

ATTACHMENT TO AGENDA ITEM

Ordinary Meeting

21 February 2017

Agenda Item 8.2 January 2017 Monthly Financial Report

**Attachment 1 January 2017 - GSCC Council Reports - Monthly
Financial Statements..... 111**

MONTHLY FINANCIAL REPORT JANUARY 2017

Operating Performance

Adjusted underlying result			
Adjusted underlying surplus (or deficit) as a percentage of underlying revenue			
YTD ACTUAL	YTD ADOPTED FORECAST Q1	ADOPTED BUDGET	ADOPTED FORECAST Q1
32.79%	31.41%	3.85%	6.42%

- Expected range of -20% to 20%; Target band of >0%.
- YTD Actual and YTD Adopted Forecast Q1 are high due to the full amount of 2016/2017 rates revenue being raised in July. The underlying surplus will reduce throughout the financial year as expenditure is incurred.
- Full year adopted forecast Q1 is within acceptable levels

Financial Health

Working Capital			
Current assets as a percentage of current liabilities			
YTD ACTUAL	YTD ADOPTED FORECAST Q1	ADOPTED BUDGET	ADOPTED FORECAST Q1
312.20%	293.20%	140.12%	184.46%

- Expected range of 100% to 400%; Target band of 120% to 200%.
- YTD Actual and YTD Adopted Forecast Q1 are high due to the full amount of 2016/2017 rates revenue being raised in July. Receivables will reduce throughout the financial year as rates instalments fall due.
- Variance between YTD Actual and YTD Adopted Forecast Q1 is largely due to the current provision for Cosgrove 2 landfill rehabilitation works \$1.57m to be completed in 2016/2017.
- VAGO indicate that any level of liquidity higher than 150% is considered low risk.

Financial Obligations

Loans and borrowings			
Loans and borrowings as a percentage of rates			
YTD ACTUAL	YTD ADOPTED FORECAST Q1	ADOPTED BUDGET	ADOPTED FORECAST Q1
22.27%	25.61%	31.28%	32.82%

- Expected range of 0% to 70%; Target band of 20% to 60%.
- This indicates Council has a level of borrowing that is appropriate to their activities and have a strong capacity to meet their long term obligations.
- Borrowings for the Greater Shepparton Regional Sports Precinct and SAM are forecast to increase this indicator.
- YTD Actual is lower than YTD Adopted Forecast Q1 due to a \$2m pay down of one of Council's existing borrowings that had moved from fixed to variable. The Q2 forecast will reflect the loan repayments for adoption in February.

Other Financial Performance

Rates Debtors

\$42.31m
Same time last year \$40.74m
3rd instalment & full year rates due February 2017

Sundry Debtors

0-30 days \$801K or 63% of total outstanding sundry debtors.
31-60 days \$216k or 17% of total outstanding sundry debtors.
61+ days \$249k or 20% of total outstanding sundry debtors.

Investments

\$25.5m with average rate of 1.57%
84% at A1+, 0% at A1, 7.84% at A2
\$454k in interest income to date

Operating Performance

January 2017

Income	YTD Adopted Forecast Q1 vs YTD Actual		Projected Full Year vs Adopted Forecast Q1 (Fav)/Unfav	
	Rates and Charges	Steady	(\$0.12m)	Steady
Statutory Fees	Favourable	(\$0.3m)	Steady	(\$0.2m)
User Charges	Unfavourable	\$1.15m	Unfavourable	\$3.22m
Grants	Favourable	(\$1.32m)	Steady	\$0.26m
Contributions	Favourable	(\$0.24m)	Favourable	(\$0.23m)
Other Revenue	Steady	\$0.04m	Steady	\$0.09m
Total Income	Steady	(\$0.8m)	Steady	\$2.85m
Expense				
Employee Costs	Steady	(\$0.29m)	Steady	(\$0.16m)
Materials and Consumables	Favourable	(\$0.89m)	Favourable	(\$0.95m)
Bad and Doubtful Debts	Steady	\$0m	Steady	\$0m
Depreciation and Amortisation	Unfavourable	\$0.28m	Unfavourable	\$0.15m
Borrowing Costs	Favourable	(\$0.3m)	Favourable	(\$0.29m)
Other Expenses	Unfavourable	\$0.01m	Steady	\$0m
Total Expense	Steady	(\$1.19m)	Steady	(\$1.24m)

