

ATTACHMENT TO AGENDA ITEM

Ordinary Meeting

17 April 2018

Agenda Item 9.1 March 2018 Monthly Financial Report

Attachment 1 March 2018 - Monthly Financial Statements..... 110

MONTHLY FINANCIAL REPORT MARCH 2018

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
25.17%	24.08%	-0.50%	1.11%

- Expected end of year range of -20% to 20%; Target band of >0%.
- YTD Actual and YTD Adopted Forecast Q2 are high due to the full amount of 2017/2018 rates revenue being raised in July. The underlying surplus will reduce throughout the financial year as expenditure is incurred.

Financial Health

Working Capital			
Current assets as a percentage of current liabilities			
YTD ACTUAL	YTD ADOPTED FORECAST Q2	ADOPTED BUDGET	ADOPTED FORECAST Q2
406.07%	419.47%	174.40%	223.99%

- Expected range of 100% to 400%; Target band of 120% to 200%.
- YTD Actual and YTD Adopted Forecast Q2 are high due to 2017/2018 rates revenue being raised in July. The Adopted Forecast Q2 (Full Year) shows a reduction as operating and capital expenditure is incurred. Council will be reviewing at the Q3 Forecast Review whether \$6m in borrowings for Cosgrove Landfill are required in 2017/2018.
- VAGO indicate that any level of liquidity higher than 100% 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
25.50%	25.45%	33.08%	33.07%

- 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.

Operating Performance March 2018

Income	YTD Adopted Forecast Q2 vs YTD Actual (Fav)/Unfav		Projected Full Year vs Adopted Forecast Q2 (Fav)/Unfav	
Rates and Charges	Steady	\$0.14m	Steady	\$0.12m
Statutory Fees	Favourable	(\$0.17m)	Steady	(\$0.11m)
User Charges	Steady	(\$0.29m)	Steady	\$0.85m
Grants	Steady	(\$0.43m)	Steady	(\$0.39m)
Contributions	Favourable	(\$0.36m)	Favourable	(\$0.35m)
Other Revenue	Steady	(\$0.2m)	Steady	(\$0.18m)
Total Income	Steady	(\$1.3m)	Steady	(\$0.05m)
Expense				
Employee Costs	Steady	\$0.74m	Steady	(\$0.7m)
Materials and Consumables	Steady	\$0.72m	Steady	(\$0.47m)
Bad and Doubtful Debts	Steady	(\$0m)	Steady	(\$0m)
Depreciation and Amortisation	Steady	(\$1.93m)	Steady	\$0m
Borrowing Costs	Steady	\$0m	Steady	(\$0.08m)
Other Expenses	Steady	\$0.03m	Steady	(\$0.1m)
Total Expense	Steady	(\$0.43m)	Steady	(\$1.36m)

Notes:

- Statutory Fees is \$166k more than YTD Adopted Forecast Q2. This favourable variance is mostly due to Planning, parking enforcement and Animal Management and Local Laws. Please see Income Statement for more detail.

- Contributions is \$359k more than YTD Adopted Forecast Q2 and \$348k more than Adopted Forecast Q2. These favourable variances are mostly due to additional contributions for new Shepparton Art Museum, Sidney Myer awards, Indigenous ceramic awards, Recreational Land Fund, 2030 Commonwealth Games Feasibility study and Developer contributions. Please see Income Statement for more detail.

Capital Works Performance March 2018

ADOPTED BUDGET	ADOPTED FORECAST Q2	PROJECTED FULL YEAR	YTD ACTUAL
\$39.38m	\$39.57m	\$35.12m	\$20.19m

PROGRESS

*51.2% of Adopted Budget spent; 72.6% committed

*57.5% of current full year projection spent; 81.5% committed

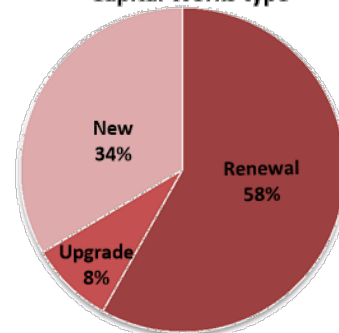
* Same time last year: \$19.83m (43.5%) of the 2016/2017 Adopted Budget had been spent

RENEWAL

Asset Renewal	
Asset renewal as a percentage of depreciation	
ADOPTED BUDGET	PROJECTED FULL YEAR
108.73%	95.06%

