

# **ATTACHMENT TO AGENDA ITEM**

**Ordinary Meeting**

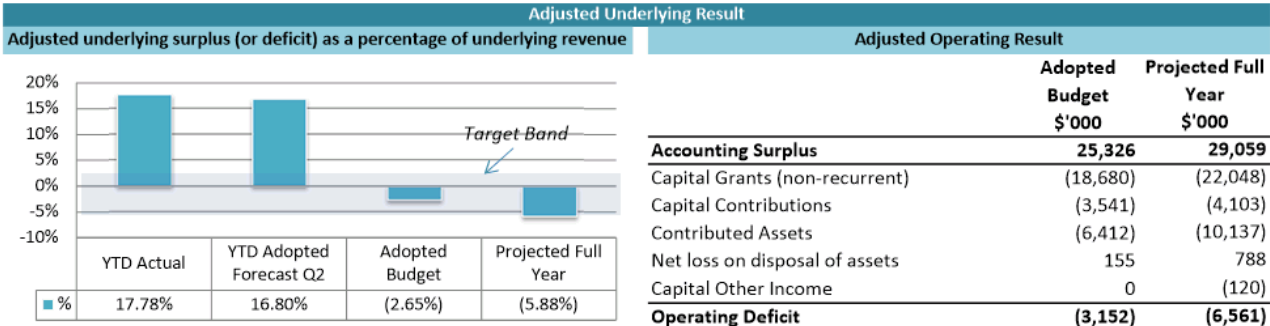
**21 April 2020**

**Agenda Item 9.3      March 2020 Monthly Financial Report**

**Attachment 1      March 2020 - Monthly Financial Statements..... 318**

## MONTHLY FINANCIAL REPORT MARCH 2020

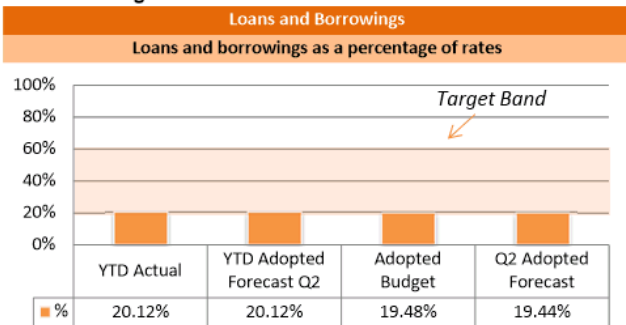
### Operating Performance



- Local Government Victoria acceptable range -20% to 20%
- Council target band of 0% to 10%
- YTD Actual and YTD Adopted Budget are high due to the full amount of rates revenue being raised in July. The underlying surplus will reduce throughout the financial year as expenditure is incurred

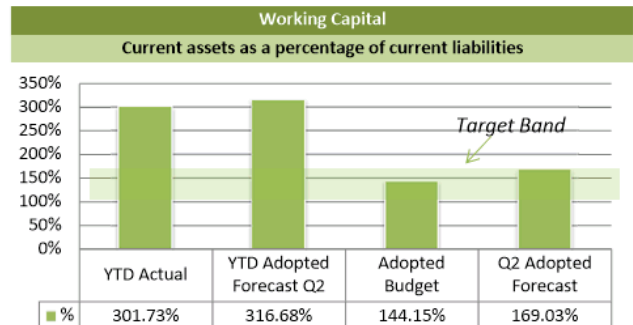
The surplus has been adjusted to reflect the true operating result by removing items that do not fund Council operations. Capital income including non-recurrent grants, contributions and other capital income is used to fund the capital works program, while contributed assets and the net loss on disposal of assets are non-cash items.

### Financial Obligations



- Local Government Victoria acceptable range 0% to 70%
- Council 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

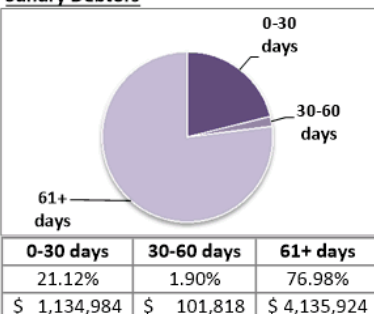
### Financial Health



- Local Government Victoria acceptable range 100% to 400%
- Council target band of 120% to 200%
- VAGO indicate any level of liquidity higher than 100% is considered low risk
- YTD Actual and YTD Adopted Budget are high due to rate revenue being raised in July. Receivables will reduce throughout the financial year as rates instalments fall due

