

# **ATTACHMENT TO AGENDA ITEM**

**Ordinary Meeting**

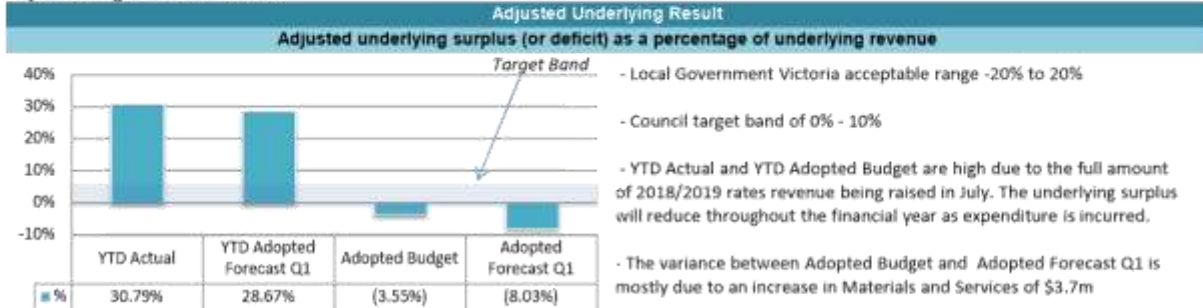
**19 February 2019**

**Agenda Item 10.1      January 2019 Monthly Financial Report**

**Attachment 1            January 2019 - Monthly Financial Statements ..... 210**

## MONTHLY FINANCIAL REPORT JANUARY 2019

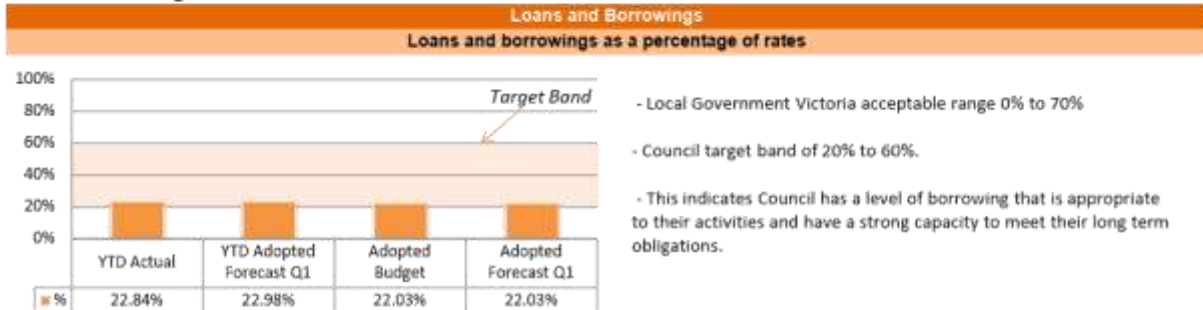
### Operating Performance



### Financial Health

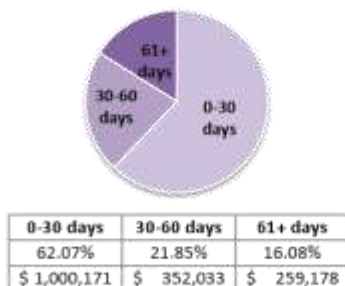


### Financial Obligations



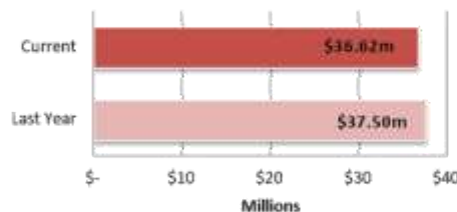
### Other Financial Performance

#### Sundry Debtors



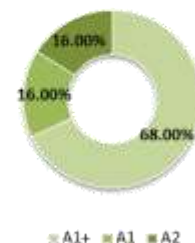
#### Rates Debtors

Third instalment due 28 February 2019



#### Investments

\$52m with average 2.48%  
\$735k interest income to date



**Operating Performance**  
**JANUARY 2019**

<b>Income</b>	<b>YTD Adopted Forecast Q1 vs YTD Actual (Fav)/Unfav</b>		<b>Projected Full Year vs Adopted Forecast Q1 (Fav)/Unfav</b>	
Rates and Charges	Steady	(\$0.02m)	Steady	\$0.01m
Statutory Fees	Unfavourable	\$0.22m	Steady	\$0.07m
User Charges	Steady	(\$0.05m)	Steady	\$0.07m
Grants	Steady	(\$0.4m)	Steady	(\$0.29m)
Contributions	Favourable	(\$0.33m)	Favourable	(\$0.39m)
Other Revenue	Favourable	(\$0.73m)	Favourable	(\$0.33m)
<b>Total Income</b>	Steady	<b>(\$1.31m)</b>	Steady	<b>(\$0.87m)</b>
<b>Expense</b>				
Employee Costs	Steady	(\$0.02m)	Steady	(\$0.16m)
Materials and Consumables	Favourable	(\$1.4m)	Steady	(\$0.85m)
Bad and Doubtful Debts	Steady	(\$0.02m)	Steady	\$0m
Depreciation and Amortisation	Steady	(\$0m)	Steady	\$0m
Borrowing Costs	Steady	(\$0.02m)	Steady	\$0m
Other Expenses	Steady	\$0.1m	Steady	\$0m
<b>Total Expense</b>	Steady	<b>(\$1.37m)</b>	Steady	<b>(\$1m)</b>

**Notes:**

- 1) Statutory Fees is \$224k less than YTD Adopted Forecast Q1. This unfavourable variance is mostly due to lower Planning permit income and the timing of Parking Infringement income. Please see income statement for more detail.
