (F) – completed under budget
- Non-cash end of year assets accounting \$56k (U) – this is a book entry for the scrapping of existing building assets, after replacement with new capital works.

### Swimming Pools

*Favourable*

*\$9k*

Project achievements in this area for 2010/11 were:

- Kandos pool shade
- Roller door at Gulgong pool
- Inflatable pool purchase

The favourable variance resulted mainly from a decrease in operating expenditure (reduction in contractor & material costs) \$16k (F). This has been offset by an increase in electrical expense \$6k (U).

### Parks & Reserves

*\$733k*

*Favourable*

*Add:      Impairment      variance*  
*\$719k*  
*Favourable*

*\$1,452k*

Note that end of year treatment of impairment variance for Parks & Reserves has been posted as a loss instead of against Asset Revaluation Reserve (ARR). This is because Parks & Reserves structures do not have an ARR balance to offset the impairment against. This has resulted in an unfavourable impairment variance.

Major project achievements in this area for 2010/11 were:

- Ongoing works as part of the Glenwillow Sports Ground upgrade
- Hargraves Public Toilets upgrade
- Stage 2 of the Mudgee Showground redevelopment
- Playground upgrades at Blackman Park, Rylstone and Hargraves
- Victoria Park fencing & cricket net upgrades

Major variations for Parks & Reserves include:

- Glenwillow Upgrades \$1,074k (F) – major project continuing in 2011/12
- Mudgee Showground Redevelopment \$332k (F) - major project continuing in 2011/12
- RLCIP funding \$113k (F) – grant income received for multiple projects requiring completion in 2011/12. Transferred to unspent grants.
- Kandos Netball Courts \$60k (F) – contractor was unable to complete seal works until warmer weather in August 2011, budget recommended for transfer to 2011/12
- Grant Income received (unbudgeted) \$45k (F) – Mudgee Racecourse Bore, transferred to unspent grants
- Mudgee Showground Operating \$51k (F) – increased rental income and decreased contractor expenditure, as caretaker not commencing in role until 2012 financial year.
- Ground Hire Fees \$35k (F) – Sports Council ground hire fees collected
- Depreciation \$104k (F)
- Non-cash end of year assets accounting \$361k (U) – this is an entry to recognise a decrement in revalued classes of assets.

### *Development and Environmental Control* *\$288k*

*Favourable*

Major project achievements in this area for 2010/11 were:

- Riverbed regeneration
- Roadside vegetation assessment
- Continuation of the LEP project
- Putta Bucca Wetlands
- Continuation of the Rylstone/Kandos Flood Study

The favourable result in Development and Environmental Control is attributable to:

- Consultancy expense \$45k (F) – this is due to delays in the finalisation of the LEP. A request for revote has been submitted.
- Building Regulation \$30k (F) – savings in staff costs due to increased periods of leave.
- Development Control \$104k (F) – savings in staff costs due to vacancies \$81k and additional DA income received \$22k.



- Heritage Administration \$13k (F) – Reduced heritage grants applied for from Council and reduced corresponding grant income, also some income relevant to prior year received 2010/11. Heritage resources provided in-house, rather than via consultancy, resulting in savings.
- Riverbed regeneration \$14k (F) – grant funding and tied income to be revoted to 2011/12 for completion.
- Roadside vegetation assessment \$26k (F) – a revote has been submitted for the continuation of this project into 2011.
- Rylstone/Kandos Flood Study \$43k (F) - grant funding and tied income to be revoted to 2011/12 for completion.

### *Library*

*Favourable*

*\$45k*

The libraries of the region had 125,718 borrowings for 2011. \$86k was spent on additional and replacement resources. Savings in staff costs (\$22k F) resulted from staff vacancies. Also, favourable variations in depreciation \$8k, electricity \$3k, telephone \$3k and rates \$5k have contributed to the overall favourable result.

### *Regulatory Control*

*Favourable*

*\$17k*

The following activities were performed during the 2010/11 year:

- Animal and Pest Control
- Weed Control
- Parking Control

This activity recognised favourable variations in:

- Weeds inspection \$20k (F) – this is due to ongoing staff vacancies and increased revenue noxious weed certificates (\$6k).
- Parking fines \$5k (U) –patrols and corresponding revenue was down for 2011.

### *Community Services*

*Favourable*

*\$210k*

The following activities formed a part of the Community Services activity during 2010/11

- Home Maintenance and Modification
- Respite Care
- Meals on Wheels
- Family Day Care
- Community Transport
- Family Day Care
- Ironed Out
- Youth Services

The individual variances worth noting within the Community Services activity;

- Additional Community Transport grant received at end of year \$79k (F) – this funding was transferred to unspent grants
- Family Day Care \$14k (F)
- Community Services Management/Administration \$48k (F) – due to vacancies in service delivery areas (eg Community Transport); a greater percentage of management/administration costs, particularly staff time, has been directly costed to services.
- Increased LG Housing rental income received \$15k (F)
- Additional grants for Home Modification \$38k (F)
- Aged Care Units \$6k (U) – rental income down 2011
- Social & Cultural Initiatives \$13k (F) – increased contributions received towards initiatives.
- Youth Services \$8k (F) – transferred to Unspent Grants.
- Non-cash end of year assets accounting \$16k (U) – this is a book entry for the scrapping of existing LG Housing assets, after replacement with new capital works.

### *Administration and Management Services* *\$1,738k*

*Favourable*

Major project achievements in this area for 2010/11 were:

- Mudgee Depot capital upgrades
- Continuation of the MWRC plant replacement program
- Rural Fire Service Station upgrades

This activity ended with an overall favourable result when compared to budget and this is made up of;

- Financial Assistance Grants \$901k (F) – instalment one of the 2012 FAG was paid to Council in June. The 2012 grant has been transferred to Unexpended Grants for utilisation in 2012.
- Interest revenue \$188k (F) – resulting from higher than anticipated portfolio balances towards end of year, and a better than anticipated interest rate.
- Plant Replacement Program \$168k (F) – delays in delivery of ordered plant have resulted in lower than anticipated expenditure as at 30 June. These items will form part of the 2012 program.
- Insurance \$109k (F) – higher than anticipated insurance reimbursements received for 2011, with reduced expenditure in this area
- Stores & Materials \$63k (F) – a non cash entry, being recovery of the stores business unit oncosts.
- Rural Fire Service Activities \$78k (F) – reduced operating expenditure in this area. \$52k relates to unspent hazard reduction funding held in Unspent grants.
- Human Resources \$50k (U) – payout of Workers Compensation makeup pay wages, accrued from previous years.
- Plant Income \$22k (F) – higher than anticipated recovery prices received on sold Plant for 2011, with a corresponding increase in sale of plant book values (non-cash).
- Employee Leave Entitlements \$306k (F) – Employee Leave Entitlements liability write down (non cash entry).

## Economic Development

Unfavourable

\$12k

Major project achievements in this area for 2010/11 were:

- Completion of the Lions Drive subdivision
- Continued development of the Mortimer Street precinct development
- Continued development of the Mudgee Airport subdivision

The major variations in this activity are:

- Airport Subdivision \$440k (F) – works will progress in line with demand for subdivision lots, budget transferred to 2011/12.
- Property Income \$587 (U) – due to delays in property sales in 2011 (Lions Dr, Depot Rd, Airport).
- Private works \$48k (F) – Volume of Private Works was substantially lower than prior years, following from trend of last year. Profitability of Private Works, however, was up, with an overall profit of \$56k.
- Tourist Information Bays \$25k (F) – RLCIP funding transferred to Unspent Grants, for completion in 2012.
- Lions Drive Subdivision \$28k (F) – contribution towards acoustics barrier received late in 2011.
- Furniture One Redevelopment \$22k (U) – additional expenditure for lease preparation and feasibility studies of site.
- Event Management Assistance \$43k (F) – budget for EMA not fully utilised. \$20k was transferred to unspent contributions for Pymont Uncorked.
- Promotional & Development opportunities \$36k (F) – budget for promotional and development opportunities not fully utilised.
- Non-cash end of year assets accounting relating to land parcels sold \$87k (U).
- Non-cash end of year assets accounting \$46k (F) – this is an entry to recognise an increment in revalued classes of assets.

## Governance

Favourable

\$29k

Overall, this activity ended 2011 with a favourable result when compared to budget, mostly from under expenditure in Members Expenses \$32k (F).

## RESERVES

Council had estimated to finish the year with a Total Reserves balance of \$11.396 million. Actual closing balance is \$13.580 million. The major variations from the adopted budget were:

- Property development project costs & sales \$251k (U)
- Plant Replacement net movement \$230k (F)
- Mudgee Showground Redevelopment \$332k (F)
- Glenwillow Upgrades \$1,074k (F)
- Waste capital works \$204k (F)
- Sewer capital works \$472k (F)

- Water capital works \$335k (F)
- Ulan Rd/Pitts Lane – reduced transfer to reserve \$325k (U)

\$'000	Opening	Budgeted		Budgeted		Estimated	
	Balance	Transfers	Actual	Transfers	Actual	Closing	Current
	1 July 2010	To	Transfers To	From	Transfers From	30 June 2011	Balance
<b>Internal Reserves</b>							
Employee Leave Entitlements	3,035	170	0	(1,020)	(1,020)	2,185	2,015
Emergency	200	0	0	0	0	200	200
Land Development	(426)	630	232	(439)	(416)	(235)	(610)
Airport Development	(154)	300	0	(598)	(173)	(452)	(327)
Elections	33	60	60	0	0	93	93
Plant Replacement	1,476	1,849	1,837	(2,551)	(2,309)	774	1,004
Asset Replacement	1,424	1,518	1,531	(1,896)	(1,450)	1,046	1,505
Capital Program	98	2,604	2,279	(2,486)	(1,293)	216	1,084
Livestock Exchange	84	30	30	(32)	(23)	82	91
State Roads Warranty	400	0	0	0	0	400	400
Rylstone Community Services	6	0	0	0	0	6	6
Kandos Museum	12	0	0	0	0	12	12
<b>Total Internal Reserves</b>	<b>6,188</b>	<b>7,161</b>	<b>5,969</b>	<b>(9,022)</b>	<b>(6,684)</b>	<b>4,327</b>	<b>5,473</b>
<b>External Reserves</b>							
Waste Fund	909	650	650	(330)	(125)	1,229	1,434
Sewer Fund	3,863	1,000	1,000	(2,035)	(1,563)	2,828	3,300
Water Fund	3,518	800	800	(1,712)	(1,377)	2,606	2,941
Community Services	77	0	0	0	0	77	77
Community Tenancy Scheme	260	0	14	(142)	(135)	118	139
Family Day Care	17	0	21	0	0	17	38
Section 355 Committees Crown Land	82	0	0	0	(21)	82	61
Bequest - Simpkins Park	84	0	4	0	0	84	88
Bequest - Kandos Museum	28	0	1	0	0	28	29
<b>Total External Reserves</b>	<b>8,838</b>	<b>2,450</b>	<b>2,490</b>	<b>(4,219)</b>	<b>(3,221)</b>	<b>7,069</b>	<b>8,107</b>
<b>Total Reserves</b>	<b>15,026</b>	<b>9,611</b>	<b>8,459</b>	<b>(13,241)</b>	<b>(9,905)</b>	<b>11,396</b>	<b>13,580</b>

## DEVELOPER CONTRIBUTIONS

Councils overall level of Developer Contributions was lower than anticipated by approximately \$169k. This was due mostly to the lower than expected levels of VPA receipts, \$210k (U) Carwell Creek Bridge and \$300k (U) Moolarben Underground lump sum, as the milestone events for payment of these contributions were not achieved in the 2011 financial year. Reduced expenditure of \$182k (F) in VPA and increased S94 & S64 income \$124k (F) have reduced the unfavourable impact on Developer Contribution levels.

\$'000	Opening Balance 1 July 2010	Budgeted Transfers To		Budgeted Transfers From		Estimated Closing Balance 30 June 2011	Current Balance
<b>Developer Contributions</b>							
Transport Management	697	101	111	0	0	798	808
Open Space	331	191	225	(510)	(508)	12	48
Community Facilities	1,294	116	123	(10)	(10)	1,400	1,407
Civic Improvements	(68)	4	4	0	(3)	(64)	(67)
Carparking	419	22	17	(2)	0	439	436
Administration	76	21	29	0	0	97	105
<b>Total S94 Under Plans</b>	<b>2,749</b>	<b>455</b>	<b>509</b>	<b>(522)</b>	<b>(521)</b>	<b>2,682</b>	<b>2,737</b>
S94A Levies Under Plans	237	24	25	0	0	261	262
S93F Planning Agreements	711	3,508	3,030	(2,546)	(2,364)	1,673	1,377
S64 Sewer	2,328	239	245	(2,300)	(2,300)	267	273
S64 Water	1,562	306	370	(300)	(299)	1,568	1,633
<b>Total Developer Contributions</b>	<b>7,587</b>	<b>4,532</b>	<b>4,179</b>	<b>(5,668)</b>	<b>(5,484)</b>	<b>6,451</b>	<b>6,282</b>

### **BORROWING PROGRAM**

As per the Original Budget, Council has not drawn down any loans in the 2010/11 financial year.

