

# **ATTACHMENT TO AGENDA ITEM**

**Ordinary Meeting**

**18 April 2017**

**Agenda Item 9.3      March 2017 Monthly Financial Report**

**Attachment 1      March 2017 - Monthly Financial Statements ..... 259**

## MONTHLY FINANCIAL REPORT MARCH 2017

### Operating Performance

Adjusted underlying result			
Adjusted underlying surplus (or deficit) as a percentage of underlying revenue			
YTD ACTUAL	YTD ADOPTED FORECAST Q2	ADOPTED BUDGET	ADOPTED FORECAST Q2
<b>25.37%</b>	<b>21.73%</b>	<b>3.85%</b>	<b>4.76%</b>

- Expected range of -20% to 20%; Target band of >0%.
- YTD Actual and YTD Adopted Forecast Q2 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 Q2 is within acceptable levels and is an improved position from the Adopted Budget, largely due to the reclassification of recurrent capital grants.

### Financial Health

Working Capital			
Current assets as a percentage of current liabilities			
YTD ACTUAL	YTD ADOPTED FORECAST Q2	ADOPTED BUDGET	ADOPTED FORECAST Q2
<b>323.26%</b>	<b>264.62%</b>	<b>140.12%</b>	<b>166.63%</b>

- Expected range of 100% to 400%; Target band of 120% to 200%.
- YTD Actual and YTD Adopted Forecast Q2 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 Q2 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 Q2	ADOPTED BUDGET	ADOPTED FORECAST Q2
<b>22.20%</b>	<b>22.21%</b>	<b>31.18%</b>	<b>28.65%</b>

- 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 are included in the adopted forecast.

### Other Financial Performance

#### Rates Debtors

\$13.87m  
Same time last year \$13.56m  
4th instalment rates due 31st May  
2017

#### Investments

\$37.50 m with average rate of 2.04%  
52.01% at A1+, 21.33% at A1, 5.33% at A2  
\$620k in interest income to date

<b>Operating Performance</b>				
<b>March 2017</b>				
	<b>YTD Adopted Forecast Q2</b>		<b>Projected Full Year vs Adopted Forecast Q2</b>	
	<b>vs YTD Actual</b>		<b>(Fav)/Unfav</b>	
<b>Income</b>				
Rates and Charges	Steady	(\$0.04m)	Steady	(\$0.04m)
Statutory Fees	Steady	(\$0.06m)	Favourable	(\$0.14m)
User Charges	Steady	(\$0.29m)	Steady	(\$0.18m)
Grants	Favourable	(\$1.13m)	Steady	(\$0.32m)
Contributions	Steady	\$0.01m	Steady	(\$0.1m)
Other Revenue	Steady	(\$0.03m)	Steady	(\$0.03m)
<b>Total Income</b>	Steady	<b>(\$1.54m)</b>	Steady	<b>(\$0.81m)</b>
<b>Expense</b>				
Employee Costs	Steady	\$0.16m	Favourable	(\$0.72m)
Materials and Consumables	Steady	(\$0.52m)	Steady	(\$0.12m)
Bad and Doubtful Debts	Steady	\$0m	Steady	\$0m
Depreciation and Amortisation	Steady	\$0.1m	Unfavourable	\$0.49m
Borrowing Costs	Steady	\$0m	Steady	\$0m
Other Expenses	Steady	\$0.01m	Steady	\$0.02m
<b>Total Expense</b>	Steady	<b>(\$0.26m)</b>	Steady	<b>(\$0.33m)</b>

**Notes:**

- Statutory fees & charges is forecast to be \$142k more than Adopted Forecast Q2. This favourable variance is caused by higher than expected Planning permit income as a result of the new fee regulations.

- Grants is \$1.13m more than YTD Adopted Forecast Q2. This favourable variance is mostly caused by the timing of Victorian Grants commission income for local roads and additional grant income for the Shepparton/Mooroopna framework plan. Please see income statement for more detail

- Employee Costs is forecast to be \$719k less than Adopted Forecast Q2. This favourable variance is mostly due to staff vacancies across Council.

- Depreciation is forecast to be \$493k more than Adopted Forecast Q2. This unfavourable variance is mostly due to an increase in Assets through purchases and accurate recording.