Notes:

- Statutory fees & charges is \$300k more than YTD Adopted Forecast Q1. This favourable variance is caused by higher than expected income in the Building & Planning department. Please see income statement notes for more detail.
- User charges is \$3.22m less than Adopted Forecast Q1 and \$1.14m less than YTD Adopted Forecast Q1. This unfavourable variance is mostly due to a reduced level of commercial waste going to Cosgrove landfill. Please see income statement notes for more detail.
- Grants are \$1.32m more than YTD Adopted Forecast Q1. This favourable variance is mostly caused by timing of Federal Financial Assistance Grant income. Please see income statement notes for more detail.
- Contributions is \$227k more than Adopted Forecast Q1 and \$244k more than YTD Adopted Forecast Q1. These favourable variances are mostly caused by additional developer contributions for Recreational Land Fund and insurance claims. Please see income statement notes for more detail.
- Materials & Consumables is forecast to be \$945k less than Adopted Forecast Q1 and \$891k less than YTD Adopted Forecast Q1. This favourable variance is mostly due to reduction in EPA levy costs at Cosgrove Landfill. Please see income statement for more detail.
- Depreciation is \$150k more than Adopted Forecast Q1 and \$279k more than YTD Adopted Forecast Q1. Please see income statement notes for more detail.
- Borrowing Costs is forecast to be \$290k less than Adopted Forecast Q1 and \$298k less than YTD Adopted Forecast Q1. This favourable variance is due to the capitalisation of loan interest for the Greater Shepparton Regional Sports Precinct. Please see income statement for more detail.

Capital Works Performance January 2017

ADOPTED BUDGET	ADOPTED FORECAST Q1 #	PROJECTED FULL YEAR	YTD ACTUAL
\$45.49m	\$42.03m	\$45.33m	\$14.34m

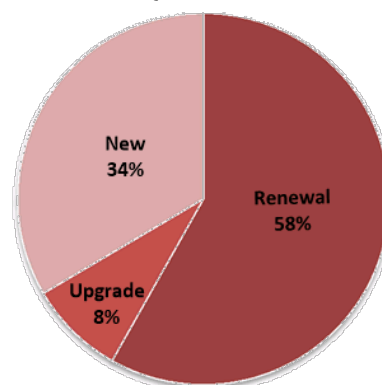
PROGRESS

- * 31.5% of Adopted Budget spent, 78.8% committed
- * 31.6% of current full year projection spent, 79.1% committed
- * In January 2016 40.9% or \$15.33m of the 2015/2016 Adopted Budget had been spent
- # Reduction factor from Adopted Forecast Q1 \$4.67m

RENEWAL

Asset Renewal	
Asset renewal as a percentage of depreciation	
ADOPTED BUDGET	PROJECTED FULL YEAR
120.04%	108.42%

- 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.



MAJOR PROJECTS PERFORMANCE (multiple year projects, > \$2m)

Greater Shepparton Regional Sports Precinct			
Original Approved Estimate	Current Approved Estimate	Current Forecast	* Budget increase to \$21m approved at May 2016 Councillor briefing
\$13.44m	\$21.0m	\$21.0m	
Shepparton Art Museum			
Original Approved Estimate	Current Approved Estimate	Current Forecast	
\$34.5m	\$34.5m	\$34.5m	
Cosgrove 3 Landfill			
Original Approved Estimate	Current Approved Estimate	Current Forecast	* Includes next 3 years of expenditure.
\$20.5m	\$20.5m	\$20.5m	
Verney Road Stages 2 & 3			
Original Approved Estimate	Current Approved Estimate	Current Forecast	* Includes stage 3 estimates
\$4.2m	\$3.37m	\$3.37m	

