

Melton City Council

2019/2020 Finance Report

6 Months Ended 31 December 2019

A thriving community
where everyone belongs





Finance Report

6 Months Ended 31 December 2019

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Melton City Council

Quarterly Finance Report for the 6 months period ended December 2019.

Fraudulent Activity

No instances of fraud this quarter

Executive Summary

Operating Results

This report compares the December 2019 YTD results with the profiled YTD approved budget for the same period.

The operating surplus before transfers for the December YTD period was \$87.8m. This compared with the profiled budgeted result of \$86.1m resulted in a favourable variance of \$1.69m

Detailed analysis of operating revenue and expenditure variances by line items, are outlined on page 4-7 of this report.

Year-end Forecast

Review of the 2nd quarter operating and capital expenditure as at the end of December 2019 has been finalised. As part of this process business unit managers have provided an estimate of the year-end forecast of savings and over-runs expected as at 30th June 2020. This is summarised in the table below.

Comparison of 2nd quarter year-end forecast with the approved budget is shown on page 8 with the detail variance commentary on page 9-12

First Quarter Year-End Forecast-Summary		\$(Millions)
Operating		
Forecast favourable variance in operating results before transfers		<u>\$7.6m</u>
Capital		
Forecast unfavourable variance in Council capital expenditure		<u>(\$3.34)</u>

Capital Expenditure

The Council Capital expenditure budget for 2019/20 is a total of \$74.73m. This consists of \$66.71m Council capital budget and a carry forwards component of \$8.02m from 2018/19.

The 2nd quarter forecast capital expenditure is projected at \$78.27m. Capital works have estimated that \$66.0m of the forecast will be spent by 30 June 2020 and \$12.1m will be carried forward to 2020/21.

Total developer contribution in-kind works budget for 2019/20 is \$35.34m. These works when completed by landholders will offset their developer contribution liability to Council. Where the value of completed works handed over to Council varies from the DCP obligations, the resultant rolling credit or debit transactions which will be carried forward to be set off against future obligations or for settlement to/by Council from the developer contribution reserve funds.

The actual capital expenditure completed at the end of December was \$27.78m or 35.4% of the total Council capital expenditure forecast including carry forwards.

A project level analysis of YTD capital expenditure by capital works by business unit is provided on page 21.

Cash on hand and Investments

Council's total cash position at month end is \$239.2m. This balance includes \$230.3m of general and restricted investments representing carry forward expenditure, employee entitlements, and developer contributions received for future capital works. The amount of cash on hand at end of month is \$8.9m. Increase in general and restricted investments is due to creation of the Infrastructure and Strategic Investment Reserve by Council which as at balance date amounts to \$82.7m.

Debtors

Receivables outstanding totalled \$92.0m (net of doubtful debts provisions) of which \$60.5m relates to rates debtors including instalments not due. Infringement Debtors amounted to \$4.9m and other sundry debtors (including accrued land sales, PSP works in kind debtors) was \$26.6m.

Monthly Management Report 2019/2020 Operating Statement by Income / Expenditure line items for the 6 Months ended 31 December 2019					
Income/Expenditure Type		YTD Actuals	YTD Budget	YTD Variance	Full Year Approved Budget
		(000's)	(000's)	(000's)	(000's)
Income					
Rates & Charges	1	121,688	120,918	770	122,646
Statutory Fees and Fines	2	4,720	4,057	662	8,301
User Fees	3	5,405	4,565	840	9,486
Grants- Operating	4	12,854	19,534	(6,680)	29,811
Grants- Capital	5	1,657	821	836	6,898
Contributions Monetary	6	13,914	9,698	4,216	30,306
Contributions Non Monetary	7	3,229	3,838	(609)	100,588
Net Gain/(Loss) on Disposal of IPP&E					
Sale of Properties	8	1,130	7,398	(6,267)	17,125
Cost of Assets Sold	9	(335)	(3,545)	3,210	(8,272)
Total		795	3,853	(3,057)	8,853
Other Revenue	10	3,452	2,356	1,096	4,565
Total Income		167,714	169,640	(1,926)	321,454
Expenditure					
Employee Costs	11	27,034	29,162	2,129	62,659
Depreciation and Amortisation	12	18,344	18,337	(7)	37,015
Bad and Doubtful Debts	13	246	250	4	500
Borrowing Costs	14	281	286	5	644
Other - Materials and Services					
Contracts and Materials	15	16,976	17,506	531	41,793
Administration Expenses	16	6,720	7,792	1,072	15,504
Program Expenses	17	2,328	2,155	(173)	4,546
Utilities	18	3,325	3,558	233	7,666
Maintenance	19	3,016	2,997	(20)	7,437
Other	20	1,589	1,430	(159)	2,666
Total		33,955	35,438	1,484	79,612
Total Expenditure		79,859	83,474	3,615	180,430
Total Surplus/Deficit Before Transfers.		87,855	86,166	1,689	141,024
Reserve Transfers					
Transfers From Reserves		0	7,934	(7,934)	45,022
Transfer to Reserve		(32,007)	(16,299)	(15,708)	(94,050)
Total Net Transfers - Income/(Exp)		(32,007)	(8,365)	(23,642)	(49,028)
Total Surplus/(Deficit) Net of Transfers		55,847	77,801	(21,954)	91,996
Undelying Surplus/(Deficit)		69,054	71,809	(2,755)	3,232

* Negative values in the YTD variance column indicates an unfavourable Variance.

Monthly Management Report December 2019

Monthly Management Report 2019/20 Operating Statement - Significant Variance Comments for the 6 Months ended 31 December 2019					Page 4
Income/Expenditure Type	YTD Actual (000's)	2019/20 Approved Budget (000's)	Variance - Fav/(Unfav) (000's)	Significant Variance Comments- YTD actual compared to profiled YTD approved budget	
Income					
Rates & Charges	1 121,688	120,918	770	Favourable variance is attributable to: ** Actual Supplementary rates received were higher than budgeted target by \$688k due to higher number of properties being released than budgeted as a result of improving property market conditions. The favourable variance was partly offset by unfavourable variance due to: ** pensioner rebates allowed both Council and State which were higher than budget by (\$98k).	
Statutory Fees and Fines	2 4,720	4,057	662	Favourable variance in statutory fees part of which is timing related and is attributable to the following : ** Higher than budgeted permit and registration fees in Planning Services due to improving levels of development activity (\$49k). ** Higher fees and charges than budget in City Design due to higher levels of growth (\$178k). ** Favourable variance Community Safety include higher than planned infringement fines(\$149k), Increase in food and health permits due to increase in number of premises registered (\$99k), animal management (\$129k) and increase in property information requests(\$84k). ** Increase in property information requests in Engineering services and other registration fees (\$131k). ** Higher debt collection court recoveries in Finance (\$33k). Favourable variance is partly offset by ** Reduction in fees in engineering plan checking fees due to backlog of engineering plans already approved awaiting construction (\$190k).	
User Fees	3 5,405	4,565	840	Favourable variance is due to ** Increase in subdivision fees, construction supervision and non standard street lighting fees in Engineering Services due to higher land development activity (\$525k). ** Higher than budgeted gate takings at Melton Recycling Facility and higher asset protection permits issued (\$162k) ** Timing Variance in lease/rental income (\$110k) ** Net Increase in fees and charges in Planning and Families and Children (\$43k).	
Grants- Operating	4 12,854	19,534	(6,680)	Unfavourable variance is attributable to the following: ** Unfavourable variance in Grants Commission funding of \$8.496m due to Commonwealth Government bringing forward the payment of half the estimated aggregate of 2019-20 financial assistance grants allocation in June 2019 in the 2018/19 Financial year. This unfavourable variance was partly offset by: ** Unbudgeted grants received in the year-to-date period of \$205k. These include Community Learning (\$76k), Water Sensitive Urban Design(\$77k), DPI Roadside Weed Control (\$12k), Hot House and other projects (\$40k) and Other timing variance in the grants receipts from the following : ** Commonwealth Home Support and HACC program grants in Community Care (\$849k). ** School crossing grants in Community Safety and others (\$198k). ** Maternal Child Health - both Universal and External (\$290k). ** Recreation and Youth in Youth Learning Pathways and Others(\$274k).	