### Capital Works Performance March 2017

ADOPTED BUDGET	ADOPTED FORECAST Q2 #	PROJECTED FULL YEAR	YTD ACTUAL
<b>\$45.49m</b>	<b>\$42.03m</b>	<b>\$41.66m</b>	<b>\$19.82m</b>

**PROGRESS**

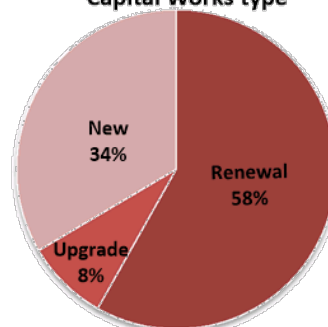
- \* 43.59% of Adopted Budget spent, 95.89% committed
- \* 45.2% of current full year projection spent, 99.44% committed
- \* Same time last year: \$22.57m of the 2015/2016 Adopted Budget had been spent
- # Reduction factor from Adopted Forecast Q2 \$1.57m

**RENEWAL**

Asset Renewal	
Asset renewal as a percentage of depreciation	
ADOPTED BUDGET	PROJECTED FULL YEAR
<b>120.04%</b>	<b>106.93%</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.

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



**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
<b>\$13.44m</b>	<b>\$21.0m</b>	<b>\$21.0m</b>	
Shepparton Art Museum			
Original Approved Estimate	Current Approved Estimate	Current Forecast	
<b>\$34.5m</b>	<b>\$34.5m</b>	<b>\$34.5m</b>	
Cosgrove 3 Landfill			
Original Approved Estimate	Current Approved Estimate	Current Forecast	* Includes next 3 years of expenditure.
<b>\$20.5m</b>	<b>\$20.5m</b>	<b>\$20.5m</b>	
Verney Road Stages 2 & 3			
Original Approved Estimate	Current Approved Estimate	Current Forecast	* Stage 3 contract awarded at February 2017 Council Meeting - more than original estimate
<b>\$4.2m</b>	<b>\$3.77m</b>	<b>\$3.81m</b>	

Greater Shepparton City Council  
**Income Statement**  
for period ended March 2017