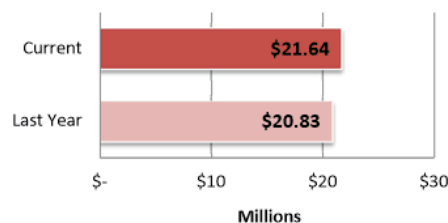
### Other Financial Performance

#### Sundry Debtors



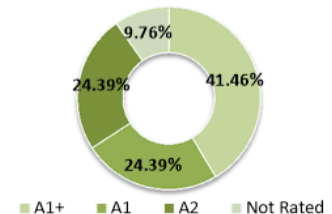
#### Rates Debtors

Fourth instalment due 31 May 2020



#### Investments

\$41m with average interest rate 1.72%  
\$604k interest income to date



**Operating Performance**  
**MARCH 2020**

Income	YTD Adopted Forecast Q2 vs YTD Actual (Fav)/Unfav		Adopted Forecast Q2 vs Projected Full Year (Fav)/Unfav	
Rates and Charges	Steady	\$0.01m	Steady	\$0.14m
Statutory Fees	Steady	(\$0.07m)	Steady	\$0.08m
User Charges	Steady	(\$0.11m)	Unfavourable	\$2.25m
Grants	Steady	(\$0.27m)	Steady	\$0.12m
Contributions	Steady	(\$0.05m)	Steady	\$0.09m
Other Revenue	Steady	(\$0.07m)	Unfavourable	\$0.22m
<b>Total Income</b>	Steady	<b>(\$0.56m)</b>	Steady	<b>\$2.91m</b>
<b>Expense</b>				
Employee Costs	Steady	\$0.16m	Steady	(\$0.41m)
Materials and Services	Steady	(\$0.87m)	Favourable	(\$3.07m)
Bad and Doubtful Debts	Steady	(\$0m)	Steady	(\$0.07m)
Depreciation and Amortisation	Steady	\$0.3m	Steady	\$0.36m
Borrowing Costs	Steady	(\$0m)	Steady	\$0m
Other Expenses	Steady	\$0.04m	Steady	(\$0.03m)
<b>Total Expense</b>	Steady	<b>(\$0.37m)</b>	Favourable	<b>(\$3.22m)</b>

**Notes:**

- User Charges Projected Full Year is \$2.25m less than Adopted Forecast Q2. This unfavourable variance is mostly due to the temporary closure of some council services as a result of the COVID-19 pandemic. Please see income statement for more detail.

- Other Income Projected Full Year is \$220k less than Adopted Forecast Q2. This unfavourable variance is mostly due to the temporary closure of Riverlinks as a result of the COVID-19 pandemic. Please see income statement for more detail.

- Materials and Services is \$3.07m less than Adopted Forecast Q2. This favourable variance is mostly due to various savings across the organisation identified in preparation for the Q3 Forecast Review. This variance is also impacted by the temporary closure of some council services as a result of the COVID-19 pandemic. Please see income statement for more detail.

### Capital Works Performance MARCH 2020

<b>ADOPTED BUDGET</b>	<b>ADOPTED FORECAST Q2</b>	<b>PROJECTED FULL YEAR</b>	<b>YTD ACTUAL</b>
<b>\$73.68m</b>	<b>\$73.53m</b>	<b>\$70.58m</b>	<b>\$43.56m</b>

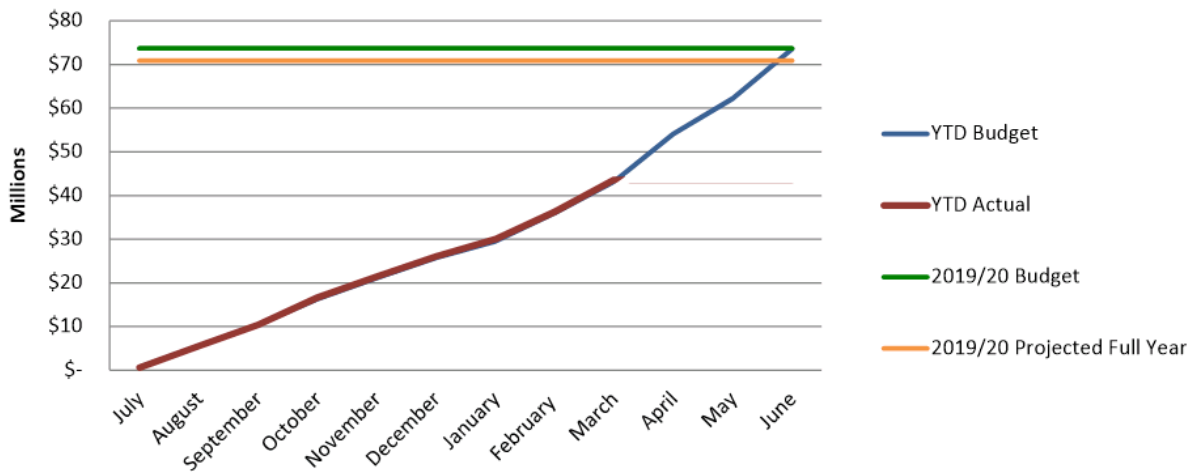
**PROGRESS**

\*59.13% of Adopted Budget spent

\*61.72% of current full year projection spent

\* Same time last year: \$18.8m (40.56%) of the 2018/2019 Adopted Budget had been spent