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Monthly Management Report 2019/20 Operating Statement - Significant Variance Comments for the 6 Months ended 31 December 2019					2019/20		Significant Variance Comments- YTD actual compared to profiled YTD approved budget
Income/Expenditure Type		YTD Actual (000's)	Approved Budget (000's)	Variance - Fav/(Unfav) (000's)			
Grants- Capital	5	1,657	821	836			Favourable variance is mainly timing related and is due to the following: **Capital grants received to-date earlier than anticipated from Melton Recycling Centre Upgrade (\$137k), Melton Secondary College Sports Field (\$330k), Kurunjang Neighbourhood House (\$236k), Light up Lake Caroline (\$31k), Female Change Room Upgrade (\$60k) and others (\$42k).
Contributions Monetary	6	13,914	9,698	4,216			Monetary developer contributions are higher than budget by \$4.2m at the end of second quarter and is likely to exceed budget significantly by the end of the year. This is due to the elevated levels of development activity in the municipality.
Contributions Non Monetary	7	3,229	3,838	(609)			Unfavourable variance in non-cash contributions is timing related. Majority of non cash contributions are recognised in the 4th quarter after project completion certificates are issued.
Profit on Sale of Assets							
Sale of Properties	8	1,130	7,398	(6,267)			Lower than budgeted Atherston land sales reflecting higher than anticipated cancellations before settlements in the year-to-date period.
Cost of Assets Sold	9	(335)	(3,545)	3,210			Cost of asset sold being lower than budget due to lower then budgeted sales for the period.
Total - Profit on Sale of Assets		795	3,853	(3,057)			
							Favourable variance is due to the following: ** Interest on investments (on Term Deposits) exceeded budget for the quarter due to higher level of cash available for investments (\$259k). **Transfer Station income for waste disposal-G33chargeable to MRF (Melton Recycle Facility). Council receives this due to the Landfill agreement that exists between Council and Cleanaway (Melbourne Regional Landfill). This income however offsets the payments by Council to the Operator shown under Contracts Expenditure (\$433k) ***Hume Drive Duplication reimbursement for council expenditure (\$478k). Favourable variance is partly offset by: ** Minor timing variance in reimbursements for contracted cleaning services and other income (\$75k)
Other Revenue	10	3,452	2,356	1,096			
Total Income		167,714	169,640	(1,926)			

Monthly Management Report 2019/20 Operating Statement - Significant Variance Comments for the 6 Months ended 31 December 2019					Page 6
Income/Expenditure Type	YTD Actual (000's)	2019/20 Approved Budget (000's)	Variance - Fav/(Unfav) (000's)	Significant Variance Comments- YTD actual compared to profiled YTD approved budget	
				<p>This favourable variance in employee cost is the net effect of \$2.102m favourable in salaries and wages and \$352k favourable in payroll oncost. The favourable variance in salaries and wages is largely attributable to a number of vacancies in 2019/20 which have not been filled or filled later than planned. The variance is spread among a number of business units with significant variances reported in the following:</p> <p>** Community Care (\$579k) ** Engineering Services (\$347k). ** Information Services (\$310). ** Capital Projects (\$300k) ** Community Safety (\$215k) ** Operations (\$282k). ** Families and Children (\$514k) ** Planning (\$178k) ** City Design (\$176k) ** Community Planning (\$158k) ** Recreation and Youth (\$370k). ** Other (\$453k)</p> <p>The above favourable variance is partly offset by \$1.78m in contract labour (agency) expenses where business units have engaged agency staff to fill budgeted positions.</p>	
Employee Costs	11 27,034	29,162	2,129	The favourable timing variance in oncost expenditure is due to lower than budgeted expenditure on long service leave (\$334k), annual leave loading (\$166k), workSafe, paid parental leave and other (\$66k). Overall favourable variance partly offset by unfavourable variance in superannuation Lesplan and maternity leave backfilling (\$214k).	
Depreciation and Amortisation	12 18,344	18,337	(7)		
Bad and Doubtful Debts	13 246	250	4	Unfavourable variance is attributable to write off of infringement debts deemed unrecoverable.	
Borrowing Costs	14 281	286	5		

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Monthly Management Report 2019/20 Operating Statement - Significant Variance Comments for the 6 Months ended 31 December 2019					Significant Variance Comments- YTD actual compared to profiled YTD approved budget	
Income/Expenditure Type		YTD Actual (000's)	2019/20 Approved Budget (000's)	Variance - Fav/(Unfav) (000's)		
Other - Materials and Services						
						<p>Favourable variance is attributable to timing variance due to non receipt of invoices by end of December in the following:</p> <p>** Contract payments in Operations particularly in Transfer Station, Kerbside Waste Disposal, Hard Waste, Drainage works and other (2.36m).</p> <p>** Tree planting program (\$123k).</p> <p>** Scoping study - Performance Arts Centre (\$66k).</p> <p>** Planning and design expenditure in City Design and Recreation and Youth (\$73k).</p> <p>** Asset Management Service, online based training and other(\$71k).</p> <p>The favourable variance is partly offset by unfavourable variance due to:</p> <p>** Higher than budgeted expenditure of \$2.162k in contract labour costs due to budgeted permanent positions and staff position required to complete other business unit programs filled through contract labour. This is mainly in areas such as Information Services (\$1.611m), Engineering Services (\$267k), Community Care (\$87k), Capital Projects (\$94k), Planning (\$77k), Other (\$26k).</p>
Contracts and Materials	15	16,976	17,506	531		
Administration Expenses						
						<p>Favourable Variance is attributable to:</p> <p>** Lower than budgeted project Implementation Costs in Information Services mainly due to expenditure incurred as contract labour (\$993k).</p> <p>** Timing variance due to lower than budgeted legal expenses (\$138k)</p> <p>** This is partly offset by higher than budgeted expenditure in publication, promotion and other expenses (\$59k)</p>
	16	6,720	7,792	1,072		
Program Expenses						
						<p>Unfavourable Variance is attributable to the following:</p> <p>** Higher than budgeted expenditure in Community Safety of \$220k which is made up of amenities protection (\$170k), environmental health (\$34k) and animal management (\$16k). Increase in amenities protection expenditure is partly offset by additional grants of \$90k receivable by the end of the year).</p> <p>Overall unfavourable variance is partly offset by:</p> <p>**Lower than budgeted expenditure in youth learning pathways in Community Planning (\$21k).</p> <p>**Other timing variance in graffiti response in operations(\$26k).</p>
	17	2,328	2,155	(173)		
Utilities						
						<p>Favourable variance in utilities is mainly timing related and is attributable to:</p> <p>** Electricity charges in public lighting, Melton Waves (\$130k), gas (\$45k), water and sewerage (\$30k) and fixed phone charges(\$28k).</p>
	18	3,325	3,558	233		

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Monthly Management Report 2019/20 Operating Statement - Significant Variance Comments for the 6 Months ended 31 December 2019					Significant Variance Comments- YTD actual compared to profiled YTD approved budget	
Income/Expenditure Type		YTD Actual (000's)	2019/20 Approved Budget (000's)	Variance - Fav/(Unfav) (000's)		
Maintenance	19	3,016	2,997	(20)		
					Unfavourable variance is attributable to:	
					** Minor assets purchases particularly in Operations due to repairs and replacement of bins (\$100k). Year-end forecast indicate that this will increase further by year-end.	
					** Plant operating higher than budget due to higher fuel, maintenance and accident repair excess (\$32k).	
					** Higher than budgeted expenditure in non capital IT equipment in Information Services (\$53k).	
Other	20	1,589	1,430	(159)		
Total		33,955	35,438	1,484		
	0				Overall Favourable variance is partly offset by:	
					** Timing Variance in donation and grants in the year-to-date period (\$26k)	
Total Expenditure		79,859	83,474	3,615		
Total Surplus/Deficit Before Transfers.		87,855	86,166	1,689		
Underlying Operating Results				0		
Surplus/(Deficit)		69,054	71,809	(2,755)		

