

## 7 Presentation of officer reports

### 7.1 April 2020 Monthly Financial Report

#### Abstract

The Monthly Financial Report for April 2020 is designed to identify and explain any major variances to budget at an organisational level for the period ending 30 April 2020.

Council's favourable operating result against year to date budget of \$53.03 million is \$7.29 million or 16% above the September Amended Budget of \$45.74 million primarily due to a number of factors which are outlined in **Section 2 of Attachment 1 - Financial Overview**.

On 15 March 2020 the Victorian Premier declared a State of Emergency in response to the Coronavirus Disease (COVID-19) pandemic outbreak. COVID-19 continues to cause disruption to every facet of normal life and business and Council has developed a \$4.50 million support and relief package to help our local residents, businesses and community groups through the challenging and uncertain times brought on by COVID-19.

The Full Year Forecast would normally be reported to Council as part of the March Quarterly Performance Report but has instead been included in this financial report so as to incorporate known and estimated potential impacts of COVID-19. Council continues to monitor and review the situation and impacts on Council's budget.

Capital works actual expenditure is \$43.79 million which is \$17.90 million below year to date budget phasing of \$61.69 million. Priority projects expenditure of \$14.52 million is \$4.47 million below year to date budget phasing of \$18.99 million.

Council's Balance Sheet and cash position are sound and depict a satisfactory result. At the end of April, Council's cash position stood at \$140.86 million or \$25.25 million above year to date budget.

#### Officers' recommendation

That Council resolves to:

1. Receive and note the Monthly Financial Report for April 2020 (**Attachment 1**).
2. Adopts the Full Year Forecast as identified in **Attachment 1**, as annexed to the minutes.

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**Responsible director: Carolyn McClean  
Community Development**

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## 1. Purpose

The purpose of this report is to provide Council the Monthly Financial Report for April 2020. The Monthly Financial Report is designed to identify and explain major variances at an organisational level and is provided in **Attachment 1**. In addition, this report seeks Council's adoption of the Full Year Forecast as identified in **Attachment 1**.

## 2. Policy implications and relevance to community plan and council plan

This report is consistent with the Council Plan 2017-21 and the Boroondara Community Plan. In particular, the Council Plan theme of Civic Leadership & Governance and the strategy "Ensure sound financial management while allocating resources to deliver strategic infrastructure and services that meet community needs".

## 3. Background

The year to date annual budget referred to in this report reflects the September 2019 Amended Budget, approved by Council on 23 September 2019 which includes the carry forward funding for 2018-19 priority projects and capital works forward commitments.

## 4. Outline of key issues/options

### **Year to date actual vs. year to date September Amended Budget**

The favourable operating result against year to date budget of \$53.03 million is \$7.29 million or 16% above the September Amended Budget of \$45.74 million primarily due to a number of factors which are outlined in **Section 2 Financial Overview**.

### **Balance Sheet and Cash Flow Statement**

Cash and investment holdings are \$140.86 million as at 30 April 2020, or \$25.25 million higher than year to date budget of \$115.61 million. This represents an increase of \$15.34 million from 30 June 2019.

The Balance Sheet as at 30 April 2020 indicates a satisfactory result with total current assets of \$178.59 million and total current liabilities of \$36.37 million.

Please refer to **page 10 of Attachment 1** for further detail.

### **Full year forecast vs. September Amended Budget**

The 2019-20 full year forecast operating surplus of \$7.82 million is \$3.77 million below the Annual September Amended Budget of \$11.59 million.

The operating surplus has decreased due to higher expenditure across some line items and known potential impacts of COVID-19. This includes lower than anticipated statutory fees and fines of (\$3.99 million), higher expenditure in materials and services of (\$3.74 million), lower user fees of (\$2.71 million) and lower rental income of (\$887,000).

This is partially offset by employee cost savings of \$1.37 million, higher developers' open space contributions \$1.27 million and net priority projects carry forward of \$3.43 million.

Closing cash and investments are forecast to be \$105.02 million which is \$2.24 million above the Annual September Amended Budget of \$102.78 million. This is primarily due to items noted above and the recognition of capital works forward commitments of \$5.43 million and priority projects forward commitments of \$4.79 million which will be carried forward to 2020-21, and offset by reduced income and higher expenditure in materials and services as previously noted.

### **Capital Works**

Council's year to date performance in gross capital works expenditure is \$43.79 million which is \$17.90 million below year to date budget phasing of \$61.69 million.

### **Priority Projects**

Council's year to date performance in gross priority project expenditure is \$14.52 million which is \$4.47 million below year to date budget phasing of \$18.99 million.

Refer to **page 3 and 4 of Attachment 1** for graphical representation of capital works and priority projects year to date budget, actual and committed expenditure.

## **5. Consultation/communication**

Consultation with relevant department managers has been undertaken in preparation of the report.

## **6. Financial and resource implications**

Council's current operating and cash flow position is sound.

## **7. Governance issues**

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

## **8. Social and environmental issues**

There are no direct impacts resulting from this report.

**Manager:** Greg Hall, Chief Financial Officer

**Report officer:** Sapphire Allan, Management and Reporting Accountant

Attachment 1



April  
2020

City of Boroondara  
**Monthly Financial Report**



  
[www.boroondara.vic.gov.au](http://www.boroondara.vic.gov.au)



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## 1. Executive Overview

### 1.1 Introduction and overview

The Monthly Financial Report for April 2020 has been prepared in accordance with Australian Accounting Standards.

The year to date and annual budget referred to in this report reflects the September 2019 Amended Budget, approved by Council on 23 September 2019 which includes the carry forward funding for final 2018-19 priority projects and capital works forward commitments.

On 15 March 2020 the Victorian Premier declared a State of Emergency in response to the Coronavirus Disease (COVID-19) pandemic outbreak. COVID-19 continues to cause disruption to every facet of normal life and business and Council has developed a \$4.50 million support and relief package to help our local residents, businesses and community groups through challenging and uncertain times brought on by COVID-19.

The Full Year Forecast would normally be reported to Council as part of the March Quarterly Performance Report but has instead been included in this financial report so as to incorporate known and estimated potential impacts of COVID-19. Council continues to monitor and review the situation and impacts on Council's budget.

### 1.2 Key financial highlights and overview

Key financial summary	ANNUAL ORIGINAL BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE	STATUS YTD VARIANCE	FULL YEAR FORECAST	ANNUAL SEPTEMBER AMENDED BUDGET	FORECAST VARIANCE	STATUS FULL YEAR VARIANCE
	\$'000	(1) \$'000	(2) \$'000	(1) - (2) \$'000	(1) / (2) %		(3) \$'000	(4) \$'000	(3) - (4) \$'000	
<b>Surplus for the year</b>	15,761	53,031	45,738	7,293	16%	✓	7,823	11,590	(3,767)	✗
Recurrent income	244,917	235,525	235,931	(406)	0%	—	237,997	244,191	(6,194)	—
Recurrent expenditure	205,100	167,777	170,793	3,016	2%	✓	209,092	207,541	(1,551)	—
<b>Capital works</b>										
Expenditure *	75,617	43,786	61,687	17,901	29%	✓	73,042	78,447	5,405	✓
Priority projects Expenditure *	21,785	14,515	18,990	4,475	24%	✓	20,729	24,157	3,428	✓
<b>Closing cash and investments **</b>	100,456	140,864	115,611	25,253	22%	✓	105,023	102,782	2,241	✓

\* Please refer to page 11-12 and 17-18 for further explanation of variances.

\*\* Please refer to page 10 for further details and explanation of closing cash and investments.

#### Status legend:

✓	Above budgeted revenue or under budgeted expenditure.
—	Below budgeted revenue or over budgeted expenditure by <10%.
✗	Below budgeted revenue or over budgeted expenditure by >10%.

The overall financial position at 30 April 2020 is satisfactory with a working capital ratio of 4.91 to 1 (including cash contingency for emergency response works and reserve funds of \$18.70 million).

**Surplus Result**

**Year to date actual vs. September Amended Budget**

The favourable operating result against year to date budget of \$53.03 million is \$7.29 million or 16% above the September Amended Budget of \$45.74 million primarily due to a number of factors which are outlined in **Section 2 Financial Overview**.

