

6.5.2 Quarterly Financial Report

Responsible GM: Debbie Tyson
Author: Richard Williams

Recommendation(s)

That Council

- Receives and notes the quarterly financial report for the period 1 July 2020 to 31 December 2020.
- Notes that the Chief Executive Officer, as required under Section 97(3) of the Local Government Act 2020, is of the opinion a revised budget is not required.

Attachments

1. Financial Performance Report - December 2020 [6.5.2.1 - 16 pages]
2. Capital Works Report - December 2020 [6.5.2.2 - 8 pages]
3. Income Statement and Balance Sheet Glossary [6.5.2.3 - 3 pages]

Executive Summary

This report summarises Council's financial performance for the six months ended 31 December 2020.

Background

The report is broken into a number of parts highlighting different components that affect the financial performance of Council, and includes the following financial statements:

- Income Statement – Analysed by income, expenditure and non-recurrent Items. A favourable budget variance is reported where actual income exceeds budget or actual expenditure is less than budget. An unfavourable budget variance is reported where actual income is less than budgeted or actual expenditure exceeds budget.
- Balance Sheet;
- Cashflow Statement; and
- Capital Works.

Also included is a summary of the COVID-19 impacts on the 2020-21 income statement and performance against the Victorian Auditor General's Office (VAGO) financial sustainability indicators.

Policy Implications

Nil

Relevance to Council Plan

5.3 Our Governance - Long-term financial sustainability

5.3.3 Manage the municipality's finances and assets in a responsible way.

Climate Emergency Consideration

Nil

Consultation/Communication

Accountants within the Finance business unit meet monthly with Business Unit Managers to discuss their year-to-date progress against the budget for both the Operating and Capital Works programs. Results of these discussions provide input to the completion of the Monthly Financial Performance Report and are further discussed with the relevant General Manager. The Monthly Financial Performance Report is subsequently presented monthly to the Senior Leadership Team and quarterly to Council.

Financial and Resource Implications

The analysis undertaken as part of the Financial Performance Report is based on the differences between the 2020-21 budget adopted in June 2020 and the actual result as at 31 December 2020.

The adjusted underlying result at the end of December is a surplus of \$6.1m, which is \$10.0m favourable to the year-to-date budgeted deficit of (\$4.0m). The adjusted surplus excludes capital income and other abnormals, but does include recurrent capital grants. The unadjusted result is a surplus of \$47.2m which is \$13.8m favourable to the year-to-date budgeted surplus of \$33.4m.

At the end of December, total income is \$7.4m favourable. Non-cash development levies are \$12.4m favourable, but have been offset by non-cash capital contributions which are (\$12.5m) unfavourable. Operating grant and capital grant revenue are \$4.1m and \$3.5m favourable respectively, partly due to recognition this financial year of grants received last financial year and recognition of unbudgeted grants. The major unbudgeted operating grants are for Working for Victoria and Local Councils Outdoor Eating & Entertainment Package, and the major unbudgeted capital grants are for the Princes Highway shared pathway and Comely Banks Recreation Reserve sport fields and car parks projects.

Total expenditure is \$6.4m favourable. Materials & services expenditure \$4.8m favourable, primarily due to timing variances in contract payments and other major items of expenditure, including recreation reserve grants. Employee benefits are \$1.8m favourable mainly as a result of vacant positions within the organisation, planned delayed recruitment, and favourable adjustments to leave provisions. These have been partly offset by depreciation expense, which is (\$1.1m) unfavourable due to a one-off adjustment for drainage depreciation following an external review of drainage assets. Detailed variance analysis is included in the attached Financial Performance report.

The year-end result forecast as at the end of December is an adjusted underlying deficit of (\$722k) which is (\$137k) unfavourable to the adopted budget adjusted underlying result of a (\$585k) deficit. The unadjusted result is forecast to be \$37k favourable to the adopted budget, with income forecast to be \$291k favourable and expenditure (\$253k) unfavourable.

Combined non-cash capital contributions and developer levies are forecast to be in line with budget, with capital contributions (\$15.0m) unfavourable and developer levies \$15.0m favourable. Operating grants are forecast to be \$2.7m favourable mainly due to recognition of unbudgeted grants.

These are partly offset by income forecasts under budget for: interest income (\$1.1m) due to lower interest rates; rates and charges (\$362k) mainly in interest charges, due to the impact

of COVID-19, and in garbage charges; statutory fees & fines (\$431k) mainly due to the impact of COVID-19; and user fees (\$279k), also mainly due to the impact of COVID-19.

Depreciation is forecast to be (\$822k) unfavourable by 30 June 2021, mainly due to a one-off adjustment for drainage, and materials & services are forecast to be (\$508k) unfavourable. These are partly offset by forecast budget underspends in employee benefits \$536k, mainly as a result of vacancies within the organisation, other expenses \$153k and finance costs \$150k.

The total cash balance at the end of December 2020 is \$103.4m, which is \$29.9m more than budget due to a higher than anticipated cash holding at 30 June 2020, but nevertheless is (\$334k) lower than as at the end of June 2020. Council cash, which is \$2.6m higher, has been offset by DCP cash being (\$2.9m) lower. A total cash deficit at 31 December of (\$3.2m) is after external restrictions on cash of \$62.7m and intended allocations of \$43.9m. Council is currently forecasting a total cash balance including total financial assets of \$93.2m at 30 June 2021 compared to a budget of \$91.6m.