Greater Shepparton City Council
Income Statement
for period ended January 2017

	YEAR TO DATE					FULL YEAR					Notes
	2016/2017 YTD Adopted Budget	2016/2017 YTD Adopted Forecast Q1	2016/2017 YTD Actual	YTD Adopted Budget Variance (Fav)/Unfav	YTD Adopted Forecast Q1 Variance (Fav)/Unfav	2016/2017 Adopted Budget	2016/2017 Adopted Forecast Q1	2016/2017 Projected Full Year	Adopted Budget Variance (Fav)/Unfav	Adopted Forecast Q1 Variance (Fav)/Unfav	
	\$	\$	\$	%	%	\$	\$	\$	%	%	
Revenues from Operating Activities											
Rates and Charges	70,919,644	71,473,066	71,590,365	(0.9%)	(0.2%)	70,956,622	71,343,318	71,623,341	(0.9%)	(0.4%)	
Statutory Fees	1,490,464	1,466,954	1,767,460	(18.6%)	(20.5%)	3,147,663	3,227,252	3,423,222	(8.8%)	(6.1%)	1
User Charges	11,085,368	10,744,445	9,599,183	13.4%	10.7%	20,607,998	20,539,574	17,322,966	15.9%	15.7%	2
Operating Grants	11,267,509	11,487,887	12,812,057	(13.7%)	(11.5%)	22,838,467	22,817,252	22,561,016	1.2%	1.1%	3
Operating Contributions	282,019	246,833	490,877	(74.1%)	(98.9%)	468,444	623,238	850,216	(81.5%)	(36.4%)	4
Other	928,895	943,589	902,177	2.9%	4.4%	1,647,027	1,656,867	1,571,867	4.6%	5.1%	
Total Operating Revenue	95,973,899	96,362,774	97,162,118	(1.2%)	(0.8%)	119,666,221	120,207,501	117,352,628	1.9%	2.4%	
Expenses from Operating Activities											
Employee Costs	26,991,853	27,387,727	27,102,498	0.4%	(1.0%)	46,463,647	46,577,617	46,421,596	(0.1%)	(0.3%)	
Materials and Consumables	23,696,470	25,397,669	24,506,221	3.4%	(3.5%)	46,330,015	47,132,627	46,187,208	(0.3%)	(2.0%)	5
Bad & Doubtful Debts	7,600	8,226	8,432	11.0%	2.5%	144,000	144,000	144,000	0.0%	0.0%	
Depreciation and Amortisation	12,854,163	12,723,072	13,001,796	1.1%	2.2%	22,044,545	22,044,545	22,197,260	0.7%	0.7%	6
Borrowing Costs	600,000	645,305	347,067	(42.2%)	(46.2%)	1,250,000	1,250,000	960,000	(23.2%)	(30.2%)	7
Other Expenses	129,210	198,660	208,425	61.3%	4.9%	284,500	284,500	284,500	0.0%	0.0%	
Total Operating Expenses	64,279,296	66,360,659	65,174,439	1.4%	(1.8%)	116,516,707	117,433,289	116,194,564	(0.3%)	(1.1%)	
UNDERLYING OPERATING RESULT	31,694,603	30,002,115	31,987,679	(0.9%)	(6.6%)	3,149,514	2,774,212	1,158,064	63.2%	58.3%	
Non-operating Income and Expenditure											
Capital Grants	1,806,700	3,005,873	1,082,016	40.1%	64.0%	7,462,860	7,312,860	7,715,285	(3.4%)	(5.5%)	8
Capital Contributions	0	12,000	926,565	(100.0%)	(7,621.4%)	844,000	635,000	1,664,762	(97.2%)	(162.2%)	9
Contributed Assets	1,090,470	0	0	100.0%	0.0%	2,000,000	2,000,000	2,000,000	0.0%	0.0%	
Proceeds from Sale of Assets	128,776	22,412	503,938	(291.3%)	(2,148.5%)	1,782,770	2,049,000	2,049,000	(14.9%)	0.0%	10
Other Revenue	0	0	78,300	(100.0%)	(100.0%)	0	0	78,300	(100.0%)	(100.0%)	11
Written Down Value of Asset Disposals	(1,553,751)	(834,162)	(1,150,392)	26.0%	(37.9%)	(1,668,323)	(1,668,323)	(2,484,218)	(48.9%)	(48.9%)	12
Total Non Operating Items	1,472,195	2,206,123	1,440,427	2.2%	34.7%	10,421,307	10,328,537	11,023,129	(5.8%)	(6.7%)	
ACCOUNTING SURPLUS/(DEFICIT)	33,166,798	32,208,238	33,428,106	(0.8%)	(3.8%)	13,570,821	13,102,749	12,181,193	10.2%	7.0%	