#### CAPITAL WORKS BUDGET VS. ACTUAL

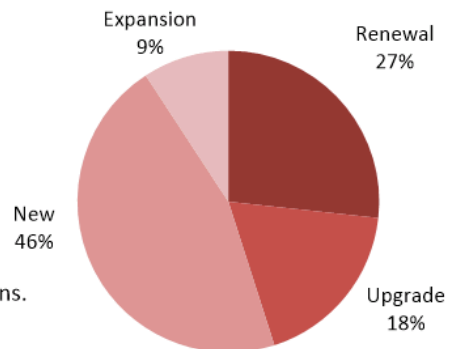


**RENEWAL**

Asset Renewal	
Asset renewal as a percentage of depreciation	
<b>ADOPTED BUDGET</b>	<b>PROJECTED FULL YEAR</b>
<b>69.10%</b>	<b>70.87%</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**



Greater Shepparton City Council  
**Income Statement**  
for period ended March 2020

	YEAR TO DATE					FULL YEAR					Notes	
	2019/2020 YTD Adopted Budget	2019/2020 YTD Adopted Forecast Q2	2019/2020 YTD Actual	YTD Adopted Budget Variance (Fav)/Unfav	YTD Adopted Forecast Q2 Variance (Fav)/Unfav	2019/2020 Adopted Budget	2019/2020 Adopted Forecast Q2	2019/2020 Projected Full Year	Adopted Budget Variance (Fav)/Unfav	Adopted Forecast Q2 Variance (Fav)/Unfav		
	\$	\$	\$	%	%	\$	\$	\$	%	%		
<b>Revenues from Operating Activities</b>												
Rates and Charges	80,456	80,382	80,373	0.1%	0.0%	80,636	80,606	80,467	0.2%	0.2%	1	
Statutory Fees	2,324	2,519	2,585	(11.2%)	(2.6%)	3,200	3,469	3,389	(5.9%)	2.3%		
User Charges	13,760	13,529	13,640	0.9%	(0.8%)	18,469	18,319	16,068	13.0%	12.3%		
Operating Grants	12,573	13,161	13,435	(6.9%)	(2.1%)	17,388	17,679	17,554	(1.0%)	0.7%		
Operating Contributions	687	633	685	0.2%	(8.3%)	1,049	1,118	1,024	2.5%	8.4%		
Other	1,634	1,926	1,996	(22.1%)	(3.6%)	2,069	2,466	2,246	(8.6%)	8.9%		
<b>Total Operating Revenue</b>	<b>111,434</b>	<b>112,151</b>	<b>112,713</b>	<b>(1.1%)</b>	<b>(0.5%)</b>	<b>122,811</b>	<b>123,657</b>	<b>120,748</b>	<b>1.7%</b>	<b>2.4%</b>		
<b>Expenses from Operating Activities</b>												
Employee Costs	37,995	37,965	38,130	0.4%	0.4%	50,498	50,435	50,026	(0.9%)	(0.8%)		3/4
Materials and Services	35,033	35,553	34,683	(1.0%)	(2.4%)	47,020	51,731	48,660	3.5%	(5.9%)		
Bad & Doubtful Debts	35	60	60	71.2%	(0.0%)	216	171	106	(51.2%)	(38.1%)		
Depreciation and Amortisation	21,893	19,855	20,152	(8.0%)	1.5%	28,505	28,505	28,861	1.3%	1.3%		
Borrowing Costs	529	516	513	(3.0%)	(0.6%)	995	1,009	1,009	1.4%	0.0%		
Other Expenses	561	465	503	(10.3%)	8.1%	757	708	680	(10.2%)	(3.9%)		
<b>Total Operating Expenses</b>	<b>96,046</b>	<b>94,415</b>	<b>94,041</b>	<b>(2.1%)</b>	<b>(0.4%)</b>	<b>127,991</b>	<b>132,559</b>	<b>129,342</b>	<b>1.1%</b>	<b>(2.4%)</b>		
<b>UNDERLYING OPERATING RESULT</b>	<b>15,388</b>	<b>17,736</b>	<b>18,673</b>	<b>(21.3%)</b>	<b>(5.3%)</b>	<b>(5,179)</b>	<b>(8,902)</b>	<b>(8,595)</b>	<b>(65.9%)</b>	<b>3.4%</b>		
<b>Non-operating Income and Expenditure</b>												
Capital Grants	15,525	11,404	12,330	20.6%	(8.1%)	20,707	23,281	24,082	(16.3%)	(3.4%)	5	
Capital Contributions	13	512	998	(7,576.2%)	(94.9%)	3,541	3,677	4,103	(15.9%)	(11.6%)		
Contributed Assets	4,500	5,364	7,453	(65.6%)	(38.9%)	6,412	6,412	10,137	(58.1%)	(58.1%)	7	
Proceeds from Sale of Assets	300	314	303	(1.0%)	3.5%	401	401	401	0.0%	0.0%		
Written Down Value of Asset Disposals	0	(536)	(705)	100.0%	(31.4%)	(556)	(1,027)	(1,189)	(113.9%)	(15.8%)		
Other Revenue	0	120	120	(100.0%)	(0.0%)	0	120	120	(100.0%)	0.0%		
<b>Total Non Operating Items</b>	<b>20,338</b>	<b>17,178</b>	<b>20,499</b>	<b>(0.8%)</b>	<b>(19.3%)</b>	<b>30,506</b>	<b>32,864</b>	<b>37,654</b>	<b>(23.4%)</b>	<b>(14.6%)</b>		
<b>ACCOUNTING SURPLUS/(DEFICIT)</b>	<b>35,726</b>	<b>34,914</b>	<b>39,172</b>	<b>(9.6%)</b>	<b>(12.2%)</b>	<b>25,326</b>	<b>23,963</b>	<b>29,059</b>	<b>(14.7%)</b>	<b>(21.3%)</b>		