Total capital works project expenditure to 31 December 2020 is \$21.8m, which is (\$15.5m) lower than at the same time last year and (\$737k) lower than the year-to-date budget. The combined forecast capital works expenditure for 2020-21 of \$80.5m and carryover to 2021-22 of \$10.2m is (\$2.1m) greater than full year budget adjusted for actual carry-overs from 2019-20. This is mainly in footpaths (\$1.8m), buildings (\$884k), and plant & machinery (\$358k). Further variance details are included in the attached Capital Works report.

Council has committed approximately 62% of the expenditure \$88.6m full year budget as at 31 December 2020, with 25% actually spent. Some of the key projects where council have committed funds in the second quarter are: Comely Banks Recreation Reserve, Emerald netball building works completed in defects/maintenance stage, land acquisitions, plant replacement, Sealing the Hills program, works on footpaths replacement, bridges replacement/upgrade, roads resealing, unsealed roads resheeting program, and Gembrook Reserve.

The Infrastructure team was successful in receiving unbudgeted grant funding of \$0.99m for the Princes Highway (South Side) shared pathway, with council funding \$999k from DCP funds to deliver the program.

For further details, Councillors are referred to the detailed Financial Performance Report attached.

Conclusion

It is appropriate that the Council receives and notes the Financial Performance Report for the period 1 July 2020 to 31 December 2020.



Financial Performance Report

**For the period
1 July 2020
to
31 December 2020**

Contents
December 2020

Executive Summary	1
Results at a Glance	3
Income Statement	4
Income Statement Major Variance Analysis	5
COVID-19 Impacts	9
Balance Sheet	12
Cash Flow Statement	13
VAGO Financial Sustainability Indicators	15

Executive Summary

December 2020

Background

The financial report includes three of the six budgeted financial statements from Section 3 (Financial Statements) of the 2020-21 adopted budget. The information provides a summary of Cardinia Shire Council's financial position and performance for the period to 31 December 2020 against the adopted budget.

Financial Performance summary

	YTD Actual \$'000	YTD Budget \$'000	YTD Variance Fav/(Unfav) \$'000	YTD Variance Fav/(Unfav) %
Total Income	104,626	97,178	7,448	7.7%
Total Expenditure	57,419	63,771	6,351	10.0%
Surplus/(Deficit)	47,207	33,408	13,799	
less: Capital income and other abnormals	42,029	38,264	(3,764)	
add back: Recurrent capital grants	873	873	0	
Adjusted underlying Surplus/(Deficit)	6,052	(3,984)	10,035	

The adjusted underlying result at the end of December is a surplus of \$6.1m, which is \$10.0m favourable to the year-to-date budgeted deficit of (\$4.0m). The adjusted surplus excludes capital income and other abnormals, but does include recurrent capital grants. The unadjusted result is a surplus of \$47.2m which is \$13.8m favourable to the year-to-date budgeted surplus of \$33.4m.

At the end of December, total income is \$7.4m favourable and total expenditure is \$6.4m favourable. Refer to later in the report for further details on areas with major variances to budget.

The total cash balance at the end of December 2020 is \$103.4m, which is \$334k lower than as at the end of June 2020. Council cash, which is \$2.6m higher, has been offset by DCP cash, which is \$2.9m lower. The total of restricted cash and intended allocations is \$106.6m, which results in a cash deficit of \$3.2m. The third rates instalment for 2020-21 is due at the end of February 2021. The forecast cash balance at 30 June 2021 is \$93.2m, which is \$1.6m higher than budget.

Executive Summary

December 2020

Year-end forecast

	Full Year Forecast \$'000	Full Year Budget \$'000	Full Year Variance Fav/(Unfav) \$'000	Full Year Variance Fav/(Unfav) %
Total Income	220,199	219,908	291	0.1%
Total Expenditure	128,096	127,843	(253)	-0.2%
Surplus/(Deficit)	92,103	92,065	37	
less: Capital income and other abnormals	94,985	94,812	(174)	
add back: Recurrent capital grants	2,161	2,161	0	
Adjusted underlying Surplus/(Deficit)	(722)	(585)	(137)	

The year-end forecast result as at the end of December is an adjusted underlying deficit of (\$722k) which is (\$137k) unfavourable to the adopted budget adjusted underlying result of a (\$585k) deficit. The unadjusted result is forecast to be \$37k favourable to the adopted budget, with income forecast to be \$291k favourable and expenditure \$253k unfavourable.

Combined non-cash capital contributions and developer levies are forecast to be in line with budget, with capital contributions (\$15.0m) unfavourable and developer levies \$15.0m favourable.

Operating grants are forecast to be \$2.7m favourable mainly due to recognition of unbudgeted grants.

These are partly offset by forecasts under budget for: interest income (\$1.1m) due to lower interest rates; rates and charges (\$362k) mainly in interest charges, due to impact of COVID-19, and in garbage charges; statutory fees & fines (\$431k) mainly due to the impact of COVID-19; and user fees (\$279k), also mainly due to the impact of COVID-19.

Depreciation is forecast to be (\$822k) unfavourable, mainly due to a one-off adjustment for drainage, and materials & services are forecast to be (\$508k) unfavourable. These are partly offset by forecast budget underspends in employee benefits \$536k, mainly as a result of vacancies within the organisation, other expenses \$153k and finance costs \$150k.