Monthly Management Report 2019/2020				
December 2019- 2nd Quarter Year-End Forecast				
Forecast Operating Statement by Income / Exp				
Income/Expenditure Type		2019/20 Approved Budget (000's)	2019/20 2nd Quarter Forecast (000's)	2019/20 2nd Qtr Forecast Variance to Budget (000's)
Income				
Rates & Charges	1	122,646	123,441	795
Statutory Fees and Fines	2	8,301	8,589	288
User Fees	3	9,486	10,290	804
Grants- Operating	4	29,811	30,095	283
Grants- Capital	5	6,898	6,117	(781)
Contributions Monetary	6	30,306	47,943	17,637
Contributions Non Monetary	7	100,588	92,056	(8,532)
Net Gain/(Loss) on Disposal of IPP&E				
Sale of Properties	8	17,125	13,985	(3,140)
Cost of Assets Sold	9	(8,272)	(6,625)	1,647
Total		8,853	7,360	(1,493)
Other Revenue	10	4,565	6,346	1,782
Total Income		321,454	332,237	10,783
Expenditure				
Employee Costs	11	62,659	59,640	3,019
Depreciation and Amortisation	12	37,015	37,015	0
Bad and Doubtful Debts	13	500	505	(5)
Borrowing Costs	14	644	644	0
Other - Materials and Services				
Contracts and Materials	15	41,793	45,467	(3,673)
Administration Expenses	16	15,504	15,647	(143)
Program Expenses	17	4,546	5,099	(553)
Utilities	18	7,666	7,868	(202)
Maintenance	19	7,437	7,902	(465)
Other	20	2,666	3,794	(1,128)
Total		79,612	85,777	(6,165)
Total Expenditure		180,430	183,581	(3,151)
Total Surplus/Deficit for the Year Before Trfs.		141,024	148,656	7,632
Underlying Surplus/(deficit)		3,232	2,540	(692)
Council Capital Budget		74,731	78,273	(3,541)
Capital DCP-In-Kind		35,337	29,856	5,481

Monthly Management Report 2019/20 Significant Variance Comments Approved Budget vs. 2nd Quarter Forecast					Approved Budget to first Quarter Year-end Forecast Variance Explanations	
Income/Expenditure Type	2019/20 Approved Budget (000's)	2nd Quarter Forecast (000's)	2nd Qtr Forecast Variance to (000's)			
Rates & Charges	1	122,646	123,441	795	Favourable variance is attributable to the following: ** Projected increase in supplementary rates due to increase in the number of lots released.	
					Favourable variance is attributable to projected increase in the following: **Community Safety in parking fines due to better enforcement with additional parking officer and implementation of new processes. (\$403k). ** Increase in fees in Food and Health act enforcement (\$107k). ** Increase in property information requests and permit fees in Engineering due to increase in consent to work applications as a result of increased development and commencement of a number of large projects (\$178k). Favourable variance is partly offset by: ** Reduction in Engineering subdivision plan checking fees due to slow down as a result of developments concentrating on construction of previous approved stages (\$300k). ** Other minor unfavourable variances (\$100k).	
Statutory Fees and Fines	2	8,301	8,589	288	Favourable variance is attributable to projected increase in the following : **Subdivision and non standard public lighting fees due to enhanced development activity due to growth (\$469k). ** Livestock control fee income in Community Safety (\$169k) ** Planning Services fee income due to increased growth (\$54k). ** Operations fee income due to high demand for asset protection permits (\$112k)	
User Fees	3	9,486	10,290	804	Favourable variance is attributable to the following: ** Grants Commission funding is expected to be higher by \$76k and this is attributable to the 5% growth projected for 2020/21 of which 50% is expected to be received in June 2020, as has been the practice over a number of years Other operating grants are projected to increase as follows: ** Families and children services mainly in maternal child health, family violence intense support, supported accommodation and other (\$160k). ** Recreation & Youth in youth learning pathways, career expo and others (\$104k). ** Capital Projects in water sensitive urban design (\$88k). ** Community Safety in school crossing and Tobacco Act (\$99k). Overall favourable variance is partly offset by reduction in grants from ** Community Care mainly in HACCC Respite Personal Care based on current funding arrangement as a result of NDIS transition (\$244k).	
Grants-Operating	4	29,811	30,095	283	Unfavourable variance is attributable to the following: ** Capital grants are projected to be lower by \$781k compared to the original budget. This is mainly attributable to significant levels of grants received in the last financial year.	
Grants-Capital	5	6,898	6,117	(781)		
Contributions Monetary	6	30,306	47,943	17,637 (\$9.8m)	** Based on current estimates DCP cash contributions are projected to increase overall by \$17.6m by the end of the year due to significant increase in sub divisional activity. This includes DCP (Developer Contribution Plan Contribution of (\$7.8m) and the updated Infrastructure Contribution Plan contributions of (\$9.8m)	
Contributions Non Monetary	7	100,588	92,056	(8,532)	** Non cash contributions in overall terms are projected to reduce by \$8.5m by the end of year, which is mainly due to the projected increase in rolling credit offsets allowed for assets provided in exchange DCP income receivable from developers.	
Profit on Sale of Assets					Monthly Management Report December 2019	

Monthly Management Report 2019/20 Significant Variance Comments Approved Budget vs. 2nd Quarter Forecast					
Income/Expenditure Type	2019/20 Approved Budget (000's)	2nd Quarter Forecast (000's)	2nd Qtr Forecast Variance to (000's)	Approved Budget to first Quarter Year-end Forecast Variance Explanations	
Sale of Properties	8	17,125	13,985	<p>** Reduction in land sales revenue reflecting revised market condition projections as advised by Atherstone at the end of the second quarter. Although the actual land sales to-date is lower mainly due to high proportion of cancellation prior to settlement, Atherstone's latest sales projections for the year around 210 lots by the end of the year.</p> <p>** Revised cost of sales reflecting revised land sales projections at the end of the year.</p>	
Cost of Assets Sold	9	(8,272)	(6,625)		
Total - Profit on Sale of Assets		8,853	7,360		
Other Revenue	10	4,565	6,346	<p>**Interest on investments (Term Deposits) is projected to exceed budget for the year due to higher level of cash available for investments (\$244k).</p> <p>** Reimbursement income in Information Services for photocopy usage is expected to exceed budget (\$50k)</p> <p>** Insurance recoveries in Legal and Governance is projected to increase due to higher level of claims (\$38k)</p> <p>**Transfer Station income for waste disposal chargeable to MRF (Melton Recycle Facility). Council receives this due to the Landfill agreement that exists between Council and Cleanaway (Melbourne Regional Landfill). This income however offsets the payments by Council to the Operator shown under contracts expenditure (\$1450k).</p>	
Total Income		321,454	332,237		
Expenditure					
Employee Costs	11	62,659	59,640	<p>Employee Costs are projected to reduce in net terms by \$3.0m by year-end. Year-end forecast includes estimates of likely under expenditure by year-end projecting net reduction in employee costs partly offset by higher than anticipated expenditure in Contract agency labour cost.</p>	
Depreciation and Amortisation	12	37,015	37,015		
Bad and Doubtful Debts	13	500	505		
Borrowing Costs	14	644	644	<p>** Higher than budgeted expenditure of \$2.28m in agency contract labour engaged to complete business unit programs. This is mainly in areas such as Information Services (\$1.13m), Engineering Services (\$688k), Planning (\$150k), Capital Projects and other (\$200k) and others (\$60k).</p> <p>** Waste management- Transfer Station payment to MRF operator offset by income as stated earlier (\$1.450k)</p> <p>** Projected increase in expenditure for Toolern project Coordination and Court house lease reimbursement (\$70k).</p> <p>The overall unfavourable variance is partly offset by</p> <p>** Saving due to Landfill management expenses budgeted that will not be incurred (\$127k)</p>	
Other - Materials and Services					
Contracts and Materials	15	41,793	45,467		