**Notes to the Income Statement for period ended March 2020**

1) User Charges Projected Full Year is \$2.25m less than Adopted Forecast Q2 and \$2.40m less than 2019/2020 Adopted Budget. These unfavourable variances are mostly due to the temporary closure of some council services including Aquamoves \$806k, Riverlinks \$250k, KidsTown \$101k, Animal Shelter \$96k, Victoria Park Lake Caravan Park \$50k, and Sports Stadium \$43k as a result of the COVID-19 pandemic. These unfavourable variances are also impacted by the Federal Government's decision to make early childhood education free for essential workers during this pandemic \$695k.

2) Other Income Projected Full Year is \$220k less than Adopted Forecast Q2. This unfavourable variance is mostly due to reductions in recoverable catering income for Riverlinks \$212k as a result of the COVID-19 temporary closures.

3a) Materials and Services Projects Full Year is \$3.07m less than Adopted Forecast Q2. This favourable variance is mostly due to various savings from across the organisation including Waste Operations \$828k, Information and Communications Technology \$412k, Works \$216k, Parking Enforcement \$203k, Business and Industry Development \$122k, Community Strengthening \$122k, Animal Management \$116k, and Early Childhood Education \$113k. Sports, Recreation and Open space was also reduced due to the movement between capital and operating for the Our Sporting Future Funds program \$106k.

3b) This favourable variance has also been impacted by the COVID-19 pandemic. Council has temporarily closed several services seeing savings in Riverlinks \$297, Aquamoves \$159k, Rates and valuations \$105k, and KidsTown \$71k. Events have also been postponed or cancelled as a result of the COVID-19 pandemic including the Shepparton Winter Festival and Fun Zone \$36k, Challenge Shepparton \$35k, Converge Festival \$34k, Sports Decentralisation events \$19k and Goulburn Vibes \$15k.

3c) These savings are partially offset by additional building maintenance \$218k, Aerodrome economic business analysis \$31k and the introduction of the COVID-19 Business Grants Program \$122k. Some of the postponed and cancelled events have been rebudgeted into the 2020/2021 financial year.

4a) Materials and Services Projected Full Year is also \$1.64m more than 2019/2020 Adopted Budget. This unfavourable variance is mostly due to the movement of projects on non-Council assets from Capital to Operating including Victoria Park Lake Intersection \$500k, Ferrari Park-Midland Highway service road \$100k and Archer Street/Benalla Road Landscaping \$60k.

4b) This unfavourable variance is also impacted by new expenditure added as part of the Q1 and Q2 Adopted Forecasts including additional expense for the BMX events \$169k, additional external labour to cover staff vacancies in the Building area \$126k, Victoria Park Lake Caravan Park Demolition works \$111k, underground powerline works \$110k, and detailed design relating to the Shepparton Sports and Events Centre \$101k.