Results at a Glance
For the period ended 31 December 2020

	YTD Actual \$'000	YTD Variance Fav/(Unfav) \$'000	Full Year Forecast \$'000	Full Yr Variance Fav/(Unfav) \$'000
Adjusted underlying result	6,052	10,035 ↑	(722) ↓	(137) ↓

VAGO Key Indicators	Full Yr Forecast	Full Yr Budget	Scale		
Adjusted underlying result (%)	-0.57% ↓	-0.46%	<0%	0% - 5%	>5%
Liquidity (ratio)	2.32 →	2.32	<0.75	0.75 - 1.0	>1.0

Cash Summary	\$'000
Cash Balance	103,414
less: Restricted Cash	62,694
Unrestricted Cash	40,720
less: Intended Allocations	43,890
Net Cash Available	(3,170) ↓

Rates Arrangements			Financial Hardship Applications		
Status	#	\$		Total No. of Applications	Rates currently outstanding \$'000
Active	384	683,016			
Overdue	654	1,264,048	2019-20	71	113.0
Total	1,038	1,947,064	2020-21	42	208.8

COVID-19 Rates Rebates		
	#	\$
Rate Run	215	10,750
Manual	667	33,350
Total	882	44,100

Sundry Debtor Balance	90+ Days		Movement	
	Last Month	This Month	\$'000	↑
	\$'000	\$'000		
	216	255	(40)	

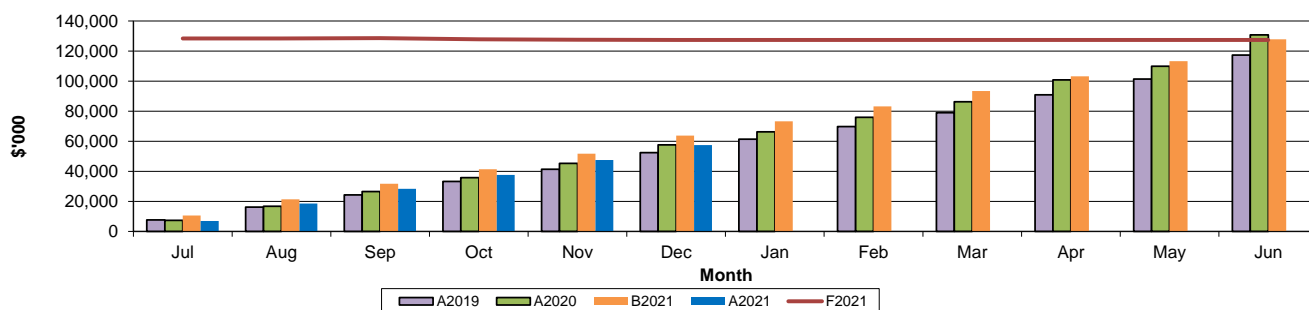
Rates Debtor Balance			Movement	
	Last Month	This Month	\$'000	↓
	\$'000	\$'000		
	62,686	55,877	6,809	

Capital Works Summary				
Capital - YTD Performance	YTD Actual	YTD Budget	YTD Underspend / (Overspend)	
Project Expenditure	21,814	22,551	737	
Capital - Full Year	Full Year Forecast	Full Year Budget	Carryover	Full Year Underspend / (Overspend)
Project Expenditure	80,514	88,610	10,185	(2,140)
Capital Project Progress Tracking	No of Projects			
<3 mth behind	8			
>6 mth behind	3			
3-6 mth behind	2			
Ahead of Schedule	1			
Complete	18			
NA	5			
On Track	89			
TOTAL	126			

Income Statement
For the period ended 31 December 2020

	MTD Actual	MTD Budget	MTD Variance Fav/(Unfav)	YTD Actual	YTD Budget	YTD Variance Fav/(Unfav)	Full Year Forecast	Full Year Budget	Full Year Variance Fav/(Unfav)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income									
1 Rates and charges	8,366	8,297	69	50,084	49,696	388	99,679	100,041	(362)
2 Statutory fees and fines	631	282	349	1,811	2,090	(279)	4,073	4,504	(431)
3 User Fees	168	283	(115)	906	1,057	(152)	1,843	2,121	(279)
4 Contributions (cash)	768	24	743	783	183	599	267	342	(75)
5 Grants - Operating	1,789	178	1,611	8,351	4,214	4,137	17,285	14,593	2,692
6 Other revenue	87	149	(62)	515	974	(459)	1,873	2,096	(223)
7 Interest	26	117	(90)	194	700	(506)	350	1,400	(1,050)
8 Grants - Capital	6,038	6,000	38	11,195	7,732	3,463	33,919	33,745	174
9 Capital Contributions (cash)	0	0	0	0	1	(1)	3	3	0
10 Development Levies (cash)	318	1,339	(1,020)	8,511	8,032	480	16,063	16,063	0
11 Capital Contributions (non cash)	2,321	3,750	(1,429)	9,953	22,500	(12,547)	30,000	45,000	(15,000)
12 Development Levies (non cash)	257	0	257	12,369	0	12,369	15,000	0	15,000
13 Net gain(loss) on disposal of property, infrastructure, plant	(10)	(0)	(10)	(45)	0	(45)	(156)	0	(156)
Total income	20,758	20,417	341	104,626	97,178	7,448	220,199	219,908	291
Expenses									
14 Employee benefits	3,882	4,643	761	19,021	20,796	1,775	41,386	41,921	536
15 Materials & Services	3,464	4,785	1,321	22,679	27,433	4,754	54,969	54,461	(508)
16 Bad & doubtful debts	0	15	15	3	115	112	136	201	66
17 Depreciation	2,261	2,253	(7)	14,572	13,519	(1,053)	27,860	27,039	(822)
18 Other Expenses	68	207	139	450	1,048	598	2,324	2,477	153
19 Finance costs	159	148	(10)	695	860	165	1,594	1,744	150
20 Internal Charges (should be zero)	(0)	(15)	(15)	0	(1)	(1)	(172)	(0)	172
Total expenses	9,832	12,036	2,204	57,419	63,771	6,351	128,096	127,843	(253)
Surplus/(deficit)	10,926	8,381	2,544	47,207	33,408	13,799	92,103	92,065	37
less: Capital income and other abnormals	8,934	11,089	2,155	42,029	38,264	(3,764)	94,985	94,812	(174)
add back: Recurrent capital grants	0	0	0	873	873	0	2,161	2,161	0
Adjusted underlying surplus/(deficit)	1,992	(2,707)	4,699	6,052	(3,984)	10,035	(722)	(585)	(137)