Monthly Management Report 2019/20 Significant Variance Comments Approved Budget vs. 2nd Quarter Forecast					Approved Budget to first Quarter Year-end Forecast Variance Explanations	
Income/Expenditure Type	2019/20 Approved Budget (000's)	2nd Quarter Forecast (000's)	2nd Qtr Forecast Variance to (000's)			
					Unfavourable Variance is attributable to:	
					** Higher than budgeted Corporate Training expenditure (\$105)	
					** Higher Than budgeted Legal Expenditure (\$89k)	
					** Higher than budgeted Professional advisory expenditure mainly in Community Planning (\$70k)	
					** Higher than budgeted Annual Licence fees in End User Management support in information services and Maternal Child Health (\$45k)	
					** Higher than budgeted expenditure in Printing, Corporate Subscription and other (61k)	
					Overall Favourable variance offset by	
					** Lower than budgeted project Implementation Costs in Information Services (\$227k)	
Administration Expenses	16	15,504	15,647	(143)		
					Unfavourable variance is attributable to higher than budgeted expenditure in the following :	
					** Write back of value of Regional Kitchen holdings.	
					** Amenity Protection, Environmental Health, Parking Enforcement, Animal Management expenses this is offset by higher than anticipated income (\$325k)	
					** Community Activation Learning program in Community Planning (\$191k)	
Program Expenses	17	4,546	5,099	(553)	Unfavourable Variance is partly offset by:	
					Lower than budgeted expenditure in Road Safety Education Community Planning and other (\$97k)	
Utilities	18	7,666	7,868	(202)	Unfavourable variance in utilities is mainly attributable to	
					**Projected increase in water and sewerage expenditure due to growth (\$141k)	
					**Server Hosting in Information Services due to growth (\$61k)	

Monthly Management Report 2019/20 Significant Variance Comments Approved Budget vs. 2nd Quarter Forecast					
Income/Expenditure Type	2019/20 Approved Budget (000's)	2nd Quarter Forecast (000's)	2nd Qtr Forecast Variance to (000's)	Approved Budget to first Quarter Year-end Forecast Variance Explanations	
Maintenance	19	7,437	7,902	(465)	Unfavourable Variance is attributable to projected increase in expenditure in ** Electrical OMR (Operations, Maintenance and Repair) Charges (\$300k) due to unanticipated repairs ** Road repairs due to additional resheeting on some road segments, demand for road signage and banners and other minor works as a result of high of development and related traffic volumes (\$95k) ** General repairs due to demand for fencing and other related works (\$70k)
Other	20	2,666	3,794	(1,128)	Unfavourable variations is largely attributable to: ** Higher than budgeted expenditure in Plant Operating mainly in Plant Service maintenance and accident Repairs (\$88k) ** Minor Asset Purchases are projected increase mainly in Operations for bin repairs and replacement (\$300k) and minor asset purchases (\$68k) ** Other increases in Equipment Rental and other (\$51k) ** Toolern Project Coordinator expenditure offset by Income (\$30k). ** Expenditure related to grants income received in the previous financial year for which there are service delivery obligations (\$591k)
Total		79,612	85,777	(6,165)	
Total Expenditure		180,430	183,581	(3,151)	
Total Surplus/Deficit Before Transfers.		141,024	148,656	7,632	
Underlying Operating Results Surplus/(Deficit)		3,232	2,540	(692)	

BALANCE SHEET		ACTUALS		BUDGET
	Notes	This Year As at end Dec-19 \$(000's)	Last Year As at end Jun-19 \$(000's)	This Year Full Year 2019/2020 \$(000's)
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents		239,246	179,951	177,564
Trade and Other Receivable		92,030	28,833	25,820
Other Financial Assets		0	0	
Inventories		41	41	20
Assets Classified as Held for Resale		8,123	1,636	2,204
Other Assets		0	29,439	41,025
TOTAL CURRENT ASSETS		339,440	239,900	246,633
NON CURRENT ASSETS				
INFRA, PROPERTY PLANT & EQUIPMENT		2,232,060	2,254,932	2,325,844
WORK IN PROGRESS		76,415	48,831	0
INVENTORIES		119	119	215
INVESTMENT PROPERTY		7,300	7,300	7,500
OTHER FINANCIAL ASSETS		306	306	5,077
INTANGIBLES		3,357	3,357	3,030
TOTAL NON CURRENT ASSETS		2,319,557	2,314,845	2,341,666
TOTAL ASSETS		2,658,997	2,554,745	2,588,299
CURRENT LIABILITIES				
PAYABLES		31,155	25,917	18,650
EMPLOYEE BENEFIT PROVISIONS		10,546	10,546	10,798
INTEREST BEARING LIABILITIES		9,051	2,962	2,306
OTHER LIABILITIES		-776	2,591	5,249
TOTAL CURRENT LIABILITIES		49,975	42,016	37,003
NON CURRENT LIABILITIES				
EMPLOYEE BENEFITS PROVISIONS		1,714	1,718	2,227
INTEREST BEARING LIABILITIES		5,426	12,981	10,674
OTHER LIABILITIES		13,945	5,177	7,966
TOTAL NON CURRENT LIABILITIES		21,085	19,876	20,867
TOTAL LIABILITIES		71,060	61,892	57,870
NET ASSETS		2,587,937	2,492,854	2,530,430
EQUITY				
ACCUMULATED SURPLUS		1,397,260	1,047,169	1,317,188
OPERATING SURPLUS FOR THE PERIOD		62,715	350,075	171,167
RESERVES				
REVALUATION RESERVES		939,082	939,089	866,819
OTHER RESERVES		188,880	156,520	175,255
TOTAL EQUITY		2,587,937	2,492,854	2,530,430

Balance Sheet - Comments**General:**

The following comments relate to the balance sheet and the cash flow statement on page 14 and 17 respectively.

Current Assets:**Cash & Investments**

Council's cash position (including Investments), as at 31 December 2019 was \$228.4m, which represents an increase of \$48.5m from the \$179.9m opening cash position as at 1 July 2019. Details of inflow and outflow of funds are detailed in the Cash Flow Statement on page 17.

	\$'000's	\$'000's
Cash at 1 st July 2019		\$179,951
Plus: Net Inflow/(Outflow) from operating activities	\$67,417	
Less Net Inflow/(Outflow) from Investing activities	(\$11,777)	
Less Net Inflow/(Outflow) from financing activities	\$3,655	
Net Increase/(decrease) in cash held		\$59,295
Cash and Investments on hand at 31 December 2019		\$239,246

Receivables:

Total receivables outstanding as at 31 December 2019 amounted to \$83.7m, which included rate debtors of \$63.0m. The total outstanding receivables comprised: -

Receivables	31 December 2019 (000's)	31 December 2018 (000's)
Rate Debtors	\$60,535	\$57,084
Infringements & Local Laws Debtors	\$4,997	\$4,365
Sundry & other debtors (prior year includes PSP works in kind debtors) net of provision for doubtful debts **	\$26,498	\$73,413
Total Receivables	\$92,030	\$134,862

Non-Current Assets:

Infrastructure, Plant & Equipment

The value of Council's property, plant & equipment has decreased by \$22.9m. This decrease is attributable to the depreciation charge plus other adjustments for handed over assets for the YTD period.

Intangible Asset

The intangible assets of \$3.4m represent non-exclusive licence granted to Melton City Council by Department of Education and the Caroline Springs College for the use of CS College Creekside Campus and the Spring side Children's and Childcare facility built on DOE land and Kororoit Creek Learning Centre. The balance represents Council's contributions net of amortisations.

Current & Non-Current Liabilities:

Payables

Creditors have increased by \$5.2m from the June 2019 balance of \$25.9m to \$31.1m at balance date. The outstanding payables amount varies from month to month depending upon the status of the accounts payable cycle.

Employee Benefits

Employee benefits represent current and non-current components of annual and long service leave liabilities at balance date. Current component of the liability being the amounts to be settled within the 12 months after the reporting period estimated at \$10.5m, with the non-current at \$1.7m. Any transfers to and from employee benefit will occur at year end.

Interest Bearing Liabilities:

Total loan liability as at 31 December 2019 is \$14.5m. Principal repayment at the end of 2nd quarter amounted to \$1.47m.