4c) The write off of previous year capital works that were not expended on Council owned assets \$1.12m and the rebudget of Ford Road/Wanganui Road landscaping works and Hawkins/GV Highway intersection design works into the 2020/2021 financial year also impact this variance. These increases are partially offset by the previously mentioned savings.

5) Capital Grants Projected Full Year is \$801k more than Adopted Forecast Q2. This favourable variance is mostly due to additional grant funding from the Building Better Roads Program \$532k for the Maude Street Upgrade, additional grant funding from the State Government for Australian Botanical Gardens raw and portable water project \$176k, and additional funding from Regional Roads Victoria for improvements to pedestrian facilities in the Shepparton CBD \$75k. Projected Full Year is also \$3.37m more than 2019/2020 Adopted Budget. This favourable variance is mostly due to additional grant funding for the Shepparton Alternate Route Scheme \$1.25m and Fixing Country Roads funding \$1.08m for Balaclava/Verney/Dookie intersection works. Grant funding for E-Waste sheds at the Shepparton and Ardmona Resource Recovery Centres has been moved from operating to capital \$100k. These favourable variances are partially offset by reductions in grant income caused by the early receipt of funds in the 2018/2019 financial year for Aquamoves 50m pool heating \$225k, Youth SPOTS \$225k and Princess Park master plan implementation \$225k.

6) Capital Contributions \$486k more than YTD Adopted Forecast Q2. Projected Full Year is \$426k more than Adopted Forecast Q2 and \$562k more than 2019/2020 Adopted Budget. These favourable variances are mostly due to additional contributions from Goulburn Valley Water for the Balaclava/Verney/Dookie intersection works \$237k. These favourable variances are also impacted by additional developer contributions \$176k for various estates including Kiaila Lakes and Windsor Park, and additional contributions for Merrigum Splash Park \$30k and Lifestyle Villages Bridge works \$14k.

7) Contributed Assets is \$2.09m more than YTD Adopted Forecast Q2. Projected Full Year is \$3.725 more than Adopted Forecast Q2 and 2019/2020 Adopted Budget. These favourable variances are due to additional contributed assets from completed developments not in the original budget such as Doyles Road Service Road \$917k and Shepparton Industrial Park \$804k.