Notes to the Income Statement for period ended January 2017

- 1) Statutory Fees & Charges is \$300k more than YTD Adopted Forecast Q1. The favourable variance is mostly due to higher than anticipated income in building fees \$163k and planning permits \$81k.
- 2) User Charges is \$1.14m less than YTD Adopted Forecast Q1. This unfavourable variance is mostly due to a reduced levels of commercial waste going to Cosgrove Landfill \$1.52m, and lower levels of cattle sales at the Saleyards \$230k. This is partially offset by favourable variances in Regional Aquatic Centres \$102k, Victoria Park Lake Caravan Park \$85k and additional income from the Pine Lodge Cemetery trust \$93k.
- 3) Operating Grants are \$1.32m more than YTD Adopted Forecast Q1. This favourable variance is mostly due to the timing of Federal Financial Assistance grant income \$730k. It is also impacted by additional income for the Regional Assessment Coordinator \$208k received from the Department of Health & Human Services; Aged Social Connections \$104k; and Family Day Care \$101k.
- 4) Operating Contributions are \$244k more than YTD Adopted Forecast Q1. This favourable variance is mostly due to Recreational land fund developer contributions \$72k; insurance claims \$61k; and from Vic Roads for the Ford Road Study \$35k. This variance is also impacted by the timing of income for arboriculture services \$19k and other developer contributions \$16k.
- 5) Materials and Consumables is \$891k less than YTD Adopted Forecast Q1. This favourable variance is mostly due to a reduction in EPA levy costs as a result of lower levels of waste going through Cosgrove Landfill.
- 6) Depreciation and Amortisation is \$279k more than YTD Adopted Forecast Q1. This unfavourable variance is mostly due to an increase in Assets through purchases and accurate recording.
- 7) Borrowing Costs is \$298k less than YTD Adopted Forecast Q1. This favourable variance is mostly due to the capitalisation of interest income relating to the loan for the Greater Shepparton Regional Sports Precinct \$160k.
- 8) Capital Grants is \$1.92m less than YTD Adopted Forecast Q1. This unfavourable variance is mostly due to the timing of grant income for the Greater Shepparton Regional Sports Precinct \$1.42m and a delay in the income relating to the Roads to Recovery program \$870k. This is partially offset by additional income for St Georges Rd Redevelopment \$209k, Mooroopna Sports Field Lighting \$63k and Tallygaroopna Men's Shed \$51k.
- 9) Capital Contributions is \$915k more than YTD Adopted Forecast Q1. This favourable variance is mostly due to additional contributions from Goulburn Valley Water for Verney Road waste main works \$369k; various sporting club contributions towards the Greater Shepparton Sports Precinct \$162k; Freedom place contributions towards Kialla Greens Estate \$124k; Vic Roads detour works \$100k; developer contributions for Seven Creeks Estate \$98k; and SAM Foundation contributions towards artwork acquisitions \$70k.
- 10) Proceeds from sale of Assets is \$481k more than YTD Adopted Forecast Q1. This favourable variance is mostly due to the timing of Council owner land sales \$375k and plant sales \$106k.
- 11) Other revenue is \$78k more than YTD Adopted Forecast Q1. This favourable variance is mostly due to sales Council owned land at Parkside Gardens.
- 12) Written Down Value of Asset Disposals is \$316k more than YTD Adopted Forecast Q1. This unfavourable variance is mostly due to the write off of duplicate or non existing assets through audit \$747k. This variance is partially offset by the timing of property sales and subsequent asset write off \$398k.