- 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



Greater Shepparton City Council
Income Statement
for period ended March 2018

	YEAR TO DATE					FULL YEAR					Notes
	2017/2018 YTD Adopted Budget	2017/2018 YTD Adopted Forecast Q2	2017/2018 YTD Actual	YTD Adopted Budget Variance (Fav)/Unfav %	YTD Adopted Forecast Q1 Variance (Fav)/Unfav %	2017/2018 Adopted Budget	2017/2018 Adopted Forecast Q2	2017/2018 Projected Full Year	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q1 Variance (Fav)/Unfav %	
	\$	\$	\$	%	%	\$	\$	\$	%	%	
Revenues from Operating Activities											
Rates and Charges	74,125,754	74,659,700	74,524,305	(0.5%)	0.2%	74,191,715	74,748,687	74,628,228	(0.6%)	0.2%	1
Statutory Fees	1,957,144	1,956,404	2,122,760	(8.5%)	(8.5%)	3,751,436	3,078,586	3,184,402	15.1%	(3.4%)	1
User Charges	7,033,198	12,526,998	12,819,467	(82.3%)	(2.3%)	18,557,836	18,541,632	17,694,271	4.7%	4.6%	2
Operating Grants	7,140,728	12,503,153	12,928,771	(81.1%)	(3.4%)	16,945,759	16,543,160	16,929,410	0.1%	(2.3%)	2
Operating Contributions	388,288	757,174	1,116,414	(187.5%)	(47.4%)	696,262	1,068,739	1,417,294	(103.6%)	(32.6%)	2
Other	1,402,016	1,533,187	1,728,774	(23.3%)	(12.8%)	2,262,581	2,050,574	2,228,488	1.5%	(8.7%)	
Total Operating Revenue	92,047,128	103,936,616	105,240,490	(14.3%)	(1.3%)	116,405,589	116,031,378	116,082,093	0.3%	(0.0%)	
Expenses from Operating Activities											
Employee Costs	36,086,074	35,244,001	35,983,292	(0.3%)	2.1%	47,979,746	47,658,443	46,955,217	(2.1%)	(1.5%)	
Materials and Consumables	20,744,553	29,021,813	29,743,211	43.4%	2.5%	48,164,990	49,028,109	48,555,710	0.8%	(1.0%)	
Bad & Doubtful Debts	9,700	14,831	12,563	29.5%	(15.3%)	132,000	150,520	146,152	10.7%	(2.9%)	
Depreciation and Amortisation	16,864,418	16,728,782	14,802,978	(12.2%)	(11.5%)	22,485,890	22,405,050	22,405,050	(0.4%)	0.0%	
Borrowing Costs	550,000	606,528	611,152	11.1%	0.8%	1,223,000	1,223,000	1,140,000	(6.8%)	(6.8%)	
Other Expenses	74,429	300,639	328,468	341.3%	9.3%	519,671	499,231	398,463	(23.3%)	(20.2%)	
Total Operating Expenses	74,329,174	81,916,594	81,481,663	9.6%	(0.5%)	120,505,297	120,964,353	119,600,592	(0.8%)	(1.1%)	
UNDERLYING OPERATING RESULT	17,717,955	22,020,022	23,758,828	(34.1%)	(7.9%)	(4,099,708)	(4,932,975)	(3,518,499)	14.2%	28.7%	
Non-operating Income and Expenditure											
Capital Grants	100,000	3,898,014	4,784,567	(4,684.6%)	(22.7%)	6,851,408	5,861,385	5,852,445	14.6%	0.2%	3
Capital Contributions	40,000	1,093,483	1,505,060	(3,662.7%)	(37.6%)	1,910,749	2,850,218	3,314,382	(73.5%)	(16.3%)	4
Contributed Assets	0	3,000,000	5,450,369	(100.0%)	(81.7%)	2,000,000	3,000,000	5,450,369	(172.5%)	(81.7%)	5
Proceeds from Sale of Assets	27,000	358,848	397,984	(1,374.0%)	(10.9%)	1,012,500	1,030,500	730,000	27.9%	29.2%	
Written Down Value of Asset Disposals	0	(236,807)	(1,243,942)	100.0%	100.0%	(473,262)	(473,262)	(1,480,397)	(212.8%)	(212.8%)	
Total Non Operating Items	167,000	8,113,538	10,894,039	(6,423.4%)	(34.3%)	11,301,395	12,268,841	13,866,799	(22.7%)	(13.0%)	
ACCOUNTING SURPLUS/(DEFICIT)	17,884,955	30,133,560	34,652,867	(93.8%)	(15.0%)	7,201,687	7,335,866	10,348,300	(43.7%)	(41.1%)	