Working Capital and Liquidity:

The working capital ratio is used to assess Council's ability to meet current commitments and is derived by dividing current assets by current liabilities. The working capital ratio for the YTD period is 1:6.8. The ratio after removing the impact of rate debtors is 1:5.6

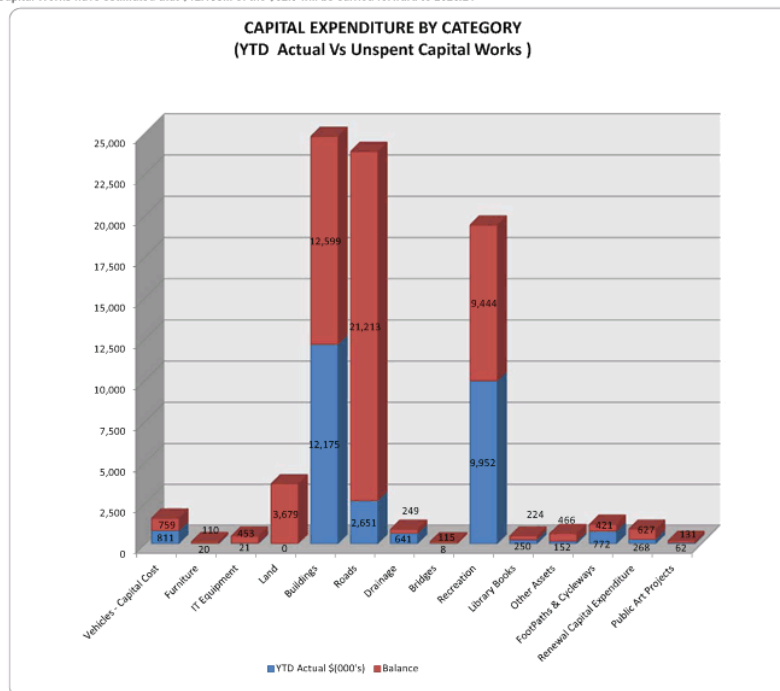
Last Year 2018/2019	CASH FLOW STATEMENT	Actuals 2019/2020	This Year Budget
YTD Actual Jun-19 \$(000's)		As at End Dec-19 \$(000's)	2019/2020 Annual Budget \$(000's)
	Cash Flow from Operating Activities		
	Finance Report		
112,825	Rate & Charges	67,839	122,546
7,892	Statutory Fees & Fines & Others	2,362	2,387
12,166	User Fees	(1,685)	17,337
31,028	Grants - Operating	12,854	29,811
10,655	Grants Capital	1,657	6,898
17,376	Contributions Monetary	13,914	30,306
3,672	Interest Received	1,904	3,583
10,245	Other Receipts	24,327	979
0	PAYMENTS		
(43,640)	Employee Costs	(27,039)	(62,240)
(65,997)	Materials and Services	(28,717)	(80,183)
96,222	NET CASH FROM OPERATING ACTIVITIES	67,417	71,425
	CASH FLOW FROM INVESTING ACTIVITIES		
(78,298)	Payments for Acquisition of Non-Current Assets	(27,583)	(66,714)
21,483	Proceeds from Sale of Non-Current Assets	15,805	15,190
(52,340)	Payments for Investments		
(62)	Proceeds from Sale of Investments		
(109,217)	NET CASH FROM INVESTING ACTIVITIES	(11,777)	(51,524)
	CASH FLOW FROM FINANCING ACTIVITIES		
(2,830)	Repayment of Loans	(1,466)	(2,966)
(839)	Borrowing Costs	(281)	(644)
1,308	Cash Receipts from Trust Funds	5,401	
(2,361)	NET CASH FROM FINANCING ACTIVITIES	3,655	(3,610)
(15,356)	NET INCREASE/(DECREASE) IN CASH HELD	59,295	16,291
	CASH POSITION		
132,905	Cash Balance at Beginning- as at 1st July	179,951	163,661
117,549	Cash Balance at End of Period	239,246	179,951

CAPITAL EXPENDITURE BY CATEGORY

Quarter Ended 31 December 2019
2019/2020 FINANCIAL YEAR

CAPITAL EXPENDITURE	YTD Actual \$(000's)	YTD Budget \$(000's)	YTD Variance \$(000's)	2nd Qtr Forecast \$(000's)	2019/20 Approved Budget \$(000's)	Balance Capex to Spend Compared to Forecast \$(000's)	2018/19 Post Budget Capital Carry Forward \$(000's)	2019/20 Capital Budget Including Post Budget C/F \$(000's)
Vehicles - Capital Cost	811	854	43	1,570	1,664	759	0	1,664
Furniture	20	38	19	130	157	110	0	157
IT Equipment	21	25	4	474	535	453	0	535
Land	0	0	0	3,679	2,694	3,679	0	2,694
Buildings	12,175	6,970	(5,204)	24,773	20,369	12,599	2,570	22,939
Roads	2,651	4,585	1,935	23,864	20,621	21,213	2,471	23,092
Drainage	641	80	(561)	890	210	249	0	210
Bridges	8	61	53	123	123	115	0	123
Recreation	9,952	6,465	(3,486)	19,396	17,235	9,444	2,788	20,023
Library Books	250	265	15	473	473	224	0	473
Other Assets	152	133	(19)	618	470	466	20	490
Footpaths & Cycleways	772	432	(340)	1,194	1,094	421	150	1,244
Renewal Capital Expenditure	268	268	0	895	895	627	0	895
Public Art Projects	62	100	38	193	175	131	18	193
Total Capex Excl Capital DCP In Kind	27,782	20,278	(7,504)	78,273	66,714	50,491	8,017	74,731
Capital DCP in Kind	0	8,831	8,831	29,856	35,337	29,856	0	0
Total Capital Expenditure	27,782	29,109	1,327	108,129	102,051	80,347	8,017	74,731

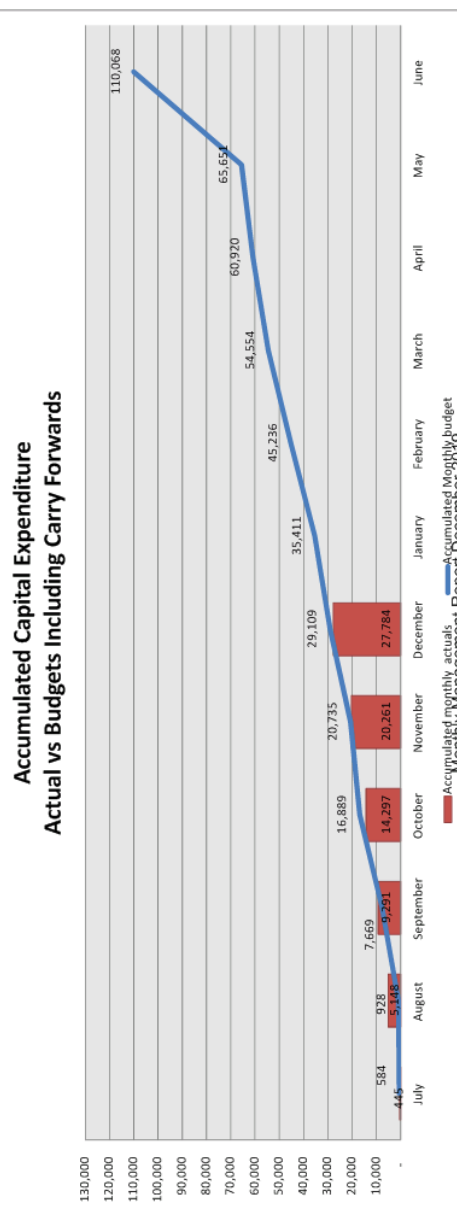
The balance capital expenditure required to achieve the 2019/20 forecast is \$52.9m (i.e. \$78.07 Forecast less Actual Ytd \$25.2m).
Capital Works have estimated that \$12.138m of the \$52.9 will be carried forward to 2020/21