- 2) Contributions is \$333k more than YTD Adopted Forecast Q1. Projected Full Year is \$390k more than Adopted Forecast Q1 and \$365k more than 2018/2019 Adopted Budget. These favourable variances mostly relate to additional contributions for emergency management, developer contributions, property insurance and planning. Please see income statement for more detail.
- 3) Other Revenue is \$731k more than YTD Adopted Forecast Q1. Projected Full Year is \$334k more than Adopted Forecast Q1 and \$420k more than 2018/2019 Adopted Budget. These favourable variances are mostly due to additional interest income, fuel rebates, royalties for Cosgrove landfill, cardboard and steel income at Council's transfer stations and rental income from sport facilities. This favourable variance is partially offset by the write off of income recorded in prior financial years. Please see Income Statement for more detail.
- 4) Materials and Consumables is \$1.40m less than YTD Adopted Forecast Q1. This favourable variance is mostly due to the time of kerbside organics collection, under 65 respite care, community donations, concrete crushing, sealed roads works, Midland Highway intersection works, Cosgrove landfill operations, and the Animal Shelter. Please see income statement for more detail.

### Capital Works Performance JANUARY 2019

ADOPTED BUDGET	ADOPTED FORECAST Q1	PROJECTED FULL YEAR	YTD ACTUAL
<b>\$46.36m</b>	<b>\$48.13m</b>	<b>\$52.6m</b>	<b>\$13.85m</b>

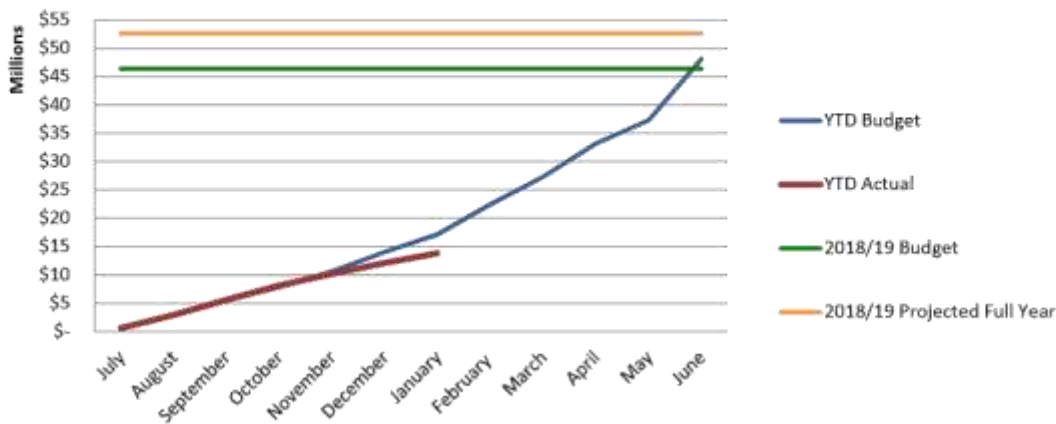
**PROGRESS**

\*29.88% of Adopted Budget spent

\*26.33% of current full year projection spent

\* Same time last year: \$15.91m (41.56%) of the 2017/2018 Adopted Budget had been spent

**CAPITAL WORKS BUDGET VS. ACTUAL**

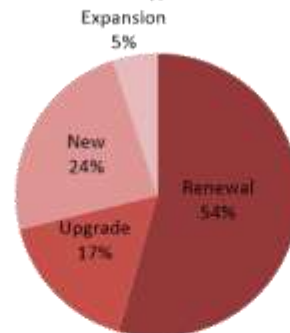


**RENEWAL**

Asset Renewal	
Asset renewal as a percentage of depreciation	
ADOPTED BUDGET	PROJECTED FULL YEAR
<b>96.80%</b>	<b>107.58%</b>