Total Expenditure - YTD



Income Statement Major Variance Analysis

For the period ended 31 December 2020

	YTD Variance \$'000 Fav/(Unfav)	Notes to Accounts	Permanent Variance \$'000 Fav/(Unfav)	Timing Variance \$'000 Fav/(Unfav)
1 Rates and charges	388	Rates and charges income is \$388k favourable. The allowance for COVID-19 impacts on rates and charges revenue is currently \$461k favourable, and rates income is \$169k favourable due to higher than expected supplementary rates. These have been partly offset by garbage and green waste income which is \$179k unfavourable due to a lower number of new services, and interest on rates and charges is \$63k unfavourable due to temporary COVID-19 waivers.		388
2 Statutory fees and fines	(279)	Statutory fees and fines income is \$279k unfavourable. Animal registration fees are \$229k unfavourable due to timing. Planning and Landscape Development fees are \$114k and \$106k unfavourable respectively due to reduced development activity, and Local Laws fines are \$117k unfavourable. These have been partly offset by Food and Health fees, which are a total of \$277k favourable due to timing, and the allowance for COVID-19 impacts which is \$55k favourable.	(327)	48
3 User fees	(152)	User fees income is \$152k unfavourable. Community Asset Committee (formerly S.86 Committee) income is \$203k unfavourable primarily due to COVID-19 closure of community facilities. User charges are \$218k unfavourable mainly due to the COVID-19 impact on leisure and child & family facilities, but is fully offset by the allowance for COVID-19 impacts which is \$365k favourable. Events revenue from Cardinia Cultural Centre is \$58k unfavourable and Hall & equipment income is \$38k unfavourable.	(152)	
4 Contributions (Cash)	599	Contributions (cash) income is \$599k favourable. This is primarily due to unbudgeted contributions totalling \$624k for capital works projects (these need to be transferred to the capital contributions account). Decorative light pole contributions are also favourable by \$52k, but have been partly offset by Telstra contributions which are \$83k unfavourable, both due to timing.		599
5 Grants - Operating	4,137	Operating grants income is \$4.137m favourable. Favourable variance is primarily due to recognition this year of \$1.332m grants received in advance last year. Unbudgeted grants currently total \$2.224m, the more significant being for Working for Victoria, Local Councils Outdoor Eating & Entertainment Package, recycling processing, and Sleep Settling Initiative. Budgeted grants are \$581k unfavourable due to timing. Council has lodged a Bushfire claim for \$483k, which is currently being assessed. Forecast includes a sum of \$450k at this stage.	3,556	581

Income Statement Major Variance Analysis

For the period ended 31 December 2020

	YTD Variance \$'000 Fav/(Unfav)	Notes to Accounts	Permanent Variance \$'000 Fav/(Unfav)	Timing Variance \$'000 Fav/(Unfav)
6 Other Revenue	(459)	Other Revenue is \$459k unfavourable. Cost recovery income is \$313k unfavourable, mostly in Rates \$285k and Cardinia LIFE \$192k due to COVID-19 impacts. These are partly offset by the allowance for COVID-19 impacts which is \$130k favourable. Rent/Lease income is \$119k unfavourable. Debts Recovered and Commissions are \$22k & \$5k unfavourable respectively.	(459)	
7 Interest	(506)	Interest income is \$506k unfavourable. Unfavourable variance includes both Council and DCP investments and is primarily due to lower interest rates.	(506)	
8 Grants - Capital	3,463	Capital grant income is \$3.463m favourable. Favourable variance is primarily due to recognition this year of \$878k grants received in advance last year. Unbudgeted grants currently total \$2.585m, the more significant being for Princes Hwy shared pathway and Comely Banks Recreation Reserve sport fields and car park projects. \$2.2m grant for Officer District Park Master Plan was received in 2019/20, though budgeted in current year, will not be realised in current financial year.	3,463	
9 Capital Contributions (Cash)	(1)	Capital Contributions (cash) income is \$1k unfavourable. Budgeted contribution from South East Councils Climate Change Alliance (SECCCA) is yet to be recognised due to timing.		(1)
10 Development Levies (Cash)	480	Development Levies (cash) income is \$480k favourable. This includes the value of developer, community infrastructure and public open space levies, which currently total \$8.511m, and is \$480k favourable to budget.		480
11 Capital Contributions (Non-Cash)	(12,547)	Capital Contributions (non-cash) income is \$12.547m unfavourable. This includes the value of developer contributed assets (roads, footpaths, bridges and drains), which currently total \$9.953m, being \$12.547m unfavourable to budget.	(12,547)	
12 Development Levies (Non-Cash)	12,369	Development Levies (non-cash) income is \$12.369m favourable. Favourable variance is due to this item not being budgeted. The \$12.369m relates to non-cash developer and public open space levies recognised for various developments in the Officer and Cardinia Road Employment Precinct DCPs.	12,369	