MONTHLY ANALYSIS OF CAPITAL EXPENDITURE
2019/2020 FINANCIAL YEAR

CAPITAL EXPENDITURE	Total \$(000's)	JUL \$(000's)	AUG \$(000's)	SEP \$(000's)	OCT \$(000's)	NOV \$(000's)	DEC \$(000's)	JAN \$(000's)	FEB \$(000's)	MAR \$(000's)	APR \$(000's)	MAY \$(000's)	JUN \$(000's)
0601 - Vehicles - Capital Cost	811	74	37	102	93	108	398						
0602 - Furniture	20	4	1	2	10	3	0						
0603 - IT Equipment	21	0	21	0	0	0	0						
0604 - Land	0	0	0	0	0	0	0						
0605 - Buildings	12,175	315	1,684	3,533	2,095	2,914	1,634						
0606 - Roads	2,651	39	666	132	134	554	1,125						
0607 - Drainage	641	0	1	44	42	287	267						
0608 - Bridges	8	0	0	0	0	8	0						
0609 - Recreation	9,952	74	2,142	51	2,275	1,908	3,502						
0610 - Library Books	250	78	55	16	26	39	36						
0611 - Other Assets	152	(17)	1	36	70	20	42						
0613 - Footpaths & Cycleways	772	(122)	58	209	174	69	385						
0614 - Renewal Capital Expenditure	268	0	22	18	80	30	117						
0620 - Public Art Projects	62	0	15	0	0	32	14						
Total Capital Expenditure Excl Capital DCP	27,782	445	4,702	4,143	5,007	5,964	7,520	0	0	0	0	0	0
In Kind	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital DCP in Kind	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CAPITAL EXPENDITURE	27,782	445	4,702	4,143	5,007	5,964	7,520	0	0	0	0	0	0

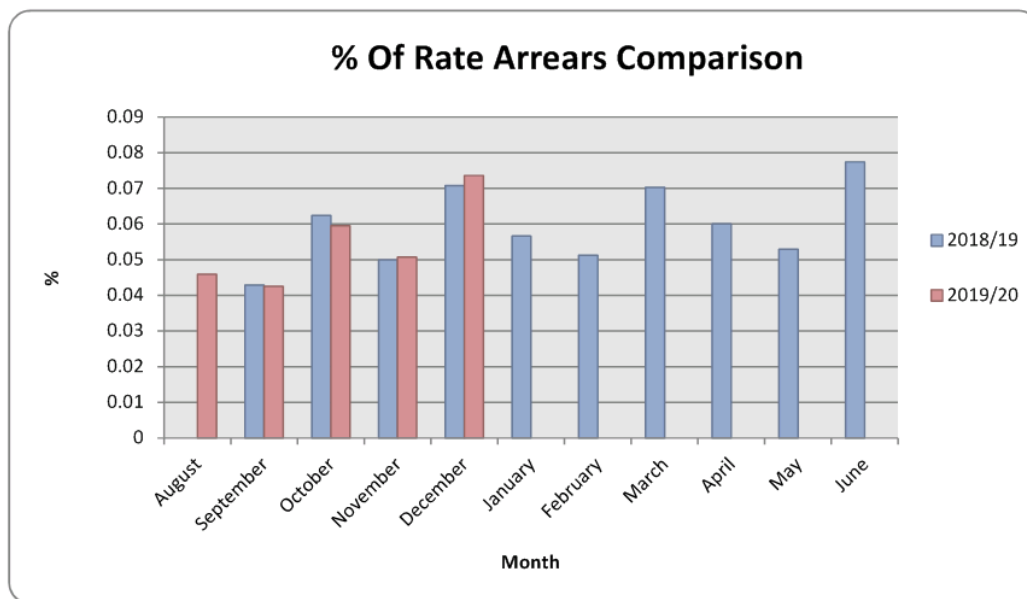
* Public Art Expenditure on Projects are charged to the respective projects. Any additional expenditure will be transferred out of reserves at year end.



Analysis of Overdue Instalment Rate Debtors - December 2019*(Excluding Fire Service Levy)*

<i>Overdue Rate Debtors</i>	<i>No of Properties</i>	<i>Debts Outstanding (\$)</i>
<i>Owings</i>		
<i>Less Than \$1000</i>	5,724	2,717,084
<i>\$1000 to \$1999</i>	1,168	1,582,913
<i>\$2000 to \$4999</i>	629	2,042,918
<i>\$5000 to \$10,000</i>	242	1,647,172
<i>Greater Than 10,000</i>	100	1,655,743
Total	7,863	9,645,830

There are 762 Properties in credit. Total Credit is \$797,510



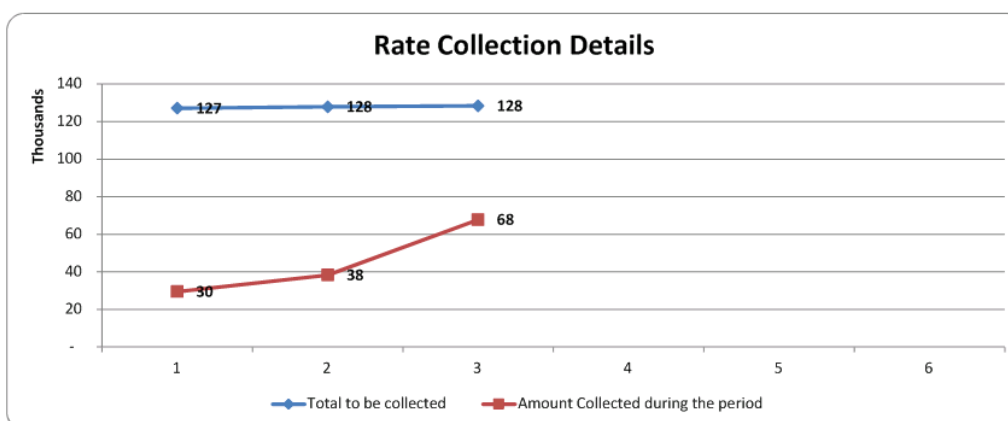
Summary of Overdue Rate Debt Arrears & Recovery Actions - December 2019

SUMMARY OF OVERDUE RATE DEBT ARREARS & RECOVERY AS AT 31 December 2019	NO OF PROPERTIES	RATE DEBTS OUTSTANDING \$000'S
Summons issued	179	737
Judgements issued	45	216
Summons for Oral Examination	256	1,857
Legal Arrangements	3	53
Other action - Demand Letters etc	431	1,750
Total Debt Recovery Action In Progress	914	4,613
Arrangements in place - Non Legal	940	688
Properties with no recovery/arrangements in place	6,009	4,344
TOTAL	7,863	9,645

Number of Financial Hardship applications received in December 2019 is 11

Rate Balances & Collection Details

Rate Collection Details	Jul-Sep	Oct	Nov-Dec	Jan-March	Apr-May	June
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Outstanding Balance as at 1 July 2017	6,687					
Rates raised in 2017-2018	120,788					
Interest raised to date	96	114	85			
Rebates, adjustment and unallocated Pmts	(4,271)	256	3			
Supplementary rates raised	3,829	396	392			
Total to be collected	127,129	127,895	128,375	128,375	128,375	128,375
Amount Collected during the period	29,511	38,321	67,839			
Balance to be collected	97,618	89,574	60,536			



ORDINARY MEETING OF COUNCIL

2 MARCH 2020

Item 12.5 Finance Report - Period Ended 31 December 2019

Appendix 1 2019/2020 Finance Report - 6 months ended 31 December 2019

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Capital Projects Report for the Month of December 2019