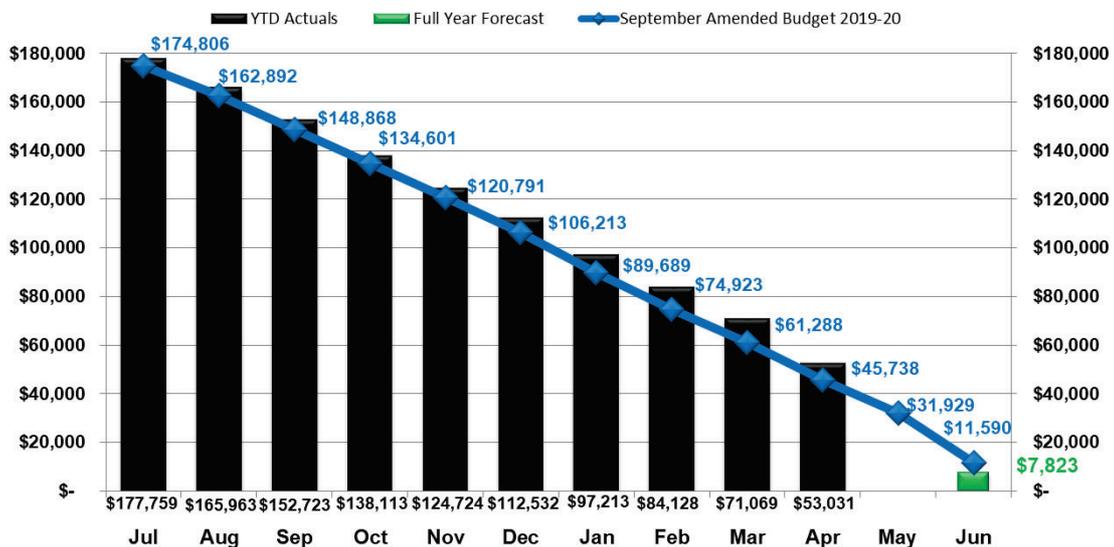
**Full year forecast vs. September Amended Budget**

The 2019-20 full year forecast operating surplus of \$7.82 million is \$3.77 million below the Annual September Amended Budget of \$11.59 million.

The operating surplus has decreased due to higher expenditure across some line items and known potential impacts of COVID-19. This includes lower than anticipated statutory fees and fines of (\$3.99 million), higher expenditure in materials and services of (\$3.74 million), lower user fees of (\$2.71 million) and lower rental income of (\$887,000). This is partially offset by employee cost savings of \$1.37 million, higher developers' open space contributions \$1.27 million and net priority projects carry forward of \$3.43 million.

Closing cash and investments are forecast to be \$105.02 million which is \$2.24 million above the Annual September Amended Budget of \$102.78 million. This is primarily due to items noted above and the recognition of capital works forward commitments of \$5.43 million and priority projects forward commitments of \$4.79 million which will be carried forward to 2020-21, and offset by reduced income and higher expenditure in materials and services as previously noted.

**Surplus Result 2019-20**  
**Surplus Result vs September Amended Budget \$'000**

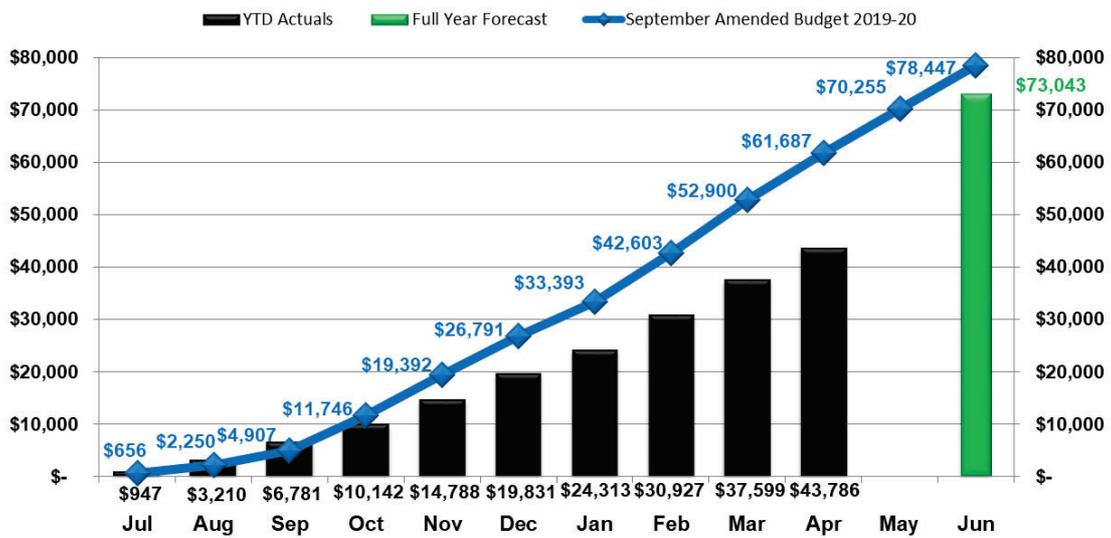


Please refer to the graphical representation below of actual year to date surplus result versus the September Amended Budget.

Monthly Financial Report – April 2020 Attachment 1

**Capital Works**

**Capital Works Projects 2019-20  
Cumulative Budget vs Actual Expenditure  
All Projects - \$'000**



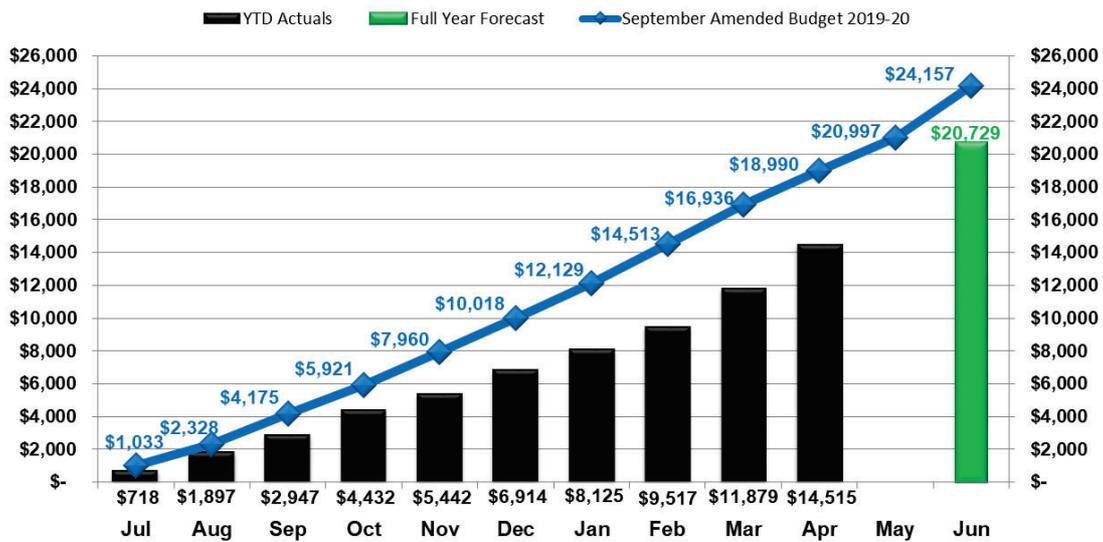
Council's year to date performance in gross capital works expenditure is \$43.79 million which is \$17.90 million below year to date budget phasing of \$61.69 million.

Capital works committed expenditure as at 30 April 2020 is \$20.27 million (year to date actual and commitments equates to \$64.06 million).

Please refer to **Section 2.4 Capital Works** for further explanation.

**Priority Projects**

**Priority Projects 2019-20  
Cumulative Budget vs Actual Expenditure  
All Projects - \$'000**



Council's year to date performance in gross priority project expenditure is \$14.52 million which is \$4.47 million below year to date budget phasing of \$18.99 million.

Priority projects committed expenditure as at 30 April 2020 is \$2.19 million (year to date actual and commitments equates to \$16.71 million).

Please refer to **Section 2.3 Priority Projects** for further explanation.

## 2. Financial overview

### 2.1 Income Statement

The year to date surplus result of \$53.03 million is \$7.29 million above the September Amended Budget surplus of \$45.74 million. The favourable result against year to date budget is due to a number of factors which are outlined below.

Year to date total recurrent and non-recurrent income is below budget by (\$731,000) comprising recurrent income of (\$406,000) and non-recurrent income of (\$325,000), while year to date total recurrent and non-recurrent expenditure is \$7.49 million (\$3.02 million + \$4.47 million) below budget.

The Full Year Forecast would normally be reported to Council as part of the March Quarterly Performance Report but has instead been included in this financial report so as to incorporate known and estimated potential impacts of COVID-19. Council continues to monitor and review the situation and impacts on Council's budget.

The following table includes explanations on major income and expenditure line variances over \$75,000 against the year to date budget.