- Expected range of 40% to 130%; Target band of 90% to 110%.
- Indicator of assets being renewed as planned. High or increasing percentages indicate improvement in capacity to meet long term obligations.
- The variance between Adopted Budget and Projected Full Year is mostly due to the timing of renewal works at Cosgrove Landfill

**% Split of Projected Full Year by Capital Works Type**



Greater Shepparton City Council  
Income Statement  
for period ended January 2019

	YEAR TO DATE					FULL YEAR					Notes
	2018/2019 YTD Adopted Budget	2018/2019 YTD Adopted Forecast Q1	2018/2019 YTD Actual	YTD Adopted Budget Variance (Fav)/Unfav	YTD Adopted Forecast Q1 Variance (Fav)/Unfav	2018/2019 Adopted Budget	2018/2019 Adopted Forecast Q1	2018/2019 Projected Full Year	Adopted Budget Variance (Fav)/Unfav	Adopted Forecast Q1 Variance (Fav)/Unfav	
	\$	\$	\$	%	%	\$	\$	\$	%	%	
<b>Revenues from Operating Activities</b>											
Rates and Charges	77,200,570	77,308,355	77,330,128	(0.2%)	(0.0%)	77,426,385	77,474,660	77,463,622	(0.0%)	0.0%	1
Statutory Fees	1,881,624	1,613,371	1,389,094	26.2%	13.9%	3,394,929	3,316,612	3,249,785	4.3%	2.0%	1
User Charges	11,061,687	11,087,078	11,134,147	(0.7%)	(0.4%)	18,748,202	19,028,371	18,962,914	(1.1%)	0.3%	1
Operating Grants	9,931,202	10,303,205	10,703,107	(7.8%)	(3.9%)	17,602,271	18,139,169	18,432,093	(4.7%)	(1.6%)	2
Operating Contributions	740,880	863,073	1,196,692	(61.5%)	(38.7%)	1,357,669	1,333,473	1,723,089	(26.9%)	(29.2%)	2
Other	1,285,179	672,274	1,403,713	(9.2%)	(108.8%)	1,992,131	2,078,843	2,412,461	(21.1%)	(16.0%)	3
<b>Total Operating Revenue</b>	<b>102,101,142</b>	<b>101,847,356</b>	<b>103,156,881</b>	<b>(1.0%)</b>	<b>(1.3%)</b>	<b>120,521,587</b>	<b>121,371,128</b>	<b>122,243,964</b>	<b>(1.4%)</b>	<b>(0.7%)</b>	
<b>Expenses from Operating Activities</b>											
Employee Costs	28,837,206	29,313,694	29,292,558	1.6%	(0.1%)	49,543,187	49,738,019	49,579,194	0.1%	(0.3%)	4
Materials and Consumables	28,510,165	27,462,028	26,059,242	(8.6%)	(5.1%)	49,745,854	53,478,321	52,632,734	5.8%	(1.6%)	4
Bad & Doubtful Debts	35,966	28,964	13,335	(62.9%)	(54.0%)	173,740	178,287	178,852	2.9%	0.3%	5
Depreciation and Amortisation	14,956,599	15,127,935	15,124,382	1.1%	(0.0%)	23,602,979	26,101,548	26,101,548	10.6%	0.0%	5
Borrowing Costs	500,000	522,080	503,389	0.7%	(3.6%)	1,002,000	1,002,000	1,002,000	0.0%	0.0%	
Other Expenses	344,814	343,628	439,103	27.3%	27.8%	587,091	619,091	619,091	5.5%	0.0%	
<b>Total Operating Expenses</b>	<b>73,184,750</b>	<b>72,798,329</b>	<b>71,432,010</b>	<b>(2.4%)</b>	<b>(1.9%)</b>	<b>124,654,851</b>	<b>131,117,266</b>	<b>130,113,419</b>	<b>4.4%</b>	<b>(0.8%)</b>	
<b>UNDERLYING OPERATING RESULT</b>	<b>28,916,392</b>	<b>29,049,027</b>	<b>31,724,871</b>	<b>(9.7%)</b>	<b>(9.2%)</b>	<b>(4,133,264)</b>	<b>(9,746,138)</b>	<b>(7,869,455)</b>	<b>(90.4%)</b>	<b>19.3%</b>	
<b>Non-operating Income and Expenditure</b>											
Capital Grants	2,370,000	2,845,237	1,321,708	44.2%	53.5%	8,700,370	9,315,577	8,264,930	5.0%	11.3%	6
Capital Contributions	412,000	672,539	1,547,561	(275.6%)	(130.1%)	911,000	1,435,539	2,447,743	(168.7%)	(70.5%)	7
Contributed Assets	7,942,415	7,521,803	6,101,719	23.2%	18.9%	13,842,129	13,842,129	13,842,129	0.0%	0.0%	8
Proceeds from Sale of Assets	110,000	253,052	142,608	(29.6%)	43.6%	390,000	390,000	390,000	0.0%	0.0%	9
Written Down Value of Asset Disposals	(314,601)	(199,394)	(199,394)	36.6%	(0.0%)	(539,535)	(539,535)	(539,535)	0.0%	0.0%	
Other Revenue	0	133,030	133,030	100.0%	0.0%	0	133,030	133,030	100.0%	0.0%	
<b>Total Non Operating Items</b>	<b>10,519,814</b>	<b>11,226,267</b>	<b>9,047,232</b>	<b>14.0%</b>	<b>19.4%</b>	<b>23,303,964</b>	<b>24,576,740</b>	<b>24,538,297</b>	<b>(5.3%)</b>	<b>0.2%</b>	
<b>ACCOUNTING SURPLUS/(DEFICIT)</b>	<b>39,436,206</b>	<b>40,275,294</b>	<b>40,772,103</b>	<b>(3.4%)</b>	<b>(1.2%)</b>	<b>19,170,700</b>	<b>14,830,602</b>	<b>16,668,842</b>	<b>13.1%</b>	<b>(12.4%)</b>	