Project	YTD Actuals	YTD Budgets	YTD Variance	Council Adopted Budget	Post Budget Capital Carry Forwards	Council Adopted Budget Incl. Post Budget Carry Forward	2 QTR Forecast Expenditure	2 QTR Forecast Carry Forward	2nd Quarter Forecast QTR Forecast	Variance Budget Incl. Carry Forward to 2nd Qtr Forecast	Percent of Budget Spent
Total Capital Expenditure	27,781,896	20,278,232	-7,503,664	66,714,082	8,017,244	74,731,326	66,135,221	12,137,540	78,272,761	-3,541,435	
01605 - Plant Purchases/Replacement	810,602	854,000	43,398	1,664,000	0	1,664,000	1,570,000	0	1,570,000	94,000	
02033 - Annual Computer Replacement Project	21,259	25,000	3,741	535,000	0	535,000	474,000	0	474,000	61,000	
02305 - Library Collection	248,306	260,000	11,694	450,000	0	450,000	450,000	0	450,000	0	
03110 - Shared/Bicycle Paths Construction Program	210,468	217,630	7,162	653,544	18,000	671,544	824,000	0	824,000	-152,456	
03124 - New Footpaths Construction Program	12,757	141,570	128,813	283,256	0	283,256	283,256	0	283,256	0	
03140 - Footpaths Maintenance/Replacement	479,061	432,044	-47,017	1,093,886	0	1,093,886	1,093,886	0	1,093,886	0	
03170 - PR54 Annual Resurfacing Periodic Reseals	0	0	0	963,350	0	963,350	963,350	0	963,350	0	
03196 - PR183 Westwood Drive Bridge	99,900	0	-99,900	400,000	0	400,000	400,000	0	400,000	0	
03252 - PR81 WSUD (Water Sensitive Urban Design Program)	313,009	29,988	-283,021	60,000	0	60,000	375,000	0	375,000	-315,000	
03575 - Melton Recycling Facility Improvements	1,730	0	-1,730	500,000	0	500,000	500,000	0	500,000	0	
03721 - Traffic Management Devices Program	239,319	155,310	-84,009	310,744	30,000	340,744	340,744	0	340,744	0	
03732 - Major Traffic Management Upgrade Program	49,330	229,104	179,774	688,000	0	688,000	688,000	0	688,000	0	
03904 - PSP Council Funded Porton WKKLand	0	0	0	1,082,593	0	1,082,593	1,705,661	0	1,705,661	-623,068	
03908 - PSP-Public Open Space Compensation	0	0	0	261,223	0	261,223	623,633	0	623,633	-362,410	
05175 - Melton Secondary College Sports Field	80,092	0	-80,092	0	0	0	330,000	0	330,000	-330,000	
05409 - Brookside Pavilion redevelopment	0	0	0	450,000	0	450,000	0	450,000	450,000	0	
06003 - Parks & Open Space Structures Renewal	27,080	45,290	18,210	220,000	0	220,000	220,000	0	220,000	0	
06006 - Parks Playgrounds and Furniture	87,667	60,000	-27,667	200,000	0	200,000	200,000	0	200,000	0	
06017 - Irrigation System Renewal Program	68,080	60,000	-8,080	200,000	0	200,000	200,000	0	200,000	0	
06821 - Kurunjang Tennis Courts	6,208	224,670	218,462	674,684	0	674,684	674,684	0	674,684	0	
07035 - PR48 Female Change Room Upgrade	59,744	133,200	73,456	400,000	300,000	700,000	700,000	0	700,000	0	
07221 - PR74 Morton Homestead Play Space	38,783	88,245	49,462	265,000	0	265,000	455,000	0	455,000	-190,000	
08475 - PR78 Plumpton Aquatic & Leisure Centre	0	0	0	3,000,000	0	3,000,000	0	3,000,000	3,000,000	0	
08713 - PR89 Netball Court Upgrade	107,200	69,616	-37,584	209,057	0	209,057	209,057	0	209,057	0	
08726 - PR73 Drainage Infrastructure Program	327,856	49,950	-277,906	150,000	0	150,000	455,000	0	455,000	-305,000	
08729 - PR 68 Roadside Hazard/Safety Improvements Program	822	180,000	179,178	180,000	0	180,000	260,000	0	260,000	-80,000	
08737 - PR31 Streetscape Improvements	95,847	279,576	183,729	559,381	0	559,381	700,000	0	700,000	-140,619	
08756 - Road Rehabilitation Program	1,873	613,704	611,831	4,911,594	0	4,911,594	4,231,594	680,000	4,911,594	0	
08763 - PR101 City Vista Sports Facility (THW)	2,135,117	1,898,252	-236,865	1,898,252	0	1,898,252	1,898,252	0	1,898,252	0	
08770 - CapEx Program - Building Component Renewals	82,520	70,000	-12,520	880,000	0	880,000	880,000	0	880,000	0	
08775 - PR100 Fraser Rise Community Centre	4,418,619	1,095,742	-3,322,877	1,095,742	800,000	1,895,742	1,895,742	0	1,895,742	0	
08782 - Bridge Road	0	0	0	0	0	0	200,000	0	200,000	-200,000	
08815 - PR80 Burnside Heights Recreation Reserve-Car park	0	109,956	109,956	220,000	0	220,000	220,000	0	220,000	0	
08846 - PR72 Caroline Springs Blvd & Rockbank Middle Rd Si	39,584	200,000	160,416	1,894,174	0	1,894,174	1,894,174	0	1,894,174	0	
08872 - PR98 Macpherson Park Redevelopment	6,302,677	3,712,318	-2,590,359	7,424,637	0	7,424,637	7,424,637	0	7,424,637	0	
08885 - PR57 Ainslie Community Hub	248,356	427,189	178,833	1,282,850	0	1,282,850	300,000	0	300,000	982,850	
08892 - PR48 Eynesbury Sporting Facility	1,484,477	0	-1,484,477	4,500,000	1,282,095	5,782,095	5,200,000	582,095	5,782,095	0	
08901 - PR31 Melton Central Community Centre (Whitehouse)	1,889,392	1,436,895	-452,497	4,315,000	0	4,315,000	4,290,000	25,000	4,315,000	0	
08910 - PR20 Cobblebank Indoor stadium	926,068	1,200,000	273,932	3,000,000	0	3,000,000	3,000,000	0	3,000,000	0	
13012 - Toilet facility at Tentfield Park, Burnside Heig	0	49,980	49,980	100,000	100,000	200,000	200,000	0	200,000	0	
13015 - Pedestrian Level Crossing Upgrades	0	0	0	0	2,273,213	2,273,213	2,273,213	0	2,273,213	0	
13020 - Taylors Rd (West Botanical Dr to West City Vista)	0	288,950	288,950	867,718	50,000	917,718	0	917,718	917,718	0	
13022 - PR71 Bulmans Road Urbanisation	0	166,500	166,500	500,000	0	500,000	500,000	0	500,000	0	
13023 - PR86 Turlingtons Road Widening	941,436	324,141	-617,295	1,297,087	0	1,297,087	1,297,087	0	1,297,087	0	
13026 - PR27 Taylors Rd and Westwood Dr Intersection	13,121	300,000	286,879	2,500,000	0	2,500,000	300,000	2,200,000	2,500,000	0	
13030 - PR53 City Vista Court	29,444	201,249	171,805	604,351	0	604,351	604,351	0	604,351	0	
13033 - PR65 Ferris Rd Hollingsworth Dr Intersection	566,699	473,544	-93,155	947,087	0	947,087	911,087	36,000	947,087	0	
13035 - PR34 Shogaki Dve land Purchase	0	0	0	1,350,000	0	1,350,000	0	1,350,000	1,350,000	0	
13048 - Caroline Springs Lake Public Toilet	13,864	49,980	36,116	100,000	100,000	200,000	200,000	0	200,000	0	
13055 - Eynesbury Station Primary School - Design Cost	0	0	0	0	240,000	240,000	0	0	0	240,000	
13057 - PR80 Arbour Boulevard Reserve Play Space	5,765	0	-5,765	315,000	300,000	615,000	658,000	42,000	700,000	-85,000	
13058 - PR77 Bloomsbury Drive Play Space	7,339	0	-7,339	0	350,000	350,000	770,000	40,000	810,000	-460,000	
13059 - PR99 CS Community Pavilion Extension	62,919	453,005	390,086	1,360,375	900,000	2,260,375	1,500,000	760,375	2,260,375	0	
13064 - PR76 Marlo Drive reserve development	729,371	0	-729,371	360,000	400,000	760,000	837,637	0	837,637	-77,637	
13065 - PR85 Stan Payne Reserve Play Space	18,550	116,550	98,000	350,000	300,000	650,000	650,000	0	650,000	0	
13066 - PR7 Diggers Rest Kindergarten Extension	797,156	583,740	-213,416	967,482	0	967,482	942,482	25,000	967,482	0	
13068 - Eynesbury Station Early Learning Centre	231,829	600,000	368,171	1,200,000	0	1,200,000	900,000	300,000	1,200,000	0	
13076 - PR89 Solar Retrofit Program	0	0	0	200,000	0	200,000	200,000	0	200,000	0	
13077 - PR2 Boundary Road - Mt Cottrell to The Mall	7,230	0	-7,230	1,000,000	0	1,000,000	100,000	900,000	1,000,000	0	
13078 - PR 46 Brooklyn Rd Signalised Pedestrian Crossing	39,670	266,400	226,730	800,000	0	800,000	400,000	400,000	800,000	0	
13094 - Melton Health Refurbishment	959,221	0	-959,221	0	0	0	970,000	0	970,000	-970,000	
13104 - Courthouse Cafe	11,550	250,000	238,450	250,000	0	250,000	250,000	0	250,000	0	
13109 - Melton Waves External Fabric Renewals	666,888	299,700	-367,188	900,000	0	900,000	900,000	0	900,000	0	
Combined Projects under \$200,000	1,766,038	1,555,244	-210,794	3,869,015	573,936	4,442,951	4,641,694	429,352	5,071,046	-628,095	

