

ATTACHMENT TO AGENDA ITEM

Ordinary Meeting

16 May 2017

Agenda Item 8.2 April 2017 Monthly Financial Report

Attachment 1 April 2017 - Monthly Financial Statements 187

MONTHLY FINANCIAL REPORT APRIL 2017

Operating Performance

Adjusted underlying result			
Adjusted underlying surplus (or deficit) as a percentage of underlying revenue			
YTD ACTUAL	YTD ADOPTED FORECAST Q3	ADOPTED BUDGET	ADOPTED FORECAST Q3
18.96%	19.65%	3.85%	5.94%

- Expected range of -20% to 20%; Target band of >0%.
- YTD Actual and YTD Adopted Forecast Q3 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 Q3 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 Q3	ADOPTED BUDGET	ADOPTED FORECAST Q3
257.68%	256.48%	140.12%	172.10%

- Expected range of 100% to 400%; Target band of 120% to 200%.
- YTD Actual and YTD Adopted Forecast Q3 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 Adopted Budget and Adopted Forecast Q3 is largely due to high levels of cash and investments due to delays in the delivery of our capital works program.
- 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 Q3	ADOPTED BUDGET	ADOPTED FORECAST Q3
22.45%	22.45%	31.18%	27.24%

- 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

\$11.85m
Same time last year \$11.85m
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
\$728k in interest income to date

Operating Performance

April 2017

	YTD Adopted Forecast Q3 vs YTD Actual (Fav)/Unfav		Projected Full Year vs Adopted Forecast Q3 (Fav)/Unfav	
Income				
Rates and Charges	Steady	(\$0.01m)	Steady	(\$0.01m)
Statutory Fees	Favourable	(\$0.28m)	Steady	(\$0.08m)
User Charges	Steady	(\$0.4m)	Steady	\$0.33m
Grants	Steady	(\$0.26m)	Steady	(\$0.09m)
Contributions	Steady	(\$0.03m)	Steady	(\$0.05m)
Other Revenue	Steady	(\$0m)	Steady	(\$0.01m)
Total Income	Steady	(\$1m)	Steady	\$0.08m
Expense				
Employee Costs	Steady	\$0.07m	Steady	\$0.14m
Materials and Consumables	Unfavourable	\$1.2m	Steady	(\$0.03m)
Bad and Doubtful Debts	Steady	(\$0m)	Steady	\$0m
Depreciation and Amortisation	Steady	(\$0m)	Steady	\$0m
Borrowing Costs	Steady	\$0m	Steady	\$0m
Other Expenses	Steady	\$0.01m	Steady	\$0.05m
Total Expense	Steady	\$1.28m	Steady	\$0.16m

Notes:

- Statutory fees & charges is \$284k more than YTD Adopted Forecast Q3. This favourable variance is mostly caused by the timing of income relating to animal registrations. Please see income statement for more detail.

- Materials and Consumables is \$1.20m more than YTD Adopted Forecast Q3. This unfavourable variance is mostly caused by the timing of contributions to the Goulburn Valley Regional Library Corporation and annual IT maintenance costs. Please see income statement for more detail.

Capital Works Performance April 2017

ADOPTED BUDGET	ADOPTED FORECAST Q3	PROJECTED FULL YEAR	YTD ACTUAL
\$45.49m	\$42.06m	\$42.29m	\$26.13m

PROGRESS

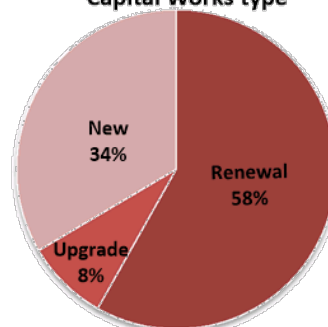
- * 57.4% of Adopted Budget spent, 103.4% committed
- * 61.8% of current full year projection spent, 111.2% committed
- * Same time last year: \$26.04m of the 2015/2016 Adopted Budget had been spent

RENEWAL

Asset Renewal	
Asset renewal as a percentage of depreciation	
ADOPTED BUDGET	PROJECTED FULL YEAR
120.04%	106.74%