Notes to the Income Statement for period ended March 2018

- 1) Statutory Fees is \$166k more than YTD Adopted Forecast Q2. This favourable variance is mostly due to the timing of planning permit income \$72k, parking enforcement income trending higher than expected \$41k and the timing of cat and dog registration income \$34k.
- 2) Operating contributions is \$359k more than YTD Adopted Forecast Q2 and Projected Full Year is \$348k more than Adopted Forecast Q2. These favourable variances are mostly due to additional contributions for new Shepparton Art Museum received on behalf of the SAM Foundation \$100k. Also impacted by additional contributions for Recreational Land Fund \$55k, 2030 Commonwealth Games feasibility study \$47k, Sidney Myer awards \$45k, Indigenous Awards \$40k, and additional developer contributions for civil works \$15k.
- 3) Capital Grants is \$886k more than YTD Adopted Forecast Q2. This favourable variance is mostly due to the timing of grant income for Greater Shepparton Regional Sports Precinct \$719k and Stage 1 Maude St upgrade \$173k. Projected Full Year is \$999k less than 2017/2018 Adopted Budget. This unfavourable variance is mostly due to grant funding for new Shepparton Art Museum \$1m to be received in future financial years
- 4) Capital Contributions is \$411k more than YTD Adopted Forecast Q2. This favourable variance is mostly due to additional contributions from Goulburn Valley Water for works at the Greater Shepparton Regional Sports Precinct \$197k and for works on Shepparton Alternate Route \$141k. Projected Full Year is \$464k more than Adopted Forecast Q2 and \$1.4m more than 2017/2018 Adopted Budget. These favourable variances are mostly due to those previously mentioned as well as additional developer contributions \$502k.
- 5) Contributed Assets is \$2.45m more than YTD Adopted Forecast Q2. Projected Full Year is \$2.45m more than Adopted Forecast Q2 and \$3.45m more than 2017/2018 Adopted Budget. These favourable variances are mostly due to contributed assets from various completed estates including Seven Creeks Stage 11,12 and 13, as well as Kialla Lakes stage 35a.