	YEAR TO DATE					FULL YEAR					Notes
	2016/2017 YTD Adopted Budget	2016/2017 YTD Adopted Forecast Q2	2016/2017 YTD Actual	YTD Adopted Budget Variance (Fav)/Unfav	YTD Adopted Forecast Q2 Variance (Fav)/Unfav	2016/2017 Adopted Budget	2016/2017 Adopted Forecast Q2	2016/2017 Projected Full Year	Adopted Budget Variance (Fav)/Unfav	Adopted Forecast Q2 Variance (Fav)/Unfav	
	\$	\$	\$	%	%	\$	\$	\$	%	%	
<b>Revenues from Operating Activities</b>											
Rates and Charges	71,104,644	71,762,162	71,798,206	(1.0%)	(0.1%)	71,181,622	71,816,488	71,851,783	(0.9%)	(0.0%)	
Statutory Fees	2,280,321	2,349,328	2,414,083	(5.9%)	(2.8%)	3,147,663	3,398,463	3,540,941	(12.5%)	(4.2%)	1
User Charges	12,947,019	12,376,442	12,662,421	2.2%	(2.3%)	20,595,998	17,343,868	17,523,543	14.9%	(1.0%)	2
Operating Grants	15,743,666	15,999,304	17,131,569	(8.8%)	(7.1%)	22,838,467	22,484,551	22,805,292	0.1%	(1.4%)	3
Operating Contributions	381,079	563,218	549,898	(44.3%)	2.4%	480,444	852,423	951,537	(98.1%)	(11.6%)	
Other	1,058,780	904,659	937,933	11.4%	(3.7%)	1,422,027	1,339,867	1,373,467	3.4%	(2.5%)	
<b>Total Operating Revenue</b>	<b>103,515,509</b>	<b>103,955,113</b>	<b>105,494,110</b>	<b>(1.9%)</b>	<b>(1.5%)</b>	<b>119,666,221</b>	<b>117,235,660</b>	<b>118,046,563</b>	<b>1.4%</b>	<b>(0.7%)</b>	
<b>Expenses from Operating Activities</b>											
Employee Costs	34,492,153	34,410,413	34,566,734	0.2%	0.5%	46,463,647	46,342,288	45,623,521	(1.8%)	(1.6%)	
Materials and Consumables	28,918,943	30,279,743	29,764,176	2.9%	(1.7%)	46,330,015	46,329,248	46,206,291	(0.3%)	(0.3%)	
Bad & Doubtful Debts	9,400	10,834	11,019	17.2%	1.7%	144,000	144,000	144,000	0.0%	0.0%	
Depreciation and Amortisation	16,526,781	16,606,887	16,702,397	1.1%	0.6%	22,044,545	21,926,058	22,420,000	1.7%	2.2%	
Borrowing Costs	600,000	347,066	347,067	(42.2%)	0.0%	1,250,000	960,000	960,000	(23.2%)	0.0%	
Other Expenses	164,750	252,494	258,634	57.0%	2.4%	284,500	284,500	306,500	7.7%	7.2%	
<b>Total Operating Expenses</b>	<b>80,712,027</b>	<b>81,907,437</b>	<b>81,650,027</b>	<b>1.2%</b>	<b>(0.3%)</b>	<b>116,516,707</b>	<b>115,986,094</b>	<b>115,660,312</b>	<b>(0.7%)</b>	<b>(0.3%)</b>	
<b>UNDERLYING OPERATING RESULT</b>	<b>22,803,482</b>	<b>22,047,676</b>	<b>23,844,084</b>	<b>(4.6%)</b>	<b>(8.1%)</b>	<b>3,149,514</b>	<b>1,249,566</b>	<b>2,386,251</b>	<b>24.2%</b>	<b>(91.0%)</b>	
<b>Non-operating Income and Expenditure</b>											
Capital Grants	1,806,700	1,726,496	5,264,041	(191.4%)	(204.9%)	7,462,860	7,342,285	8,563,746	(14.8%)	(16.6%)	4
Capital Contributions	456,000	938,566	1,022,735	(124.3%)	(9.0%)	844,000	1,666,721	1,562,694	(85.2%)	6.2%	5
Contributed Assets	1,453,960	0	402,011	72.4%	(100.0%)	2,000,000	2,000,000	2,000,000	0.0%	0.0%	
Proceeds from Sale of Assets	1,355,852	565,938	550,422	59.4%	2.7%	1,782,770	2,049,000	1,969,000	(10.4%)	3.9%	
Other Revenue	0	70,665	78,300	(100.0%)	(10.8%)	0	70,665	78,300		(10.8%)	
Written Down Value of Asset Disposals	(1,599,537)	(1,320,390)	(1,366,183)	14.6%	(3.5%)	(1,668,323)	(2,439,216)	(2,466,982)	(47.9%)	(1.1%)	6
<b>Total Non Operating Items</b>	<b>3,472,975</b>	<b>1,981,275</b>	<b>5,951,326</b>	<b>(71.4%)</b>	<b>(200.4%)</b>	<b>10,421,307</b>	<b>10,689,455</b>	<b>11,706,758</b>	<b>(12.3%)</b>	<b>(9.5%)</b>	
<b>ACCOUNTING SURPLUS/(DEFICIT)</b>	<b>26,276,457</b>	<b>24,028,951</b>	<b>29,795,410</b>	<b>(14.6%)</b>	<b>(24.0%)</b>	<b>13,570,821</b>	<b>11,939,021</b>	<b>14,093,009</b>	<b>(3.8%)</b>	<b>(18.0%)</b>	

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**Notes to the Income Statement for period ended March 2017**

1) Statutory Fees Projected Full Year is \$393k more than 2016/2017 Adopted Budget. This favourable variance is mostly due to increases in Planning permit fees \$243k a result of new fee regulations and additional building services fees \$130k.

2) User charges Projected Full Year is \$3.07m less than 2016/2017 Adopted Budget. This unfavourable variance is mostly due to lower levels of commercial waste going to Cosgrove landfill \$4.30m.

3) Operating Grants is \$1.13m more than YTD Adopted Forecast Q2. This favourable variance is mostly due to the timing of grant income from the Victorian Grants Commission for local roads \$730k and additional income for Children & Youth services as a result of higher utilisation of services \$130k and for the Shepparton/Mooroopna framework plan \$130k.

4) Capital Grants is \$3.54m more than YTD Adopted Forecast Q2. This favourable variance is mostly due to the early receipt of funding for the Roads to Recovery program (\$3.29m) which includes the Verney Rd reconstruction project. The project full year variance is favourable largely due to \$1.13m grant funding for Old Dookie Rd roundabout works.