- 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
\$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	* Stage 3 contract awarded at February 2017 Council Meeting - more than original estimate
\$4.2m	\$3.77m	\$3.81m	

Greater Shepparton City Council
Income Statement
for period ended April 2017

	YEAR TO DATE					FULL YEAR					Notes
	2016/2017 YTD Adopted Budget	2016/2017 YTD Adopted Forecast Q3	2016/2017 YTD Actual	YTD Adopted Budget Variance (Fav)/Unfav %	YTD Adopted Forecast Q3 Variance (Fav)/Unfav %	2016/2017 Adopted Budget	2016/2017 Adopted Forecast Q3	2016/2017 Projected Full Year	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q3 Variance (Fav)/Unfav %	
	\$	\$	\$			\$	\$	\$			
Revenues from Operating Activities											
Rates and Charges	71,124,644	71,800,736	71,815,302	(1.0%)	(0.0%)	71,181,622	71,851,783	71,865,763	(1.0%)	(0.0%)	
Statutory Fees	2,540,736	2,540,836	2,824,712	(11.2%)	(11.2%)	3,147,663	3,540,941	3,624,437	(15.1%)	(2.4%)	1
User Charges	13,951,031	13,484,080	13,884,645	0.5%	(3.0%)	20,595,998	17,523,543	17,192,960	16.5%	1.9%	2
Operating Grants	16,500,132	18,056,375	18,319,328	(11.0%)	(1.5%)	22,838,467	22,805,292	22,898,600	(0.3%)	(0.4%)	
Operating Contributions	428,559	614,437	646,360	(50.8%)	(5.2%)	480,444	951,537	997,532	(107.6%)	(4.8%)	3
Other	1,162,369	1,082,980	1,085,240	6.6%	(0.2%)	1,422,027	1,373,467	1,386,467	2.5%	(0.9%)	
Total Operating Revenue	105,707,471	107,579,444	108,575,587	(2.7%)	(0.9%)	119,666,221	118,046,563	117,965,759	1.4%	0.1%	
Expenses from Operating Activities											
Employee Costs	38,041,278	37,975,099	38,040,746	(0.0%)	0.2%	46,463,647	45,877,956	46,017,907	(1.0%)	0.3%	
Materials and Consumables	30,993,649	32,142,044	33,343,855	7.6%	3.7%	46,330,015	45,541,952	45,512,238	(1.8%)	(0.1%)	4
Bad & Doubtful Debts	10,300	23,271	23,089	124.2%	(0.8%)	144,000	144,000	144,000	0.0%	0.0%	
Depreciation and Amortisation	18,363,090	18,843,002	18,843,001	2.6%	(0.0%)	22,044,545	22,420,000	22,420,000	1.7%	0.0%	
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	182,520	273,544	283,184	55.2%	3.5%	284,500	306,500	356,500	25.3%	14.0%	
Total Operating Expenses	88,190,837	89,604,026	90,880,941	3.1%	1.4%	116,516,707	115,250,408	115,410,645	(0.9%)	0.1%	
UNDERLYING OPERATING RESULT	17,516,634	17,975,418	17,694,645	(1.0%)	1.6%	3,149,514	2,796,155	2,555,114	18.9%	8.6%	
Non-operating Income and Expenditure											
Capital Grants	1,806,700	5,209,005	6,571,314	(263.7%)	(26.2%)	7,462,860	7,844,746	7,844,782	(5.1%)	(0.0%)	5
Capital Contributions	456,000	1,022,733	1,022,735	(124.3%)	(0.0%)	844,000	1,562,694	1,647,531	(95.2%)	(5.4%)	6
Contributed Assets	1,635,705	402,011	402,011	75.4%	0.0%	2,000,000	2,000,000	2,000,000	0.0%	0.0%	
Proceeds from Sale of Assets	1,355,852	719,076	723,276	46.7%	(0.6%)	1,782,770	2,047,300	2,073,678	(16.3%)	(1.3%)	7
Written Down Value of Asset Disposals	(1,622,430)	(1,513,762)	(1,829,381)	(12.8%)	(20.8%)	(1,668,323)	(2,466,982)	(2,787,982)	(67.1%)	(13.0%)	8
Total Non Operating Items	3,631,827	5,839,063	6,889,955	(89.7%)	(18.0%)	10,421,307	10,987,758	10,778,009	(3.4%)	1.9%	
ACCOUNTING SURPLUS/(DEFICIT)	21,148,461	23,814,481	24,584,600	(14.4%)	(3.2%)	13,570,821	13,783,913	13,333,123	1.8%	3.3%	