Greater Shepparton City Council

Balance Sheet
as at March 2018

	Total Actual June 2017 \$	Adopted Budget June 2018 \$	Adopted Forecast Q1 June 2018 \$	YTD Adopted Budget 2018 \$	YTD Adopted Forecast Q2 2018 \$	YTD Actual 2018 \$	Total Actual June 2017 Variance (Fav)/Unfav %	Adopted Budget Variance (Fav)/Unfav %
Current Assets								
Cash and Cash Equivalent	25,303,343	19,384,378	20,279,572	2,540,222	18,948,898	20,583,523	18.7%	(6.2%)
Receivables	7,208,640	6,377,264	7,208,640	30,980,133	28,741,147	24,551,437	(240.6%)	(285.0%)
Other Financial Assets	17,000,000	13,226,000	17,000,000	27,500,000	27,500,000	27,500,000	(61.8%)	(107.9%)
Inventories	73,983	74,000	73,983	139,580	133,014	207,198	(180.1%)	(180.0%)
Other Assets	1,050,880	1,230,000	1,050,880	907,337	273,346	295,702	71.9%	76.0%
Total Current Assets	50,636,846	40,291,642	45,613,075	62,067,272	75,596,405	73,137,859	(44.4%)	(81.5%)
Non Current Assets								
Investment in Associates	1,511,499	1,493,000	1,511,499	1,493,000	1,511,499	1,511,499	0.0%	(1.2%)
Infrastructure	1,058,401,546	1,073,331,000	1,075,563,843	1,056,339,893	1,045,920,518	1,067,990,097	(0.9%)	0.5%
Intangible Assets	847,819	973,000	847,819	973,000	847,813	847,813	0.0%	12.9%
Total Non Current Assets	1,060,760,865	1,075,797,000	1,077,923,161	1,058,805,893	1,048,279,830	1,070,349,409	(0.9%)	0.5%
Total Assets	1,111,397,711	1,116,088,642	1,123,536,236	1,120,873,165	1,123,876,235	1,143,487,269	(2.9%)	(2.5%)
Current Liabilities								
Trade & Other Payables	6,220,097	8,786,000	6,220,097	2,535,455	4,239,742	2,633,146	(57.7%)	(70.0%)
Trust Funds	2,716,657	3,094,000	2,716,657	2,917,301	5,891,519	4,347,414	60.0%	40.5%
Provisions	10,119,393	9,932,000	10,119,393	10,172,148	7,093,881	10,228,759	1.1%	3.0%
Interest Bearing Liabilities	1,307,898	1,291,000	1,307,898	437,340	796,928	801,778	(38.7%)	(37.9%)
Total Current Liabilities	20,364,044	23,103,000	20,364,044	16,062,244	18,022,070	18,011,098	(11.6%)	(22.0%)
Non Current Liabilities								
Provisions	7,093,881	6,485,000	7,093,881	567,568	7,093,881	7,093,881	0.0%	9.4%
Interest Bearing Liabilities	18,426,369	23,250,000	23,409,369	25,651,407	18,204,515	18,204,515	(1.2%)	(21.7%)
Total Non Current Liabilities	25,520,250	29,735,000	30,503,250	26,218,975	25,298,396	25,298,396	(0.9%)	(14.9%)
Total Liabilities	45,884,294	52,838,000	50,867,294	42,281,219	43,320,466	43,309,494	(5.6%)	(18.0%)
Net Assets	1,065,513,416	1,063,250,642	1,072,668,942	1,078,591,946	1,080,555,769	1,100,177,775	(3.3%)	(3.5%)
Represented By								
Accumulated Surplus	519,606,407	350,814,179	526,942,961	532,684,938	534,648,761	554,270,766	(6.7%)	(58.0%)
Reserves	545,907,009	712,436,463	545,725,981	545,907,008	545,907,008	545,907,008	0.0%	23.4%
Total Equity	1,065,513,416	1,063,250,642	1,072,668,942	1,078,591,946	1,080,555,769	1,100,177,775	(3.3%)	(3.5%)

Greater Shepparton City Council
Cash Flow Statement
as at March 2018

	2017/2018 Adopted Budget	2017/2018 Adopted Forecast Q2	2017/2018 YTD Actual	Adopted Budget Variance (Fav)/Unfav	Adopted Forecast Q1 Variance (Fav)/Unfav
	\$	\$	\$	\$	\$
Cash flows from operating activities					
Receipts from customers	97,875,000	97,789,479	73,494,736	24.91%	24.84%
Payments to suppliers	(98,116,000)	(97,335,615)	(68,803,555)	29.88%	29.31%
Net cash inflow(outflow) from customers(suppliers)	(241,000)	453,864	4,691,181	2046.55%	(933.61%)
Interest received	652,000	630,000	548,088	15.94%	13.00%
Government receipts	23,692,000	22,404,545	17,713,339	25.23%	20.94%
Contributions	2,602,000	3,918,957	8,160,209	(213.61%)	(108.22%)
Net cash inflow(outflow) from operating activities	26,705,000	27,407,366	31,112,818	(16.51%)	(13.52%)
Cash flows from investing activities					
Net movement in other financial assets	8,817,000	-	(10,500,000)	219.09%	#DIV/0!
Infrastructure, property, plant & equipment - proceeds	1,551,000	1,030,500	397,984	74.34%	61.38%
Infrastructure, property, plant & equipment - payments	(39,384,000)	(37,221,638)	(24,391,497)	38.07%	34.47%
Net cash inflow(outflow) from investing activities	(29,016,000)	(36,191,138)	(34,493,513)	(18.88%)	4.69%
Cash flows from financing activities					
Finance Cost	(1,223,000)	(1,223,000)	(611,152)	50.03%	50.03%
Proceeds from interest bearing loans and borrowings	6,000,000	6,000,000	-	100.00%	100.00%
Repayment of interest-bearing loans and borrowings	(1,017,000)	(1,017,000)	(727,973)	28.42%	28.42%
Net cash inflow(outflow) from financing activities	3,760,000	3,760,000	(1,339,125)	135.62%	135.62%
Net increase(decrease) in cash and equivalents	1,450,000	(5,023,772)	(4,719,820)	425.50%	6.05%
Cash and equivalents at the beginning of the year	17,934,378	25,303,343	25,303,343	(41.09%)	(0.00%)
Cash and equivalents at the end of the year	19,384,378	20,279,571	20,583,523	(6.19%)	(1.50%)