Greater Shepparton City Council

**Balance Sheet**  
as at March 2020

	Total Actual June 2019 \$ ' 000	Adopted Budget June 2020 \$ ' 000	Adopted Forecast Q2 June 2020 \$ ' 000	YTD Adopted Budget 2020 \$ ' 000	YTD Adopted Forecast Q2 2020 \$ ' 000	YTD Actual 2020 \$ ' 000	Total Actual June 2019 Variance (Fav)/Unfav %	Adopted Forecast Q2 Variance (Fav)/Unfav %	Notes
<b>Current Assets</b>									
Cash and Cash Equivalent	32,742	6,671	5,705	3,556	5,851	23,294	28.9%	(298.1%)	
Receivables	7,721	11,776	7,721	28,446	37,566	30,911	(300.3%)	17.7%	
Other Financial Assets	32,000	10,880	31,155	32,000	36,000	30,000	6.3%	16.7%	
Inventories	107	120	107	285	159	207	(94.5%)	(30.5%)	
Assets Held for Resale	55	248	55	55	-	-	100.0%	0.0%	
Other Assets	1,698	1,375	1,698	643	361	388	77.2%	(7.5%)	
<b>Total Current Assets</b>	<b>74,323</b>	<b>31,070</b>	<b>46,441</b>	<b>64,986</b>	<b>79,936</b>	<b>84,800</b>	<b>(14.1%)</b>	<b>(6.1%)</b>	
<b>Non Current Assets</b>									
Investment in Associates	1,393	1,457	1,393	1,457	1,393	1,393	0.0%	0.0%	
Infrastructure	1,056,129	1,116,961	1,106,544	1,102,390	1,083,197	1,085,397	(2.8%)	(0.2%)	
Intangible Assets	-	-	-	-	-	391	(100.0%)	(100.0%)	
<b>Total Non Current Assets</b>	<b>1,057,522</b>	<b>1,118,418</b>	<b>1,107,937</b>	<b>1,103,847</b>	<b>1,084,590</b>	<b>1,087,181</b>	<b>(2.8%)</b>	<b>(0.2%)</b>	
<b>Total Assets</b>	<b>1,131,845</b>	<b>1,149,488</b>	<b>1,154,377</b>	<b>1,168,833</b>	<b>1,164,526</b>	<b>1,171,981</b>	<b>(3.5%)</b>	<b>(0.6%)</b>	
<b>Current Liabilities</b>									
Trade & Other Payables	13,735	8,055	13,479	17,887	12,287	15,286	11.3%	13.4%	
Trust Funds	2,548	2,836	2,804	440	2,642	2,506	(1.6%)	(10.6%)	
Provisions	9,761	9,221	9,761	9,663	9,782	9,782	0.2%	0.2%	
Interest Bearing Liabilities	1,430	1,441	1,430	525	531	530	(62.9%)	(62.9%)	
<b>Total Current Liabilities</b>	<b>27,475</b>	<b>21,553</b>	<b>27,474</b>	<b>28,514</b>	<b>25,242</b>	<b>28,104</b>	<b>2.3%</b>	<b>2.3%</b>	
<b>Non Current Liabilities</b>									
Trade & Other Payables	-	-	-	-	-	334	100.0%	100.0%	
Provisions	8,573	7,108	8,573	8,573	8,573	8,573	0.0%	(0.0%)	
Interest Bearing Liabilities	15,640	14,266	14,211	15,642	15,640	15,640	0.0%	(0.0%)	
<b>Total Non Current Liabilities</b>	<b>24,213</b>	<b>21,374</b>	<b>22,784</b>	<b>24,214</b>	<b>24,213</b>	<b>24,547</b>	<b>1.4%</b>	<b>1.4%</b>	
<b>Total Liabilities</b>	<b>51,688</b>	<b>42,927</b>	<b>50,258</b>	<b>52,728</b>	<b>49,455</b>	<b>52,651</b>	<b>1.9%</b>	<b>6.5%</b>	
<b>Net Assets</b>	<b>1,080,157</b>	<b>1,106,561</b>	<b>1,104,119</b>	<b>1,116,104</b>	<b>1,115,071</b>	<b>1,119,329</b>	<b>(3.6%)</b>	<b>(0.4%)</b>	
<b>Represented By</b>									
Accumulated Surplus	417,271	443,674	441,233	453,218	452,185	456,443	(9.4%)	(0.9%)	
Reserves	662,886	662,886	662,886	662,886	662,886	662,886	0.0%	0.0%	
<b>Total Equity</b>	<b>1,080,157</b>	<b>1,106,561</b>	<b>1,104,119</b>	<b>1,116,104</b>	<b>1,115,071</b>	<b>1,119,329</b>	<b>(3.6%)</b>	<b>(0.4%)</b>	

**Notes to the Balance Sheet as at March 2020**

- Intangible Assets is \$391k more than 2019/2020 Adopted Budget. This favourable variance is due to the right of use assets recorded for all leases in accordance with AASB16.
- Non-Current Trade and Payables is \$334k more than 2019/2020 Adopted Budget. This unfavourable variance is due to the lease liability recorded for all leases in accordance with AASB16.

Greater Shepparton City Council

**Cash Flow Statement**  
as at March 2020

	2019/2020 Adopted Budget \$ ' 000	2019/2020 Adopted Forecast Q2 \$ ' 000	2019/2020 YTD Adopted Budget \$ ' 000	2019/2020 YTD Adopted Forecast Q2 \$ ' 000	2019/2020 YTD Actual \$ ' 000	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q2 Variance (Fav)/Unfav %
<b>Cash flows from operating activities</b>							
Receipts from customers	101,393	104,230	72,937	66,565	75,346	(3.3%)	(13.2%)
Payments to suppliers	(101,260)	(103,045)	(66,719)	(72,650)	(71,081)	6.5%	(2.2%)
Net cash inflow(outflow) from customers(suppliers)	133	1,185	6,218	(6,085)	4,265	(31.4%)	(170.1%)
Interest received	750	750	518	557	556	(7.4%)	0.2%
Government receipts	37,309	40,960	28,098	24,566	25,765	8.3%	(4.9%)
Contributions	4,591	4,795	7,001	8,311	1,751	75.0%	78.9%
<b>Net cash inflow(outflow) from operating activities</b>	<b>42,783</b>	<b>47,690</b>	<b>41,836</b>	<b>27,349</b>	<b>32,337</b>	<b>(22.7%)</b>	<b>18.2%</b>
<b>Cash flows from investing activities</b>							
Net movement in other financial assets	2,720	845	-	(4,000)	2,000		(136.6%)
Infrastructure, property, plant & equipment - proceeds	401	401	300	314	303	(1.0%)	3.5%
Infrastructure, property, plant & equipment - payments	(73,676)	(73,534)	(69,888)	(49,138)	(42,616)	(39.0%)	(13.3%)
<b>Net cash inflow(outflow) from investing activities</b>	<b>(70,555)</b>	<b>(72,288)</b>	<b>(69,588)</b>	<b>(52,824)</b>	<b>(40,313)</b>	<b>42.1%</b>	<b>23.7%</b>
<b>Cash flows from financing activities</b>							
Finance Cost	(995)	(1,009)	(529)	(516)	(572)	8.1%	10.9%
Proceeds from interest bearing loans and borrowings	-	-	-	-	-		
Repayment of interest-bearing loans and borrowings	(1,361)	(1,430)	(905)	(899)	(900)	(0.5%)	0.1%
<b>Net cash inflow(outflow) from financing activities</b>	<b>(2,356)</b>	<b>(2,439)</b>	<b>(1,434)</b>	<b>(1,415)</b>	<b>(1,472)</b>	<b>2.7%</b>	<b>4.0%</b>
<b>Net increase(decrease) in cash and equivalents</b>	<b>(30,128)</b>	<b>(27,037)</b>	<b>(29,186)</b>	<b>(26,891)</b>	<b>(9,448)</b>	<b>(67.6%)</b>	<b>(64.9%)</b>
Cash and equivalents at the beginning of the year	36,799	32,742	32,742	32,742	32,742	0.0%	0.0%
<b>Cash and equivalents at the end of the year</b>	<b>6,671</b>	<b>5,705</b>	<b>3,556</b>	<b>5,851</b>	<b>23,294</b>	<b>(555.1%)</b>	<b>(298.1%)</b>