**Notes to the Income Statement for period ended January 2019**

- 1) Statutory Fees is \$244k less than YTD Adopted Forecast Q1. This unfavourable variance is mostly due to a lower number of planning permit applications \$99k and the timing of Parking Infringement income \$120k.
- 2) Contributions is \$333k more than YTD Adopted Forecast Q1. Projected Full Year is \$390k more than Adopted Forecast Q1 and \$365k more than 2018/2019 Adopted Budget. These favourable variances are mostly due to Natural Disaster financial assistance from the Department of Treasury and Finance \$133k, additional development contributions for civil works and trees in new estates \$124k, additional contributions towards building insurance from Council's leasees \$46k and additional Recreational Land Fund contributions \$40k.
- 3) Other Revenue is \$591k more than YTD Adopted Forecast Q1. Projected Full Year is \$334k more than Adopted Forecast Q1 and \$420k more than 2018/2019 Adopted Budget. These favourable variances are mostly due to additional interest income from high levels of investment \$550k, additional fuel rebates \$384k, additional royalties for Cosgrove landfill \$50k, additional income from cardboard and steel recycling at Council's transfer stations \$30k and additional rental income at sport facilities \$12k. This favourable variance is partially offset by the write off of income recorded in prior financial years which will be recovered in future financial years \$719k.
- 4) Materials and Consumables is \$1.40m less than YTD Adopted Forecast Q1. This favourable variance is mostly due to the timing of under 65 respite care contract payments \$308k, community donations \$190k, concrete crushing \$189k, sealed roads contract payments \$123k, Cosgrove landfill contract payments \$93k, and animal shelter vet expenses \$85k. Projected Full Year is \$2.89m more than 2018/2019 Adopted Budget. This unfavourable variance is mostly due to increases in non-Council asset, non-recurrent, works on Macisaac Road and Echuca Road intersection \$730k, Lifestyle Villages bridge \$226k and Midland Highway intersection Mooroopna West \$265k re-budgeted from 2017/2018. This unfavourable variance is also impacted by expenditure for a detailed design of the Shepparton Sport and Event Centre \$380k, increase in fuel expense \$289k, additional Planning legal expense \$257k, the operating portion of the public wifi capital project \$280k, and additional Shepparton Show Me expenditure \$219k. This unfavourable variance is partially offset by savings in kerbside organics due to lower amounts of green waste processing \$938k.
- 5) Depreciation Projected Full Year is \$2.49m more than 2018/2019 Adopted Budget. This unfavourable variance is due to asset revaluations which resulted in an increase in asset values.
- 6) Capital Grants is \$1.52m less than YTD Adopted Forecast Q1. Projected full year is \$1.05m less than Adopted Forecast Q1 and \$435k less than 2018/2019 Adopted Budget. These unfavourable variances are mostly due to the timing of grant funding for the new Shepparton Art Museum \$2m. This funding is expected to be received in future financial years. This unfavourable variance is partially offset by additional grant funding for Tatura Library redevelopment \$600k, Public Wifi project \$480k, Vibert Reserve lighting and security project \$189k, Watt Road Blackspot program \$114k, and Central Park netball court upgrade \$100k.
- 7) Capital contributions is \$875k more than YTD Adopted Forecast Q1. Projected Full Year is \$1.01m more than Adopted Forecast Q1 and \$1.54m more than 2018/2019 Adopted Budget. These favourable variances are mostly due to additional developer contributions \$290k for Northside Estate, Seven Creeks Estate, Kialla Greens Estate and Windsor Park. The favourable variance is also impacted by additional funding from Vic Roads as part of the Fixing Country Roads program for bridge renewals \$930k.
- 8) Contributed Assets is \$1.42m less than YTD Adopted Forecast Q1. This unfavourable variance is due to the timing of receipt of assets from completed estates.
- 9) Capital Other Revenue Projected Full Year is \$133k more than 2018/2019 Adopted Budget. This favourable variance is due to rebates for the installation of solar power at Council's Welsford Street office and Shepparton Sports Stadium \$77k, and insurance income for the Aquamoves shade structures \$56k which will be used to offset additional capital Expenditure for this project.