5) Capital Contributions Projected Full Year is \$719k more than 2016/2017 Adopted Budget. This favourable variance is mostly due to additional contributions for the Verney Road reconstruction \$369k, Kialla Green Estate \$212k and Greater Shepparton Regional Sports Precinct \$180k.

6) Written Down Value of Asset Disposal Projected Full Year is \$799k more than 2016/2017 Adopted Budget. This unfavourable variance is mostly due to the write off of infrastructure that was not owned by Council or no longer exists.

## Greater Shepparton City Council

**Balance Sheet**  
as at March 2017

	Total Actual June 2016	Adopted Budget June 2017	Adopted Forecast Q2 June 2017	YTD Adopted Budget 2017	YTD Adopted Forecast Q2 2017	YTD Actual 2017	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q2 Variance (Fav)/Unfav %	Notes
	\$	\$	\$	\$	\$	\$			
<b>Current Assets</b>									
Cash and Cash Equivalent	13,275,933	6,955,000	10,708,491	30,928,411	22,577,323	32,565,885	(5.3%)	(44.2%)	1
Receivables	5,965,568	7,593,000	5,965,568	20,699,572	23,631,623	17,692,973	14.5%	25.1%	2
Other Financial Assets	27,042,827	16,100,000	22,042,827	18,000,000	18,000,000	18,000,000	0.0%	0.0%	
Inventories	73,754	93,670	73,754	-	-	147,589			
Other Assets	1,230,299	-	1,230,300	207,618	159,209	159,377		23.2%	(0.1%)
<b>Total Current Assets</b>	<b>47,588,381</b>	<b>30,741,670</b>	<b>40,020,940</b>	<b>69,835,601</b>	<b>64,368,155</b>	<b>68,565,824</b>	<b>1.8%</b>	<b>(6.5%)</b>	
<b>Non Current Assets</b>									
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	1,041,092,364	1,024,190,335	1,024,860,349	1,023,314,794	0.1%	0.2%	
Intangible Assets	972,944	1,013,338	972,944	1,013,337	972,944	972,944	4.0%	(0.0%)	
<b>Total Non Current Assets</b>	<b>1,023,452,158</b>	<b>1,062,181,934</b>	<b>1,043,558,349</b>	<b>1,026,696,713</b>	<b>1,027,326,334</b>	<b>1,025,780,779</b>	<b>0.1%</b>	<b>0.2%</b>	
<b>Total Assets</b>	<b>1,071,040,539</b>	<b>1,092,923,604</b>	<b>1,083,579,289</b>	<b>1,096,532,314</b>	<b>1,091,694,489</b>	<b>1,094,346,603</b>	<b>0.2%</b>	<b>(0.2%)</b>	
<b>Current Liabilities</b>									
Trade & Other Payables	9,986,238	8,359,377	10,040,114	13,077,139	11,186,756	5,262,745	(59.8%)	(53.0%)	
Trust Funds	3,093,498	2,748,204	3,093,498	2,886,050	2,548,820	3,795,674	31.5%	48.9%	
Provisions	11,499,520	9,324,000	9,932,003	9,913,247	9,917,884	11,480,697	15.8%	15.8%	3
Interest Bearing Liabilities	896,755	1,507,308	952,879	812,898	671,524	671,524	(17.4%)	(0.0%)	
<b>Total Current Liabilities</b>	<b>25,476,011</b>	<b>21,938,889</b>	<b>24,018,494</b>	<b>26,689,334</b>	<b>24,324,984</b>	<b>21,210,640</b>	<b>(20.5%)</b>	<b>(12.8%)</b>	
<b>Non Current Liabilities</b>									
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	19,605,282	17,494,161	15,270,187	15,270,187	(12.7%)	(0.0%)	
<b>Total Non Current Liabilities</b>	<b>23,978,870</b>	<b>25,405,715</b>	<b>26,089,991</b>	<b>22,091,059</b>	<b>21,754,896</b>	<b>21,754,896</b>	<b>(1.5%)</b>	<b>(0.0%)</b>	
<b>Total Liabilities</b>	<b>49,454,881</b>	<b>47,344,604</b>	<b>50,108,485</b>	<b>48,780,393</b>	<b>46,079,880</b>	<b>42,965,535</b>	<b>(11.9%)</b>	<b>(6.8%)</b>	
<b>Net Assets</b>	<b>1,021,585,658</b>	<b>1,045,579,000</b>	<b>1,033,470,804</b>	<b>1,047,751,921</b>	<b>1,045,614,609</b>	<b>1,051,381,068</b>	<b>(0.3%)</b>	<b>(0.6%)</b>	
<b>Represented By</b>									
Accumulated Surplus	323,971,195	339,490,000	335,856,341	350,137,458	348,000,146	353,766,605	(1.0%)	(1.7%)	
Reserves	697,614,463	706,089,000	697,614,463	697,614,463	697,614,463	697,614,463	0.0%	0.0%	
<b>Total Equity</b>	<b>1,021,585,658</b>	<b>1,045,579,000</b>	<b>1,033,470,804</b>	<b>1,047,751,921</b>	<b>1,045,614,609</b>	<b>1,051,381,068</b>	<b>(0.3%)</b>	<b>(0.6%)</b>	