Greater Shepparton City Council  
**Capital Works Statement**  
 period ended March 2020

Capital Works Area	2019/2020 YTD Adopted Budget \$ ' 000	2019/2020 YTD Adopted Forecast Q2 \$ ' 000	2019/2020 YTD Actual \$ ' 000	YTD Adopted Budget Variance (Fav)/Unfav %	YTD Adopted Forecast Q2 Variance (Fav)/Unfav %	2019/2020 Adopted Budget \$ ' 000	2019/2020 Adopted Forecast Q2 \$ ' 000	2019/2020 Projected Full Year \$ ' 000	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q2 Variance (Fav)/Unfav %	Note
Aerodrome	369	3	3	(99%)	0%	369	369	3	(99%)	(99%)	1
Bridges	1,062	1,035	1,000	(6%)	(3%)	1,062	1,189	1,139	7%	(4%)	
Buildings	30,133	19,689	19,865	(34%)	1%	30,802	31,163	31,146	1%	(0%)	
Computer & Telecommunications	1,801	514	592	(67%)	15%	2,208	2,121	1,797	(19%)	(15%)	2
Drainage	2,931	129	263	(91%)	103%	3,213	3,204	2,908	(9%)	(9%)	3
Fixture Fittings and Furniture	242	197	217	(10%)	10%	406	491	277	(32%)	(44%)	4
Footpaths & Cycleways	2,116	515	556	(74%)	8%	3,142	3,174	1,916	(39%)	(40%)	5
Land	0	20	20	#DIV/0!	0%	0	20	180	100%	800%	6
Land Improvements	349	127	115	(67%)	(9%)	406	359	362	(11%)	1%	
Off Street Car Parks	415	154	155	(63%)	1%	415	415	415	(0%)	(0%)	
Parks, Open Space & Streetscape	1,125	1,050	1,198	6%	14%	1,362	1,721	1,908	40%	11%	7
Plant Machinery & Equipment	1,986	1,503	1,414	(29%)	(6%)	2,311	2,949	2,949	28%	0%	8
Recreational Leisure and Community Facilities	4,141	1,406	1,654	(60%)	18%	4,806	4,634	4,447	(7%)	(4%)	9
Roads	19,524	15,251	14,878	(24%)	(2%)	21,105	19,210	18,596	(12%)	(3%)	10
Waste Management	500	659	675	35%	2%	500	944	972	94%	3%	11
Other infrastructure	230	105	115	(50%)	10%	470	470	470	0%	0%	
Project Management Office	813	844	840	3%	(0%)	1,100	1,100	1,100	0%	0%	
<b>Total Capital Works</b>	<b>67,736</b>	<b>43,202</b>	<b>43,562</b>	<b>(36%)</b>	<b>1%</b>	<b>73,676</b>	<b>73,534</b>	<b>70,584</b>	<b>(4%)</b>	<b>(4%)</b>	