### **CERTIFICATION**

As the responsible accounting officer, I certify that the short term financial position of Mid-Western Regional Council as at 30 June 2011 is satisfactory, having regard to estimates of income and expenditure for the 2011/12 financial year.

CLARE PHELAN  
GROUP MANAGER FINANCE

\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
<b>State Roads</b>								
Income	(3,858)	(2,560)	(3,139)	123%	0	(3,139)	123%	
Expenditure	3,312	2,358	2,937	113%	0	2,937	113%	
<b>Net Result</b>	<b>(546)</b>	<b>(202)</b>	<b>(202)</b>	<b>270%</b>	<b>0</b>	<b>(202)</b>		
<b>Regional Roads</b>								
Income	(2,108)	(1,926)	(2,047)	103%	0	(2,047)	103%	
Expenditure	3,748	2,721	3,855	97%	0	3,855	97%	
<b>Net Result</b>	<b>1,640</b>	<b>795</b>	<b>1,807</b>	<b>91%</b>	<b>0</b>	<b>1,807</b>		
<b>Council Roads</b>								
Income	(3,478)	(1,556)	(2,857)	122%	0	(2,857)	122%	
Expenditure	8,880	5,352	10,052	88%	0	10,052	88%	
<b>Net Result</b>	<b>5,402</b>	<b>3,796</b>	<b>7,195</b>	<b>75%</b>	<b>0</b>	<b>7,195</b>		



\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

### Capital Works Program - Roads & Bridges

Income (1,827) (1,766) (1,864) 98% 0 (1,864) 98%

#### Capital Works

QUEEN ST PEDESTRIAN GATES	10	0	9	112%	0	9	112%	Complete
URBAN RESEALS - BUDGET ONLY	0	400	0	0%	0	0	0%	Budget Only
URBAN RESEALS - LYONS LANE	1	0	6	9%	0	6	9%	Preparation works completed, reseal not complete due to sealing contractor. Reseal reprogrammed for 2011/2012
URBAN RESEALS - SECOND STREET	1	0	6	11%	0	6	11%	Preparation works completed, reseal not complete due to sealing contractor. Reseal reprogrammed for 2011/2012
URBAN RESEALS - HONEY LANE	1	0	12	6%	0	12	6%	Preparation works completed, reseal not complete due to sealing contractor. Reseal reprogrammed for 2011/2012
URBAN RESEALS - BUCHANAN	22	0	51	43%	0	51	43%	Complete
URBAN RESEALS - PIPER STREET	4	0	9	44%	0	9	44%	Complete
URBAN RESEALS - MEDLEY STREET	5	0	28	17%	0	28	17%	Preparation works completed, reseal not complete due to sealing contractor. Reseal reprogrammed for 2011/2012
URBAN RESEALS - LYNNE STREET	10	0	25	40%	0	25	40%	Preparation works completed, reseal not complete due to sealing contractor. Reseal reprogrammed for 2011/2012
URBAN ROAD REHABS - BUDGET ONLY	0	250	0	0%	0	0	0%	Budget Only
URBAN ROADS KERB & GUTTER CAPITAL	7	15	6	116%	0	6	116%	Complete

\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
REHAB - CHURCH STREET	214	0	220	97%	0	220	97%	Complete
REHAB - DEPOT ROAD	220	0	230	96%	0	230	96%	Complete
REHAB - LEWIS STREET	97	0	115	85%	0	115	85%	Complete - to be resealed in 2011/2012
REHAB - LEWIS/HORATIO INTERSCTN	5	0	5	101%	0	5	101%	Design and site investigation works complete
RESHEETING - URBAN ROADS	9	11	11	83%	0	11	83%	Complete
URBAN ROADS LAND MATTERS CAPITAL	7	0	6	114%	0	6	114%	Complete, although cost of valuation for Nicholson Street more than anticipated.
RURAL SEALED ROADS RESEALS BUDGET	0	1,860	0	0%	0	0	0%	Budget Only
RURAL RESEAL - LUE RD-PYANGLE	2	0	35	5%	0	35	5%	Works not completed
RURAL RESEAL - LUE RD-WEST OF ROCKY WATERHOLE	54	0	54	101%	0	54	101%	Complete
RURAL RESEAL - GLEN ALICE RD-RLWY TO C/WAY	0	0	24	0%	0	24	0%	Reseal not complete due to sealing contractor. Reseal reprogrammed for 2011/2012
RURAL RESEAL - COOPER DVE	43	0	48	90%	0	48	90%	Complete
RURAL RESEAL - CUDGEGONG RD	12	0	19	66%	0	19	66%	Complete
RURAL RESEAL - GLEN ALICE RD-SEG 30-40	0	0	55	0%	0	55	0%	Reseal not complete due to sealing contractor. Reseal reprogrammed for 2011/2012
RURAL SEALED ROAD REHAB & WIDENING	0	275	0	0%	0	0	0%	Budget Only
RURAL REHAB - LUE RD (HAVILAH NTH)	344	0	362	95%	0	362	95%	Complete - to be resealed in 2011/2012
RURAL REHAB - HENRY LAWSON DVE	318	0	305	104%	0	305	104%	Complete - to be resealed in 2011/2012
REHAB/RESEAL - SPRING CREEK ROAD	371	0	466	80%	0	466	80%	Complete - to be resealed in 2011/2012
FUTURE YRS REFS - BUDGET ONLY	0	40	0	0%	0	0	0%	Budget Only

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
RURAL SEALED ROAD LAND MATTERS	4	0	12	34%	0	12	34%	Investigations ongoing into road re-alignment in respect of Henry Lawson Drive and Lue Road and delayed due to factors outside of Council's control.
RURAL SEALED REGIONAL ROAD RESEALS	0	660	0	0%	0	0	0%	Budget Only
RURAL SEALED REGIONAL ROAD REPAIR PROGRAM	0	600	0	0%	0	0	0%	Budget Only
REPAIR - GOLLAN RD MR7512	199	0	200	100%	0	200	100%	Complete - to be resealed in 2011/2012
REPAIR - ULAN RD MR214	203	0	200	101%	0	200	101%	Complete - to be resealed in 2011/2012
ULAN ROAD FLOOD REPAIRS	601	0	690	87%	0	690	87%	Complete - to be resealed in 2011/2012
PITTS LANE/ULAN RD INTERSECTION	9	236	14	66%	0	14	66%	Design works for the Pitts Lane options were stopped as Council revised their requirements. Design works with a detailed design for Lue Rd / Pitts Lane roundabout will recommence once land acquisition issues are resolved and an option is confirmed.
ULAN & COPE ROAD UPGRADES	0	370	0	0%	0	0	0%	Budget Only
ULAN ROAD - FROG ROCK TO HADABOB	10	0	10	101%	0	10	101%	Complete
REG RESEAL - ULAN RD MR214	61	0	61	100%	0	61	100%	Complete
RURAL SEALED REGIONAL ROAD LAND MATTERS CAPITAL	2	0	8	25%	0	8	25%	Completion of programmed works for Dabee Road, Happy Valley Road, Bylong Valley Way and Ulan Road delayed due to land matters outside Council control.
BARA LUE RD COMPULSORY ACQUISITION	2	0	2	100%	0	2	100%	Complete

\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
RESHEETING - BUDGET ONLY	974	788	938	104%	0	938	104%	Complete
UNSEALED ROADS LAND MATTERS CAPITAL	9	0	9	100%	0	9	100%	Complete
REPAIR - HILL END ROAD	406	400	400	102%	0	400	102%	Complete
CARWELL BRIDGE	0	850	0	0%	0	0	0%	Budget Only
HOLYOAKE TIMBER BRIDGE REPLACEMENT	2	0	0	0%	0	0	0%	Complete
<b>Total Capital Works</b>	<b>4,239</b>	<b>6,754</b>	<b>4,649</b>	<b>91%</b>	<b>0</b>	<b>4,649</b>	<b>91%</b>	
<b>Net Result</b>	<b>2,411</b>	<b>4,988</b>	<b>2,785</b>	<b>87%</b>	<b>0</b>	<b>2,785</b>	<b>87%</b>	

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

### Carparking, Cycleways, Streetscaping & Footpaths

Income	(123)	13	(124)	99%	0	(124)	99%	
Expenditure	1,210	576	1,255	96%	0	1,255	96%	
<b>Net Result</b>	<b>1,087</b>	<b>589</b>	<b>1,131</b>	<b>96%</b>	<b>0</b>	<b>1,131</b>		

### Capital Works Program

Income	0	0	0	0%	0	0	0%	
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#### Capital Works

STREET SCAPE CAPITAL IMPROVEMENTS	14	15	15	94%	0	15	94%	Completed
STREET CAPITAL IMPROVEMENTS - ANGUS AVE	95	25	97	98%	0	97	98%	Completed
STREETScape IMPROVEMENTS - BELLEVUE ESTATE	10	10	10	96%	0	10	96%	Maintenance completed for this financial year
FOOTWAYS - CAPITAL BUDGET ONLY	46	65	45	101%	0	45	101%	Complete
PEDESTRIAN - KANDOS TO CLANDULLA	0	20	0	0%	0	0	0%	Deferred until 2011-2012 due to land issues with ARTC
CYCLEWAY - HORATIO TO WHITE CIRCLE	6	0	10	60%	0	10	60%	Complete
CBD TAXI RANK SHELTER	137	0	147	93%	0	147	93%	Complete
PEDESTRIAN - KANDOS FOOTPATH	10	0	10	108%	0	10	108%	Complete
CARPARKING CAPITAL - CNR SHORT/PERRY STREETS	5	0	31	17%	0	31	17%	Preparation works completed, reseal not complete due to sealing contractor. Reseal reprogrammed for 2011/2012
CARPARKING CAPITAL - MORTIMER ST	2	300	2	90%	0	2	90%	Works planned for 2011 / 2012

<b>Total Capital Works</b>	<b>325</b>	<b>435</b>	<b>366</b>	<b>89%</b>	<b>0</b>	<b>366</b>	<b>89%</b>	
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<b>Net Result</b>	<b>325</b>	<b>435</b>	<b>366</b>	<b>89%</b>	<b>0</b>	<b>366</b>	<b>89%</b>	
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\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

### Water Supply

Income	(3,231)	(3,961)	(2,962)	109%	0	(2,962)	109%	
Expenditure	4,801	4,011	4,012	120%	0	4,012	120%	
<b>Net Result</b>	<b>1,570</b>	<b>51</b>	<b>1,050</b>	<b>149%</b>	<b>0</b>	<b>1,050</b>		

### Capital Works Program

Income	(525)	(550)	(480)	109%	0	(480)	109%	
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#### Capital Works

WATER NEW CONNECTIONS	100	120	120	83%	0	120	83%	Budget allowance for the connection of new services associated with subdivisions. Required works complete to date.
WATER AUGMENTATION - RYLSTONE & KANDOS	1,009	1,000	1,143	88%	0	1,143	88%	Construction of a new River Pumping Station at Rylstone Dam has reached practical completion. A schedule of minor defects and departures from the contract specification is being prepared for rectification by the contractor. Power supply upgrade to be constructed by separate contract, remaining funds requested for 2011/12.
WATER METERS - REPLACEMENTS INCLUD. PARKS	61	0	62	98%	0	62	98%	Complete
WATER METERS - CHARBON	1	0	1	100%	0	1	100%	Complete
WATER METERS - OPEN SPACE & RAW WATER	0	240	23	1%	0	23	1%	Budget Only
WATER METERS - CHURCH ST RAW WATER WORKS	2	0	0	0%	0	0	0%	Complete

\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
WATER REDBANK DAM UPGRADE	32	1,725	31	104%	0	31	104%	Deferred
WATER TELEMETRY - BUDGET ONLY	0	50	0	0%	0	0	0%	Budget Only
WATER TELEMETRY - RYLSTONE LINK	89	0	90	99%	0	90	99%	The installation of a WAN link to the Rylstone Water Treatment Plant is completed.
WATER LOSS MANAGEMENT WORKS	61	40	40	153%	0	40	153%	Project complete. Grant funded project. Income will equal project cost.
SECURITY OF SUPPLY - TURKEYS NEST GULGONG	291	0	306	95%	0	306	95%	The construction of Turkey's Nest Dam to improve the security of the Gulgong Town Water Supply is completed and the dam is operational.
PARKS IRRIGATION - GLENWILLOW	12	0	15	83%	0	15	83%	Complete
PARKS IRRIGATION - BLACKMAN PARK	6	0	5	111%	0	5	111%	Complete
WATER MAINS - CAPITAL BUDGET ONLY	0	230	12	2%	0	12	2%	Budget Only
WATER MAINS - NICHOLSON STREET	24	0	23	105%	0	23	105%	Complete
WATER MAINS - ROBERTSON RD	17	0	16	103%	0	16	103%	Complete
WATER MAINS - PERRY ST	0	0	2	20%	0	2	20%	Complete
WATER MAINS - PITTS LANE	120	0	120	100%	0	120	100%	Complete
WATER MAINS - ROUSE ST	22	0	22	103%	0	22	103%	Complete
RAW WATER DISCONNECTIONS	34	0	35	98%	0	35	98%	Complete
RAW MAINS EXTENSION - GOLF CLUB	0	0	56	1%	0	56	1%	Deferred. Recommended for revote.
MADEIRA RD - RAW WATER DISCONNECTION	23	0	25	92%	0	25	92%	Complete
WATER PUMP STATION - CAPITAL BUDGET ONLY	0	55	8	1%	0	8	1%	Budget Only
WATER PUMP STATION - BURUNDULLA	1	0	1	101%	0	1	101%	Complete
WATER PUMP STATION - CLEARWATER MUDGE	35	0	34	102%	0	34	102%	Complete