Greater Shepparton City Council

Balance Sheet

as at January 2017

	Total Actual June 2016	Adopted Budget June 2017	Adopted Forecast Q1 June 2017	YTD Adopted Budget 2017	YTD Adopted Forecast Q1 2017	YTD Actual 2017	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q1 Variance (Fav)/Unfav %	Notes
	\$	\$	\$	\$	\$	\$			
Current Assets									
Cash and Cash Equivalent	13,275,933	6,955,000	9,887,461	7,756,838	927,445	23,478,943	(202.7%)	(2,431.6%)	1
Receivables	5,965,568	7,593,000	5,965,568	65,830,887	70,750,129	48,607,972	26.2%	31.3%	2
Other Financial Assets	27,042,827	16,100,000	27,042,827	4,000,000	4,000,000	6,000,000	(50.0%)	(50.0%)	
Inventories	73,754	93,670	73,754	-	-	139,519			
Other Assets	1,230,299	-	1,230,300	214,175	484,424	110,408	48.4%	77.2%	
Total Current Assets	47,588,381	30,741,670	44,199,910	77,801,900	76,161,998	78,336,841	(0.7%)	(2.9%)	
Non Current Assets									
Investment in Associates	1,493,041	1,513,596	1,493,041	1,493,041	1,493,041	1,493,041	0.0%	0.0%	
Infrastructure	1,020,986,172	1,059,655,000	1,040,973,877	1,023,644,452	1,025,121,013	1,021,009,901	0.3%	0.4%	
Intangible Assets	972,944	1,013,338	972,944	1,013,337	972,944	972,944	4.0%	(0.0%)	
Total Non Current Assets	1,023,452,158	1,062,181,934	1,043,439,862	1,026,150,830	1,027,586,998	1,023,475,887	0.3%	0.4%	
Total Assets	1,071,040,539	1,092,923,604	1,087,639,772	1,103,952,730	1,103,748,996	1,101,812,728	0.2%	0.2%	
Current Liabilities									
Trade & Other Payables	9,986,238	8,359,377	10,040,114	13,689,660	12,735,463	6,077,531	(55.6%)	(52.3%)	
Trust Funds	3,093,498	2,748,204	3,093,498	2,803,604	2,507,904	6,867,245	144.9%	173.8%	3
Provisions	11,499,520	9,324,000	9,932,003	9,913,247	9,919,966	11,475,229	15.8%	15.7%	4
Interest Bearing Liabilities	896,755	1,507,308	896,755	812,898	812,897	671,524	(17.4%)	(17.4%)	
Total Current Liabilities	25,476,011	21,938,889	23,962,370	27,219,409	25,976,230	25,091,529	(7.8%)	(3.4%)	
Non Current Liabilities									
Provisions	6,484,709	4,720,584	6,484,709	4,596,898	6,484,709	6,484,709	41.1%	(0.0%)	
Interest Bearing Liabilities	17,494,161	20,685,131	22,558,161	17,494,161	17,494,161	15,270,187	(12.7%)	(12.7%)	5
Total Non Current Liabilities	23,978,870	25,405,715	29,042,870	22,091,059	23,978,870	21,754,896	(1.5%)	(9.3%)	
Total Liabilities	49,454,881	47,344,604	53,005,240	49,310,468	49,955,100	46,846,425	(5.0%)	(6.2%)	
Net Assets	1,021,585,658	1,045,579,000	1,034,634,532	1,054,642,262	1,053,793,896	1,054,966,303	(0.0%)	(0.1%)	
Represented By									
Accumulated Surplus	323,971,195	339,490,000	337,020,069	357,027,799	356,179,433	357,351,840	(0.1%)	(0.3%)	
Reserves	697,614,463	706,089,000	697,614,463	697,614,463	697,614,463	697,614,463	0.0%	0.0%	
Total Equity	1,021,585,658	1,045,579,000	1,034,634,532	1,054,642,262	1,053,793,896	1,054,966,303	(0.0%)	(0.1%)	

Notes to the Balance Sheet as at January 2017

- 1) Cash and Cash Equivalents is showing a high YTD actual balance due to cash being moved to on call (from held to maturity investments) in preparation of settling outstanding invoices prior to transferring to the new finance system.
- 2) Receivables is showing a high YTD Adopted Forecast Q1 and YTD Actual balance due to the full amount of 2016/2017 rates being raised in July. This figure will reduce throughout the financial year as rates instalments fall due and are paid. During January the receivables balance reduced by \$5.65m. The third rates instalment and full year rates fall due in February and will impact this balance.
- 3) Trust funds is showing a high YTD Adopted Forecast Q1 variance of \$4.36m due to the Fire Services Levy liability. This liability was raised in July 2016 and will reduce throughout the financial year as payments fall due; 28 days after each rates instalment. The next payment will occur in March 2017.
- 4) Provisions is showing a high YTD Adopted Forecast Q1 variance of \$1.55m due to the current provision for Cosgrove Landfill 2 rehabilitation works to be completed in 2016/2017.
- 5) Interest bearing liabilities is showing a YTD Adopted Forecast Q1 variance of \$2.22m due to an additional \$2m loan pay down. This resulted in a reduction in the life of the loan. Interest bearing liabilities is budgeted to increase throughout the financial year which is related to borrowings in 2016/2017 for the Greater Shepparton Regional Sports Precinct \$4.1m and the new Shepparton Art Museum \$1.0m. Despite this increase, page 1 shows we are well within the loans and borrowings indicators.