## Greater Shepparton City Council

**Balance Sheet**  
 as at January 2019

	Total Actual June 2018	Adopted Budget June 2019	Adopted Forecast Q1 June 2019	YTD Adopted Budget 2019	YTD Adopted Forecast Q1 2019	YTD Actual 2019	Total Actual June 2018 Variance (Fav)/Unfav %	Adopted Forecast Q1 Variance (Fav)/Unfav %	Notes
	\$	\$	\$	\$	\$	\$			
<b>Current Assets</b>									
Cash and Cash Equivalent	23,809,567	18,057,669	19,845,062	790,311	6,329,420	13,055,298	45.2%	34.2%	
Receivables	7,943,794	6,692,000	8,975,559	53,498,888	51,110,753	42,040,323	(429.2%)	(368.4%)	
Other Financial Assets	31,500,000	13,600,000	13,600,000	45,000,000	41,000,000	43,000,000	(36.5%)	(216.2%)	
Inventories	120,198	74,000	120,198	158,508	165,976	236,416	(96.7%)	(96.7%)	
Assets Held for Resale	248,085	-	248,085	-	248,085	248,085	0.0%	0.0%	
Other Assets	1,375,355	1,050,000	1,375,354	252,236	315,922	342,416	75.1%	75.1%	
<b>Total Current Assets</b>	<b>64,996,998</b>	<b>39,473,669</b>	<b>44,164,258</b>	<b>99,699,943</b>	<b>99,170,156</b>	<b>98,922,537</b>	<b>(52.2%)</b>	<b>(138.7%)</b>	
<b>Non Current Assets</b>									
Investment in Associates	1,457,302	1,511,499	1,457,302	1,511,499	1,457,302	1,457,302	0.0%	0.0%	
Infrastructure	1,036,461,256	1,118,546,000	1,071,789,148	1,042,106,197	1,042,768,946	1,041,011,598	(0.4%)	2.9%	
Intangible Assets	-	848,000	-	-	-	-	0.0%	0.0%	1
<b>Total Non Current Assets</b>	<b>1,037,918,558</b>	<b>1,120,905,499</b>	<b>1,073,246,450</b>	<b>1,043,617,696</b>	<b>1,044,226,248</b>	<b>1,042,468,900</b>	<b>(0.4%)</b>	<b>2.9%</b>	
<b>Total Assets</b>	<b>1,102,915,556</b>	<b>1,160,379,168</b>	<b>1,117,410,708</b>	<b>1,143,317,639</b>	<b>1,143,396,404</b>	<b>1,141,391,437</b>	<b>(3.5%)</b>	<b>(2.1%)</b>	
<b>Current Liabilities</b>									
Trade & Other Payables	9,997,114	8,720,000	11,041,320	9,317,341	8,924,875	6,072,074	(39.3%)	(45.0%)	
Trust Funds	2,836,213	2,717,000	2,836,213	5,856,258	4,542,776	5,340,464	88.3%	88.3%	
Provisions	9,220,504	10,119,000	9,220,506	8,818,142	9,476,194	9,117,310	(1.1%)	(1.1%)	
Interest Bearing Liabilities	1,362,130	1,447,000	1,362,130	926,242	926,242	589,750	(56.7%)	(56.7%)	
<b>Total Current Liabilities</b>	<b>23,415,961</b>	<b>23,003,000</b>	<b>24,460,169</b>	<b>24,917,983</b>	<b>23,870,087</b>	<b>21,119,598</b>	<b>(9.8%)</b>	<b>(13.7%)</b>	
<b>Non Current Liabilities</b>									
Provisions	7,107,824	7,094,000	7,107,824	7,118,151	7,107,824	7,107,824	0.0%	(0.0%)	
Interest Bearing Liabilities	17,073,415	15,610,000	15,706,200	16,837,286	16,837,286	17,073,415	0.0%	8.7%	
<b>Total Non Current Liabilities</b>	<b>24,181,238</b>	<b>22,704,000</b>	<b>22,814,024</b>	<b>23,955,437</b>	<b>23,945,110</b>	<b>24,181,238</b>	<b>0.0%</b>	<b>6.0%</b>	
<b>Total Liabilities</b>	<b>47,597,199</b>	<b>45,707,000</b>	<b>47,274,193</b>	<b>48,873,420</b>	<b>47,815,197</b>	<b>45,300,836</b>	<b>(4.8%)</b>	<b>(4.2%)</b>	
<b>Net Assets</b>	<b>1,055,318,357</b>	<b>1,114,672,168</b>	<b>1,070,136,515</b>	<b>1,094,444,219</b>	<b>1,095,581,207</b>	<b>1,096,090,600</b>	<b>96.0%</b>	<b>(2.4%)</b>	
<b>Represented By</b>									
Accumulated Surplus	392,432,069	555,416,922	407,250,227	431,557,931	432,694,919	433,204,312	(10.4%)	(6.4%)	
Reserves	662,886,288	559,255,246	662,886,288	662,886,288	662,886,288	662,886,288	0.0%	0.0%	
<b>Total Equity</b>	<b>1,055,318,357</b>	<b>1,114,672,168</b>	<b>1,070,136,515</b>	<b>1,094,444,219</b>	<b>1,095,581,207</b>	<b>1,096,090,600</b>	<b>96.0%</b>	<b>(2.4%)</b>	