\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
WATER PUMP STATION - MUDGEE RIVER INTAKE	4	0	7	63%	0	7	63%	Complete
WATER PUMP STATION - COURT STREET	23	0	16	145%	0	16	145%	Complete, budget over-run covered from Water Pump Station - Capital Budget Only (\$55k available)
WATER PUMP STATION - GLENWILLOW WELLFIELD	26	0	24	109%	0	24	109%	Complete
WATER RESERVOIR - FLIRTATION HILL GULGONG	35	1,600	100	35%	0	100	35%	The construction of a Parks Irrigation Scheme in lieu of a new reservoir has been approved by Council. Council has received a grant for 50% of the cost of construction of the scheme from the Federal Government.
WATER RESERVOIR - FLIRTATION HILL MUDGEE	51	50	50	101%	0	50	101%	Complete
WATER TREATMENT WORKS - MUDGEE	29	30	30	97%	0	30	97%	Complete
POLYMER DOSING GULGONG WTP	57	0	64	89%	0	64	89%	Complete
WATER TREATMENT PLANT - GULGONG	25	30	30	83%	0	30	83%	Complete
FERRIC DOSING BOARD	4	0	5	86%	0	5	86%	Complete
WTP - MUDGEE - REFLUX VALVE	3	0	3	113%	0	3	113%	Complete
WATER METERS - BULK	129	120	146	89%	0	146	89%	Complete
VALVE REPLACEMENT PROGRAM	6	0	10	57%	0	10	57%	Complete
<b>Total Capital Works</b>	<b>2,333</b>	<b>5,290</b>	<b>2,672</b>	<b>87%</b>	<b>0</b>	<b>2,672</b>	<b>87%</b>	
<b>Net Result</b>	<b>1,808</b>	<b>4,740</b>	<b>2,192</b>	<b>82%</b>	<b>0</b>	<b>2,192</b>	<b>82%</b>	



\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

### Sewerage Services

Income	(2,836)	(2,658)	(2,808)	101%	0	(2,808)	101%	
Expenditure	2,942	2,981	3,045	97%	0	3,045	97%	
<b>Net Result</b>	<b>106</b>	<b>323</b>	<b>237</b>	<b>45%</b>	<b>0</b>	<b>237</b>		

### Capital Works Program

Income	0	0	0	0%	0	0	0%	
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#### Capital Works

SEWER NEW CONNECTIONS	33	65	65	50%	0	65	50%	Budget allowance for the connection of new services associated with subdivisions.
SEWER AUGMENTATION - RYLSTONE & KANDOS	780	1,050	810	96%	0	810	96%	The design of a regional sewerage scheme servicing Rylstone/ Kandos/ Charbon and Clandulla is 80% completed.
SEWER AUGMENTATION - MUDGEES	3,069	0	3,000	102%	0	3,000	102%	The construction of Pipelines by contract is 98% completed. Works remaining include hydrostatic and pressure testing and restoration. Council has approved entering into a contract for the construction of a new STP. A request for NSW Government concurrence has been lodged and we are awaiting a formal response.
SEWER MAINS - CAPITAL BUDGET ONLY	1	269	263	0%	0	263	0%	Budget Only
SEWER MAINS - SHORT STREET	3	0	3	95%	0	3	95%	Complete
SEWER MAINS - TAFE EXTENSION	12	0	14	86%	0	14	86%	Complete
SEWER MAINS - PITTS LANE	1	0	4	22%	0	4	22%	Complete

\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
SEWER PUMP STATION - CAPITAL BUDGET ONLY	0	213	0	0%	0	0	0%	Budget Only
SEWER PUMP STATION - BOMBIRA	5	0	6	96%	0	6	96%	Complete
SEWER PUMP STATION - INDUSTRIAL	10	0	171	6%	0	171	6%	This project has been deferred until 2011/12 due to difficulties with supply and Council construction resources. A packaged pumping station has been ordered and is due for delivery during July. Recommended for revote.
SEWER PUMP STATION - LOUEE ST	3	0	5	56%	0	5	56%	Complete
SEWER PUMP STATION - MUDGE EAST	18	0	20	88%	0	20	88%	A new sewage pump has been purchased to replace an existing failed pump.
SEWER TREATMENT WORKS - MUDGE	20	29	29	68%	0	29	68%	Complete
SEWER TREATMENT WORKS - GULGONG	12	0	12	103%	0	12	103%	Complete
<b>Total Capital Works</b>	<b>3,965</b>	<b>1,626</b>	<b>4,400</b>	<b>90%</b>	<b>0</b>	<b>4,400</b>	<b>90%</b>	
<b>Net Result</b>	<b>3,965</b>	<b>1,626</b>	<b>4,400</b>	<b>90%</b>	<b>0</b>	<b>4,400</b>	<b>90%</b>	

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual	Annual			Annual	Annual	
		Budget	Budget	Budget	Variations	Budget	Budget	

### Waste Management

Income	(4,235)	(3,826)	(4,007)	106%	0	(4,007)	106%	
Expenditure	3,450	3,398	3,553	97%	0	3,553	97%	
<b>Net Result</b>	<b>(785)</b>	<b>(428)</b>	<b>(454)</b>	<b>173%</b>	<b>0</b>	<b>(454)</b>		

### Capital Works Program

Income	0	0	0	0%	0	0	0%	
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#### Capital Works

RURAL WASTE DEPOT UPGRADES	0	30	30	0%	0	30	0%	Budget was to be allocated to assist in construction of Ulan WTS. Recommended for revote.
MUDGE WASTE DEPOT UPGRADES	3	5	5	56%	0	5	56%	Complete
NEW TIP CONSTRUCTION	3	900	30	9%	0	30	9%	Project deferred to 2012/13 management plan.
KANDOS & ILFORD WASTE DEPOT UPGRADES	10	10	10	100%	0	10	100%	Complete
NEW RECYCLING BINS	27	0	55	49%	0	55	49%	Business recycling bins currently being rolled out. Due to slow uptake by some businesses the program will roll into 2011-2012. Recommended for revote.
WASTE SITES REHABILITATION	57	50	50	114%	0	50	114%	Complete
RELOCATE QUEENS PINCH WTS	1	0	1	101%	0	1	101%	Deferred
KANDOS WASTE DEPOT LANDFILL CLOSURE PLAN	25	50	50	50%	0	50	50%	Partly completed. Remaining budget recommended for revote.
RELOCATE ULAN WTS	2	0	68	3%	0	68	3%	Recommended for revote.

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual	Annual			Annual	Annual	
		Budget	Budget	Budget	Variations	Budget	Budget	
RWTS COLLECTION FACILITIES UPGRADE	7	100	97	7%	0	97	7%	Prototype cage built for upgrade to recycling system at rural WTS. Remainder of cages to be constructed early in 2011-2012. Recommended for revote.
WTS - HOME RULE UPGRADE	2	0	3	71%	0	3	71%	Complete
<b>Total Capital Works</b>	<b>136</b>	<b>1,145</b>	<b>399</b>	<b>34%</b>	<b>0</b>	<b>399</b>	<b>34%</b>	
<b>Net Result</b>	<b>136</b>	<b>1,145</b>	<b>399</b>	<b>34%</b>	<b>0</b>	<b>399</b>	<b>34%</b>	

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual	Annual			Annual	Annual	
		Budget	Budget	Budget	Variations	Budget	Budget	

### Stormwater & Drainage

Income	5	30	31	16%	0	31	16%	
Expenditure	520	422	484	107%	0	484	107%	
<b>Net Result</b>	<b>525</b>	<b>452</b>	<b>515</b>	<b>102%</b>	<b>0</b>	<b>515</b>		

### Capital Works Program

Income	(87)	(60)	(85)	103%	0	(85)	103%	
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#### Capital Works

DRAINAGE CAPITAL IMPROVEMENTS	37	250	49	76%	0	49	76%	Construction work at the airport to be completed in July.
CULVERT INSTALLATIONS	62	67	67	93%	0	67	93%	Complete
CAUSEWAY IMPROVEMENTS	0	60	0	0%	0	0	0%	Budget Only
CAUSEWAY IMPROVEMENT - BERAGOO ROAD	23	0	23	100%	0	23	100%	Complete
CAUSEWAY IMPROVEMENT - GREEN GULLY ROAD	21	0	22	96%	0	22	96%	Complete
CAUSEWAY IMPROVEMENT - OLD GRATTAI ROAD	17	0	28	61%	0	28	61%	Complete, Road to Recovery funded. Unspent R2R funds to be reallocated to next project.
CAUSEWAY IMPROVEMENT - WHYALDRA	20	0	30	67%	0	30	67%	Complete, Road to Recovery funded. Unspent R2R funds to be reallocated to next project.
CAUSEWAY IMPROVEMENT - TRIANGLE SWAMP	16	0	17	92%	0	17	92%	Complete
CAUSEWAY - AARONS PASS RD	23	0	25	91%	0	25	91%	Complete
<b>Total Capital Works</b>	<b>219</b>	<b>377</b>	<b>261</b>	<b>84%</b>	<b>0</b>	<b>261</b>	<b>84%</b>	
<b>Net Result</b>	<b>132</b>	<b>317</b>	<b>176</b>	<b>75%</b>	<b>0</b>	<b>176</b>	<b>75%</b>	

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

**Mudgee Airport**

Income	(138)	(69)	(120)	114%	0	(120)	114%	
Expenditure	338	194	301	112%	0	301	112%	
<b>Net Result</b>	<b>201</b>	<b>125</b>	<b>181</b>	<b>111%</b>	<b>0</b>	<b>181</b>		

**Capital Works Program**

Income	0	0	0	0%	0	0	0%	
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**Capital Works**

MUDGE AIRPORT FENCING	41	50	50	82%	0	50	82%	This work has commenced and will require a revote as work continues during July and August.
<b>Total Capital Works</b>	<b>41</b>	<b>50</b>	<b>50</b>	<b>82%</b>	<b>0</b>	<b>50</b>	<b>82%</b>	
<b>Net Result</b>	<b>41</b>	<b>50</b>	<b>50</b>	<b>82%</b>	<b>0</b>	<b>50</b>	<b>82%</b>	

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

**Cemeteries**

Income	(183)	(115)	(170)	108%	0	(170)	108%	
Expenditure	309	264	321	96%	0	321	96%	
<b>Net Result</b>	<b>126</b>	<b>149</b>	<b>150</b>	<b>84%</b>	<b>0</b>	<b>150</b>		

**Capital Works Program**

Income	0	0	0	0%	0	0	0%	
Capital Works								
<b>Total Capital Works</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0%</b>	
<b>Net Result</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0%</b>	

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual	Annual			Annual	Annual	
		Budget	Budget	Budget	Variations	Budget	Budget	

### Corporate & Community Buildings

Income	32	85	67	48%	0	67	48%	
Expenditure	841	764	785	107%	0	785	107%	
<b>Net Result</b>	<b>873</b>	<b>849</b>	<b>852</b>	<b>102%</b>	<b>0</b>	<b>852</b>		

### Capital Works Program

Income	(149)	0	(149)	100%	0	(149)	100%	
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#### Capital Works

CORPORATE BUILDINGS UPGRADE BUDGET ONLY	0	73	0	0%	0	0	0%	Budget Only
MUDGE ADMINISTRATION BUILDING UPGRADE	31	0	33	93%	0	33	93%	Complete
RYLSTONE ADMINISTRATION BUILDING UPGRADE	30	0	30	101%	0	30	101%	Complete
OLD POLICE STATION UPGRADE	22	0	31	71%	0	31	71%	Complete
KANDOS MUSEUM	11	28	87	12%	0	87	12%	Works progressing. Grant and tied funds to be revoted to 2011/12.
DEPOT EMULSION TANK	30	0	36	85%	0	36	85%	Complete
RYLSTONE DOCTORS RESIDENCE	8	0	9	94%	0	9	94%	Complete
CHILDCARE BUILDING - CAPITAL	9	0	9	102%	0	9	102%	Complete
COMMUNITY CENTRES - DEVELOP SOUTHBANK	64	100	100	64%	0	100	64%	DA submitted. Awaiting final scope of works for Town Hall renovation project for 2011/12 depending on funds secured. Revote recommended.
CAPITAL UPGRADE - GULGONG MEMORIAL	38	0	40	97%	0	40	97%	Complete
CAPITAL UPGRADE - RYLSTONE HALL	158	0	165	96%	0	165	96%	Complete
CAPITAL UPGRADE - KANDOS HALL	94	0	122	77%	0	122	77%	Near completion - revote recommended