<b>Definitions</b>
<p><b>Timing (T)</b> = Year to date expenditure or income level is less/more than anticipated in the budget phasing. Anticipated this variance will correct by end of financial year without management action.</p>
<p><b>Permanent (P)</b> = The dollars outlined as a permanent variance are anticipated to add/reduce the end of year result.</p>
<p><b>Forecast</b> = Where a permanent variance has been determined, an expected full year forecast variance has been noted.</p>
<p><b>Phasing</b> = When anticipated spread of expenditure/income across the financial year is expected to be spent/received.</p>

### Year to date actual vs. year to date budget variations.

Income			Full Year Forecast permanent variance from Amended Budget
Income line	Expected variance (P)ermanent (T)iming	Explanation Year to date actual vs year to date budget variations	
Rates and charges \$346,000	P	<p><b>Higher than budgeted income:</b></p> <ul style="list-style-type: none"> <li>\$370,000 - rates and charges primarily due to supplementary income.</li> </ul>	\$257,000

## Monthly Financial Report – April 2020

## Attachment 1

Income			
Income line	Expected variance (P)ermanent (T)iming	Explanation Year to date actual vs year to date budget variations	Full Year Forecast permanent variance from Amended Budget
Statutory fees and fines (\$1.49 million)	P	<b>Lower than budgeted income:</b> • (\$1.08 million) - parking related income reduced due to COVID-19 support measures.	(\$2.73 million)
	P	• (\$275,000) - scheme control - lodgement fee income due to COVID-19.	(\$450,000)
	P	• (\$166,000) - perin court charges income due to COVID-19.	(\$373,000)
	T P	<b>Partially offset by higher income:</b> • \$102,000 - trade permits income. • \$101,000 - swimming pool registrations income.	\$100,000
User fees (\$1.08 million)	P	<b>Lower than budgeted income:</b> • (\$473,000) - Leisure and Aquatic facilities service fees and charges due to lower contract payments.	(\$880,000)
	P	• (\$375,000) - other service fees and charges - primarily in Kew Traffic School, Boroondara Tennis Centre due to COVID-19 closures, and Asset Protection Services.	(\$1.14 million)
	P	• (\$191,000) - parking meter charges.	(\$429,000)
	T/P	• (\$178,000) - user fees and fines across a number of departments, primarily in Revenue & Property services.	(\$56,000)
	T/P	<b>Partially offset by higher income:</b> • \$174,000 - supplementary valuations income - this is the income Council receives from the sale of Supplementary Valuations to the State Revenue Office and Utility companies. Income has increased due to a higher than budgeted number of supplementary valuations being completed as a result of property developments in the municipality.	\$148,000
T/P	• \$94,000 - internal building permits income.	\$51,000	
Grants - operating (\$191,000)	P	<b>Lower than budgeted income:</b> • (\$191,000) - grant funding across a number of departments - primarily due to reimbursement of funding for the Home and Community Care program for younger people.	(\$71,000)

## Monthly Financial Report – April 2020

## Attachment 1

Income			
Income line	Expected variance (P)ermanent (T)iming	Explanation Year to date actual vs year to date budget variations	Full Year Forecast permanent variance from Amended Budget
Contributions - cash \$2.07 million	P	<b>Higher than budgeted income:</b> <ul style="list-style-type: none"> <li>\$2.03 million - developers open space contributions ahead of year to date planned budget phasing.</li> </ul>	\$1.23 million
Rental income (\$435,000)	P	<b>Lower than budgeted income:</b> <ul style="list-style-type: none"> <li>(\$216,000) - seasonal Sportsground rental income due to the closure of sportsgrounds.</li> </ul>	(\$203,000)
	P	<ul style="list-style-type: none"> <li>(\$99,000) - leasing income due to COVID-19 closures.</li> </ul>	(\$228,000)
	P	<ul style="list-style-type: none"> <li>(\$90,000) - Camberwell Fresh Food Market income due to COVID-19 rental adjustments.</li> </ul>	(\$344,000)
Other income \$380,000	P	<b>Higher than budgeted income:</b> <ul style="list-style-type: none"> <li>\$356,000 - primarily in right of ways income and minor reimbursements across the organisation. Right of ways income is higher than planned budget phasing due to sale of land. The land adjoined commercially zoned property, therefore the market value was based on commercial value.</li> </ul>	\$22,000

Expenditure			
Expense line	Expected variance (P)ermanent (T)iming	Explanation Year to date actual vs year to date budget variations	Full Year Forecast permanent variance from Amended Budget
Employee costs \$843,000	P	<b>Lower than budgeted expenditure:</b> <ul style="list-style-type: none"> <li>\$4.68 million - salaries and associated costs primarily due to staff vacancies across the organisation.</li> </ul>	\$4.68 million
	P	<ul style="list-style-type: none"> <li>\$78,000 - apprentices and traineeships across the organisation.</li> </ul>	\$53,000
	P	<b>Partially offset by higher expenditure:</b> <ul style="list-style-type: none"> <li>(\$2.24 million) - temporary staff filling vacancies across the organisation.</li> </ul>	(\$2.15 million)
	P	<ul style="list-style-type: none"> <li>(\$1.66 million) - overtime, casuals and relievers filling vacancies across the organisation.</li> </ul>	(\$1.37 million)

## Monthly Financial Report – April 2020

## Attachment 1

Expenditure			
Expense line	Expected variance (P)ermanent (T)iming	Explanation Year to date actual vs year to date budget variations	Full Year Forecast permanent variance from Amended Budget
Materials and services \$717,000	T/P	<b>Lower than budgeted expenditure:</b> • \$995,000 - trade services, primarily in recyclable collections, rejuvenation road works, digital services and street tree planting program.	(\$303,000)
	T/P	• \$957,000 - specialist tree work and block tree pruning in Parks & Gardens.	(\$414,000)
	P	• \$906,000 - professional services and advice.	\$265,000
	P	• \$346,000 - consultant expense.	\$18,000
	P	• \$243,000 - electricity expense.	\$99,000
	T	• \$204,000 - application support.	\$96,000
	T/P	• \$192,000 - waste/recycling disposal.	(\$97,000)
	T/P	• \$175,000 - legal fees expense.	(\$164,000)
	P	• \$160,000 - perin court filing expense due to COVID-19.	\$383,000
	P	• \$151,000 - landscape contractor expense.	\$89,000
	P	• \$139,000 - carpentry services expense.	\$101,000
	P	• \$126,000 - telephone expense.	\$16,000
	P	• \$88,000 - postage expense.	\$41,000
	P	• \$88,000 - security cash collections expense.	\$57,000
	P	• \$77,000 - water supply expense.	\$25,000
		<b>Offset by higher than budgeted expenditure:</b>	
T	• (\$1.60 million) - capital works in progress (items expensed due to not meeting the asset capitalisation criteria - this is a non-cash accounting entry).	(\$500,000)	
T/P	• (\$1.04 million) - footpaths and reinstatements - concrete and asphalt.	(\$1.36 million)	
P	• (\$786,000) - Leisure and Aquatic facilities - unexpected costs as a result of the impact COVID-19 has had on the fitness and aquatic industry.	(\$1.98 million)	
T	• (\$644,000) - other rates and taxes - this relates to a Land Tax assessment being charged for the first time for land at Grace Park and the site occupied by Headspace. An objection has been lodged with the State Revenue Office and Council expects the assessment will be reversed.		

## Monthly Financial Report – April 2020

## Attachment 1

Expenditure			
Expense line	Expected variance (P)ermanent (T)iming	Explanation Year to date actual vs year to date budget variations	Full Year Forecast permanent variance from Amended Budget
Materials and services cont. \$717,000	P	<b>Offset by higher than budgeted expenditure:</b>	
		• (\$264,000) - licencing and maintenance contracts.	(\$148,000)
	P	• (\$177,000) - plumbing services expense.	(\$267,000)
	P	• (\$89,000) - recruitment costs expense.	(\$59,000)
	P	• (\$85,000) - cleaning - buildings internal.	(\$70,000)
	P	• (\$80,000) - tipping fee expense.	(\$43,000)
Other expenses \$1.39 million	P	<b>Lower than budgeted expenditure primarily due to:</b>	
		• \$546,000 - grants and subsidies behind budgeted phasing, primarily in Health, Ageing and Disability Services and Family, Youth & Recreation.	\$33,000
	T/P	• \$230,000 - fleet vehicles and leased assets (operating) primarily in green waste collections.	\$931,000
	T/P	• \$164,000 - special rates expenditure behind planned budget phasing.	\$6,000
	P	• \$158,000 - training across the organisation.	\$60,000
	P	• \$91,000 - conferences and seminars across the organisation.	\$36,000

## 2.2 Balance Sheet and Cash Flow Statement

Cash and investment holdings are \$140.86 million as at 30 April 2020 which has increased by \$15.34 million from 30 June 2019.