Notes to the Income Statement for period ended April 2017

- 1) Statutory fees is \$284k more than YTD Adopted Forecast Q3. This favourable variance is mostly due to the timing of animal registration income \$200k. Animal registrations fell due in April, but appear to be tracking higher than expected. Forecast will be reviewed in May. Favourable variance also impacted by parking infringement income \$65k.
- 2) User charges Projected Full Year is \$3.40m less than 2016/2017 Adopted Budget. This unfavourable variance is mostly due to lower levels of commercial waste going to Cosgrove landfill \$4.76m.
- 3) Operating contributions Projected Full Year is \$517k more than 2016/2017 Adopted Budget. This favourable variance is mostly due to additional contributions for Recreational Land Fund \$120k; developer contributions \$105k; insurance claims \$90k; Pine Lodge Cemetery \$80k; and Northern bypass assessment \$79k.
- 4) Materials and consumables is \$1.20m more than YTD Adopted Forecast Q3. This unfavourable variance is mostly due to the timing of contributions to the Goulburn Valley Regional Library Corporation \$387k. This variance is also impacted by the timing of ICT annual maintenance \$311k. Some annual maintenance costs relate to 2017/2018 and will be corrected at year end.
- 5) Capital grants is \$1.36m more than YTD Adopted Forecast Q3. This favourable YTD variance is mostly due to the timing of grant income for the Greater Shepparton Regional Sports Precinct \$1.31m. Projected full year is forecast to be \$382k more than 2016/2017 Adopted Budget. This favourable variance is mostly due to additional grant income for the Shepparton Alternate Route. This income, to be received from the Federal Government, was confirmed in February.
- 6) Capital contributions Projected full year is \$804k more than 2016/2017 Adopted Budget. This favourable variance is mostly due to additional contributions from GV Water for Verney Road Reconstruction works \$369k; various sporting clubs for the Greater Shepparton Sports Precinct \$180k; Vic Roads for MSTP stabilisation works \$100k; and for sports field lighting at Mooroopna Recreation Reserve \$92k.
- 7) Proceeds from sale of assets projected full year is \$291k more than 2016/2017 Adopted Budget. This favourable variance is mostly due to the sale of Council land \$1.66m, but is partially offset by a reduction in sales of council plant and equipment \$1.45m.
- 8) Written down value of asset disposals projected full year is \$1.12m more than 2016/2017 Adopted Budget. This unfavourable variance is mostly due to the write off of assets that no longer exist \$1.16m, as the result of a review of Council's asset register.