\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
CAP UPGRD-BYL VALLEY FACILITIES	30	30	30	100%	0	30	100%	Complete
CAP UPGRD-CLANDULLA FACILITIES	12	10	10	115%	0	10	115%	Completed 24/6/2011
CAP-PRINCE OF WALES OPERA HOUSE	0	20	0	0%	0	0	0%	Completed last financial year
CAP UPGRD-COMMUNITY BLD-BUDGET ONLY	7	100	7	102%	0	7	102%	Complete
<b>Total Capital Works</b>	<b>544</b>	<b>360</b>	<b>708</b>	<b>77%</b>	<b>0</b>	<b>708</b>	<b>77%</b>	
<b>Net Result</b>	<b>395</b>	<b>360</b>	<b>559</b>	<b>71%</b>	<b>0</b>	<b>559</b>	<b>71%</b>	

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

### Swimming Pools

Income	(85)	(101)	(89)	96%	0	(89)	96%	
Expenditure	819	813	831	98%	0	831	98%	
<b>Net Result</b>	<b>733</b>	<b>712</b>	<b>743</b>	<b>99%</b>	<b>0</b>	<b>743</b>		

### Capital Works Program

Income	0	0	0	0%	0	0	0%	
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#### Capital Works

POOLS - INFLATABLE POOL	12	15	13	100%	0	13	100%	Complete
POOLS - KANDOS POOL SHADE	3	0	4	100%	0	4	100%	Complete
POOLS - ROLLER DOOR GULGONG	3	0	3	100%	0	3	100%	Complete

<b>Total Capital Works</b>	<b>19</b>	<b>15</b>	<b>19</b>	<b>100%</b>	<b>0</b>	<b>19</b>	<b>100%</b>	
<b>Net Result</b>	<b>19</b>	<b>15</b>	<b>19</b>	<b>100%</b>	<b>0</b>	<b>19</b>	<b>100%</b>	

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual	Annual			Annual	Annual	
		Budget	Budget	Budget	Variations	Budget	Budget	

### Parks & Reserves

Income	165	302	293	56%	0	293	56%	
Expenditure	2,971	1,695	1,954	152%	0	1,954	152%	
<b>Net Result</b>	<b>3,136</b>	<b>1,997</b>	<b>2,247</b>	<b>140%</b>	<b>0</b>	<b>2,247</b>		

### Capital Works Program

Income	(1,149)	(2,605)	(1,266)	91%	0	(1,266)	91%	
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#### Capital Works

PUBLIC TOILETS - CAPITAL UPGRADES	46	80	60	77%	0	60	77%	Near completion - revote recommended
PUBLIC TOILETS - ILFORD REST STOP	2	0	3	61%	0	3	61%	Complete
MUDGEES SHOWGROUNDS - REDEVELOPMENT	397	850	730	54%	0	730	54%	Steel frame is completed. Roof sheeting is underway and the demolition of the old pavilion has commenced.
GLENWILLOW SPORTS GROUND UPGRADES	6,427	6,350	7,502	86%	0	7,502	86%	All works to be completed by October 2011
WESTEND COMPLEX UPGRADE	1	0	2	64%	0	2	64%	Complete
KANDOS SPORTS OVAL	5	0	5	101%	0	5	101%	Complete
KANDOS NETBALL COURTS	0	80	60	0%	0	60	0%	The contractor has to wait until the weather warms up as he cannot lay the material in frosts. Completion expected end of August 2011. Recommended for revote.
VICTORIA PARK - FENCING	37	41	41	90%	0	41	90%	Complete
VICTORIA PARK - CRICKET NETS	33	30	30	109%	0	30	109%	Complete
VICTORIA PARK - GRANDSTAND	4	0	5	81%	0	5	81%	Complete

\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
RED HILL RESERVE - CAPITAL UPGRADE	0	20	20	0%	0	20	0%	Further direction on this project is required from Council and the Red Hill Working Party.
RYLSTONE PLAYGROUND - CAPITAL UPGRADE	11	20	12	96%	0	12	96%	Complete
BLACKMAN PARK - CAPITAL UPGRADE	78	80	80	98%	0	80	98%	Complete
HARGRAVES PLAYGROUND FACILITIES	21	15	15	139%	0	15	139%	Complete
APEX PARK - CAPITAL UPGRADE	0	0	15	0%	0	15	0%	Grant funding - Shelters ordered and fence around playground ordered. Recommended for revote.
PLAYGROUND EQUIPMENT UPGRADE	6	0	7	91%	0	7	91%	Complete
PASSIVE PARKS - CAPITAL PROJECTS	4	0	4	98%	0	4	98%	Complete
CHARBON PLAYGROUND - CAPITAL UPGRADE	0	0	40	0%	0	40	0%	Grant funding - still in progress. Recommended for revote.
ANZAC RESERVE PLAYGROUND - CAPITAL UPGRADE	0	0	25	0%	0	25	0%	Grant funding - still in progress. Recommended for revote.
LAWSON PARK PATHWAY FITNESS PROJECT	24	0	179	13%	0	179	13%	This work is grant funded. Works are underway, to be completed by December 2011. Static equipment has been ordered and delivery is due end of July 2011.
<b>Total Capital Works</b>	<b>7,097</b>	<b>7,566</b>	<b>8,835</b>	<b>80%</b>	<b>0</b>	<b>8,835</b>	<b>80%</b>	
<b>Net Result</b>	<b>5,948</b>	<b>4,961</b>	<b>7,569</b>	<b>79%</b>	<b>0</b>	<b>7,569</b>	<b>79%</b>	

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual	Annual			Annual	Annual	
		Budget	Budget	Budget	Variations	Budget	Budget	

**Planning & Development**

Income	(686)	(421)	(632)	108%	0	(632)	108%	
Expenditure	1,802	1,842	2,079	87%	0	2,079	87%	
<b>Net Result</b>	<b>1,116</b>	<b>1,420</b>	<b>1,447</b>	<b>77%</b>	<b>0</b>	<b>1,447</b>		

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

**Libraries**

Income	(114)	(101)	(103)	111%	0	(103)	111%	
Expenditure	851	874	885	96%	0	885	96%	
<b>Net Result</b>	<b>737</b>	<b>773</b>	<b>782</b>	<b>94%</b>	<b>0</b>	<b>782</b>		

**Capital Works Program**

Income	0	0	0	0%	0	0	0%	
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**Capital Works**

LIBRARY BOOKS	86	85	85	101%	0	85	101%	Complete
<b>Total Capital Works</b>	<b>86</b>	<b>85</b>	<b>85</b>	<b>101%</b>	<b>0</b>	<b>85</b>	<b>101%</b>	
<b>Net Result</b>	<b>86</b>	<b>85</b>	<b>85</b>	<b>101%</b>	<b>0</b>	<b>85</b>	<b>101%</b>	

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

### Regulatory Control

Income	(395)	(185)	(393)	100%	0	(393)	100%	
Expenditure	836	664	849	99%	0	849	99%	
<b>Net Result</b>	<b>441</b>	<b>479</b>	<b>456</b>	<b>97%</b>	<b>0</b>	<b>456</b>		

### Capital Works Program

Income	0	0	0	0%	0	0	0%	
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#### Capital Works

REGIONAL POUND FACILITIES	3	0	5	51%	0	5	51%	Plan complete. Physical works to be undertaken in 2011/12.
<b>Total Capital Works</b>	<b>3</b>	<b>0</b>	<b>5</b>	<b>51%</b>	<b>0</b>	<b>5</b>	<b>51%</b>	
<b>Net Result</b>	<b>3</b>	<b>0</b>	<b>5</b>	<b>51%</b>	<b>0</b>	<b>5</b>	<b>51%</b>	

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual	Annual			Annual	Annual	
		Budget	Budget	Budget	Variations	Budget	Budget	

### Cultural & Community Services

Income	(2,163)	(2,456)	(2,020)	107%	0	(2,020)	107%	
Expenditure	2,460	2,777	2,538	97%	0	2,538	97%	
<b>Net Result</b>	<b>297</b>	<b>322</b>	<b>518</b>	<b>57%</b>	<b>0</b>	<b>518</b>		

### Capital Works Program

Income	0	(65)	(65)	0%	0	(65)	0%	
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#### Capital Works

MEALS ON WHEELS CAPITAL	11	0	15	75%	0	15	75%	Complete
HM&M CAPITAL	39	0	45	88%	0	45	88%	Complete
COMM. TRANSPORT- VEHICLE PURCHASE	179	125	198	90%	0	198	90%	Ongoing program of vehicle changeover completed for 2010/11
AGED CARE UNITS - CAP -COOYAL/ANDERSON ST GULGONG	21	0	21	98%	0	21	98%	Complete
LG HOUSING - CAP -DENISON STREET UNITS	80	0	86	94%	0	86	94%	Complete
LG HOUSING - CAP - WALTER STREET UNITS	55	0	56	99%	0	56	99%	Complete

<b>Total Capital Works</b>	<b>386</b>	<b>125</b>	<b>420</b>	<b>92%</b>	<b>0</b>	<b>420</b>	<b>92%</b>	
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<b>Net Result</b>	<b>386</b>	<b>60</b>	<b>355</b>	<b>109%</b>	<b>0</b>	<b>355</b>	<b>109%</b>	
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\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

**Administrative Services**

Income	(22,215)	(21,921)	(21,180)	105%	0	(21,180)	105%	
Expenditure	8,508	9,586	9,040	94%	0	9,040	94%	
<b>Net Result</b>	<b>(13,707)</b>	<b>(12,335)</b>	<b>(12,140)</b>	<b>113%</b>	<b>0</b>	<b>(12,140)</b>		

**Capital Works Program - Administrative Services**

Income	(70)	0	(85)	82%	0	(85)	82%	
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**Capital Works**

PLANT PURCHASES - LIGHT COMMERCIAL	311	300	300	104%	0	300	104%	Complete
PLANT PURCHASES - HEAVY PLANT	2,769	3,263	2,953	94%	0	2,953	94%	Complete
PLANT PURCHASES - MINOR PLANT	30	35	35	85%	0	35	85%	Complete
MUDGE DEPOT CAPITAL WORKS	58	0	56	103%	0	56	103%	Complete
RURAL FIRE SERVICE - STATION UPGRADES	79	0	85	93%	0	85	93%	Stage one complete

<b>Total Capital Works</b>	<b>3,246</b>	<b>3,598</b>	<b>3,429</b>	<b>95%</b>	<b>0</b>	<b>3,429</b>	<b>95%</b>	
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<b>Net Result</b>	<b>3,176</b>	<b>3,598</b>	<b>3,344</b>	<b>95%</b>	<b>0</b>	<b>3,344</b>	<b>95%</b>	
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\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

**Governance**

Income	(63)	(63)	(63)	99%	0	(63)	99%	
Expenditure	418	477	447	93%	0	447	93%	
<b>Net Result</b>	<b>355</b>	<b>414</b>	<b>384</b>	<b>93%</b>	<b>0</b>	<b>384</b>		

\$'000	Actual YTD	Original	Revised	% Revised	Proposed	Projected	% Projected	Comment
		Annual	Annual			Annual	Annual	
		Budget	Budget	Budget	Variations	Budget	Budget	

### Economic Development

Income	(817)	(4,262)	(1,510)	54%	0	(1,510)	54%	
Expenditure	812	953	1,012	80%	0	1,012	80%	
<b>Net Result</b>	<b>(5)</b>	<b>(3,309)</b>	<b>(498)</b>	<b>1%</b>	<b>0</b>	<b>(498)</b>		

### Capital Works Program

Income	(36)	0	0	0%	0	0	0%	
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#### Capital Works

CUDGEGONG WATERS TOILETS	18	0	20	92%	0	20	92%	Complete
MUDGEER TOURIST INFO BAY SIGNAGE	5	69	4	103%	0	4	103%	Region description signs being enlarged; all other work completed.
ILFORD TOURIST INFO BAY SIGNAGE	6	0	14	41%	0	14	41%	Region description signs being enlarged; all other work completed. Amenities upgrade changed to replacement in FY2011-12.
LUE RD TOURIST INFO BAY SIGNAGE	39	0	51	77%	0	51	77%	Region description signs being enlarged. Final seal deferred to 2011-12 due to weather.
BYLONG TOURIST INFO BAY SIGNAGE	4	0	4	98%	0	4	98%	Region description signs being enlarged; all other work completed.
GOOLMA TOURIST INFO BAY SIGNAGE	7	0	11	61%	0	11	61%	Region description signs being enlarged; other wise completed. Change of location eliminated need for sealed parking.
SALEYARDS - CAPITAL BUDGET ONLY	0	10	0	0%	0	0	0%	Budget Only
SALEYARDS - BULL PEN CONSTRUCTION	14	0	10	138%	0	10	138%	Complete
SALEYARDS - DAY YARD FENCING	8	0	10	81%	0	10	81%	Complete
SALEYARDS - NLIS UPGRADE	1	0	12	10%	0	12	10%	Complete