**Notes to the Balance Sheet as at January 2019**

1) Intangible assets is \$848k less than 2018/2019 Adopted Budget. Land controlled by Places Victoria, creating an intangible assets for the right to receive income, was gifted back to Council resulting in a write off of intangible assets as part of the 2017/2018 end of financial year reports. The budget for this was adjusted as part of the 2018/2019 Q1 Forecast Review.



## Greater Shepparton City Council

**Cash Flow Statement**

as at January 2019

	2018/2019 Adopted Budget \$	2018/2019 Adopted Forecast Q1 \$	2018/2019 YTD Adopted Budget \$	2018/2019 YTD Adopted Forecast Q1 \$	2018/2019 YTD Actual \$	Adopted Budget Variance (Fav)/Unfav \$	Adopted Forecast Q1 Variance (Fav)/Unfav \$
<b>Cash flows from operating activities</b>							
Receipts from customers	101,251,809	101,351,516	48,861,282	49,107,673	59,416,239	(21.60%)	(20.99%)
Payments to suppliers	(97,376,000)	(104,013,718)	(58,443,588)	(57,263,863)	(59,189,327)	1.28%	3.36%
Net cash inflow(outflow) from customers(suppliers)	3,875,809	(2,662,202)	(9,582,307)	(8,156,191)	226,912	(102.37%)	(102.78%)
Interest received	582,000	680,000	318,780	468,404	577,466	(81.15%)	(23.28%)
Government receipts	26,371,000	27,454,746	12,301,202	13,148,442	12,024,815	2.25%	8.55%
Contributions	2,269,000	2,769,012	1,230,725	1,613,457	2,822,098	(129.30%)	(74.91%)
<b>Net cash inflow(outflow) from operating activities</b>	<b>33,097,809</b>	<b>28,241,556</b>	<b>4,268,401</b>	<b>7,074,113</b>	<b>15,651,290</b>	<b>266.68%</b>	<b>121.25%</b>
<b>Cash flows from investing activities</b>							
Net movement in other financial assets	3,400,000	17,900,000	(13,500,000)	(9,500,000)	(11,500,000)	14.81%	164.25%
Infrastructure, property, plant & equipment - proceeds	390,000	390,000	110,000	253,052	142,608	(29.64%)	43.64%
Infrastructure, property, plant & equipment - payments	(46,356,000)	(48,126,846)	(12,725,641)	(14,113,216)	(13,772,399)	8.23%	(2.41%)
<b>Net cash inflow(outflow) from investing activities</b>	<b>(42,566,000)</b>	<b>(29,836,846)</b>	<b>(26,115,641)</b>	<b>(23,360,164)</b>	<b>(25,129,791)</b>	<b>3.77%</b>	<b>(7.58%)</b>
<b>Cash flows from financing activities</b>							
Finance Cost	(1,002,000)	(1,002,000)	(500,000)	(522,080)	(503,389)	0.68%	(3.58%)
Repayment of interest-bearing loans and borrowings	(1,377,000)	(1,367,215)	(672,016)	(672,016)	(772,380)	14.93%	14.93%
<b>Net cash inflow(outflow) from financing activities</b>	<b>(2,379,000)</b>	<b>(2,369,215)</b>	<b>(1,172,016)</b>	<b>(1,194,096)</b>	<b>(1,275,769)</b>	<b>8.85%</b>	<b>6.84%</b>
<b>Net increase(decrease) in cash and equivalents</b>	<b>(11,847,191)</b>	<b>(3,964,505)</b>	<b>(23,019,256)</b>	<b>(17,480,147)</b>	<b>(10,754,269)</b>	<b>(53.28%)</b>	<b>(38.48%)</b>
Cash and equivalents at the beginning of the year	29,904,860	23,809,567	23,809,567	23,809,567	23,809,567	(0.00%)	(0.00%)
<b>Cash and equivalents at the end of the year</b>	<b>18,057,669</b>	<b>19,845,062</b>	<b>790,311</b>	<b>6,329,420</b>	<b>13,055,298</b>	<b>(1551.92%)</b>	<b>(106.26%)</b>