Greater Shepparton City Council
Capital Works Statement
 period ended March 2018

Capital Works Area	2017/2018	2017/2018	2017/2018	YTD	YTD	2017/2018	2017/2018	2017/2018	Adopted	Adopted	Note
	YTD	YTD	YTD	Adopted	Adopted		Adopted	Forecast Q1	Forecast Q1	Budget	
	Adopted	Adopted	Actual	Budget	Forecast Q1	Budget	Forecast Q1	Projected	Variance	Variance	
	Budget	Forecast Q1	Actual	Variance	Forecast Q1	Budget	Forecast Q1	Full Year	(Fav)/Unfav	(Fav)/Unfav	
	\$	\$	\$	(Fav)/Unfav	(Fav)/Unfav	\$	\$	\$	%	%	
				%	%						
Aerodrome	0	344,592	353,730		3%	300,000	360,000	360,000	20%	0%	
Bridges	0	812	812		(0%)	657,360	657,360	507,360	(23%)	(23%)	1
Buildings	2,630,414	2,542,777	2,085,444	(21%)	(18%)	5,584,000	5,509,310	5,298,715	(5%)	(4%)	2
Computer & Telecommunications	60,000	229,223	226,561	278%	(1%)	260,000	513,905	473,905	82%	(8%)	3
Drainage	294,500	203,487	193,587	(34%)	(5%)	670,000	683,509	497,003	(26%)	(27%)	4
Fixture Fittings and Furniture	397,000	244,715	511,001	29%	109%	466,000	476,000	540,374	16%	14%	5
Footpaths & Cycleways	1,625,880	1,209,690	1,119,993	(31%)	(7%)	1,699,400	1,911,198	1,893,482	11%	(1%)	6
Land	20,000	0	0	(100%)		20,000	20,000	20,000	0%	0%	
Land Improvements	320,000	239,422	109,736	(66%)	(54%)	1,090,000	1,088,717	1,089,002	(0%)	0%	7
Off Street Car Parks	28,300	0	63	(100%)		40,000	40,000	40,000	0%	0%	
Parks, Open Space & Streetscape	356,500	428,684	416,454	17%	(3%)	1,233,000	1,270,642	1,001,484	(19%)	(21%)	8
Plant Machinery & Equipment	40,000	808,311	1,020,800	2452%	26%	2,620,940	2,775,361	2,453,179	(6%)	(12%)	
Recreational Leisure and Community Facilities	3,148,574	2,264,375	2,379,137	(24%)	5%	3,681,574	4,411,492	4,535,204	23%	3%	9
Roads	5,398,903	9,809,292	9,603,033	78%	(2%)	13,561,262	14,241,534	12,195,146	(10%)	(14%)	10
Waste Management	665,573	1,712,328	1,571,767	136%	(8%)	6,500,000	4,608,319	3,411,065	(48%)	(26%)	11
Project Management Office	620,146	620,146	592,979	(4%)	(4%)	1,000,000	1,000,000	800,000	(20%)	(20%)	
Total Capital Works	15,605,790	20,657,854	20,185,097	29%	(2%)	39,383,536	39,567,347	35,115,919	(11%)	(11%)	