\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
PROPERTY - MUDGEE AIRPORT LAND	158	58	598	26%	0	598	26%	Physical works commenced (water and sewer infrastructure), with works ongoing into 2012 financial year.
PROPERTY - COX CREEK ROAD RYLSTONE	3	0	0	0%	0	0	0%	Tidy up in preparation for sale of property.
PROPERTY - ROAD RES/CREEK RESERVE	2	0	2	102%	0	2	102%	Complete
PROPERTY - LIONS DRIVE SUBDIVISION	308	0	301	102%	0	301	102%	Complete
PROPERTY - MORTIMER ST PRECINCT	152	120	155	98%	0	155	98%	Complete
PROPERTY - FURNITURE ONE REDEVELOPMENT	33	0	12	271%	0	12	271%	DA on public exhibition. Physical works to commence November 2011 if approved.
<b>Total Capital Works</b>	<b>757</b>	<b>257</b>	<b>1,204</b>	<b>63%</b>	<b>0</b>	<b>1,204</b>	<b>63%</b>	
<b>Net Result</b>	<b>721</b>	<b>257</b>	<b>1,204</b>	<b>60%</b>	<b>0</b>	<b>1,204</b>	<b>60%</b>	

\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	

**Developer Contributions**

Income	(4,205)	(3,768)	(4,532)	93%	0	(4,532)	93%	
Expenditure	0	0	0	0%	0	0	0%	
<b>Net Result</b>	<b>(4,205)</b>	<b>(3,768)</b>	<b>(4,532)</b>	<b>93%</b>	<b>0</b>	<b>(4,532)</b>		

\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
<b>Income</b>								
Roads & Bridges	(11,271)	(7,807)	(9,907)	114%	0	(9,907)	114%	
Carparking, Cycleways, Streetscaping	(123)	13	(124)	99%	0	(124)	99%	
Water Supply	(3,756)	(4,511)	(3,442)	109%	0	(3,442)	109%	
Sewerage Services	(2,836)	(2,658)	(2,808)	101%	0	(2,808)	101%	
Waste Management	(4,235)	(3,826)	(4,007)	106%	0	(4,007)	106%	
Stormwater & Drainage	(82)	(30)	(54)	152%	0	(54)	152%	
Mudgee Airport	(138)	(69)	(120)	114%	0	(120)	114%	
Cemeteries	(183)	(115)	(170)	108%	0	(170)	108%	
Corporate & Community Buildings	(117)	85	(82)	143%	0	(82)	143%	
Swimming Pools	(85)	(101)	(89)	96%	0	(89)	96%	
Parks & Reserves	(984)	(2,303)	(973)	101%	0	(973)	101%	
Planning & Development	(686)	(421)	(632)	108%	0	(632)	108%	
Libraries	(114)	(101)	(103)	111%	0	(103)	111%	
Regulatory Control	(395)	(185)	(393)	100%	0	(393)	100%	
Cultural & Community Services	(2,163)	(2,521)	(2,085)	104%	0	(2,085)	104%	
Administrative Services	(22,285)	(21,921)	(21,265)	105%	0	(21,265)	105%	
Governance	(63)	(63)	(63)	99%	0	(63)	99%	
Economic Development & Tourism	(853)	(4,262)	(1,510)	56%	0	(1,510)	56%	
Developer Contributions	(4,205)	(3,768)	(4,532)	93%	0	(4,532)	93%	
<b>Total Income</b>	<b>(54,574)</b>	<b>(54,565)</b>	<b>(52,360)</b>	<b>104%</b>	<b>0</b>	<b>(52,360)</b>	<b>104%</b>	

\$'000	Actual YTD	Original	Revised	% Revised Budget	Proposed Variations	Projected	% Projected	Comment
		Annual Budget	Annual Budget			Annual Budget	Annual Budget	
<b>Operating Expenditure</b>								
Roads & Bridges	15,940	10,430	16,844	95%	0	16,844	95%	
Carparking, Cycleways, Streetscaping	1,210	576	1,255	96%	0	1,255	96%	
Water Supply	4,801	4,011	4,012	120%	0	4,012	120%	
Sewerage Services	2,942	2,981	3,045	97%	0	3,045	97%	
Waste Management	3,450	3,398	3,553	97%	0	3,553	97%	
Stormwater & Drainage	520	422	484	107%	0	484	107%	
Mudgee Airport	338	194	301	112%	0	301	112%	
Cemeteries	309	264	321	96%	0	321	96%	
Corporate & Community Buildings	841	764	785	107%	0	785	107%	
Swimming Pools	819	813	831	98%	0	831	98%	
Parks & Reserves	2,971	1,695	1,954	152%	0	1,954	152%	
Planning & Development	1,802	1,842	2,079	87%	0	2,079	87%	
Libraries	851	874	885	96%	0	885	96%	
Regulatory Control	836	664	849	99%	0	849	99%	
Cultural & Community Services	2,460	2,777	2,538	97%	0	2,538	97%	
Administrative Services	8,508	9,586	9,040	94%	0	9,040	94%	
Governance	418	477	447	93%	0	447	93%	
Economic Development & Tourism	812	953	1,012	80%	0	1,012	80%	
Developer Contributions	0	0	0	0%	0	0	0%	
<b>Total Operating Expenditure</b>	<b>49,828</b>	<b>42,723</b>	<b>50,237</b>	<b>99%</b>	<b>0</b>	<b>50,237</b>	<b>99%</b>	
<b>Net Operating Result</b>	<b>(4,746)</b>	<b>(11,843)</b>	<b>(2,123)</b>	<b>224%</b>	<b>0</b>	<b>(2,123)</b>	<b>224%</b>	

## Income Statement - Unaudited

	Actual	Original	Revised	%
\$'000	YTD	Annual Budget	Annual Budget	Revised Budget
<b>Income</b>				
Rates & Annual Charges	(20,331)	(20,363)	(20,259)	100%
User Charges & Fees	(9,705)	(8,702)	(8,426)	115%
Interest & Investment Revenue	(1,722)	(1,065)	(1,352)	127%
Other Revenues	(1,614)	(1,543)	(1,605)	101%
Grants & Contributions Operating	(13,470)	(10,357)	(11,596)	116%
Grants & Contributions Capital	(7,735)	(8,566)	(8,091)	96%
Gain (Loss) on Disposal of Assets	0	(3,969)	(1,032)	0%
<b>Total Income</b>	<b>(54,577)</b>	<b>(54,565)</b>	<b>(52,361)</b>	<b>104%</b>
<b>Expenditure</b>				
Employee Benefits & Oncosts	17,076	18,903	19,095	89%
Borrowing Costs	567	680	680	83%
Materials & Contracts	10,267	11,101	13,955	74%
Depreciation & Amortisation	15,084	11,287	15,476	97%
Impairment	769	0	0	0%
Other Expenses	4,644	3,811	4,088	114%
Loss on Disposal of Assets	1,425	0	0	0%
<b>Total Expenditure</b>	<b>49,832</b>	<b>45,782</b>	<b>53,294</b>	<b>94%</b>
<b>Net Result</b>	<b>(4,745)</b>	<b>(8,783)</b>	<b>933</b>	<b>-509%</b>



## Balance Sheet - Unaudited

\$'000	Actual as at 30/06/10	Actual as at 30/06/11	Original Budget
<b>Assets</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	30,030	25,354	14,713
Investments	1,000	1,000	1,500
Receivables	4,433	6,100	3,104
Inventories	1,263	2,866	640
Other	0	13	0
Non-current assets classified as "held for sale"	1,288	0	0
<b>Total Current Assets</b>	<b>38,014</b>	<b>35,333</b>	<b>19,957</b>
<b>Non-Current Assets</b>			
Investments	2,268	2,331	2,500
Inventories	1,547	254	1,300
Infrastructure, Property, Plant & Equipment	515,660	519,011	376,059
Intangible Assets	321	438	177
<b>Total Non-Current Assets</b>	<b>519,796</b>	<b>522,034</b>	<b>380,036</b>
<b>Total Assets</b>	<b>557,810</b>	<b>557,367</b>	<b>399,993</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables	5,168	5,183	3,295
Borrowings	577	550	580
Provisions	4,855	4,596	5,198
<b>Total Current Liabilities</b>	<b>10,600</b>	<b>10,329</b>	<b>9,073</b>
<b>Non-Current Liabilities</b>			
Borrowings	7,216	6,732	8,323
Provisions	1,053	1,070	1,301
<b>Total Non-Current Liabilities</b>	<b>8,269</b>	<b>7,802</b>	<b>9,624</b>
<b>Total Liabilities</b>	<b>18,869</b>	<b>18,131</b>	<b>18,697</b>
<b>Net Assets</b>	<b>538,941</b>	<b>539,236</b>	<b>381,296</b>
<b>Equity</b>			
Retained Earnings	283,775	285,200	290,634
Revaluation Reserves	255,166	254,036	90,662
<b>Total Equity</b>	<b>538,941</b>	<b>539,236</b>	<b>381,296</b>

## Employee Costs Schedule

\$'000	Actual	Original	Approved	Revised	% Revised
	YTD	Annual Budget	Variations	Annual Budget	Budget
<b>Employee Costs by Type</b>					
Salaries & Wages	13,970	14,048	201	14,249	98%
Travelling	24	2	18	20	120%
Employee Leave Entitlements	2,558	3,332	(86)	3,246	79%
Superannuation	1,732	1,810	0	1,810	96%
Workers Compensation	546	730	(196)	534	102%
Fringe Benefits Tax	82	38	11	49	167%
Payroll Tax	71	70	0	70	101%
Training	277	277	25	302	92%
Uniforms & Protective Clothing	95	66	11	77	123%
Recruitment	11	15	0	15	73%
Other	39	15	15	30	130%
<b>Total Employee Costs</b>	<b>19,405</b>	<b>20,403</b>	<b>(1)</b>	<b>20,402</b>	<b>95%</b>
Less: Capitalised Costs	(2,329)	(1,500)	194	(1,306)	178%
<b>Total Employee Costs Expensed</b>	<b>17,076</b>	<b>18,903</b>	<b>193</b>	<b>19,096</b>	<b>89%</b>

## Financial Indicators - Unaudited

Actual Result 2009/10	Ratio		Actual Result 2010/11
	<b>Unrestricted Current Ratio</b>	> 2	
3.07:1	<i>Current Assets less all External Restrictions</i>	1 - 2	3.42
	<i>Current Liabilities less Specific Purpose Liabilities</i>	< 1	
	<b>Debt Service Ratio</b>	< 10%	
2.65%	<i>Net debt service cost</i>	10% - 15%	2.65%
	<i>Operating revenue excl. Capital &amp; Specific Purpose Grants</i>	> 15%	
	<b>Rates &amp; Annual Charges Coverage Ratio</b>		
36.39%	<i>Rates &amp; Annual Charges</i>		37.25%
	<i>Revenue from Continuing Operations</i>		
	<b>Rates Outstanding Ratio</b>	< 5%	
4.43%	<i>Rates, annual charges &amp; extra charges outstanding</i>	5% - 9%	3.73%
	<i>Rates, annual charges &amp; extra charges collectible</i>	> 9%	

## Key Statistics

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
<b>ROADS &amp; BRIDGES</b>													
Kilometres of road graded (Target 900km pa)	159.7*	80.6*	167*	92.3*	105.5*	42.8*	40.9*	16.8*	45*	62	36	35	884
2009/10	159	192	80	31	18	22	26	22	60	36	160	222	1,028
Kilometres of roads resealed (Target 31km pa)	-	-	-	-	-	-	-	3	-	-	-	2	5
2009/10	-	-	-	-	-	-	-	2	-	-	-	-	2
Kilometres of roads resheeted (Target 45km pa)	11.5*	2.2*	29.3*	2.7*	1.8*	-	-	2.5*	8	5.5*	10	7	81
2009/10	11	6	3	1	5.7	-	-	1	0.3	5.6	5.0	13.5	52
<b>WATER SUPPLY</b>													
Broken main incidents (Target 0)	19	11	9	24	11	7	2	12	11	9	16	16	147
2009/10	12	21	13	8	16	11	12	7	13	11	9	19	152
Days achieved water quality targets (Target all days)	31	31	30	31	30	31	31	28	31	30	31	30	365
2009/10	31	31	30	31	30	31	31	28	31	30	31	30	365
Water consumption - trimester (000's kL)	-	-	-	378	-	-	-	528	-	-	-	586	1,492
2009/10	-	-	-	532	-	-	-	777	-	-	-	-	1,309
Days of interrupted service more than 4hrs (Target 0)	-	-	-	1	1	-	-	-	-	1	-	-	3
2009/10	-	3	-	-	-	-	-	-	-	1	-	-	4
<b>SEWERAGE</b>													
Number of blocked main incidents	34	45	24	17	35	35	10	14	19	16	20	13	282
2009/10	48	25	31	21	36	34	27	38	35	34	32	41	402
Standard of river outfalls													
Target	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>SOLID WASTE MANAGEMENT</b>													
Tonnage of waste to landfill	1,714	832	1,570	1,450	1,591	1,508	1,435	1,254	1,731	1,242	1,386	1,255	16,968
2009/10	1,250	725	900	1,533	1,110	1,038	5,300	3,082	4,300	1,430	1,329	2,289	24,286
Number of missed bins (Target 0)	-	-	2	1	-	-	2	-	2	1	1	-	9
2009/10	2	-	-	8	4	6	5	3	2	4	2	3	39