Greater Shepparton City Council  
**Capital Works Statement**  
 period ended January 2019

Capital Works Area	2018/2019	2018/2019	2018/2019	YTD	YTD	2018/2019	2018/2019	2018/2019	Adopted	Adopted	Note
	YTD	YTD	YTD	Adopted	Adopted		Adopted Budget	YTD	YTD	Budget	
	Adopted	Adopted	Actual	Budget	Forecast Q1	Actual	Forecast Q1	Projected	Variance	Variance	
	Budget	Forecast Q1		Variance	Variance			Full Year	(Fav)/Unfav	(Fav)/Unfav	
	\$	\$	\$	(Fav)/Unfav	(Fav)/Unfav	\$	\$	\$	%	%	
				%	%						
Aerodrome	399,000	12,500	12,500	(97%)	0%	399,000	411,500	411,500	3%	0%	
Bridges	225,000	2,060	2,663	(99%)	29%	450,000	450,000	1,360,000	202%	202%	1
Buildings	1,972,517	1,878,618	1,987,863	1%	6%	9,929,300	9,944,310	10,100,002	2%	2%	
Computer & Telecommunications	1,235,000	405,795	126,773	(90%)	(69%)	1,405,000	1,611,054	1,640,241	17%	2%	2
Drainage	660,000	19,280	110,908	(83%)	475%	1,076,000	1,417,000	1,197,000	11%	(16%)	3
Fixture Fittings and Furniture	262,000	278,442	226,010	(14%)	(19%)	349,000	347,080	361,763	4%	4%	
Footpaths & Cycleways	262,880	197,140	229,821	(13%)	17%	1,641,380	1,641,380	1,656,355	1%	1%	
Land	44,000	0	0	(100%)	0%	649,000	649,000	605,000	(7%)	(7%)	
Land Improvements	810,980	678,980	670,368	(17%)	(1%)	1,205,980	1,155,980	878,980	(27%)	(24%)	4
Off Street Car Parks	0	65,000	13,050	100%	(80%)	65,000	65,000	65,000	0%	0%	
Parks, Open Space & Streetscape	817,100	552,964	230,042	(72%)	(58%)	1,646,000	1,602,498	1,602,498	(3%)	0%	5
Plant Machinery & Equipment	1,885,000	1,980,094	1,212,058	(36%)	(39%)	2,795,000	3,368,000	2,945,993	5%	(13%)	6
Recreational Leisure and Community Facilities	1,303,030	951,375	750,028	(42%)	(21%)	1,624,439	1,996,102	2,373,223	46%	19%	7
Roads	9,174,148	7,030,218	6,408,834	(30%)	(9%)	16,219,194	16,340,942	16,489,601	2%	1%	
Waste Management	1,150,000	2,555,107	1,328,276	16%	(48%)	5,510,000	5,735,000	9,518,284	73%	66%	8
Other Infrastructure	1,000	0	19,311	1831%	100%	392,000	392,000	392,000	0%	0%	
Project Management Office	574,080	555,548	520,489	(9%)	(6%)	1,000,000	1,000,000	1,000,000	0%	0%	
<b>Total Capital Works</b>	<b>20,775,735</b>	<b>17,163,121</b>	<b>13,848,992</b>	<b>(33%)</b>	<b>(19%)</b>	<b>46,356,293</b>	<b>48,126,846</b>	<b>52,597,440</b>	<b>13%</b>	<b>9%</b>	