Greater Shepparton City Council

Balance Sheet
as at April 2017

	Total Actual June 2016	Adopted Budget June 2017	Adopted Forecast Q3 June 2017	YTD Adopted Budget 2017	YTD Adopted Forecast Q3 2017	YTD Actual 2017	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q3 Variance (Fav)/Unfav %	Notes
	\$	\$	\$	\$	\$	\$			
Current Assets									
Cash and Cash Equivalent	13,275,933	6,955,000	12,022,749	27,915,365	27,896,222	28,156,415	(0.9%)	(0.9%)	1
Receivables	5,965,568	7,593,000	5,965,568	20,546,863	16,855,874	16,674,206	18.8%	1.1%	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	-	-	141,788	(100.0%)	(100.0%)	
Other Assets	1,230,299	-	1,230,300	239,466	188,880	200,877	16.1%	(6.4%)	
Total Current Assets	47,588,381	30,741,670	41,335,198	66,701,694	62,940,976	63,173,286	5.3%	(0.4%)	
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	1,040,622,998	1,023,560,275	1,026,468,851	1,026,982,926	(0.3%)	(0.1%)	
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	1,043,088,983	1,026,066,653	1,028,934,836	1,029,448,911	(0.3%)	(0.0%)	
Total Assets	1,071,040,539	1,092,923,604	1,084,424,181	1,092,768,347	1,091,875,812	1,092,622,197	0.0%	(0.1%)	
Current Liabilities									
Trade & Other Payables	9,986,238	8,359,377	10,040,114	14,413,686	11,670,306	8,617,918	(40.2%)	(26.2%)	
Trust Funds	3,093,498	2,748,204	3,093,498	2,913,532	2,291,767	3,752,444	28.8%	63.7%	
Provisions	11,499,520	9,324,000	9,932,003	9,913,247	9,907,180	11,474,698	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%)	
Total Current Liabilities	25,476,011	21,938,889	24,018,494	28,053,363	24,540,777	24,516,584	(12.6%)	(0.1%)	
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	18,605,282	17,494,161	15,450,187	15,450,187	(11.7%)	(0.0%)	
Total Non Current Liabilities	23,978,870	25,405,715	25,089,991	22,091,059	21,934,896	21,934,896	(0.7%)	(0.0%)	
Total Liabilities	49,454,881	47,344,604	49,108,485	50,144,422	46,475,673	46,451,479	(7.4%)	(0.1%)	
Net Assets	1,021,585,658	1,045,579,000	1,035,315,696	1,042,623,925	1,045,400,139	1,046,170,718	(0.3%)	(0.1%)	
Represented By									
Accumulated Surplus	323,971,195	339,490,000	337,701,233	345,009,462	347,785,676	348,556,255	(1.0%)	(0.2%)	
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	1,035,315,696	1,042,623,925	1,045,400,139	1,046,170,718	(0.3%)	(0.1%)	

Notes to the Balance Sheet as at April 2017

- Cash and Cash Equivalents is showing a high YTD balance due to cash being moved from on call (from held to maturity investments) in preparation of settling outstanding invoices prior to transferring to the new finance system.
- Receivables is showing a high YTD Adopted Forecast Q3 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 instalments fall due. During April the Receivables balance reduced by \$1.01m.
- Trust funds is showing a high YTD Adopted Forecast Q3 variance of \$1.57m due to the current provision for Cosgrove Landfill 2 rehabilitation works to be completed in 2016/2017.

Greater Shepparton City Council

Cash Flow Statement

as at April 2017

	2016/2017 Adopted Budget	2016/2017 Adopted Forecast Q3	2016/2017 YTD Adopted Budget	2016/2017 YTD Adopted Forecast Q3	2016/2017 YTD Actual	Adopted Budget Variance (Fav)/Unfav	Adopted Forecast Q3 Variance (Fav)/Unfav
	\$	\$	\$	\$	\$	\$	\$
Cash flows from operating activities							
Receipts from customers	95,832,165	93,546,734	75,420,365	79,030,633	79,736,167	(5.7%)	(0.9%)
Payments to suppliers	(93,625,986)	(93,437,926)	(69,369,620)	(71,574,696)	(72,992,374)	(5.2%)	(2.0%)
Net cash inflow(outflow) from customers(suppliers)	2,206,179	108,808	6,050,744	7,455,936	6,743,793	(11.5%)	9.6%
Interest received	1,038,096	743,000	694,000	531,016	530,751	23.5%	0.0%
Government receipts	28,660,422	30,650,038	18,306,832	23,265,380	24,890,642	(36.0%)	(7.0%)
Contributions	1,324,000	2,514,231	2,542,851	2,061,768	1,691,682	33.5%	17.9%
Net cash inflow(outflow) from operating activities	33,228,697	34,016,077	27,594,427	33,314,100	33,856,867	(22.7%)	(1.6%)
Cash flows from investing activities							
Net movement in other financial assets	9,000,358	5,000,000	9,042,827	9,042,827	9,042,827	0.0%	0.0%
Infrastructure, property, plant & equipment - proceeds	389,000	2,047,300	1,355,852	719,076	723,276	46.7%	(0.6%)
Infrastructure, property, plant & equipment - payments	(45,485,000)	(42,523,806)	(22,669,817)	(25,839,443)	(26,126,216)	(15.2%)	(1.1%)
Net cash inflow(outflow) from investing activities	(36,095,642)	(35,476,506)	(12,271,138)	(16,077,540)	(16,360,113)	(33.3%)	(1.8%)
Cash flows from financing activities							
Finance Cost	(1,250,217)	(960,000)	(600,000)	(347,066)	(347,067)	42.2%	(0.0%)
Proceeds from interest bearing loans and borrowings	5,064,000	4,436,000	-	-	-	0.0%	0.0%
Repayment of interest-bearing loans and borrowings	(1,201,560)	(3,268,755)	(83,857)	(2,269,205)	(2,269,205)	(2606.0%)	(0.0%)
Net cash inflow(outflow) from financing activities	2,612,223	207,245	(683,857)	(2,616,271)	(2,616,272)	(282.6%)	(0.0%)
Net increase(decrease) in cash and equivalents	(254,722)	(1,253,184)	14,639,432	14,620,289	14,880,482	(1.6%)	(1.8%)
Cash and equivalents at the beginning of the year	7,209,000	13,275,933	13,275,933	13,275,933	13,275,933	0.0%	0.0%
Cash and equivalents at the end of the year	6,954,278	12,022,749	27,915,365	27,896,222	28,156,415	(0.9%)	(0.9%)