Total cash and investment holdings are \$25.25 million higher than year to date budget primarily due to:

- Lower payments for property, infrastructure, plant and equipment of \$19.94 million due to timing of cash outflows relating to the capital works program.
- Materials and services are lower than budget due to timing of outflows \$2.85 million.
- Higher than budgeted developer open space contributions of \$2.30 million.
- Employee costs are lower than budgeted primarily due to staff vacancies across the organisation.
- Other payments of \$1.48 million lower than anticipated due to timing of cash outflows across the organisation.

Partially offset by:

- Statutory fees and fines lower than budget (\$1.81 million) primarily due to parking related income.
- Lower than budgeted user charges and other receipts from customers of (\$1.01 million) due to timing and settlement of debtors.

The Balance Sheet as at 30 April 2020 indicates a satisfactory result with total current assets of \$178.59 million and total current liabilities of \$36.37 million.

The working capital ratio of 4.91 to 1 (includes a 0.5% or \$787,000 cash contingency for emergency response works and reserve funds of \$18.70 million) reflects the increase in current debtors resulting from the striking of the rates which will reduce by 30 June 2020 as Council funds its operating programs and capital works. The rate debt will be repaid over the remainder of the financial year in accordance with the payment options chosen by ratepayers.

### 2.3 Priority Projects

Council's year to date performance in gross priority project expenditure is \$14.52 million which is \$4.47 million below year to date budget phasing primarily due to expenditure delays, most significant being:

- **80968. Boroondara Customer First Delivery and project support - (\$831,000)**  
*Project activity remains on schedule. Payments have been made under the agreed payment schedule with the External Delivery Partner. Due to a slight delay in Council receiving invoices based on deliverables completed, this has resulted in a favourable variance. A proposed forward commitment of \$1,205,250 has been reflected in the Full Year Forecast.*
- **80973. Enterprise Transactional Services & Payments - (\$652,000)**  
*Project activity remains on schedule, with the favourable variance attributed to the delayed recruitment of project resources. Project is anticipated for completion by March 2021. A proposed forward commitment of \$686,112 has been reflected in the Full Year Forecast.*
- **81020. Glenferrie Road Placemaking Project - (\$547,000)**  
*Initial stakeholder engagement and community consultation has been completed and supporting technical analysis is in progress. Further community consultation will occur in July to get input on future priorities. A favourable variance is attributed to the unexpected delays in staff recruitment and the impacts from the COVID-19 pandemic. A proposed forward commitment of \$500,000 has been reflected in the Full Year Forecast.*
- **80886. Neighbourhood Shopping Centre Improvements Pilot - (\$322,000)**  
*Preliminary stakeholder engagement and initial community consultation has been completed and supporting technical analysis is in progress. Further community consultation on future priorities was delayed due to COVID-19 social distancing requirements and is now occurring in May. Delays in recruitment of remaining project resources has contributed to the favourable variance within this project. A proposed forward commitment of \$180,000 has been reflected in the Full Year Forecast.*
- **81028. Statutory Planning Paper Files Scan on Demand - (\$266,000)**  
*The planning phase for this project has been completed. Arrangements have been put in place for the ordering and digitising of files, however, due to the current Government restrictions put in place due to the COVID-19 pandemic, this project has been placed on hold until arrangements can be made for the safe pick up of files from the municipal offices by the contractor.*
- **80955. Tree Strategy Action Plan Implementation - (\$234,000)**  
*The Tree Management Guidelines review by a consultant is almost complete. The tree renewal program of 30 trees for Mont Albert Rd will be partially completed by 30 June 2020. The removal of 22 trees identified as dead or significantly dying will be completed by 30 June 2020, with a further 8 trees planned for removal by 30 June 2021. The project has been delayed due to resource availability and the identification of priority trees for renewal, including replacement species selection. A proposed forward commitment of \$180,000 has been reflected in the Full Year Forecast.*

- **81053. Recycling Campaign - (\$206,000)**

*Recycling bin stickers were not produced to specification by the manufacturer and will need to be reprinted. The reprinting and redistribution will occur following the rollout of Food Organics and Garden Organics (FOGO) project.*

Priority projects committed expenditure as at 30 April 2020 is \$2.19 million (year to date actual and commitments equates to \$16.71 million).

**Full Year Forecast vs September Amended Budget**

Following the completion of the 2019-20 full year forecast review, gross priority projects expenditure is now forecast to be \$20.73 million which is \$3.43 million below the September Amended Budget of \$24.16 million due to a combination of proposed forward commitments, project adjustments and savings.

Priority projects income is now forecast to be \$824,000 which is \$191,000 above the September Amended Budget of \$633,000 primarily due to additional grant funding being received with the most significant grants being E-Waste Infrastructure \$100,000, Premier's Reading Challenge \$21,000 and Graffiti Removal program \$15,000.

**Proposed forward commitments \$4.79 million to 2020-21**

Proposed forward commitment to 2020-21 of \$4.79 million has been reflected in the Full year forecast. The full listing is provided below.

## Monthly Financial Report – April 2020

## Attachment 1

PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS TO 2020-21		
Project Name & Number	Total Proposed Forward Commitments to 2020-21	Commentary
<b>PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS</b>		
<b>ENVIRONMENT AND INFRASTRUCTURE</b>		
<b>Environment and Sustainable Living</b>		
80886. Neighbourhood Shopping Centre Improvements Pilot	\$180,000	Preliminary stakeholder engagement and initial community consultation has been completed and supporting technical analysis is in progress. Further community consultation on future priorities was delayed due to COVID-19 social distancing requirements and is now occurring in May. Delays in recruitment of remaining project resources has contributed to the favourable variance within this project which will be reflected in the full year forecast.
<b>Total Environment and Sustainable Living</b>	<b>\$180,000</b>	
<b>Infrastructure Services</b>		
80858. Waste minimisation strategy - external expert advice	\$20,000	The review and tendering of the recycling collection and disposal contract will now be completed during 2020-21, to align with revised tendering timelines due to the COVID-19 pandemic disruption.
<b>Total Infrastructure Services</b>	<b>\$20,000</b>	
<b>Parks and Gardens</b>		
80941. Parks and Infrastructure - One Way of Working Implementation	\$21,176	Project activity remains on schedule, with the favourable variance attributed to the Project Lead resource commencing 3 months later than planned in the project initiation year. Project is anticipated for completion by October 2021.
80953. Parks and Infrastructure Asset Data Capture	\$15,000	This is a multi-year project. The remaining funds are to contribute towards the programmed data capture and is scheduled for completion by June 2021.
80955. Tree Strategy Action Plan Implementation	\$180,000	The Tree Management Guidelines review by a consultant is almost complete. The tree renewal program of 30 trees for Mont Albert Rd will be partially completed by 30 June 2020. The removal of 22 trees identified as dead or significantly dying will be completed by 30 June 2020, with a further 8 trees planned for removal by 30 June 2021. The project has been delayed due to resource availability and the identification of priority trees for renewal, including replacement species selection.
80964. Park Events management	\$50,000	This is a multi-year project. This project supports the delivery of actions from the open space management framework review. This project is scheduled for completion by June 2021.
80965. Field Sports Strategy implementation & related policy review	\$51,800	This is a multi-year project. This project supports the implementation of Field Sports Strategy actions. Project is expected to be completed by June 2021.
80982. Sport Development Officer	\$19,354	Project has largely been completed in 2019-20 and is currently on schedule to be fully concluded by July-20.
81025. Analysis of Access to Sporting Fields for Participation	\$66,909	This is a multi-year project. This project supports the development of the sportsground provision, which will be reported to Council by the end of 2021.
<b>Total Parks and Gardens</b>	<b>\$404,239</b>	
<b>TOTAL ENVIRONMENT &amp; INFRASTRUCTURE</b>	<b>\$604,239</b>	