**Notes to the Balance Sheet as at March 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. Amount are gradually being moved to Other Financial Assets over the next few months.
- 2) Receivables is showing a high YTD Adopted Forecast Q2 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 March the receivables balance reduced by \$4.12m.
- 3) Trust funds is showing a high YTD Adopted Forecast Q2 variance of \$1.56m due to the current provisions for Cosgrove Landfill 2 rehabilitation works to be completed in 2016/2017.



## Greater Shepparton City Council

**Cash Flow Statement**

as at March 2017

	2016/2017 Adopted Budget	2016/2017 Adopted Forecast Q2	2016/2017 YTD Adopted Budget	2016/2017 YTD Adopted Forecast Q2	2016/2017 YTD Actual	Adopted Budget Variance (Fav)/Unfav	Adopted Forecast Q2 Variance (Fav)/Unfav
	\$	\$	\$	\$	\$	\$	\$
<b>Cash flows from operating activities</b>							
Receipts from customers	95,832,165	93,020,211	73,925,525	71,195,692	77,135,920	(4.34%)	(8.34%)
Payments to suppliers	(93,625,986)	(94,667,554)	(65,054,060)	(66,566,031)	(69,244,111)	(6.44%)	(4.02%)
Net cash inflow(outflow) from customers(suppliers)	2,206,179	(1,647,343)	8,871,464	4,629,660	7,891,809	11.04%	(70.46%)
Interest received	1,038,096	955,000	629,000	396,644	423,125	32.73%	(6.68%)
Government receipts	28,660,422	29,828,966	17,584,366	17,725,800	22,395,610	(27.36%)	(26.34%)
Contributions	1,324,000	2,511,154	2,293,501	1,538,246	2,011,106	12.31%	(30.74%)
<b>Net cash inflow(outflow) from operating activities</b>	<b>33,228,697</b>	<b>31,647,777</b>	<b>29,378,331</b>	<b>24,290,350</b>	<b>32,721,650</b>	<b>(11.38%)</b>	<b>(34.71%)</b>
<b>Cash flows from investing activities</b>							
Net movement in other financial assets	9,000,358	5,000,000	9,042,827	9,042,827	9,042,827	0.00%	0.00%
Infrastructure, property, plant & equipment - proceeds	389,000	2,049,000	1,355,852	565,938	550,422	59.40%	2.74%
Infrastructure, property, plant & equipment - payments	(45,485,000)	(42,471,464)	(21,440,675)	(21,801,454)	(20,228,674)	5.65%	7.21%
<b>Net cash inflow(outflow) from investing activities</b>	<b>(36,095,642)</b>	<b>(35,422,464)</b>	<b>(11,041,996)</b>	<b>(12,192,689)</b>	<b>(10,635,425)</b>	<b>3.68%</b>	<b>12.77%</b>
<b>Cash flows from financing activities</b>							
Finance Cost	(1,250,217)	(960,000)	(600,000)	(347,066)	(347,067)	42.16%	(0.00%)
Proceeds from interest bearing loans and borrowings	5,064,000	5,064,000	-	-	-		0.00%
Repayment of interest-bearing loans and borrowings	(1,201,560)	(2,896,755)	(83,857)	(2,449,205)	(2,449,205)	(2820.69%)	(0.00%)
<b>Net cash inflow(outflow) from financing activities</b>	<b>2,612,223</b>	<b>1,207,245</b>	<b>(683,857)</b>	<b>(2,796,271)</b>	<b>(2,796,272)</b>	<b>(308.90%)</b>	<b>(0.00%)</b>
<b>Net increase(decrease) in cash and equivalents</b>	<b>(254,722)</b>	<b>(2,567,442)</b>	<b>17,652,478</b>	<b>9,301,390</b>	<b>19,289,952</b>	<b>(9.28%)</b>	<b>(107.39%)</b>
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%
<b>Cash and equivalents at the end of the year</b>	<b>6,954,278</b>	<b>10,708,491</b>	<b>30,928,411</b>	<b>22,577,323</b>	<b>32,565,885</b>	<b>(5.29%)</b>	<b>(44.24%)</b>