Greater Shepparton City Council
Capital Works Statement
 period ended April 2017

Capital Works Area	2016/2017	2016/2017	2016/2017	YTD	YTD	2016/2017	2016/2017	2016/2017	Adopted	Adopted	Note
	YTD	YTD	YTD	Adopted	Adopted		Adopted	Budget	Forecast Q3	Budget	
	Adopted	Forecast Q3	Actual	Budget	Forecast Q3	Actual	Forecast Q3	Forecast Full Year	Variance	Variance	
	Budget	Forecast Q3	Actual	Variance	Forecast Q3	Actual	Forecast Q3	Forecast Full Year	(Fav)/Unfav	(Fav)/Unfav	
	\$	\$	\$	(Fav)/Unfav	(Fav)/Unfav	\$	\$	\$	%	%	
Aerodrome	3,000	8,923	8,923	197%	(0%)	189,000	37,800	37,800	(80%)	0%	1
Bridges	0	15,871	15,871	100%	0%	0	110,000	110,000	100%	0%	2
Buildings	1,447,371	1,554,216	1,608,460	11%	3%	2,684,161	2,595,480	2,640,446	(2%)	2%	
Computer & Telecommunications	595,000	515,588	518,829	(13%)	1%	815,000	881,403	881,403	8%	0%	
Drainage	262,000	421,112	421,231	61%	0%	1,127,000	826,241	791,241	(30%)	(4%)	3
Fixture Fittings and Furniture	333,741	427,507	427,509	28%	0%	629,741	603,800	606,719	(4%)	0%	
Footpaths & Cycleways	416,701	70,225	70,289	(83%)	0%	694,450	444,102	433,155	(38%)	(2%)	4
Land Improvements	4,195,749	3,441,906	3,795,615	(10%)	10%	4,472,383	5,488,534	5,696,213	27%	4%	5
Parks, Open Space & Streetscape	384,000	288,105	288,105	(25%)	0%	804,700	592,462	581,954	(28%)	(2%)	6
Plant Machinery & Equipment	1,995,104	1,524,766	1,533,667	(23%)	1%	2,355,937	2,359,273	2,361,595	0%	0%	
Recreational Leisure and Community Facilities	5,859,573	2,544,553	2,549,475	(56%)	0%	6,051,245	6,081,014	6,081,560	1%	0%	7
Roads	7,038,451	8,495,203	8,584,074	22%	1%	14,036,919	11,356,457	11,705,230	(17%)	3%	8
Waste Management	0	6,303,526	6,303,525	100%	(0%)	11,624,916	10,682,588	10,361,025	(11%)	(3%)	9
Other Infrastructure	0	643	643	100%	(0%)	0	2,671	2,643	100%	(1%)	
Total Capital Works	22,530,690	25,612,144	26,126,216	16%	2%	45,485,452	42,056,825	42,290,984	(7%)	1%	