## Monthly Financial Report – April 2020

## Attachment 1

PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS TO 2020-21		
Project Name & Number	Total Proposed Forward Commitments to 2020-21	Commentary
<b>PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS</b>		
<b>CITY PLANNING</b>		
<b>Strategic Planning</b>		
80940. Introduction of a Special Building Overlay	\$129,511	This project cannot commence until Melbourne Water completes its own consultation process on proposed areas for inclusion in the Special Building Overlay. Due to State Government restrictions in relation to COVID-19, Melbourne Water has not yet commenced consultation.
80850. Municipal Wide Heritage Assessment	\$220,000	The Municipal Wide Heritage Gap Study is a five year project which commenced in August 2016. The project has continued to progress during Year 4 of the project with the Panel hearing process for the Hawthorn and Kew Heritage Gap Studies being completed. Public consultation on the Hawthorn East Heritage Gap Study and draft Ashburton and Glen Iris Heritage Gap Studies were also undertaken. Due to State Government restrictions in relation to COVID-19, further progression of the project has been delayed. The project is expected to be completed by 30 June 2021.
<b>Total Strategic Planning</b>	<b>\$349,511</b>	
<b>TOTAL CITY PLANNING</b>	<b>\$349,511</b>	
<b>COMMUNITY DEVELOPMENT</b>		
<b>Community Planning and Development</b>		
80813. Balwyn Community Centre Opening	\$15,000	The Balwyn Community Centre opening has been postponed due to COVID-19. The project is largely dependent on when large gatherings can occur again. Project is anticipated for completion by March 2021.
80936. Access & Inclusion Plan Project Imp - Disability Programming	\$19,175	Programs and events related to the access and inclusion plan have been postponed due to COVID-19. It is anticipated that the activities will commence once social distancing measures have been relaxed. Project is expected to be completed by March 2021.
80957. Annual Grants Small - Innovation Grant	\$5,286	The funds for the Annual Community Grants 2019-20 are underspent so this allocation will be carried forward to the 2020-21 Annual Community Grants program. The project will be completed by June 2021.
<b>Total Community Planning and Development</b>	<b>\$39,461</b>	
<b>Health, Ageing and Disability Services</b>		
81048. Seniors Participation Grant	\$55,774	The Seniors Participation Grant project is a multi-year project designed to run over 18 months, however due to the COVID-19 pandemic, this project is now on hold. It is proposed that the project will commence again once social distancing measures have been relaxed, due to the project's objectives being focused on face to face social connections for Seniors who are considered high-risk to COVID-19.
81020. Glenferrie Road Placemaking Project	\$500,000	Initial stakeholder engagement and community consultation has been completed and supporting technical analysis is in progress. Further community consultation will occur in July to get input on future priorities. A favourable variance is attributed to the unexpected delays in staff recruitment and the impacts from the COVID-19 pandemic.
<b>Total Health, Ageing and Disability Services</b>	<b>\$555,774</b>	

## Monthly Financial Report – April 2020

## Attachment 1

PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS TO 2020-21		
Project Name & Number	Total Proposed Forward Commitments to 2020-21	Commentary
<b>PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS</b>		
<b>Family Youth and Recreation</b>		
81019. Commence Design and Implementation of a Digital Early Years	\$95,000	Community engagement activities promoting and resourcing the digital hub have been postponed due to restrictions as a result of COVID-19. In 2020-21, the funds will resource a public launch and ongoing engagement activities. This project is scheduled for completion by June 2021.
<b>Total Family Youth and Recreation</b>	<b>\$95,000</b>	
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<b>\$690,235</b>	
<b>People, Culture and Development</b>		
<b>People, Culture and Development</b>		
80861. People Culture and Development - Programs and Resources	\$30,000	This is a multi-year project. Change management activities initially planned for 2019-20 will be deferred until 2020-21 so that it more closely aligns with the Customer First program impacts. It is anticipated the program will be completed by June 2021.
<b>Total People, Culture and Development</b>	<b>\$30,000</b>	
<b>TOTAL PEOPLE, CULTURE AND DEVELOPMENT</b>	<b>\$30,000</b>	
<b>CUSTOMER EXPERIENCE AND BUSINESS TRANSFORMATION</b>		
<b>Chief Customer Office</b>		
80893. Customer centricity support project	\$128,923	The Customer insights role has been recruited in a limited tenure position to undertake this project. The funds will be carried forward to 2020-21 to fund the remaining period of the role. Project is anticipated for completion by June 2021.
<b>Total Chief Customer Office</b>	<b>\$128,923</b>	
<b>Chief Information Office</b>		
80904. Library Systems Support	\$29,718	The Library RFID project was completed February 2020. The remaining funds are to support the transition to operation activities and are scheduled to be completed by September 2020.
80954. Data Mobility Project	\$140,000	The remote access solutions have been implemented. The proposed carry forward is to fund the software subscription and professional services to enable mobility services scheduled in quarter 3 of 2020-21.
81055. IT Service Management Upgrade	\$265,000	Due to the COVID-19 pandemic, this project is currently on hold. The revised target date for implementation is by December 2020 with the proposed carry forward to fund the software subscription and professional services to configure the IT Service Management software.
<b>Total Chief Information Office</b>	<b>\$434,718</b>	

## Monthly Financial Report – April 2020

## Attachment 1

PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS TO 2020-21		
Project Name & Number	Total Proposed Forward Commitments to 2020-21	Commentary
<b>PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS</b>		
<b>Boroondara Customer First Program</b>		
80919. Line of Business Systems Upgrade	\$141,176	The line of business upgrade was paused pending the finalisation of the programs detailed planning scheduled for early May 2020. Pending Council's approval, it is proposed the Line of Business Systems will commence early in the next financial year with the first stage of the upgrade being completed.
80968. Boroondara Customer First Delivery and project support	\$1,205,250	Project activity remains on schedule. Payments have been made under the agreed payment schedule with the External Delivery Partner. Due to a slight delay in Council receiving invoices based on deliverables completed, this has resulted in a favourable variance.
80972. Business System Integration Project	\$178,060	The favourable variance is attributed to the re-alignment of the external vendor to the project delivery outputs. Project is anticipated for completion by March 2021.
80973. Enterprise Transactional Services & Payments	\$686,112	Project activity remains on schedule, with the favourable variance attributed to the delayed recruitment of project resources. Project is anticipated for completion by March 2021.
80974. Enterprise Architecture	\$61,752	Project activity remains on schedule, with the favourable variance attributed to the delay in recruiting a replacement project resource. Project is anticipated for completion by September 2020.
80977. Enterprise Change and Communications	\$90,974	The favourable variance relates a vacant role. An appointment has been made, however given the current situation Council negotiated with the successful candidate a delay of the commencement date to June 2020. Project is anticipated for completion by September 2020.
80978. Program Management Office	\$22,939	The favourable variance relates to the alignment of resources supporting the Boroondara Customer First Program. Project is anticipated for completion by September 2020.
81036. Develop Engagement Tool	\$6,000	The development of an engagement tool was paused pending the finalisation of the programs detailed planning, scheduled for early May 2020. Project is anticipated for completion by June 2021.
81037. Target Operating Model	\$64,755	The favourable variance is attributed to a vacant role that will be required to assist the implementation of the Target Operating Model. It is anticipated the role will be recruited during quarter one of 2020-21.
81050. Payment Gateway	\$90,974	Payment Gateway was implemented as part of an existing contract. It is anticipated this budget will be expended in quarter one of 2020-21.
<b>Total Boroondara Customer First Program</b>	<b>\$2,547,992</b>	
<b>TOTAL CUSTOMER EXPERIENCE AND BUSINESS TRANSFORMATION</b>	<b>\$3,111,633</b>	
<b>TOTAL FORWARD COMMITMENTS TO 2020-21</b>	<b>\$4,785,618</b>	
<b>TOTAL NET FORWARD COMMITMENTS TO 2020-21</b>	<b>\$4,785,618</b>	

## 2.4 Capital Works

Council's year to date performance in gross capital works expenditure is \$43.79 million which is \$17.90 million below year to date budget phasing primarily due to expenditure delays, most significant being:

- **72243, 72764, 72853 & 72854. Ashburton Seniors Centre - (\$1.96 million)**  
*This project is currently under construction. The provision of temporary accommodation and some construction related issues have delayed progress. The project is now scheduled to be completed by late August 2020. A proposed forward commitment of \$600,000 has been reflected in the Full Year Forecast.*
- **72507 & 72852. Camberwell Community Centre - (\$1.80 million)**  
*This is a multi-year project. The basement and ground floor construction has been completed and upper level framing is underway. The project is due for completion by December 2020. A proposed forward commitment of \$1.30 million has been reflected in the Full Year Forecast.*
- **72777. Food Organics/Waste & Recycling Centre Masterplan - (\$1.09 million)**  
*The rollout of Food Organics and Garden Organics (FOGO) equipment to over 90% of eligible properties has been completed by the contractor. The FOGO kerbside collection service commenced on 4 May 2020 and production of the remaining caddies for properties in phase 2 of the service implementation will occur in May 2020. Community events planned to promote FOGO have been postponed due to COVID-19. It is anticipated that the events will commence in 2020-21 once social distancing measures have been relaxed.*
- **72012. Shopping Centre Improvement Plan - Implementation - (\$928,000)**  
*Works on various shopping centre road projects have experienced delays due to works being undertaken by other service authorities. The majority of these shopping centre road works should be completed by the end of the financial year. A proposed forward commitment of \$200,000 has been reflected in the Full Year Forecast.*
- **72673. The Balwyn Park Concept Master Plan (BPCMP) Implementation - (\$720,000)**  
*Works are in progress and it is intended that the project will be completed by the end of the financial year.*
- **72768. Pavilion works - increased participation in womens sport - (\$701,000)**  
*The delivery of this project was delayed due to challenges with establishing the service levels for Diversity, Inclusion and Participation Program and associated consultation. Tenders for works have been received and work is now scheduled to be completed September 2020. A proposed forward commitment of \$200,000 has been reflected in the Full Year Forecast.*
- **72783. Gordon Barnard Reserve Raingarden & Stormwater Harvesting - (\$458,000)**  
*Works are 90% complete. Currently experiencing some delays with the supply of the pump system, however it is anticipated that works will be completed by the end of the financial year.*