Income Statement Major Variance Analysis
For the period ended 31 December 2020

	YTD Variance \$'000 Fav/(Unfav)	Notes to Accounts	Permanent Variance \$'000 Fav/(Unfav)	Timing Variance \$'000 Fav/(Unfav)
13	(45)	<p>Net gain(loss) on disposal of property, infrastructure, plant income is \$45k unfavourable.</p> <p>Net gain from disposal of plant is \$26k favourable, but has been offset by disposal of infrastructure assets totalling \$71k, which was not budgeted.</p>	(71)	26
14	1,775	<p>Employee Benefits expenditure is \$1.775m favourable.</p> <p>Major areas under budget are: Finance \$528k - Council-wide leave adjustments totalling \$544k favourable have been recognised, Operations \$458k - vacancies and overtime, Development & Compliance Services \$366k - vacancies, Community Strengthening \$271k - acting arrangements and secondments, Community & Family Services \$263k - vacancies and acting arrangements, Active Communities \$237k - vacancies, acting arrangements, delayed recruitment, and reduced hours.</p> <p>Pandemic Response and Emergency Management is \$938k unfavourable - most of this has been offset by acting arrangements in other departments, as outlined above. Also included here is approved staff COVID-19 leave expenditure.</p>	1,420	355
15	4,754	<p>Materials and services expenditure is \$4.754m favourable.</p> <p>Capital works, community capital works and priority works operating expenditure, which is mostly budgeted in the Capital Works program, is currently \$348k over budget due to nature of works undertaken.</p> <p>Contracts \$2.365m under budget, mainly due to timing in:</p> <ul style="list-style-type: none"> - garbage collection \$559k, - hard/green waste \$338k, - recycling collection \$321k, - green waste bin \$200k, - building routine maintenance \$181k - fire season slashing \$158k, and - building cleaning \$107k, partly offset by - dangerous tree removal (\$278k). <p>Other variances total \$2.737m under budget, including:</p> <ul style="list-style-type: none"> - recreation reserve grants \$299k, - community asset committee expenditure \$279k, - rates debt collection costs \$224k, - recreation reserve maintenance \$166k, and - organisational training \$162k. - Reversal of incorrectly received PO's recognised as a negative expenditure, resulting in savings of \$437k in materials and services. 	(348)	2,459
			(94)	
			438	2,299

Income Statement Major Variance Analysis
For the period ended 31 December 2020

		YTD Variance \$'000 Fav/(Unfav)	Notes to Accounts	Permanent Variance \$'000 Fav/(Unfav)	Timing Variance \$'000 Fav/(Unfav)
16	Bad & Doubtful Debts	112	Bad and doubtful debts expense is \$112k favourable. Favourable variance across all major areas (Animal Control, Fire Prevention, Local Laws and Finance) due to timing.		112
17	Depreciation	(1,053)	Depreciation expense is \$1.053m unfavourable. One-off adjustment to depreciation expense for found drainage assets resulting from consultant's review of council's drainage pits and pipes.	(659)	(394)
18	Other Expenses	598	Other Expenses are \$598k favourable. Other Expenditure is \$212k favourable, mainly in Garbage Collection, and Audit Fees and Councillor Allowances are \$151k and \$34k favourable respectively, all due to timing. Lease expenditure is \$176k favourable and Government Fees \$25k favourable.	201	397
19	Finance Costs	165	Finance costs are \$165k favourable. Interest on loans is \$193k favourable, mainly due to the budgeted loan for 2020-21 not yet being drawn down, but have been partly offset by interest on right-of-use assets of \$28k, which was not budgeted.	165	
20	Internal Charges	(1)	Internal charges are \$1k unfavourable. Internal charges actual income equals expenditure across the organisation. Variance is due to budget phasing, and will have a nil variance at the end of the financial year.		(1)

Note: Council's income streams impacted by newly adopted accounting standards from 1 July 2019. Capital grants will have the most impact. According to these standards, income will have to be deferred until performance obligations/milestones are met as per the grant schedule or contract. At year-end, Finance with the help of Project Managers will identify the income against those performance obligations are not completed and the income will be carried forward to the following financial year, so surplus will be reduced by this amount. The Accounting Standards are: AASB 15 – Revenue from Contracts with Customers and AASB 1058 – Income of Non-for-Profit Entities.