Capital Works Area	2019/2020 YTD Adopted Budget \$ ' 000	2019/2020 YTD Adopted Forecast Q2 \$ ' 000	2019/2020 YTD Actual \$ ' 000	YTD Adopted Budget Variance (Fav)/Unfav %	YTD Adopted Forecast Q2 Variance (Fav)/Unfav %	2019/2020 Adopted Budget \$ ' 000	2019/2020 Adopted Forecast Q2 \$ ' 000	2019/2020 Projected Full Year \$ ' 000	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q2 Variance (Fav)/Unfav %	Note
Renewal	17,618	14,155	14,296	(19%)	1%	19,387	20,104	20,117	4%	0%	
Upgrade	12,025	6,938	6,913	(43%)	(0%)	13,348	11,923	10,980	(18%)	(8%)	
New	31,997	20,275	19,435	(39%)	(4%)	33,133	33,274	33,039	(0%)	(1%)	
Expansion	5,283	991	2,077	(61%)	110%	6,708	7,134	5,349	(20%)	(25%)	
Project Management Office	813	844	840	3%	(0%)	1,100	1,100	1,100	0%	0%	
<b>Total Capital Works</b>	<b>67,736</b>	<b>43,202</b>	<b>43,562</b>	<b>(36%)</b>	<b>1%</b>	<b>73,676</b>	<b>73,534</b>	<b>70,584</b>	<b>(4%)</b>	<b>(4%)</b>	

### Notes to the Capital Works Statement for period ended March 2020

- 1) Aerodrome Projected Full Year is \$366k less than Adopted Forecast Q2 and 2019/2020 Adopted Budget. These favourable variances are due to Shepparton Aerodrome Plane Parking CASA Compliance works rebudgeted into the 2020/2021 capital works program.
- 2) Computer and Telecommunications Projected Full Year is \$324k less than Adopted Forecast Q2 and \$411k less than 2019/2020 Adopted Budget. These favourable variances are due to the Public Wifi Project \$350k being rebudgeted into the 2020/2021 capital works program.
- 3) Drainage is \$133k more than YTD Adopted Forecast Q2. This unfavourable variance is mostly due to the timing of Southdown Precinct YAKKA Basin upgrade works \$136k. Projected Full Year is \$296k less than Adopted forecast Q2 and \$305k less than 2019/2020 Adopted Budget. These favourable variances are mostly due to the rebudget of North Growth Corridor drainage and landscaping works \$650k into the 2020/2021 capital works program. These favourable variances are also impacted by the acquisition of land to allow for the extension of the Zurcas Lane Basin \$395k.
- 4) Fixture, Fittings and Furniture Projected Full Year is \$214k less than Adopted Forecast Q2 and \$129k less than 2019/2020 Adopted Budget. These favourable variances are mostly due to the rebudget of the Riverlinks sound system upgrade \$237k into the 2020/2021 capital works program.
- 5) Footpaths and Cycleways Projected Full Year is \$1.26m less than Adopted Forecast Q2 and \$1.23m less than 2019/2020 Adopted Budget. These favourable variances are mostly due to the rebudget of the shared path extension route 3 and route 5 \$1.26m into the 2020/2021 capital works program.
- 6) Land Projected Full Year is \$160k more than Adopted Forecast Q2 and \$180k more than 2019/2020 Adopted Budget. These unfavourable variances are mostly due to the compulsory acquisition of land for the Yakka Basin.
- 7) Parks, Open Space and Streetscapes is \$147k more than YTD Adopted Forecast Q2 and Projected Full Year is \$186k more than Adopted Forecast Q2. These unfavourable variances are mostly due to an increase in the McLennan Street Landscaping Blocks 4, 5 and 6 works \$118k to reflect the awarded contract. Projected Full Year is also \$546k more than 2019/2020 Adopted Budget. This unfavourable variance is mostly due to Kialla Park Recreation works budgeted for in 2018/2019 and completed in 2019/2020 \$500k.
- 8) Plant Machinery and Equipment Projected Full Year is \$638k more than 2019/2020 Adopted Budget. This unfavourable variance is mostly due to additional grader and truck renewals.
- 9) Recreational Leisure and Community Facilities is \$249k more than YTD Adopted Forecast Q2. This unfavourable variance is mostly due to the timing of works on the Kialla Park Female Friendly Change rooms \$201k.
- 10) Roads Projected Full Year is \$2.51m less than 2019/2020 Adopted Budget. This favourable variance is mostly due to Maude Street Upgrade works \$1.85m being rebudgeted into the 2020/2021 capital works program. This favourable variance is also impacted by the movement of projects on non-Council assets from capital to operating including Victoria Park Lake Intersection \$550k, Hawkins/GV Highway Intersection design \$435k, and Ferrari Park/Midland Highway service road \$100k.
- 11) Waste Management Projected Forecast is \$472k more than 2019/2020 Adopted Budget. This unfavourable variance is mostly due to Cosgrove 2 and 3 works budgeted for in 2018/2019 and completed in 2019/2020.