- **72583. Anniversary trail missing link through Riversdale Park - (\$441,000)**  
*This is a multi-year project. Works on the Anniversary Trail missing link through Riversdale Park has been delayed pending the land transfer between Council and the Department of Education, which is expected to commence in May 2020. A proposed forward commitment of \$498,000 has been reflected in the Full Year Forecast.*
- **72805. Riversdale Road, Camberwell - Drainage works - (\$433,000)**  
*Works will be commencing early June and completed by the end of the financial year.*
- **72784. Kew Traffic School storage facilities - (\$372,000)**  
*The delivery of this project has been delayed due to a change in contractor, resulting in design changes. Construction is due for completion by September 2020. A proposed forward commitment of \$200,000 has been reflected in the Full Year Forecast*
- **72714. Victoria Road Reserve - (\$368,000)**  
*This is a multi-year project and was delayed due to changes in the Sports Services Diversity, Inclusion and Participation Program, and requirements from the club. The project is in the design development stage and it is anticipated that the project will be completed by February 2021. A proposed forward commitment of \$600,000 has been reflected in the Full Year Forecast.*
- **72669. Cookson Street, Camberwell Precinct rejuvenation - (\$341,000)**  
*Works are in progress and due for completion early June 2020.*
- **71491. Traffic Management Devices - (\$329,000)**  
*Project works are underway and anticipated to be completed by 30 June 2020.*
- **72830. Ashburton Pool and Recreation Centre mechanical air handling - (\$329,000)**  
*Contractor appointment is expected in May 2020 with commencement on site June 2020. Project is anticipated to be completed in October 2020.*

Capital Works committed expenditure as at 30 April 2020 is \$20.27 million (year to date actual and commitments equates to \$64.06 million) and includes committed expenditure for multi-year projects with the most significant being Ashburton Seniors Centre and Camberwell Community Centre.

#### **Full Year Forecast vs September Amended Budget**

Following the completion of the 2019-20 full year forecast review, gross capital works expenditure is now forecast to be \$73.04 million which is \$5.41 million below the September Amended Budget of \$78.45 million primarily due to a combination of proposed forward commitments, savings and project adjustments.

Capital works income is now forecast to be \$2.49 million which is \$328,000 above the September Amended Budget of \$2.16 million primarily due to grant funding being received from VicRoads for the Union Road Surrey Hills lower speed limit infrastructure program of \$177,000.

#### **Proposed forward commitments \$5.43 million to 2020-21**

Proposed forward commitments to 2020-21 of \$5.43 million have been reflected in the Full Year Forecast. The full listing is provided on the next page.

## Monthly Financial Report – April 2020

## Attachment 1

CAPITAL WORKS - PROPOSED FORWARD COMMITMENTS TO 2020-21		
Project Name & Number	Total Proposed Forward Commitments to 2020-21	Commentary
<b>CAPITAL WORK EXPENDITURE</b>		
<b>ENVIRONMENT &amp; INFRASTRUCTURE</b>		
<b>Projects and Strategy</b>		
72624. Canterbury Tennis pavilion	\$250,000	Construction works are progressing. The construction phase is slightly delayed as a result of design adjustments. It is anticipated to be completed in September 2020.
71659. Bicycle Strategy Implementation	\$110,000	The installation of lighting on the Anniversary trail missing link through Riversdale Park has been delayed pending the land transfer between Council and the Department of Education. It is anticipated that works will be completed by end of June 2021.
72012. Shopping Centre Improvement Plan - Implementation	\$200,000	This project is underway. However, the Bellevue Shopping Centre works have been delayed due to the North East Link Project. It is expected that completion of works at Bellevue Shopping Centre will take place in the 2020-21 financial year.
72583. Anniversary trail missing link through Riversdale Park	\$497,750	Works on the Anniversary Trail missing link through Riversdale Park has been delayed pending the land transfer between Council and the Department of Education. It is anticipated that works will commence in May 2020.
72795. Camberwell Building 2 lift replacement	\$50,000	The delivery of this project has been delayed due to adjustments to the contract conditions requested by the contractor, which are now resolved. The tender has been awarded and the project is scheduled for completion August 2020.
72714. Victoria Road Reserve	\$600,000	This is a multiyear project and was delayed due to changes in the Sports Services Diversity, Inclusion and Participation Program, and requirements from the club. As a result, further changes to the scope of works has led to delays. The project is in the design development stage. It is anticipated that the project will be completed mid 2021.
72784. Kew Traffic School storage facilities	\$200,000	The delivery of this project has been delayed due to a change in scope of works, resulting in design changes. Construction is due for completion in 2020-21.
72768. Pavilion works - increased participation in womens sport	\$200,000	The delivery of this project was delayed due to challenges with establishing the service levels for Diversity, Inclusion and Participation Program and associated consultation. Design is underway and the project is now scheduled to be completed September 2020.
<b>Total Projects and Strategy</b>	<b>\$2,107,750</b>	
<b>Environment and Sustainable Living</b>		
72757. Dog Off Leash Park	\$97,603	Following a Council resolution of 9 December 2019 community consultation has been undertaken to establish a dog off leash park at Gordon Barnard Reserve and to establish more dog friendly play areas at six existing dog off-leash reserves. This project is expected to be completed in the 2021-22 financial year.
72848. Neighbourhood Shopping Centre Improvements Pilot - Maling Road	\$25,000	The project awaits the adoption of the Maling Road Place plan. This project will continue in 2020-21 and due for completion by end June 2021.
	<b>\$97,603</b>	
<b>TOTAL ENVIRONMENT &amp; INFRASTRUCTURE</b>	<b>\$2,230,353</b>	

## Monthly Financial Report – April 2020

## Attachment 1

CAPITAL WORKS - PROPOSED FORWARD COMMITMENTS TO 2020-21		
Project Name & Number	Total Proposed Forward Commitments to 2020-21	Commentary
<b>CAPITAL WORK EXPENDITURE</b>		
<b>CUSTOMER EXPERIENCE AND BUSINESS TRANSFORMATION</b>		
<b>Chief Information Office</b>		
72756. Youth Services Case Management System	\$30,000	The project is underway. Subject to the procurement activity, the vendor may not be available to configure and implement the new software due to the current disruptions. The project was put on hold and recommences in March 2020. It is expected to be delivered by end June 2021.
72758. Council Chamber Audiovisual (AV) Uplift	\$300,000	This project is underway. It is anticipated that extended lead times will be required to procure the devices and infrastructure to support the initiative due to the supply chain disruptions will be completed by end June 2021.
72847. Improve the Councils Network Service Diversity	\$450,000	This project is underway. Extended lead times required to procure the devices and infrastructure to support the initiative due to the supply chain disruptions. Works are programmed to be completed by end June 2021.
72766. Information Security Roadmap	\$100,000	The implementation of new security products is progressing and will continue into the next financial year. The procurement of the data loss prevention software is scheduled for completion in September 2020.
<b>Total Chief Information Office</b>	<b>\$880,000</b>	
<b>TOTAL CUSTOMER EXPERIENCE AND BUSINESS TRANSFORMATION</b>	<b>\$880,000</b>	
<b>COMMUNITY DEVELOPMENT</b>		
<b>Health, Ageing &amp; Disability Services</b>		
71920. HACC - Minor Capital Grant	\$107,067	This funding was received from a Victorian Government grant for the purchase of minor capital associated with Council's aged care services. Following a review it has been decided that the fund's will be used in 2020-21 to re-configure office spaces.
<b>TOTAL HEALTH, AGEING &amp; DISABILITY SERVICES</b>	<b>\$107,067</b>	
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<b>\$107,067</b>	
<b>MAJOR PROJECTS</b>		
<b>Major Projects</b>		
72764. Ashburton Seniors Centre	\$600,000	This project is currently under construction. The provision of temporary accommodation and some construction related issues have delayed progress. The project is now scheduled to be completed by late August 2020.
72507. Camberwell Community Centre	\$500,000	This is a multi-year project. This project is currently under construction however construction related issues have delayed progress. The project is now scheduled to be completed by December 2020.
72852. Camberwell Community Centre (Expansion)	\$800,000	
72769. Canterbury Precinct (renewal)*	\$310,500	Design delay decisions have resulted in the project lagging, with detailed design commencing later than programmed. The project is scheduled for completion October 2021.
<b>TOTAL MAJOR PROJECTS</b>	<b>\$2,210,500</b>	
Made up of:		
<b>NEW CAPITAL - FORWARD COMMITMENTS TO 2020-21</b>	<b>\$2,114,817</b>	
<b>UPGRADE CAPITAL - FORWARD COMMITMENTS TO 2020-21</b>	<b>\$902,603</b>	
<b>EXPANSION CAPITAL - FORWARD COMMITMENTS TO 2020-21</b>	<b>\$1,000,000</b>	
<b>RENEWAL CAPITAL - FORWARD COMMITMENTS TO 2020-21</b>	<b>\$1,410,500</b>	
<b>GRAND TOTAL FORWARD EXPENDITURE COMMITMENTS TO 2020-21</b>	<b>\$5,427,920</b>	
<b>TOTAL NET FORWARD COMMITMENTS TO 2020-21</b>	<b>\$5,427,920</b>	