Capital Works Area	2016/2017	2016/2017	2016/2017	YTD	YTD	2016/2017	2016/2017	2016/2017	Adopted	Adopted	Note
	YTD	YTD	YTD	Adopted	Adopted		Adopted	Budget	Forecast Q3	Budget	
	Adopted	Forecast Q3	Actual	Budget	Forecast Q3	Actual	Forecast Q3	Forecast Full Year	Variance	Variance	
	Budget	Forecast Q3	Actual	Variance	Forecast Q3	Actual	Forecast Q3	Forecast Full Year	(Fav)/Unfav	(Fav)/Unfav	
	\$	\$	\$	(Fav)/Unfav	(Fav)/Unfav	\$	\$	\$	%	%	
Renewal	9,057,821	15,717,241	15,611,389	72%	(1%)	26,462,620	23,974,108	23,931,811	(10%)	(0%)	
Upgrade	2,607,330	1,910,458	1,991,551	(24%)	4%	3,791,858	2,949,665	3,041,927	(20%)	3%	
New	10,865,539	7,984,445	8,523,276	(22%)	7%	15,230,974	15,133,052	15,317,246	1%	1%	
Total Capital Works	22,530,690	25,612,144	26,126,216	16%	2%	45,485,452	42,056,825	42,290,984	(7%)	1%	

Notes to the Capital Works Statement for period ended April 2017

- 1) Aerodrome projected full year is \$151k less than 2016/2017 Adopted Budget. This favourable variance is mostly due to \$189k of aerodrome renewal works being rebudgeted to 2017/2018 as part of the Q2 Forecast Review.
- 2) Bridges projected full year is \$110k more than 2016/2017 Adopted Budget. This unfavourable variance is mostly due to \$60k of bridge renewal works rebudgeted from 2015/2016, and an increase of \$50k for Toolamba bridge works, approved as part of the Q2 Forecast Review.
- 3) Drainage projected full year is \$336k less than 2016/2017 Adopted Budget. This favourable variance is mostly due to \$357k of Marlboro Drive shared drainage works being rebudgeted to 2017/2018 as part of the Q1 Forecast Review.
- 4) Footpath & cycleways projected full year is \$261k less than 2016/2017 Adopted Budget. This favourable variance is mostly due to a reduction in budget for shared paths of \$73k as part of the Q1 Forecast Review. \$90k was also reallocated as part of the Q1 forecast review and was later rebudgeted to 2017/2018 as part of the Q3 Forecast review.
- 5) Land improvements is \$354k more than YTD Adopted Forecast Q3. This unfavourable variance is mostly due to additional sewer works at the Greater Shepparton Regional Sports Precinct \$216k. GV Water will be contributing to these additional works which will offset some of the additional expense. This variance is also impacted by the timing of works at the Regional Athletics Complex \$98k. Projected full year is \$1.12m more than 2016/2017 Adopted Budget. This unfavourable variance is mostly due to a \$1.2m for Greater Shepparton Regional Sports Precinct rebudgeted from 2015/2016 as part of the Q1 Forecast review.
- 6) Parks, open space & streetscape projected full year is \$223k less than 2016/2017 Adopted Budget. This favourable variance is mostly due to \$300k for the Maude Street Mall Activation project rebudgeted to 2017/2018 as part of the Q2 Forecast Review.
- 7) Recreational leisure & community facilities is \$3.31m less than YTD Adopted Budget. This favourable variance is mostly due to delays in Greater Shepparton Sports Precinct boulevard works. This project was originally forecast to be completed by February, but is now expected to be completed by June. Q3 Adopted Forecast phasing has been adjusted to reflect this.
- 8) Roads projected full year is \$2.33m less than 2016/2017 Adopted Budget. This favourable variance is mostly due to \$1.01m of Verney Road Reconstruction works rebudgeted to 2017/2018 as part of the Q2 Forecast review. The favourable variance also impacted by \$532k of Welsford St upgrade works rebudgeted to 2017/2018 for as part of the Q2 and Q3 Forecast Reviews.
- 9) Waste Management projected full year is \$1.26m less than 2016/2017 Adopted Budget. This favourable variance mostly due to \$1.0m for Cosgrove 2 & 3 landfill works rebudgeted to 2017/2018 as part of the Q2 forecast review.