COVID Impacts
As at 31 December 2020

Revenue Category	COVID Impacts	2020-21 COVID Impact on Income Statement \$'000
Rates and Charges	Rate rebates - ongoing.	40
Rates and Charges	Rates interest relief extended till March 2021, which will result in two unbudgeted quarters loss of income.	473
Other Income	Rental Income loss/waiver will continue for Emerald Lake Park and other facilities.	20
Other Income	In accordance with the COVID-19 Omnibus Regulations, offer a 100% rental waiver for the 29 March to 30 June 2020 period, followed by a 50% rental waiver for the 1 July to 29 September 2020 period.	30
Other Income	Soul Foods Café - Toomah - Surrender of lease - write-off of outstanding rental.	8
Other Income	Waiver of tenancy fees for the winter season for all Council owned and managed sporting facilities (1 April – 30 September 2020).	21
Statutory fees	Provision of a full refund of all 2020 Food Act and Public Health and Wellbeing Act registration fees, for businesses impacted by mandatory closures of premises, or mandatory changes to the operations of their businesses.	120
Statutory fees	Provision of a full refund of all 2020-21 street trading permit fees, where outdoor dining is no longer allowed.	16
User fees	Expected impact to Cardinia Culture Centre - bookings and events revenue due to COVID.	315
Statutory fees	Refund Covid 19 for food premises.	47
	Income Loss	1,089

**COVID Impacts
As at 31 December 2020**

Expenditure Category	COVID Impacts	2020-21 COVID Impact on Income Statement \$'000
		\$
Employee benefits	COVID leave impact.	107
Employee benefits	Additional staffing costs due to COVID arrangements in Risk and two new positions added for BCP team, Comms Officer and a Recovery Officer. BCP Team and Emergency team - Continue to work, but as they are all budgeted positions. Dollar impact not included, as due to COVID other delays like EBA increase and leave has also got impacted.	145
Donations/Grant	Donations/Grants approved in 2019/20 as a part of COVID stimulus, with further donations/grants approved as a part of latest support package - Stage 4.	100
Materials/Services	Various items such as sanitisers, cleaning items, Vehicle hire, masks, etc.	53
Cleaning	COVID cleaning costs.	76
Materials & Services	Contracts - Aligned leisure support package - figure is still being finalised. Last report of 26 Aug flagged this as additional \$1.08m for 2020/21, which is still being finalised.	1,077
Donations/Grant	Various provisions approved under Stage 4 to support sporting clubs, neighbourhood houses and S-86 committees, this will assist them with the operations and getting the clubs back running. - \$47k has been paid out currently from Stage 4 support package.	76
Donations/Grant	Salvation Army food relief program.	30
Employees and Materials and Services	Proposed savings in CCC area to subsidise the loss of revenue. Events expenditure will have savings across the council operations and will be forecasted once it's finalised. Finance is making a pro-active discussion with the teams to encourage them to flag the forecasts as early as possible.	(223)
	Additional Expenditure	1,442
	Total impact - from COVID package	2,531

Balance Sheet
As at 31 December 2020

	Full Year Budget \$'000	30-Jun-20 Actual \$'000	31-Dec-20 Actual \$'000	YTD Change \$'000
Current Assets				
Cash & Cash Equivalents	91,600	103,748	103,414	(334)
Trade & Other Receivables	27,909	23,951	90,020	66,069
Accrued Income	-	0	0	0
Inventories	15	11	14	3
Non-current assets classified as held for sale	2,768	3,019	2,519	(500)
Other Assets	3,280	2,875	1,330	(1,545)
Total Current Assets	125,572	133,604	197,298	63,694
Non Current Assets				
Trade & Other Receivables	5,639	12,658	91	(12,567)
Investments in Associates	1,331	1,366	1,366	0
Property, infrastructure, plant and equipment	1,848,690	1,782,661	1,801,104	18,443
Right of use assets	66	1,967	1,877	(90)
Intangible Assets	684	377	341	(36)
Total Non Current Assets	1,856,410	1,799,029	1,804,779	5,750
TOTAL ASSETS	1,981,982	1,932,633	2,002,077	69,444
Current Liabilities				
Trade and other payables	30,133	20,941	12,038	(8,903)
Trust funds and deposits	12,470	11,175	10,589	(586)
Provisions	7,453	8,376	6,553	(1,823)
Interest-bearing liabilities	4,037	12,317	12,317	0
Lease liabilities	34	154	85	(69)
Unearned income	-	8,933	49,999	41,066
Total Current Liabilities	54,127	61,896	91,582	29,686
Non Current Liabilities				
Trade and other payables	8,934	19,812	12,568	(7,244)
Provisions	1,327	1,179	3,100	1,921
Interest-bearing liabilities	35,645	20,242	18,117	(2,125)
Lease liabilities	37	1,824	1,824	(0)
Total Non Current Liabilities	45,943	43,057	35,608	(7,449)
TOTAL LIABILITIES	100,070	104,953	127,190	22,237
NET ASSETS	1,881,912	1,827,680	1,874,887	47,207
Equity				
Accumulated Surplus	1,188,238	1,086,072	1,133,278	47,206
Reserves	693,674	741,608	741,609	1
TOTAL EQUITY	1,881,912	1,827,680	1,874,887	47,207

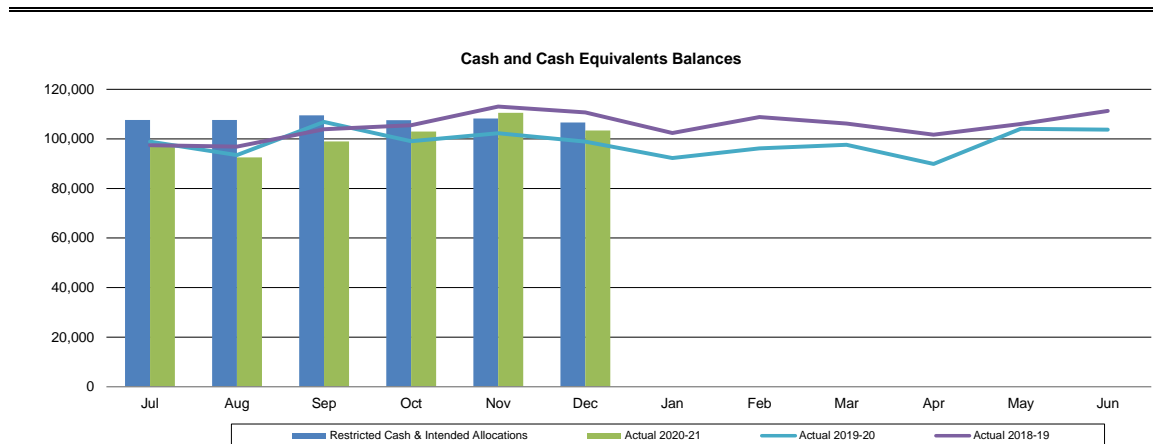
Comments on YTD Changes:

- Trade & other receivables (current) have increased by \$66.1m from June 2020 mainly due to recognition of rate debtors for the year.
- Unearned Income has increased by \$41.1m due to recognition of unearned rates and charges revenue for the remainder of the year.
- Both of the amounts will reduce as the year progresses.
- The increase in Accumulated Surplus of \$47.2m relates to the surplus for the year.

Cash Flow Statement
As at 31 December 2020

	Full Year Budget \$'000	YTD Actual \$'000	YTD Budget \$'000	YTD Variance \$'000	30-Jun-20 Actual \$'000	Yearly Change \$'000
Cash flows from operating activities						
Receipts						
Rates and Charges	108,930	57,333	54,465	2,868	92,057	(34,724)
Statutory Fees and Fines	4,504	1,970	2,252	(282)	4,427	(2,457)
User Fees	2,936	997	1,468	(471)	2,635	(1,638)
Grants - operating	14,593	7,019	7,297	(278)	18,347	(11,328)
Grants - capital	33,745	10,445	16,873	(6,428)	20,974	(10,529)
Contributions	16,408	6,069	8,204	(2,135)	8,471	(2,402)
Interest received	1,400	194	700	(506)	1,605	(1,411)
Trust funds and deposits taken	0	3,259	0	3,259	25,057	(21,798)
Other Receipts	1,564	(491)	782	(1,273)	4,676	(5,167)
GST received (net)	0	6,963	0	6,963	10,852	(3,889)
Total receipts from operating activities	184,080	93,758	92,040	1,718	189,101	(95,343)
Payments						
Employee costs	(41,701)	(19,232)	(20,851)	1,619	(39,591)	20,359
Materials and Services	(40,020)	(50,269)	(20,010)	(30,259)	(60,000)	9,731
Short-term, low value and variable lease payments	(375)	2	(188)	190	(304)	306
Trust funds and deposits repaid	0	(4,442)	0	(4,442)	(26,162)	21,720
Total payments from operating activities	(82,096)	(73,941)	(41,048)	(32,893)	(126,057)	52,116
Net cash provided by operating activities	101,985	19,815	50,992	(31,175)	63,044	(43,227)
Cash flows from investing activities						
Payments for property, plant and equipment	(85,926)	(17,879)	(42,963)	25,084	(64,186)	46,307
Proceeds from sales of assets	2,753	548	1,377	(829)	360	188
Net cash used in investing activities	(83,173)	(17,331)	(41,587)	24,256	(63,826)	46,495
Cash flows from financing activities						
Finance costs	(1,740)	(667)	(870)	203	(1,831)	1,164
Proceeds from borrowings	12,110	0	0	0	0	0
Repayment of borrowings	(4,985)	(2,125)	(2,493)	368	(4,605)	2,480
Interest paid - lease liability	(5)	(28)	(3)	(26)	(23)	(5)
Repayment of lease liabilities	(36)	0	(18)	18	(304)	304
Net cash provided by financing	5,345	(2,820)	(3,383)	563	(6,763)	3,943
Increase/(reduction) in cash held	24,157	(334)	6,023	(6,357)	(7,545)	7,211
Cash at beginning	67,443	103,748	67,443	36,305	111,293	(7,545)
Cash at end	91,600	103,414	73,466	29,949	103,748	(334)
Restricted Cash & Intended Allocations		106,584			107,085	501
Net Cash Available		(3,170)			(3,337)	167
Restricted Cash						
Trust funds and deposits		10,589			11,175	586
Developer contribution levy		52,105			52,105	0
Restricted Cash - Total		62,694			63,280	586
Intended Allocations						
Carry-forward capital works		25,025			25,025	0
Unspent grants		17,816			17,816	0
Other		1,049			964	(85)
Intended Allocations - Total		43,890			43,805	(85)
Restricted Cash & Intended Allocations		106,584			107,085	501

**Cash Flow Statement
As at 31 December 2020**



Comments:

- The total cash balance at the end of December 2020 is \$103.4m, which is \$334k lower than as at the end of June 2020.
- Council cash, which is \$2.6m higher, has been offset by DCP cash, which is \$2.9m lower.
- The total of restricted cash and intended allocations is \$106.6m, which results in a cash deficit of \$3.2m.
- The third rates instalment for 2020-21 is due at the end of February 2021.
- The forecast cash balance at 30 June 2021 is \$93.2m, which is \$1.6m higher than budget.