\* Adjusted for project escalation.

## Monthly Financial Report – April 2020

## Attachment 1

## 3. Financial statements

## 3.1 Income Statement

	ANNUAL ORIGINAL BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE	FULL YEAR FORECAST	ANNUAL SEPTEMBER AMENDED BUDGET	FULL YEAR FORECAST VARIANCE
	\$'000s	\$'000s	\$'000s	\$'000s	%	\$'000s	\$'000s	\$'000s
		(1)	(2)	(1) - (2)		(3)	(4)	(3) - (4)
<b>Recurrent income</b>								
Rates and charges	188,807	189,430	189,084	346	0%	189,442	189,184	258
Statutory fees and fines	16,448	11,926	13,416	(1,490)	-11%	12,454	16,448	(3,994)
User fees	14,324	11,153	12,236	(1,083)	-9%	11,615	14,324	(2,709)
Grants - operating	11,869	10,133	10,324	(191)	-2%	11,367	11,438	(71)
Contributions - cash	5,269	6,537	4,469	2,068	46%	6,537	5,269	1,268
Rental income	2,777	1,950	2,385	(435)	-18%	1,890	2,777	(887)
Other income	2,623	2,564	2,184	380	17%	2,492	2,551	(59)
Interest	2,800	1,832	1,833	(1)	0%	2,200	2,200	-
<b>Total recurrent income</b>	<b>244,917</b>	<b>235,525</b>	<b>235,931</b>	<b>(406)</b>	<b>0%</b>	<b>237,997</b>	<b>244,191</b>	<b>(6,194)</b>
<b>Recurrent expenditure</b>								
Employee costs	88,933	72,547	73,390	843	1%	87,909	89,280	1,371
Materials and services	65,875	54,066	54,783	717	1%	70,781	67,040	(3,741)
Bad and doubtful debts	1,226	661	730	69	9%	1,661	1,663	2
Depreciation and amortisation	35,549	30,046	30,046	-	0%	36,070	36,070	-
Amortisation - right of use assets <sup>1</sup>	-	-	-	-	0%	3,355	-	(3,355)
Borrowing costs	1,424	1,195	1,192	(3)	0%	1,424	1,424	-
Finance costs - leases <sup>1</sup>	-	-	-	-	0%	280	-	(280)
Other expenses	12,093	9,262	10,652	1,390	13%	7,612	12,064	4,452
<b>Total recurrent expenditure</b>	<b>205,100</b>	<b>167,777</b>	<b>170,793</b>	<b>3,016</b>	<b>2%</b>	<b>209,092</b>	<b>207,541</b>	<b>(1,551)</b>
<b>Net recurrent operating surplus</b>	<b>39,817</b>	<b>67,748</b>	<b>65,138</b>	<b>2,610</b>	<b>4%</b>	<b>28,905</b>	<b>36,650</b>	<b>(7,745)</b>
<b>Non-recurrent income</b>								
Priority projects income	375	597	397	200	50%	824	633	191
Capital works income	1,354	1,443	1,968	(525)	-27%	2,492	2,164	328
<b>Total non-recurrent income</b>	<b>1,729</b>	<b>2,040</b>	<b>2,365</b>	<b>(325)</b>	<b>-14%</b>	<b>3,316</b>	<b>2,797</b>	<b>519</b>
<b>Non-recurrent expenditure</b>								
Priority projects expenditure	21,785	14,515	18,990	4,475	24%	20,729	24,157	3,428
<b>Total non-recurrent expenditure</b>	<b>21,785</b>	<b>14,515</b>	<b>18,990</b>	<b>4,475</b>	<b>24%</b>	<b>20,729</b>	<b>24,157</b>	<b>3,428</b>
<b>Net non recurrent operating surplus (deficit)</b>	<b>(20,056)</b>	<b>(12,475)</b>	<b>(16,625)</b>	<b>4,150</b>	<b>-25%</b>	<b>(17,413)</b>	<b>(21,360)</b>	<b>(3,947)</b>
<b>Net gain (loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(4,000)</b>	<b>(2,242)</b>	<b>(2,775)</b>	<b>533</b>	<b>-19%</b>	<b>(3,669)</b>	<b>(3,700)</b>	<b>31</b>
<b>Surplus for the year <sup>2</sup></b>	<b>15,761</b>	<b>53,031</b>	<b>45,738</b>	<b>7,293</b>	<b>16%</b>	<b>7,823</b>	<b>11,590</b>	<b>(3,767)</b>

Note: All numbers are rounded to the nearest thousand.

- The forecast for Amortisation and Finance costs is due to the implementation of the new accounting standard, Australia Accounting Standards Board 16 Leases (AASB 16 Leases) and this is offset by a reduction in other expenditure. Actual expenditure will be recognised at year end.
- The year to date surplus result of \$53.03 million is due to the striking of full year annual rates in August 2019. The surplus result will reduce over the course of the year as Council delivers services to the community. In addition, the favourable result against year to date budget of \$7.29 million or 16% is due to timing differences for income and expenditure. Refer to Section 2 Financial Overview for details on Council's financial performance.

## Monthly Financial Report – April 2020

## Attachment 1

## 3.2 Balance Sheet

	30 Apr 2020	30 Jun 2019	30 Apr 2019
	\$'000	\$'000	\$'000
<b>Current assets</b>			
Cash and cash equivalents <sup>1</sup>	140,864	98,935	140,569
Other financial assets <sup>1</sup>	-	26,593	-
Trade and other receivables	36,680	17,821	34,859
Prepayments	1,044	1,652	252
<b>Total current assets</b>	<b>178,588</b>	<b>145,001</b>	<b>175,680</b>
<b>Non-current assets</b>			
Financial assets	4	4	4
Property, plant and equipment, infrastructure	3,409,600	3,402,127	3,810,703
Intangible assets	980	880	1,353
Investment property	9,086	9,045	9,164
<b>Total non-current assets</b>	<b>3,419,670</b>	<b>3,412,056</b>	<b>3,821,224</b>
<b>Total assets</b>	<b>3,598,258</b>	<b>3,557,057</b>	<b>3,996,904</b>
<b>Current liabilities</b>			
Trade and other payables	10,935	25,495	12,994
Interest-bearing loans and borrowings	582	1,495	555
Provisions	18,301	17,067	16,896
Trust funds and deposits	6,504	4,036	4,037
Prepaid income	50	110	73
<b>Total current liabilities</b>	<b>36,372</b>	<b>48,203</b>	<b>34,555</b>
<b>Non-current liabilities</b>			
Provisions	1,987	1,987	1,695
Interest-bearing loans and borrowings	24,785	24,785	26,280
Investments in associates	2,579	2,579	2,253
<b>Total non-current liabilities</b>	<b>29,351</b>	<b>29,351</b>	<b>30,228</b>
<b>Total liabilities</b>	<b>65,723</b>	<b>77,554</b>	<b>64,783</b>
<b>Net assets</b>	<b>3,532,535</b>	<b>3,479,503</b>	<b>3,932,121</b>
<b>Equity</b>			
Accumulated surplus	979,495	927,776	959,331
Asset revaluation reserve	2,534,337	2,534,824	2,955,887
Reserves <sup>2</sup>	18,703	16,903	16,903
<b>Total equity</b>	<b>3,532,535</b>	<b>3,479,503</b>	<b>3,932,121</b>
<b>Working capital ratio</b>	<b>4.91</b>		

Note: All numbers are rounded to the nearest thousand.