Capital Projects Report for the Month of December 2019

Summary of Major Variances Budget to 2nd Quarter Forecast	Variance Budget Incl Carry Forward to 2nd Qtr Forecast	Explanation
03110 - Shared/Bicycle Paths Construction Program	-152,456	Additional forecast amount required to complete backlog from previous financial years
03252 - PR81 WSUD (Water Sensitive Urban Design Program)	-315,000	Additional forecast amount required to complete backlog from previous financial years
03904 - PSP Council Funded Portion WIL/Land	-623,068	PSP Developer works that weren't budgeted but are fully offset by Developer Contributions
03908 - PSP-Public Open Space Compensation	-362,410	PSP Developer works that weren't budgeted but are fully offset by Developer Contributions
05175 - Melton Secondary College Sports Field	-330,000	Unbudgeted project that is fully funded by the Victorian School Building Authority
07221 - PR74 Morton Homestead Play Space	-190,000	Additional forecast amount will be offset through GSF funding that wasn't budgeted
08726 - PR73 Drainage Infrastructure program	-305,000	Additional forecast amount required to complete backlog from previous financial years
08729 - PR 68 Roadside Hazard/Safety Improvements Program	-80,000	Additional forecast amount required to complete backlog from previous financial years
08737 - PR31 Streetscape Improvements	-140,619	Additional forecast required to complete pedestrian crossing in front of Melton Library
08782 - Bridge Road	-200,000	Project was not completed in 2017/18 and surplus funds weren't carried forward. Funds required to complete project in 2019/20
08885 - PR57 Aintree Community Hub	982,839	Project was completed ahead of schedule. As a result 2018/19 expenditure exceeded budget and 2019/20 expenditure will be below budget.
13055 - Eynesbury Station Primary School - Design Cost	240,000	Project has two ledgers 13055 and 13068. The budgeted amount is a duplication and not required. Council has recently been successful in receiving \$3.2M funding under the GSF program and the the Children Facilities Capital program.
13058 - PR77 Bloomsbury Drive Play Space	-460,000	Additional forecast amount will be offset through GSF funding that wasn't budgeted
13094 - Melton Health Refurbishment	-970,000	Additional forecast amount will be offset against the accommodation reserve.
Summary of Major Variances YTD Budget to YTD Actual	YTD Variance	Explanation
03252 - PR81 WSUD (Water Sensitive Urban Design Program)	-283,021	Expenditure has exceeded budget due to backlog from previous financial years
06821 - Kurlung Tennis Courts	218,462	The project is being delivered in accordance with the project schedule. Budget phasing is not aligned with expected contractor payments.
08726 - PR73 Drainage Infrastructure program	-277,906	Expenditure has exceeded budget due to backlog from previous financial years
08737 - PR31 Streetscape Improvements	233,298	Additional forecast required to complete pedestrian crossing in front of Melton Library
08756 - Road Rehabilitation Program	611,831	This is a program of works. One project has been delayed and will be completed in 2020/21.
08763 - PR101 City Vista Sports Facility (THW)	-236,865	Additional scope items approved by Council have resulted in the project exceeding the budget allocation.
08775 - PR100 Fraser Rise Community Centre	-3,322,877	The project was incorrectly budgeted. External funding has been received to offset the budget overrun.
08872 - PR98 Macpherson Park Redevelopment	-2,590,356	The project is proceeding according to the project schedule. Contract payments are not aligned with budget phasing.
08892 - PR48 Eynesbury Sporting Facility	-1,484,477	The project has two ledger 8892 and 13025. Expenditure is being charged against ledger 8892.
08910 - PR20 Cobblebank Indoor stadium	273,932	The project is being delivered in accordance with the project schedule. Budget phasing is not aligned with expected contractor payments.
13020 - Taylors Rd (West Botanical Dr to West City Vista)	288,958	The project is currently being designed and will be delivered in 2020/21
13023 - PR86 Tarletons Road Widening	-617,295	The project has proceeded faster than anticipated in the budget phasing.
13026 - PR27 Taylors Rd and Westwood Dr Intersection	285,871	The project spans multiple financial years. The profiling across financial years doesn't match project requirements.
13059 - PR99 CS Community Pavilion Extension	390,088	The project spans multiple financial years. The profiling across financial years doesn't match project requirements. Surplus funds will be carried forward to 2020/21.
13064 - PR76 Marlo Drive reserve development	-729,371	The project was commenced earlier than anticipated in the budget phasing.
13066 - PR7 Diggers Rest Kindergarten Extension	-213,419	The project has proceeded faster than anticipated in the budget phasing.
13068 - Eynesbury Station Early Learning Centre	368,171	The project spans multiple financial years. The profiling across financial years doesn't match project requirements. Surplus funds will be carried forward to 2020/21.
13078 - PR 46 Brooklyn Rd Signalised Pedestrian Crossing	226,730	The project spans multiple financial years. The profiling across financial years doesn't match project requirements. Surplus funds will be carried forward to 2020/21.
13094 - Melton Health Refurbishment	-959,221	Project expenditure will be offset against the accommodation reserve.
13104 - Courthouse Cafe	236,455	Project is currently being scoped and will commence in due course.
13109 - Melton Waves External Fabric Renewals	-367,188	The project has proceeded faster than anticipated in the budget phasing.
Summary of Major Forecast Carry Forward	2 QTR Forecast Carry Forward	Explanation
05409 - Brookside Pavilion redevelopment	450,000	The project has been on hold pending Council direction on the project scope.
08475 - PR78 Plumpton Aquatic & Leisure Centre	3,000,000	The budget is for the purchase of land for the Plumpton Aquatic and Leisure Centre. The land will not be available for purchase in the current financial year. The full budget will be carried forward.
08756 - Road Rehabilitation Program	680,000	This is a program of works. One project has been delayed and will be completed in 2020/21.
08892 - PR48 Eynesbury Sporting Facility	582,095	The project spans multiple financial years. The profiling across financial years doesn't match project requirements. Surplus funds will be carried forward to 2020/21.
13020 - Taylors Rd (West Botanical Dr to West City Vista)	917,718	The project is currently being designed and will be delivered in 2020/21
13026 - PR27 Taylors Rd and Westwood Dr Intersection	2,200,000	Additional funds were allocated to this project by Council that exceeded requirement for 2019/20 FY. Surplus funds will be carried forward to 2020/21.
13035 - PR34 Shogaki Dye land Purchase	1,350,000	Land purchase is now forecast to occur in 2020/21.
13059 - PR99 CS Community Pavilion Extension	760,375	The project spans multiple financial years. The profiling across financial years doesn't match project requirements. Surplus funds will be carried forward to 2020/21.
13068 - Eynesbury Station Early Learning Centre	300,000	The project spans multiple financial years. The profiling across financial years doesn't match project requirements. Surplus funds will be carried forward to 2020/21.
13077 - PR2 Boundary Road - Mt. Cottrell to The Mall	900,000	Project is being jointly funded by Wyndham Council. The project is currently being designed and will be delivered in 2020/21.
13078 - PR 46 Brooklyn Rd Signalised Pedestrian Crossing	400,000	The project spans multiple financial years. The profiling across financial years doesn't match project requirements. Surplus funds will be carried forward to 2020/21.