Greater Shepparton City Council

Cash Flow Statement

as at January 2017

	2016/2017 Adopted Budget \$	2016/2017 Adopted Forecast Q1 \$	2016/2017 YTD Adopted Budget \$	2016/2017 YTD Adopted Forecast Q1 \$	2016/2017 YTD Actual \$	Adopted Budget Variance (Fav)/Unfav \$	Adopted Forecast Q1 Variance (Fav)/Unfav \$
Cash flows from operating activities							
Receipts from customers	95,832,165	95,718,011	24,750,154	23,590,859	45,294,821	(83.01%)	(92.00%)
Payments to suppliers	(93,625,986)	(95,706,262)	(50,622,679)	(55,879,300)	(55,321,278)	(9.28%)	1.00%
Net cash inflow(outflow) from customers(suppliers)	2,206,179	11,749	(25,872,525)	(32,288,441)	(10,026,458)	61.25%	68.95%
Interest received	1,038,096	1,049,000	589,000	536,985	453,836	22.95%	15.48%
Government receipts	28,660,422	30,130,112	13,074,209	14,493,760	13,891,213	(6.25%)	4.16%
Contributions	1,324,000	1,258,238	1,378,863	265,207	1,423,816	(3.26%)	(436.87%)
Net cash inflow(outflow) from operating activities	33,228,697	32,449,099	(10,830,453)	(16,992,489)	5,742,408	153.02%	133.79%
Cash flows from investing activities							
Net movement in other financial assets	9,000,358	-	23,042,827	23,042,827	21,042,827	8.68%	8.68%
Infrastructure, property, plant & equipment - proceeds	389,000	2,049,000	128,776	22,412	503,938	(291.33%)	(2148.52%)
Infrastructure, property, plant & equipment - payments	(45,485,000)	(40,499,011)	(17,176,388)	(17,692,075)	(14,289,890)	16.81%	19.23%
Net cash inflow(outflow) from investing activities	(36,095,642)	(38,450,011)	5,995,215	5,373,164	7,256,875	(21.04%)	(35.06%)
Cash flows from financing activities							
Finance Cost	(1,250,217)	(1,250,000)	(600,000)	(645,305)	(347,067)	42.16%	46.22%
Repayment of interest-bearing loans and borrowings	3,862,440	3,862,440	(83,857)	(83,858)	(2,449,205)	(2820.69%)	(2820.66%)
Net cash inflow(outflow) from financing activities	2,612,223	2,612,440	(683,857)	(729,163)	(2,796,272)	(308.90%)	(283.49%)
Net increase(decrease) in cash and equivalents	(254,722)	(3,388,472)	(5,519,095)	(12,348,488)	10,203,010	284.87%	182.63%
Cash and equivalents at the beginning of the year	7,209,000	13,275,933	13,275,933	13,275,933	13,275,933	0.00%	0.00%
Cash and equivalents at the end of the year	6,954,278	9,887,461	7,756,838	927,445	23,478,943	(202.69%)	(2431.57%)

Greater Shepparton City Council
Capital Budget vs Actual
 period ended January 2017

