

JULY 2008 FINANCIALS – BRIEF NOTES

1	<u>Operating Revenue vs Budget</u>	\$4.918m UNFAV (2.82%)	Original Budget	\$473.943m
			Current Budget	\$473.943m
	Actual \$169.203m Budget \$174.121m			
	July result is largely attributable to budget timings in relation to rates and utility charges (\$6.3m) and internal revenues mainly associated with the capital program (\$1.7m) partially offset by a favourable result in Fees and Charges revenue \$2.7m.			
2	<u>Employee Costs vs Budget</u>	\$.508m FAV (3.81%)	Original Budget	\$167.314m
			Current Budget	\$167.314m
	Actual \$12.836m Budget \$13.344m			
	Employee costs as expected are closely tracking to budget.			
3	<u>Materials & Services vs Budget</u>	\$6.691m FAV (36.22%)	Original Budget	\$222.861m
			Current Budget	\$222.861m
	Actual \$11.783m Budget \$18.474m			
	Materials & services are significantly under budget. This is largely attributable to delays to the establishment of programs to complete budgeted operating and capital programs.			
4	<u>Capital Revenue vs Budget</u>	\$1.687m FAV (48.35%)	Original Budget	\$50.302m
			Current Budget	\$50.302m
	Actual \$5.175m Budget \$3.488m			
	The positive result for capital revenues mainly relates to the realisation of the market value of loans associated with the transfer of bulk water assets to the State Government \$2.5m.			
5	<u>Constructed Assets vs Budget</u>	\$2.472m UNFAV (33.15%)	Original Budget	163.116m
			Current Budget	163.116m
	Actual \$4.985m Budget \$7.457m			
	The completion of the capital program will again be challenging this FY. At the end of July or 8.3% of the year, 3.1% of the program has been completed.			

CORPORATE SUMMARY

At the end of July 2008 the financial result for Council is in a neutral position. It is very early days in relation to Council's financial performance and a clearer picture will emerge after the first budget review which will occur at the end of September 2008.