Greater Shepparton City Council  
**Capital Works Statement**  
 period ended March 2017

Capital Works Area	2016/2017 Adopted Budget \$	2016/2017 Adopted Forecast Q2 \$	2016/2017 Projected Full Year \$	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q2 Variance (Fav)/Unfav %	Note
Aerodrome	189,000	37,800	37,800	(80%)	0%	
Bridges	0	60,000	60,000	100%	0%	
Buildings	2,893,561	3,194,721	2,404,880	(17%)	(25%)	
Computer & Telecommunications	815,000	875,000	881,403	8%	1%	
Drainage	1,127,000	824,104	826,241	(27%)	0%	
Fixture Fittings and Furniture	629,741	615,464	603,800	(4%)	(2%)	
Footpaths & Cycleways	694,450	334,102	444,102	(36%)	33%	
Land Improvements	13,822,383	13,981,229	12,916,571	(7%)	(8%)	1
Parks, Open Space & Streetscape	700,000	470,709	487,762	(30%)	4%	
Plant Machinery & Equipment	2,355,937	2,330,128	2,359,273	0%	1%	
Recreational Leisure and Community Facilities	5,806,545	6,046,455	5,846,314	1%	(3%)	2
Roads	14,036,919	11,966,327	11,406,457	(19%)	(5%)	3
Waste Management	2,414,916	2,870,551	3,379,551	40%	18%	
Other Infrastructure	0	2,671	2,671	100%	0%	
<b>Total Capital Works</b>	<b>45,485,452</b>	<b>43,609,261</b>	<b>41,656,825</b>	<b>(8%)</b>	<b>(4%)</b>	

Capital Works Area	2016/2017 Adopted Budget \$	2016/2017 Adopted Forecast Q2 \$	2016/2017 Projected Full Year \$	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q2 Variance (Fav)/Unfav %	Note
Renewal	26,462,620	24,387,408	23,974,108	(9%)	(2%)	
Upgrade	3,791,858	3,612,929	2,949,665	(22%)	(18%)	
New	15,230,974	15,608,924	14,733,052	(3%)	(6%)	
<b>Total Capital Works</b>	<b>45,485,452</b>	<b>43,609,261</b>	<b>41,656,825</b>	<b>(8%)</b>	<b>(4%)</b>	
<b>Less Reduction factor</b>		<b>1,577,012</b>				
<b>Total Capital Works Revised</b>	<b>45,485,452</b>	<b>42,032,249</b>	<b>41,656,825</b>	<b>(8%)</b>	<b>(1%)</b>	

Greater Shepparton City Council - March 2017

**Notes to the Capital Works Statement for period ended March 2017**

1) Land Improvements is \$1.46m less than YTD Adopted Forecast Q2. This favourable variance is mostly due the timing of payments relating to the construction of Cosgrove 3 and the timing of works relating to the main pavilion at the Greater Shepparton Regional Sports Precinct \$377k.

2) Recreational Leisure and Community Facilities is \$118k less than YTD Adopted Forecast Q2. This favourable variance is mostly due to the timing of works relating to the precinct boulevard at the Greater Shepparton Regional Sports Precinct \$109k.

3) Roads is \$556k less than YTD Adopted Forecast Q2. This favourable variance is mostly due to the timing of land purchase for the Maude st Upgrade \$474k. This variance is also impacted by the timing of works at Hooper/Craven Road \$202k and the timing of payments for Kerb and Channel renewals \$199k.