Capital Works Area	2016/2017 YTD Adopted Budget	2016/2017 YTD Adopted Forecast Q1	2016/2017 YTD Actual	YTD Adopted Budget Variance (Fav)/Unfav %	YTD Adopted Forecast Q1 Variance (Fav)/Unfav %	2016/2017 Adopted Budget	2016/2017 Adopted Forecast Q1	2016/2017 Projected Full Year	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q1 Variance (Fav)/Unfav %	Note
	\$	\$	\$	%	%	\$	\$	\$	%	%	
Aerodrome	3,000	2,635	0	(100%)	(100%)	189,000	226,800	37,800	(80%)	(83%)	
Bridges	0	15,000	15,031	100%	0%	0	60,000	60,000	100%	0%	
Buildings	1,257,726	1,424,756	1,335,083	6%	(6%)	2,893,561	3,305,155	3,394,446	17%	3%	
Computer & Telecommunications	334,951	58,567	409,205	22%	599%	815,000	959,815	899,815	10%	(6%)	1
Drainage	127,000	176,909	157,311	24%	(11%)	1,127,000	685,999	848,207	(25%)	24%	
Fixture Fittings and Furniture	284,046	436,524	314,564	11%	(28%)	629,741	629,741	626,252	(1%)	(1%)	
Footpaths & Cycleways	167,390	85,570	22,297	(87%)	(74%)	694,450	491,007	491,151	(29%)	0%	
Land Improvements	3,422,900	4,372,107	2,912,852	(15%)	(33%)	13,822,383	15,217,445	13,339,876	(3%)	(12%)	2
Parks, Open Space & Streetscape	225,000	251,601	175,183	(22%)	(30%)	700,000	700,000	770,300	10%	10%	
Plant Machinery & Equipment	1,235,205	1,548,655	710,172	(43%)	(54%)	2,355,937	2,439,937	2,063,175	(12%)	(15%)	3
Recreational Leisure and Community Facilities	4,886,344	4,085,169	1,316,575	(73%)	(68%)	5,806,545	5,990,046	6,005,082	3%	0%	4
Roads	5,093,699	5,280,515	5,771,853	13%	9%	14,036,919	13,580,967	13,528,267	(4%)	(0%)	5
Waste Management	0	71,174	1,196,360	100%	1581%	2,414,916	2,414,916	3,258,535	35%	35%	6
Other Infrastructure	0	643	643	100%	(0%)	0	671	2,671	100%	298%	
Total Capital Works	17,037,261	17,809,825	14,337,131	(16%)	(19%)	45,485,452	46,702,499	45,325,577	(0%)	(3%)	

Capital Works Type	2016/2017 YTD Adopted Budget	2016/2017 YTD Adopted Forecast Q1	2016/2017 YTD Actual	YTD Adopted Budget Variance (Fav)/Unfav %	YTD Adopted Forecast Q1 Variance (Fav)/Unfav %	2016/2017 Adopted Budget	2016/2017 Adopted Forecast Q1	2016/2017 Forecast	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q1 Variance (Fav)/Unfav %	Note
	\$	\$	\$	%	%	\$	\$	\$	%	%	
Renewal	6,742,424	7,269,489	7,829,816	16%	8%	26,462,620	26,646,339	24,065,803	(9%)	(10%)	
Upgrade	1,601,330	1,731,227	1,017,818	(36%)	(41%)	3,791,858	4,059,554	4,161,116	10%	3%	
New	8,693,507	8,809,109	5,489,718	(37%)	(38%)	15,230,974	15,996,606	17,098,658	12%	7%	
Total Capital Works	17,037,261	17,809,825	14,337,351	(16%)	(19%)	45,485,452	46,702,499	45,325,577	(0%)	(3%)	

Notes to the Capital Works Statement for period ended January 2017

- 1) Computer & Telecommunications is \$350k more than YTD Adopted Forecast Q1. This unfavourable variance is mostly due to the timing of payments for the new finance system project \$256k.
- 2) Land improvements is \$1.46m less than YTD Adopted Forecast Q1. This favourable variance is mostly due to poor weather delaying works on the Greater Shepparton Regional Sports Precinct \$1.84m. Despite these delays the project is still expected to be completed by April 2017.
- 3) Plant Machinery & Equipment is \$838k less than YTD Adopted Forecast Q1. This favourable variance is mostly due to delays in the purchase of new plant items \$819k. These delays may impact whether the new items of plant are received in 2016/2017.
- 4) Recreational Leisure & Community Facilities is \$2.77m less than YTD Adopted Forecast Q1. This favourable variance is mostly due to poor weather delaying works in the Greater Shepparton Regional Sports Precinct boulevard \$2.39m. This variance is also impacted by the timing of works on the sports field lighting in Mooroopna \$329k.
- 5) Roads is \$491k more than YTD Adopted Forecast Q1. This unfavourable variance is mostly due to the timing of gravel resheeting works \$680k.
- 6) Waste Management is \$1.12m more than YTD Adopted Forecast Q1. This unfavourable variance is mostly due to the timing of works at Cosgrove 2 and 4 landfills \$1.12m.