Capital Works Area	2018/2019	2018/2019	2018/2019	YTD	YTD	2018/2019	2018/2019	2018/2019	Adopted	Adopted	Note
	YTD	YTD	YTD	Adopted	Adopted		Adopted Budget	YTD	YTD	Budget	
	Adopted	Adopted	Actual	Budget	Forecast Q1	Actual	Forecast Q1	Projected	Variance	Variance	
	Budget	Forecast Q1		Variance	Variance			Full Year	(Fav)/Unfav	(Fav)/Unfav	
	\$	\$	\$	(Fav)/Unfav	(Fav)/Unfav	\$	\$	\$	%	%	
				%	%						
Renewal	13,496,419	12,694,226	10,773,306	(20%)	(15%)	22,846,980	23,792,221	28,079,819	23%	18%	
Upgrade	2,747,950	1,781,616	455,070	(83%)	(74%)	8,294,744	8,694,744	8,614,557	4%	(1%)	
New	3,165,686	2,038,962	1,943,495	(35%)	(5%)	11,679,569	12,004,881	12,295,064	5%	2%	
Expansion	791,600	112,769	156,633	(80%)	39%	2,535,000	2,635,000	2,608,000	3%	(1%)	
Project Management Office	574,080	555,548	520,489	(9%)	(6%)	1,000,000	1,000,000	1,000,000	0%	0%	
<b>Total Capital Works</b>	<b>20,775,735</b>	<b>17,163,121</b>	<b>13,848,992</b>	<b>(33%)</b>	<b>(19%)</b>	<b>46,356,293</b>	<b>48,126,846</b>	<b>52,597,440</b>	<b>13%</b>	<b>9%</b>	



**Notes to the Capital Works Statement for period ended January 2019**

- 1) Bridges Projected Full Year is \$910k more than Adopted Forecast Q1 and 2018/2019 Adopted Budget. These unfavourable variances are due to additional planning and design expenditure for Toolamba, Watt Road and Burkes Road bridges. This additional expenditure is offset by additional monetary contributions from Vic Roads as part of the Fixing Country Roads program.
- 2) Computer and Telecommunications is \$279k less than YTD Adopted Forecast Q1. This favourable variance is due to delays in the ICT primary compute and storage refresh project. Projected Full Year is \$235k more than 2018/2019 Adopted Budget. This unfavourable variance is mostly due to the new Public Wifi project \$200k. A portion of this project is accounted for under operating and will be fully offset by grant funding of \$480k. This unfavourable variance is also impacted by phone system upgrade works budgeted for in 2017/2018 but delayed to 2018/2019 due to technical issues \$29k.
- 3) Drainage Projected Full Year is \$220k less than Adopted Forecast Q1. This favourable variance is due to the reclassification of the MWGC North South Road project to Roads \$220k. Projected full year is also \$121K more than 2018/2019 Adopted Budget. This unfavourable variance is mostly due to additional works as part of the North Growth Corridor Drainage and Landscaping project \$130k to include a rising main, a new localised drainage project at Katandra West, and a new 173 agreement with developers for drainage works along the frontage of the new Audi dealership on Carroll Road \$126k.
- 4) Land Improvements Projected Full Year is \$277k less than Adopted Forecast Q1 and \$327k less than 2018/2019 Adopted Budget. These favourable variances are mostly due to a reduction in the scope of the trade waste treatment project at the Saleyards due to revised Goulburn Valley Water requirements \$290k. The favourable variance is also due to the deferral of Children Services garden renewals until future financial years to allow for the development of a renewal program \$50k.
- 5) Parks, Open Space and Streetscape is \$323k less than YTD Adopted Forecast Q1. This favourable variance is mostly due to the timing of works on the Kialla Park Oval re-construction \$249k and Shepparton Villages landscaping works \$50k.
- 6) Plant and Machinery is \$768k less than YTD Adopted Forecast Q1 and Projected full year is \$422k less than Adopted Forecast Q1. These favourable variances are due to delays in the delivery of large plant items, some of which will be re-budgeted into the 2019/2020 financial year.
- 7) Recreational Leisure and Community Facilities is \$201k less than YTD Adopted Forecast Q1. This favourable variance is mostly due to the timing of works on the Central Park netball court renewal \$104k and the Merrigum splash park \$99k. Projected Full Year is \$377k more than Adopted Forecast Q1 and \$749k more than 2018/2019 Adopted Budget. These unfavourable variances are mostly due to new capital works including Central Park netball court upgrade \$315k which is offset by additional grant funding. Also impacted by additional works associated with Federal funding at the Greater Shepparton Regional Sports Precinct \$308k and additional playground works at Kinchenga Park \$75k.
- 8) Waste Management is \$1.23m less than YTD Adopted Forecast Q1. This favourable variance is mostly due to delays in works at Cosgrove Landfill including Cosgrove 3 cell 1 construction \$697k, Cosgrove 2 cell 3 capping \$386k, and Cosgrove 3 leachate evaporation ponds project \$250k. Projected Full Year is \$3.78m more than Adopted Forecast Q1 and \$4.01m more than 2018/2019 Adopted Budget. These unfavourable variances are mostly due to an increase in the Cosgrove 3 landfill project \$3.76m rebudgeted from 2017/2018.