1. Cash reflects balances in the general ledger not actual bank account balances.
2. Reserve funds comprise of Strategic Acquisition Fund (\$434,000), Open Space Development Fund (\$11.27 million) and Defined Benefits Superannuation future call up reserve (\$7.00 million).

## Monthly Financial Report – April 2020

## Attachment 1

## 3.3 Statement of Cash Flows

	ANNUAL ORIGINAL BUDGET	YEAR TO DATE			ANNUAL SEPTEMBER AMENDED BUDGET
		YTD		YTD VARIANCE (unfav)	
		YTD ACTUAL	SEPTEMBER AMENDED BUDGET		
	\$'000	(1) \$'000	(2) \$'000	(1) - (2) \$'000	\$'000
<b>Cash flows from operating activities</b>					
Rates and waste charges	188,707	170,204	170,266	(62)	188,384
Statutory fees and fines <sup>1</sup>	14,672	10,873	12,685	(1,812)	13,623
User charges and other fines <sup>2</sup>	15,756	12,456	13,462	(1,006)	15,756
Grants - operating	13,230	11,033	11,615	(582)	13,032
Grants - capital	1,354	1,258	1,967	(709)	2,164
Contributions - monetary <sup>3</sup>	5,269	6,765	4,469	2,296	5,269
Interest received	2,800	1,722	1,830	(108)	2,200
Other receipts	5,940	4,862	5,026	(164)	5,861
Net GST refund	13,307	10,289	11,917	(1,628)	14,138
Trust funds and deposits taken <sup>4</sup>	100	2,468	-	2,468	591
Employee costs <sup>5</sup>	(94,675)	(80,447)	(82,709)	2,262	(97,811)
Materials and services <sup>6</sup>	(91,611)	(74,327)	(77,175)	2,848	(91,357)
Other payments <sup>7</sup>	(13,238)	(10,177)	(11,652)	1,475	(13,230)
<b>Net cash provided by operating activities</b>	<b>61,611</b>	<b>66,979</b>	<b>61,701</b>	<b>5,278</b>	<b>58,620</b>
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment <sup>8</sup>	(75,617)	(49,944)	(69,887)	19,943	(78,447)
Proceeds from sale of property, plant and equipment	-	31	-	31	-
<b>Net cash used in investing activities</b>	<b>(75,617)</b>	<b>(49,913)</b>	<b>(69,887)</b>	<b>19,974</b>	<b>(78,447)</b>
<b>Cash flows from financing activities</b>					
Finance costs	(1,424)	(817)	(818)	1	(1,424)
Repayment of borrowings	(1,495)	(913)	(913)	-	(1,495)
<b>Net cash provided by (used in) financing activities</b>	<b>(2,919)</b>	<b>(1,730)</b>	<b>(1,731)</b>	<b>1</b>	<b>(2,919)</b>
Net increase (decrease) in cash and cash equivalents	(16,925)	15,336	(9,917)	25,253	(22,746)
Cash and cash equivalents at beginning of year	117,381	125,528	125,528	-	125,528
<b>Cash and cash equivalents at end of year</b>	<b>100,456</b>	<b>140,864</b>	<b>115,611</b>	<b>25,253</b>	<b>102,782</b>

Note: All numbers are rounded to the nearest thousand.

1. Statutory fees and fines of (\$1.81 million) lower than budgeted primarily due to parking related income.
2. Lower than budgeted user charges and other receipts from customers of (\$1.01 million) due to timing and settlement of debtors.
3. Contributions - monetary of \$2.30 million primarily relating to timing of developer contributions and local contributions.
4. Trust funds and deposits includes the fire services property levy received which relates to the timing of fire services property levy and levy interest amounts received and subsequently remitted to the State Revenue Office (SRO) which are to be made in four payments in accordance with Section 41(1) of the FSPL Act. An instalment is due and payable to the Commissioner of State Revenue 28 days after the due date of rates instalments. Levy monies are to be remitted to the SRO by the following dates each financial year - 28 October; 28 December; 28 March; and 28 June.
5. Employee costs of \$2.26 million lower than budgeted primarily due to staff vacancies across the organisation.
6. Materials and services are lower than budgeted due to timing of outflows \$2.85 million.
7. Other payments of \$1.48 million lower than anticipated due to timing of cash outflows.
8. Payments for property, plant and equipment differs from that presented in the capital works statement due to settlement of the 30 June 2019 creditors and forward commitment expenditure. Works delivered in the 2018-19 financial year have previously been brought to account and accrued against the 2018-19 capital works statement.

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## Attachment 1

## 3.4 Capital Works expenditure by asset group

	ANNUAL ORIGINAL BUDGET	YTD ACTUAL (1)	YTD BUDGET (2)	YTD VARIANCE (1) - (2)	YTD VARIANCE %	COMMIT	FULL YEAR FORECAST (3)	ANNUAL SEPTEMBER AMENDED BUDGET (4)	FULL YEAR FORECAST VARIANCE (3) - (4)
	\$'000s	\$'000s	\$'000s	\$'000s	%	\$'000s	\$'000s	\$'000s	\$'000s
<b>Infrastructure</b>									
Bridges	62	27	43	16	37%	-	32	62	30
Drainage	5,132	2,732	4,265	1,533	36%	1,093	5,367	5,474	107
Footpaths and cycleways	3,819	1,527	3,167	1,640	52%	175	2,899	3,819	920
Off street carparks	648	171	570	399	70%	6	598	678	80
Parks, open space and streetscapes	8,116	6,025	8,995	2,970	33%	2,301	10,284	10,036	(248)
Recreational, leisure & com facilities	3,238	1,134	2,196	1,062	48%	1,718	3,222	3,531	309
Roads	11,299	9,119	9,562	443	5%	399	12,092	11,881	(211)
<b>Total Infrastructure</b>	<b>32,314</b>	<b>20,735</b>	<b>28,798</b>	<b>8,063</b>	<b>28%</b>	<b>5,692</b>	<b>34,494</b>	<b>35,481</b>	<b>987</b>
<b>Plant and Equipment</b>									
Computers and telecommunications	2,581	1,463	2,106	643	31%	411	2,007	3,049	1,042
Fixtures, fittings and furniture	1,059	1,052	1,376	324	24%	253	1,652	1,489	(163)
Library books	985	796	894	98	11%	74	985	985	-
Plant machinery and equipment	2,731	1,669	2,278	609	27%	294	2,973	2,963	(10)
<b>Total Plant and Equipment</b>	<b>7,356</b>	<b>4,980</b>	<b>6,654</b>	<b>1,674</b>	<b>25%</b>	<b>1,032</b>	<b>7,617</b>	<b>8,486</b>	<b>869</b>
<b>Property</b>									
Building	14,985	6,539	10,267	3,728	36%	2,703	12,471	13,820	1,349
Building improvements	304	196	279	83	30%	162	414	414	-
Major Projects	20,658	11,336	15,689	4,353	28%	10,686	18,046	20,246	2,200
<b>Total Property</b>	<b>35,947</b>	<b>18,071</b>	<b>26,235</b>	<b>8,164</b>	<b>31%</b>	<b>13,551</b>	<b>30,931</b>	<b>34,480</b>	<b>3,549</b>
<b>Total capital works expenditure</b>	<b>75,617</b>	<b>43,786</b>	<b>61,687</b>	<b>17,901</b>	<b>29%</b>	<b>20,275</b>	<b>73,042</b>	<b>78,447</b>	<b>5,405</b>
<b>Represented by:</b>									
Asset renewal expenditure	39,246	25,192	30,396	5,204	17%	5,798	38,214	39,162	948
Asset upgrade expenditure	8,892	4,817	7,885	3,068	39%	2,427	8,653	9,988	1,335
New asset expenditure	15,494	9,582	14,912	5,330	36%	7,593	16,378	18,489	2,111
Asset expansion expenditure	11,985	4,195	8,494	4,299	51%	4,457	9,797	10,808	1,011
<b>Total capital works expenditure</b>	<b>75,617</b>	<b>43,786</b>	<b>61,687</b>	<b>17,901</b>	<b>29%</b>	<b>20,275</b>	<b>73,042</b>	<b>78,447</b>	<b>5,405</b>

Note: All numbers are rounded to the nearest thousand.