Tonnage of recycling collected	292	214	312	349	439	347	285	235	305	268	306	289	3,641
2009/10	251	243	268	184	408	476	243	291	318	300	295	280	3,557
2009/10	213	253	262	347	554	547	410	252	246	368	215	307	3,974
<b>MUDGEES AIRPORT</b>													
Landings	441	413	376	406	372	404	378	449	386	401	486	495	5,007
2009/10	164	234	411	328	407	410	410	435	391	531	584	548	4,853
<b>CEMETERIES</b>													
Burials/interments	17	10	18	13	10	12	19	5	18	20	10	9	161
2009/10	11	5	10	10	12	6	16	7	13	14	14	6	124
<b>SWIMMING POOLS</b>													
Gulgong	-	-	170	1,175	2,975	1,814	5,040	4,614	1,110	482	-	-	17,380
2009/10	-	-	4	787	4,120	5,181	4,621	3,913	1,174	417	-	-	20,217
Mudgee	-	-	816	4,897	9,449	4,328	16,100	9,541	3,311	1,124	-	-	49,566
2009/10	-	-	82	2,545	13,847	9,514	12,822	8,721	3,384	1,257	-	-	52,172
Kandos	-	-	105	876	2,068	1,420	4,958	2,971	935	219	-	-	13,552
2009/10	-	-	4	341	4,166	2,500	3,400	2,157	690	208	-	-	13,466
<b>PARKS &amp; RESERVES</b>													
Vandalism incidents	8	3	2	2	2	5	4	2	6	6	4	5	49
2009/10	10	5	4	6	5	6	4	6	4	5	3	6	64
Related expenditure	\$2,000*	\$3,000*	\$5,000*	\$5,000*	\$4,000*	\$124,000*	\$5,000*	\$13,000*	\$1,000*	\$2,000*	\$4,000*	\$ 5,000	\$ 173,000
2009/10	\$ 500	\$ 450	\$ 200	\$ 42,000	\$ 2,000	\$ 1,500	\$ 1,200	\$ 5,500	\$ 3,200	\$ 3,000	\$ 1,500	\$ 2,800	\$ 63,850
<b>LIBRARIES</b>													
Borrowings	12,503	11,479	11,337	10,004	10,420	8,441	10,257	9,957	11,176	9,481	10,250	10,413	125,718
2009/10	12,497	11,676	11,367	11,252	9,963	8,563	11,058	11,021	12,252	10,732	11,058	11,034	132,473
Borrowings - Mobile Library	355	471	489	345	430	3	126	364	546	259	489	581	4,458
2009/10	349	550	489	433	362	257	207	473	347	453	540	473	4,933
New resources purchased	346	414	340	444	602	237	386	249	382	353	604	350	4,707
2009/10	346	481	618	423	504	204	482	382	457	171	310	650	5,028

<b>REGULATORY CONTROL</b>													
<b>Weeds</b>													
Properties inspected	101	41	126	78	81	-	-	-	5	11	34	90	567
2009/10	69	77	54	28	16	4	-	15	11	29	5	61	369
Properties reinspected	-	-	-	13	4	-	-	-	103	20	2	5	147
2009/10	1	8	1	8	8	4	-	5	-	-	-	1	36
Infringement notices issued	-	-	-	-	-	-	-	-	-	-	-	-	-
2009/10	-	-	-	1	-	-	-	-	-	-	-	-	1
Kilometres sprayed	-	337	-	156	103	131	170	287	-	-	-	-	1,184
2009/10	23	-	-	-	171	1,105	1,120	808	674	872	-	-	4,773
<b>Parking Control</b>													
Patrols conducted	7	10	14	13	12	10	1	14	18	11	13	4	127
2009/10	17	9	17	9	14	14	-	17	15	15	1	10	138
<b>Animal Control</b>													
Animals impounded	49	47	46	43	45	43	45	39	64	39	25	33	518
2009/10	54	46	39	49	46	68	60	38	55	58	35	63	611
Companion animals registered	16	9	22	13	16	19	19	20	24	18	8	10	194
2009/10	24	24	15	27	10	17	26	19	19	10	12	21	224
<b>ADMINISTRATIVE SERVICES</b>													
<b>Records</b>													
Correspondence items in	2,363	2,463	2,555	2,657	2,900	2,535	3,149	5,369	3,082	2,191	2,716	2,761	34,741
2009/10	3,496	2,769	3,031	3,087	4,311	2,398	2,769	3,429	3,508	2,383	2,285	2,471	35,937
Answered within 14 days (Target 100%)	97%	95%	97%	93%	97%	95%	94%	97%	97%	93%	96%	97	
2009/10	97%	98%	97%	97%	97%	98%	97%	97%	98%	95%	97%	98%	97.0%
Phone calls received	4,383	4,171	4,207	4,639	5,136	4,797	3,647	4,045	4,859	3,759	4,293	4,637	52,573
2009/10	4,473	4,489	4,351	4,409	4,660	3,662	4,165	4,470	4,995	4,731	4,299	4,434	53,138
<b>Customer Service</b>													
Works requests	459	366	362	416	516	659	471	363	359	321	300	296	4,888
2009/10	340	335	293	381	385	239	415	489	466	383	329	420	4,475

<b>ECONOMIC DEVELOPMENT</b>													
<b>Caravan Parks</b>													
2010-2011	12	15	22	133	35	96	21	15	25	98	8	5	485
2009/10	25	27	55	102	69	58	11	9	15	15	5	8	399
<b>Saleyards</b>													
Stock sold - sheep	297	228	221	137	251	164	107	235	82	190	207	146	2,265
2009/10	275	176	254	464	540	456	226	273	245	10	170	206	3,295
Stock sold - cattle	2,600	1,856	3,473	2,911	2,589	1,574	2,511	5,131	3,303	3,091	4,405	2,141	35,585
2009/10	3,307	3,355	3,300	2,739	4,942	3,586	1,738	2,317	3,314	3,984	4,808	3,766	41,156

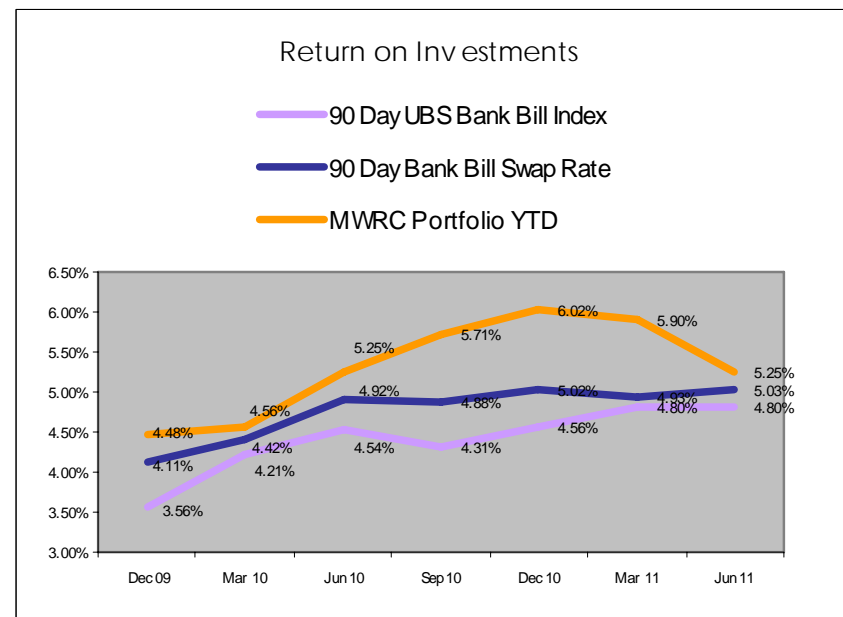
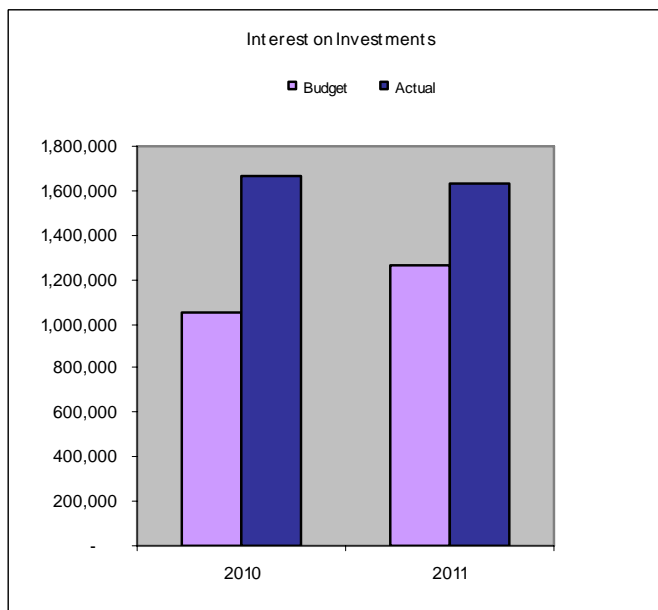
\* Prior month figures amended to reflect current year to date total. Change due to implementation of new information system which records accomplishment timing differently

## Investment Portfolio Commentary

### Benchmarking

For the quarter ended 30 June 2011, Council's return on investment portfolio of 5.25% exceeded the benchmark rate of 5.03% (90 Day Bank Bill Swap Rate). Performance of the portfolio has decreased as shorter term investments have been placed to meet cash flow requirements at end of financial year. Interest rates have declined after stalling last quarter. The cause is a continued unsteady international economy, and a reduction in the expected future performance of the Australian economy. Rates on offer from most banks have been declining, even with a steady Reserve Bank Cash Rate. Deposits are currently being targeted at around the 90 day rate. The official cash rate is currently 4.75% with the Reserve Bank of Australia (RBA) holding steady since November 2010. Council has met the annual target of budgeted interest revenue.

The two graphs presented below demonstrate the performance of Council's portfolio for the year to date against the benchmarks of budgeted interest income, the UBS 90 Day Bank Bill Index (last released figure February 2011) and the 90 Day Bank Bill Swap Rate (BBSW).



### Commentary

At its most recent meeting in July the Reserve Bank left its cash rate unchanged for an eighth consecutive month, citing that although the global economy is expanding the rate of expansion has slowed this quarter. Although national income is growing, recovery from the flood effects on coal mines has been slower than expected. In regard to inflation the RBA states: "Year-ended CPI inflation is likely to remain elevated in the near term due to the extreme weather events earlier in the year. However, as the



temporary price shocks dissipate, CPI inflation is expected to be close to target over the next 12 months. In underlying terms, inflation has been in the bottom half of the target range, though a gradual increase is expected over time." Looking ahead, inflation is predicted to hold to target 2-3% and interest rates are expected to remain stagnant in the short term with incremental increases previously forecast by mid 2011, now not expected until 2012. Interest rates on offer have recently reduced for longer term deposits, reflecting the economical uncertainty long term.

The Australian dollar (AUD) has continued to exceed parity with the US dollar (USD), reaching above \$1.10 USD in early May. It has continued to fall in the range between \$1.00 and \$1.10 all quarter. A recent softening of the US economy may see this upwards trend continuing further, especially after Moody's placed the US on review for a possible downgrade in mid July, which has seen the US dollar dip further.

The latest available data shows that number of new home loans for owner-occupied housing rose by 4.8% in April, following three consecutive months of declines. On an annual basis, new loans were up 3.1% over the year to April, the first positive annual rate in 17 months. The affects of the Queensland floods, which was a dominant factor in the weakness seen in the March quarter, was partially reversed, with a 6.2% increase in new loans in Queensland in April.

Growth in employment has moderated over recent months and the unemployment rate has been little changed, near 5 per cent. Most leading indicators suggest that this slower pace of employment growth is likely to continue in the near term.