Capital Works Area	2017/2018	2017/2018	2017/2018	YTD	YTD	2017/2018	2017/2018	2017/2018	Adopted	Adopted	Note
	YTD	YTD	YTD	Adopted	Adopted		Adopted	Forecast Q1	Forecast Q1	Budget	
	Adopted	Adopted	Actual	Budget	Forecast Q1	Budget	Forecast Q1	Projected	Variance	Variance	
	Budget	Forecast Q1	Actual	Variance	Forecast Q1	Budget	Forecast Q1	Full Year	(Fav)/Unfav	(Fav)/Unfav	
	\$	\$	\$	(Fav)/Unfav	(Fav)/Unfav	\$	\$	\$	%	%	
				%	%						
Renewal	9,483,956	13,133,661	12,926,347	36%	(2%)	24,448,488	22,987,664	21,298,210	(13%)	(7%)	
Upgrade	1,028,949	1,616,285	1,588,717	54%	(2%)	4,341,074	5,810,047	3,904,907	(10%)	(33%)	
New	4,265,339	5,265,562	5,053,686	18%	(4%)	9,386,574	9,562,236	8,895,402	(5%)	(7%)	
Expansion	207,400	22,200	23,369	(89%)	5%	207,400	207,400	217,400	5%	5%	
Project Management Office	620,146	620,146	592,979	(4%)	(4%)	1,000,000	1,000,000	800,000	(20%)	(20%)	
Total Capital Works	15,605,790	20,657,854	20,185,097	29%	(2%)	39,383,536	39,567,347	35,115,919	(11%)	(11%)	

Notes to the Capital Works Statement for period ended March 2018

- 1) Bridges Projected Full Year is \$150k less than Adopted Forecast Q2 and 2017/2018 Adopted Budget. These favourable variances is due to rural seal bridge works being re-budgeted into future financial years.
- 2) Buildings is \$457k less than YTD Adopted Forecast Q2. This favourable variance is mostly due to the timing of works for Deakin Reserve Female Change Rooms \$226k and New Shepparton Art Museum \$174k.
- 3) Computers and Telecommunications is \$213k more than 2017/2018 Adopted Budget. This unfavourable variance is mostly due to the finance system replacement project rebudgeted from the 2016/2017 capital works program.
- 4) Drainage Projected Full Year is \$186k less than Adopted Forecast Q2 and \$173 less than 2017/2018 Adopted Budget. This favourable variance is mostly due to savings in North Growth Corridor drainage design and landscaping plan \$115k. Construction works have been budgeted for in the 2018/2019 draft capital works program. Favourable variance also impacted by Seven Creeks wetland planting \$50k being rebudgeted to the 2018/2019 capital works program.
- 5) Fixture, Fitting and Furniture is \$266k more than YTD Adopted Forecast Q2. This unfavourable variance is mostly due to the timing of works for KidsTown equipment and furniture renewals \$234k.
- 6) Footpaths and Cycleways Projected Full Year is \$194k more than 2017/2018 Adopted Budget. This unfavourable variance is mostly due to \$100k reclassified from Land Improvements for Seven Creeks shared paths, \$47k rebudgeted from 2016/2017 capital works program for Tallygaroopna walking track, additional \$23k for footpath and drainage works on Rushworth Rd/Impey St intersection, additional \$22k for a pedestrian island on Murchison-Violet Town Rd and an additional \$20k for pedestrian facilities for the Disability Discrimination Act.
- 7) Land Improvements is \$130k more than YTD Adopted Forecast Q2. This favourable variance is mostly due to the timing of the Shell Service Station remediation works \$106k.
- 8) Parks, Open Space & Streetscape Projected Full Year is \$231k less than YTD Adopted Forecast Q2 and \$269k less than 2017/2018 Adopted Budget. These favourable variances are mostly due to Maude Street Mall Activation \$250k being rebudgeted to the 2018/2019 draft capital works program.
- 9) Recreational Leisure and Community Facilities Projected Full Year is \$854k more than 2017/2018 Adopted Budget. This unfavourable variance is mostly due to additional \$476k for Greater Shepparton Regional Sports Precinct Boulevard Works, \$200k of which was rebudgeted from the 2016/2017 capital works program, as well as an additional \$229k for the Greater Shepparton Regional Sports Precinct main pavilion.
- 10) Roads Projected Full Year is \$1.37m less than Adopted Forecast Q2 and \$2.05m less than 2018/2019 Adopted Budget. This favourable variance is mostly due to Balaclava Verney Dookie intersection works \$2.33m being rebudgeted into the 2018/2019 draft capital works program. Also impacted by \$263k savings for Shepparton Alternate Route and \$118k savings Verney Road Reconstruction. These favourable variances are partially offset by an additional \$350k for Safe System Road Infrastructure program. This is offset by additional grant income from Vic Roads.
- 11) Waste Management Projected Full Year is \$1.19m less than Adopted Forecast Q2 and \$3.08m less than 2017/2018 Adopted Budget. These favourable variances are due to Cosgrove 2 & 3 works being rebudgeted into future financial years.