

**REPORT 2A – MATERIAL DIFFERENCES TO OPERATING BUDGET, 20
JANUARY 2014**

FILE: F2-3-20

AOP REFERENCE: 3.1

ATTACHMENT: NO

AUTHOR: *Director of Community and Corporate Services, Kym Miller*

Purpose

To advise Council of significant differences between the actual income and expenditure and the estimated income and expenditure for the financial period to 30 June 2014.

Background

Regulation 202 of the Local Government Regulations (2005) requires the responsible Accounting Officer to report to the “next” meeting of Council if any instance arises that the actual income and expenditure is materially different from the estimated income and expenditure.

There is no Ordinary Meeting of Council in January and Extraordinary Meetings usually only allow for matters stated in the notice of meeting.

However other business can be transacted if the motion is passed to have the matters considered and the business is ruled to be urgent by the Chairperson.

A complete budget review at the end of the second quarter 2013/2014 will be presented to the February Ordinary Meeting of Council.

Three material changes are being reported to this meeting:

1. A GST recovery of \$113K relating to an error several years ago has been made. This will be reported at end of year as a “below the line” adjustment;
2. The RMS ordered works will have a short fall of an estimated \$500k to \$600k;
3. The contribution of the RMS works will fall short of the estimate by approximately \$250k. This is a combination of less work undertaken and lower margins on work undertaken.

RECOMMENDATION

1. **That the report Material Differences to Operating Budget, 20 January 2014 be considered.**
2. **That the report Material Differences to Operating Budget be received and noted by Council.**

CLAUSE 3A – INCREASED WATER RESTRICTIONS TO NYMAGEE

FILE: W2-11

AOP REFERENCE: 5.1.3

ATTACHMENT: NO

AUTHOR: *Services Manager, Ken Wright*

Purpose

That Council apply tighter water restrictions to the township of Nymagee to maintain water for internal domestic use (other than drinking) and for emergency fire fighting services.

Background

On Friday night it was reported that there was a sudden pump failure at the main storage dam at Nymagee, the pump fills the overhead tanks which are the Nymagee Water Supply. The standby pump cannot be used because of low water levels in its tank. Five loads of water have been carted to town since Saturday and we are continuing to cart water. Normally Nymagee would use one load per day.

Issues

In addition to the pump failure, and because of the volume of water carted, it is suspected that theft of water is also occurring. The police are being involved in this issue and locks are being installed at the fill point and a key is being shared with the local fire-fighting services but supplies can still be taken from other points which cannot be secured.

Legal Situation

We are attempting to maintain an emergency supply by carting the water and are attempting to source a replacement pump. In the event of a fire there are some farm dams available and bores but delays due to attempts to fill from the reticulation system cannot be estimated.

Financial Implications

The cost of the “sale value” of the water is in the order of \$30.00 at this point in time, this amount will increase as water is required. Cartage costs are in the order of \$800.00 per load.

The financial implications of a fire in town cannot be estimated at this time.

Risk Implication

Notifying the town of the water supply situation is considered to be our only available strategy to minimise risk to Council at this time.

Options

The only other option is to continue carting water, until a further solution can be.

RECOMMENDATION

That Council approve immediate water restrictions for the township of Nymagee until the water supply crisis is addressed.