The Reserve Bank released the following statement about current economic conditions: "The flood recovery will boost output over the months ahead, and there will also be a mild boost to demand from the broader rebuilding efforts as they get under way, but growth through 2011 is now unlikely to be as strong as earlier forecast. Over the medium term, overall growth is still likely to be at trend or higher, if the world economy grows as expected."

*Sources: Reserve Bank of Australia Media Release 2011-15, St George Bank Monthly Economic Outlook Reports, Bureau of Statistics for CPI & historical data.*

Council's portfolio as at 30 June 2011, excluding the CBA operating account:

Investments	Type	Amount	Yield %	Maturity Date	Term	Rating	Govt Rating	NAV	% of Portfolio
Commonwealth Bank	At Call	\$ 1,040,000	4.75%	N/A	At Call	A-1+	2		3.6%
National Australia Bank	Term Deposit	\$ 1,700,000	5.74%	20/07/2011	91	A-1+	2		5.9%
National Australia Bank	Term Deposit	\$ 850,000	5.90%	21/09/2011	91	A-1+	3		3.0%
National Australia Bank	Term Deposit	\$ 1,900,000	5.89%	17/08/2011	91	A-1+	3		6.6%
Westpac Bank	Term Deposit	\$ 2,600,000	5.75%	24/08/2011	91	A-1+	2		9.1%
St George Bank	Term Deposit	\$ 1,500,000	5.60%	2/08/2011	90	A-1+	2		5.2%
St George Bank	Term Deposit	\$ 1,000,000	5.87%	15/09/2011	92	A-1+	3		3.5%
St George Bank	Term Deposit	\$ 500,000	5.85%	7/09/2011	91	A-1+	3		1.7%
St George Bank	Term Deposit	\$ 1,500,000	5.85%	28/09/2011	91	A-1+	3		5.2%
St George Bank	Term Deposit	\$ 1,000,000	5.50%	13/07/2011	85	A-1+	3		3.5%
Bankwest	Term Deposit	\$ 1,000,000	5.81%	9/08/2011	90	A-1+	1		3.5%
Bankwest	Term Deposit	\$ 1,000,000	5.60%	13/07/2011	85	A-1+	3		3.5%
Bankwest	Term Deposit	\$ 1,500,000	5.90%	28/09/2011	91	A-1+	3		5.2%
ING Australia Bank	Term Deposit	\$ 1,000,000	5.81%	6/07/2011	90	A-1	1		3.5%
Macquarie Bank	Term Deposit	\$ 1,000,000	5.80%	27/07/2011	84	A-1	1		3.5%
Suncorp Metway Ltd	Term Deposit	\$ 1,000,000	6.03%	31/08/2011	91	A-1	1		3.5%
IMB	Term Deposit	\$ 1,000,000	6.00%	21/09/2011	91	A-2	1		3.5%
Newcastle Permanent	Term Deposit	\$ 1,000,000	6.00%	7/09/2011	91	A-2	1		3.5%
Bank of Queensland	Term Deposit	\$ 1,000,000	6.00%	10/08/2011	91	A-2	1		3.5%
Members Equity Bank	Term Deposit	\$ 1,000,000	5.95%	20/07/2011	84	A-2	1		3.5%
Heritage Building Society	Term Deposit	\$ 1,000,000	6.21%	3/08/2011	182	A-2	1		3.5%
Community CPS Aust.	Term Deposit	\$ 1,000,000	5.84%	21/09/2011	91	NR	1		3.5%
Deutsche Bank Series 5	Floating Rate Note	\$ 1,000,000	5.91%	23/11/2012	4yrs 9mths	A+	-		3.5%
ANZ ASPRIT III	Sustainable Equity Linked Note	\$ 500,000	50% of +tve NAV	19/07/2013	6 yrs	AA	-	\$ 469,150	1.7%
Longreach Series 26	Property Linked Note	\$ 1,000,000		7/06/2014	7 yrs	A+	-	\$ 862,300	3.5%
<b>Total Investments</b>		<b>\$ 28,590,000</b>							<b>100.0%</b>

#### Government Guarantee Codes

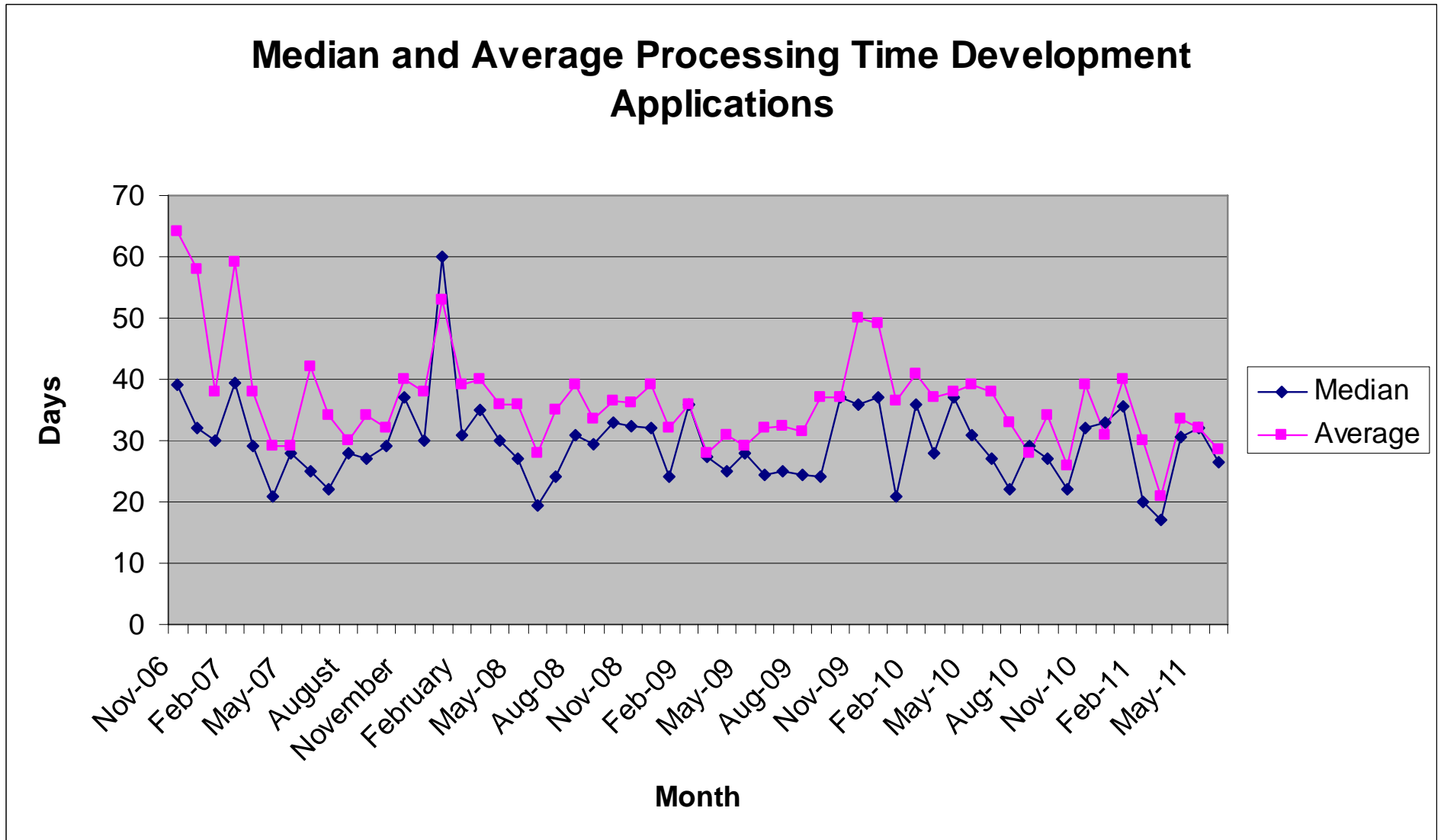
- 1 Deposit is covered by Financial Claims Scheme
- 2 Deposit is covered up to \$1,000,000
- 3 Deposit is not covered by Financial Claims Scheme

**COUNCILLOR FEES PAID & EXPENSES PAID OR REIMBURSED AS AT 30 JUNE 2011**

	General	Holden	Kennedy	Lang	Martens	Shelley	Thompson	Walker	Weatherley	Webb	TOTAL
Councillor Fees		\$9,570.00	\$9,570.00	\$9,570.00	\$9,570.00	\$9,570.00	\$9,570.00	\$9,570.00	\$9,570.00	\$9,570.00	\$86,130.00
Mayoral Fees			\$16,537.86				\$4,352.14				\$20,890.00
Council Meeting Expenses (inc. accommodation, travel & meals)	\$11,952.40	\$1,402.96	\$327.72	Nil	\$8,169.87	\$2,982.52	\$3,419.44	Nil	\$88.16	\$3,827.96	\$32,171.03
Councillor Representational/Lobbying Expenses (inc. accommodation, travel, meals & out-of-pocket)	\$1,118.13	\$724.24	\$4,364.16	Nil	\$2,333.70	Nil	\$875.43	Nil	Nil	\$738.02	\$10,153.68
Miscellaneous expenses (meals, sundries, stationery, etc) but not associated with Conferences, Seminars & Training		17.45	Nil	Nil	\$48.45	\$38.47	\$38.47	\$38.47	Nil	\$39.50	\$203.36
Provision of office equipment, such as laptop computers, mobile telephones, landline telephones and facsimile machines installed in Councillors homes (including equipment and line rental costs and internet access costs but not including call costs)	\$7,857.10	\$2,741.23	\$533.77	Nil	\$1,281.05	\$2,513.92	\$1,339.15	\$153.64	\$60.76	\$1,322.53	\$17,803.15
Telephone calls made by councillors, including calls made from mobile telephones provided by the Council and from landline telephones and facsimile services installed in Councillors homes		Nil	Nil	Nil	Nil	\$1,100.00	\$592.82	Nil	Nil	\$1,100.00	\$2,792.82
Attendance of Councillors at conferences and seminars	\$154.55	Nil	\$2,944.34	Nil	\$3,620.57	Nil	\$1,496.51	Nil	Nil	Nil	\$8,215.97
Training and provision of skill development for Councillors		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$0.00
Interstate visits undertaken by Councillors while representing the Council, including the cost of transport, accommodation and other out-of-pocket travelling expenses		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$0.00
Overseas visits undertaken by Councillors while representing the Council, including the cost of transport, accommodation and other out-of-pocket travelling expenses		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$0.00
The expenses of any spouse, partner (whether of the same or opposite sex) or other person who accompanied a Councillor in the performance of his or her civic functions being expenses payable in accordance with <i>Guidelines</i> of the DLG		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$0.00
Expenses involved in the provision of care for a child or, or an immediate family member of, a Councillor, to allow the Councillor to undertake his or her civic functions		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$0.00
		\$4,868.43	\$8,169.99	\$0.00	\$15,453.64	\$6,634.91	\$7,761.82	\$192.11	\$148.92	\$7,028.01	

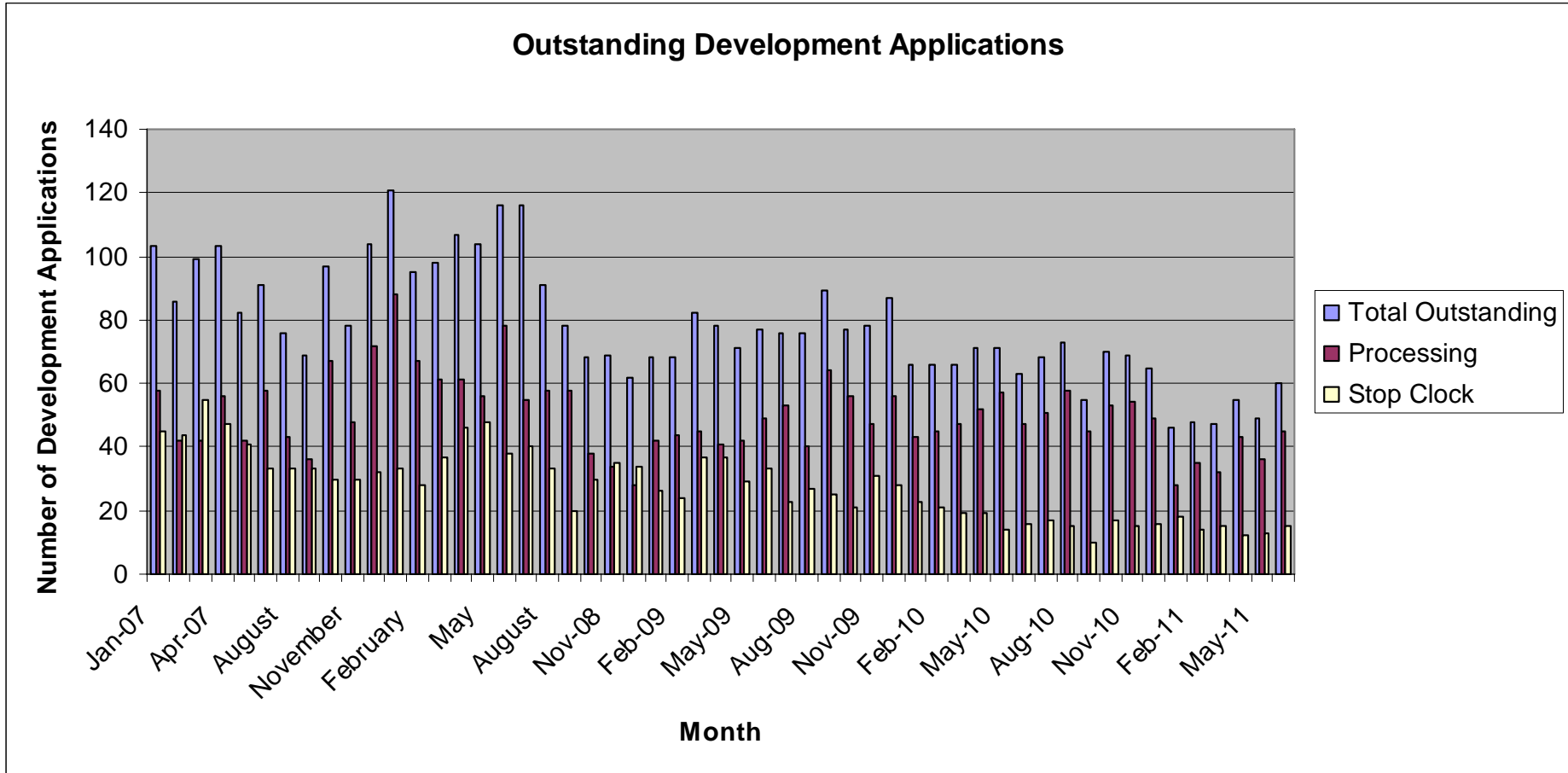
This report covers the period for the month of June 2011.

Graph 1 indicates the processing times up to 30 June 2011, with the month of June having an average of 28.6 days and a median time of 26.5 days.



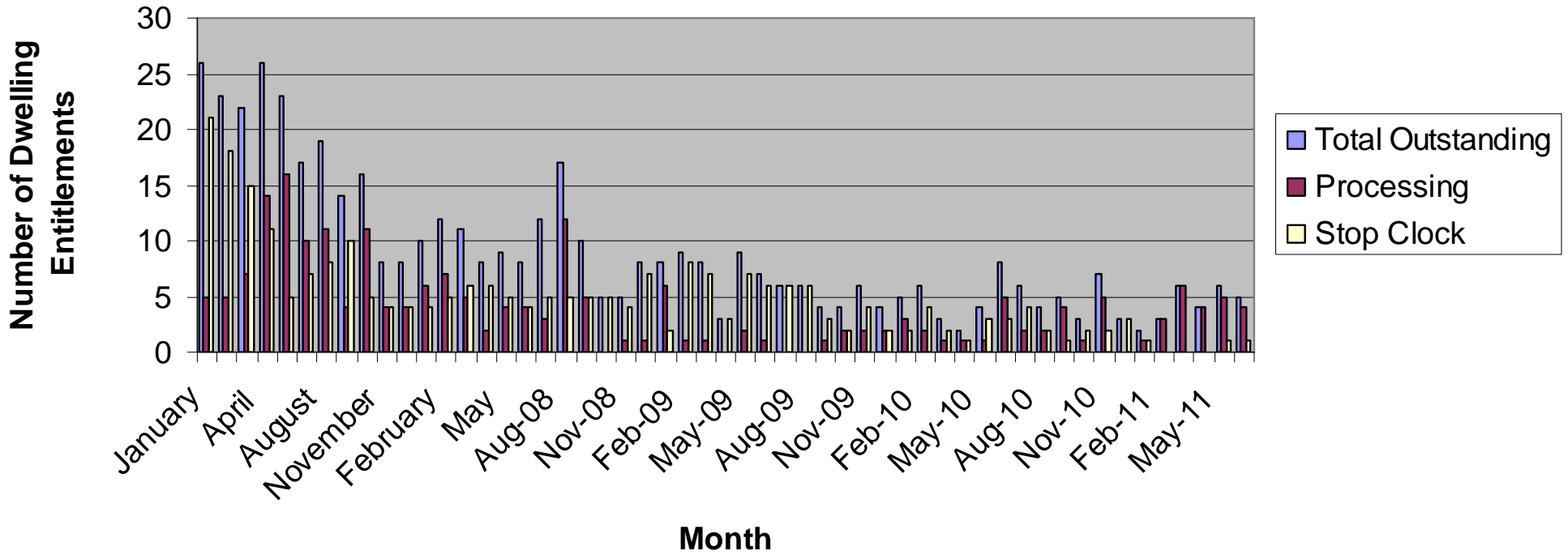
Monthly Development Application Processing Report - June

Graph 2 indicates the total number of outstanding applications (excluding dwelling entitlements), the number currently being processed and the number on "stop clock".



Graph 3 relates solely to dwelling entitlements and indicates the number of outstanding dwelling entitlement applications, the number on stop clock and the number being processed.

### Outstanding Dwelling Entitlements



## Monthly Development Application Processing Report - June

The Planning and Development Department determined 23 Development Applications either by Council or under delegation during August 2010.

### Development Applications Determined - June 2011

#### DA'S DETERMINED

<b>Appl/Proc ID</b>	<b>Description</b>	<b>Decision</b>	<b>Street Name</b>	<b>Locality</b>
DA0333/2011	Alterations & Additions	#APPIssue	Twelve Mile Road	TWELVE MILE
DA0342/2011	Alterations & Additions	#APPIssue	Florence Close	MUDGEES
DA0314/2011	Alterations & Additions	#APPIssue	Denison Street	MUDGEES
DA0318/2011	Alterations & Additions	#APPROVED	Lewis Street	MUDGEES
DA0335/2011	Alterations & Additions	#APPROVED	Denison Street	MUDGEES
DA0301/2011	Change of use	#APPIssue	Spring Flat South Lane	SPRING FLAT
DA0317/2011	Change of use	#APPIssue	Mt Vincent Road	RUNNING STREAM
DA0319/2011	Dual Occupancy	#APPROVED	Bellevue Road	MUDGEES
DA0338/2011	Dwelling House	#APPROVED	Bellevue Road	MUDGEES
DA0181/2011	Dwelling House	#APPROVED	White Cedars Road	TOTNES VALLEY
DA0322/2011	Fence	#APPIssue	Davies Road	KANDOS
DA0286/2011	Garage	#APPIssue	Glenmore Street	MUDGEES
DA0302/2011	Home Industry	#APPROVED	Ilford Road	RYLSTONE
DA0337/2011	Recreation Facility	#APPIssue	Upper Bylong Road	BYLONG
DA0310/2011	Shed less than 150m2	#APPIssue	Spring Flat Road	SPRING FLAT
DA0326/2011	Shed less than 150m2	#APPIssue	Horatio Street	MUDGEES
DA0334/2011	Shed less than 150m2	#APPIssue	Horatio Street	MUDGEES
DA0348/2011	Shed less than 150m2	#APPIssue	Robertson Street	MUDGEES
DA0353/2011	Shed less than 150m2	#APPIssue	Douro Street	MUDGEES
DA0247/2011	Subdivision - Torrens Title	#APPROVED	Bruce Road	MUDGEES

## Monthly Development Application Processing Report - June

- Development Applications currently being processed

### DA'S CURRENTLY PROCESSING

Appl/Proc ID	Description	Street Name	Locality	Decision
DA0381/2011	Alterations & Additions	Castlereagh Highway	CUDGEGONG	DCU
DA0216/2011	Boundary Adjustment	Razorback Road	RUNNING STREAM	FurthInf
DA0266/2010	Boundary Adjustment	Henry Bayly Drive	MUDGEES	FurthInf
DA0359/2011	Boundary Adjustment	Louee Street	RYLSTONE	Processing
DA0377/2011	Carport	George Street	MUDGEES	Processing
DA0369/2011	Change of use	Spring Flat Road	SPRING FLAT	Processing
DA0375/2011	Change of use	Craigmoor Road	EURUNDEREE	Processing
DA0253/2009	Child Care Centre	Court Street	MUDGEES	FurthInf
DA0279/2011	Commercial Premises	Main Street	ULAN	Processing
DA0368/2011	Commercial Premises	Mount Pleasant Lane	BUCKAROO	Processing
DA0329/2011	Depot or Storage Facility	Horatio Lane	MUDGEES	Processing
DA0157/2011	Dual Occupancy	Lower Piambong Road	MENAH	FurthInf
DA0262/2011	Dual Occupancy	Florence Close	MUDGEES	Processing
DA0266/2011	Dual Occupancy	Old Ilford Road	ILFORD	FurthInf
DA0332/2011	Dual Occupancy	Spring Road	MUDGEES	Processing
DA0336/2011	Dual Occupancy	Lions Drive	MUDGEES	Processing
DA0352/2011	Dual Occupancy	Inverness Avenue	MUDGEES	Processing
DA0214/2011	Dwelling House	Castlereagh Highway	BURRUNDULLA	Processing
DA0266/2011	Dwelling House	Old Ilford Road	ILFORD	FurthInf
DA0276/2008	Dwelling House	Bocoble Road	BOCOBLE	FurthInf
DA0320/2011	Dwelling House	Spring View Lane	BUDGEES BUDGEES	Processing
DA0367/2011	Dwelling House	Bylong Valley Way	RYLSTONE	Processing
DA0379/2011	Dwelling House	Sallys Flat Road	PYRAMUL	Processing
DA0382/2011	Dwelling House	Tebbutt Court	MUDGEES	DCU
DA0383/2011	Dwelling House	Tebbutt Court	MUDGEES	DCU
DA0311/2011	Light Industry	Swords Court	MUDGEES	FurthInf
DA0315/2011	Light Industry	Swords Court	MUDGEES	Processing
DA0360/2011	Light Industry	Toole Road	ULAN	Processing
MA0012/2011	Mine	Charbon Road	CHARBON	Processing
DA0362/2011	Public Building	Buchanan Street	KANDOS	Processing
DA0366/2011	Residential Flat Building	Burrundulla Avenue	MUDGEES	Processing
DA0327/2011	Shed >150m2	Horatio Street	MUDGEES	Processing



## Monthly Development Application Processing Report - June

DA0330/2011	Shed >150m2	Burrundulla Road	MUDGEES	Processing
DA0242/2011	Subdivision - Torrens Title	Goolma Road	GUNTAWANG	FurthInf
DA0304/2011	Subdivision - Torrens Title	Avisford Court	MUDGEES	Processing
DA0339/2011	Subdivision - Torrens Title	Robert Hoddle Grove	BOMBIRA	Processing
DA0357/2011	Subdivision - Torrens Title	Albens Lane	MUDGEES	Processing
DA0361/2011	Subdivision - Torrens Title	Wollar Road	STONY CREEK	Processing
DA0370/2011	Subdivision - Torrens Title	Tongbong Street	RYLSTONE	Processing
DA0372/2011	Subdivision - Torrens Title	Bylong Valley Way	UPPER GROWEE	FurthInf
DA0376/2011	Subdivision - Torrens Title	Henry Bayly Drive	MUDGEES	Processing
DA0378/2011	Subdivision - Torrens Title	Henry Bayly Drive	MUDGEES	Processing
DA1124/2006	Subdivision - Torrens Title	Industrial Avenue	MUDGEES	FurthInf

## Monthly Development Application Processing Report - June

### Heritage Development Applications currently being processed

Appl/Proc ID	Description	Street Name	Locality	Decision
DA0271/2011	Alterations & Additions	Short Street	MUDGEE	FurthInf
DA0316/2011	Alterations & Additions	Canadian Street	GULGONG	Processing
DA0380/2011	Commercial Alterations/Additions	Mortimer Street	MUDGEE	DCU
DA0331/2011	Commercial Premises	Market Street	MUDGEE	Processing
DA0312/2011	Demolition	McFarlane Street	MUDGEE	FurthInf
DA0344/2011	Demolition	Short Street	MUDGEE	Processing
DA0347/2011	Demolition	Medley Street	GULGONG	Processing
DA0350/2011	Demolition	Court Street	MUDGEE	Processing
DA0151/2009	Depot or Storage Facility	Inglis Street	MUDGEE	FurthInf
DA0280/2011	Dwelling House	Gladstone Street	MUDGEE	Processing
DA0358/2011	Garage	Inglis Street	MUDGEE	Processing
DA0305/2011	Public Building	Market Street	MUDGEE	Processing
DA0373/2011	Shed less than 150m2	Perry Street	MUDGEE	Processing
DA0371/2011	Sign	Herbert Street	GULGONG	Processing
DA0354/2011	Subdivision - Torrens Title	Perry Street	MUDGEE	Processing
DA0144/2006	Units for Aged/People with Disabilities	Perry Street	MUDGEE	FurthInf
DA0363/2011	Units for Aged/People with Disabilities	Douro Street	MUDGEE	Processing