VAGO Financial Sustainability Indicators

As at December 2020

	Budget	Forecast	Scale
	2020-21	2020-21	
Net result (%)	92,065	92,103	<-10%
<i>Net Result/Total Revenue</i>	219,908	220,199	-10%-0%
<i>Measures how big the operating surplus or deficit is</i>	41.87%	41.83%	>0%
Adjusted underlying result (%)	(585)	(722)	<0
<i>Adj Result/Adj Revenue</i>	127,258	127,375	0%-5%
<i>Removes impact of non-recurrent to measure purely op result</i>	-0.46%	-0.57%	>5%
Liquidity (ratio)	125,572	125,572	<0.75
<i>Current Assets/Current Liabilities</i>	54,127	54,127	0.75-1.0
<i>Measures the ability to pay existing liabilities in the next 12 months</i>	2.32	2.32	>1
Internal financing (%)	101,985	101,985	<75%
<i>Operating Cashflow/Capex</i>	59,146	59,146	75%-100%
<i>Measures the ability to finance capex through operating cashflow</i>	172%	172%	>100%
Indebtedness (%)	45,943	45,943	>60%
<i>N-current Liabilities/Own-sourced revenue</i>	110,162	122,818	40%-60%
<i>Measure the ability of the entity to cover non-current liabilities through its own revenue</i>	41.70%	37.41%	<40%
Capital replacement (ratio)	85,926	85,926	<1
<i>Cash outflow for PPE/Depre.</i>	26,746	27,860	1-1.5
<i>Measures whether the rate of the investment of infrastructure is higher than depreciation, excl. carryovers</i>	3.21	3.08	>1.5
Renewal gap (ratio)	25,815	25,815	<0.5
<i>Renewal & Upgrade Capex/Depre</i>	26,746	27,860	0.5-1.0
<i>Measures measure if Council is maintaining its existing assets, excl. carryovers</i>	0.97	0.93	>1.0



Capital Works Report

**For the period
1 July 2020
to
31 December 2020**

Contents
December 2020



Statement of Capital Works	3
Monthly Capital Works by Project Managers	5

**Capital Works Expenditure
As at 31 December 2020**



Project Expenditure	YTD Actual \$'000	YTD Budget \$'000	YTD Variance Underspend/ (Overspend) \$'000	Full Year Forecast \$'000	Full Year Amended Budget* \$'000	Full Year Carryover to 2021-22 \$'000	Full Year Variance Underspend/ (Overspend) \$'000	Full Year Adopted Budget \$'000	
Deposits for asset purchases	-	51	-	51	(51)	0	-	51	0
Land	2,657	2,000	(657)	12,151	12,079	-	(72)	12,079	
Buildings (including Buildings ledger)	5,592	8,813	3,221	25,614	33,980	9,250	(884)	21,114	
Recreational & Community	649	1,160	511	6,325	6,774	670	(222)	4,820	
Plant & Machinery	2,039	1,935	(104)	2,416	2,323	265	(358)	150	
Furniture & Equipment	137	264	127	607	722	-	115	535	
Roads	8,946	6,679	(2,268)	26,974	28,025	-	1,051	17,000	
Footpaths	755	635	(120)	3,183	1,346	-	(1,838)	1,152	
Drains	218	250	32	450	450	-	0	450	
Bridges	221	191	(30)	609	609	-	0	463	
Off Street Car Parks	30	140	110	800	899	-	99	899	
Other Infrastructure	13	20	7	165	250	-	85	85	
Community Capital Works Grants	24	293	269	718	703	-	(16)	400	
Intangibles (including software)	39	-	(39)	188	88	-	(100)	-	
Project Expenditure	21,270	22,381	1,111	80,150	88,246	10,185	(2,140)	59,146	

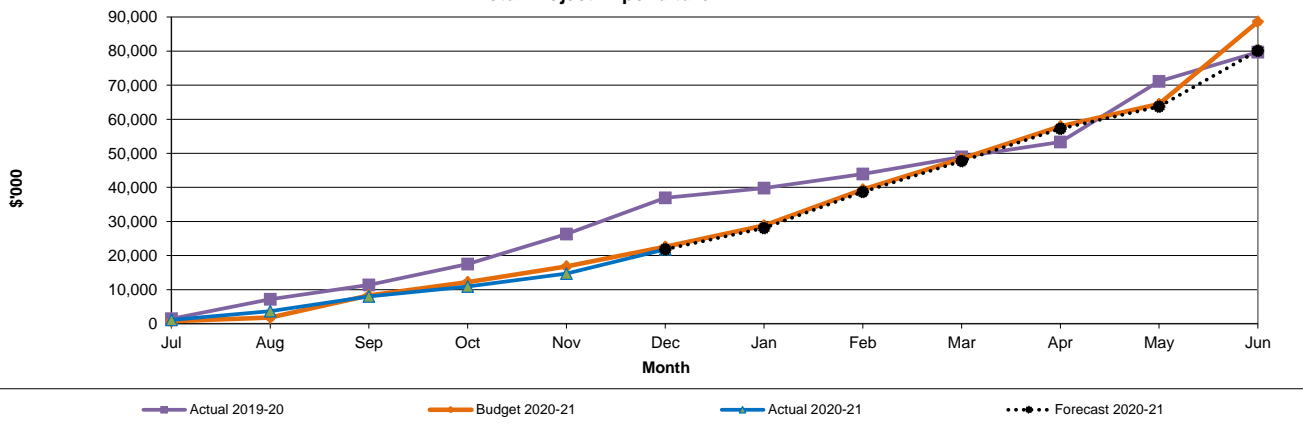
25.45%

Add non capital project expenditure:

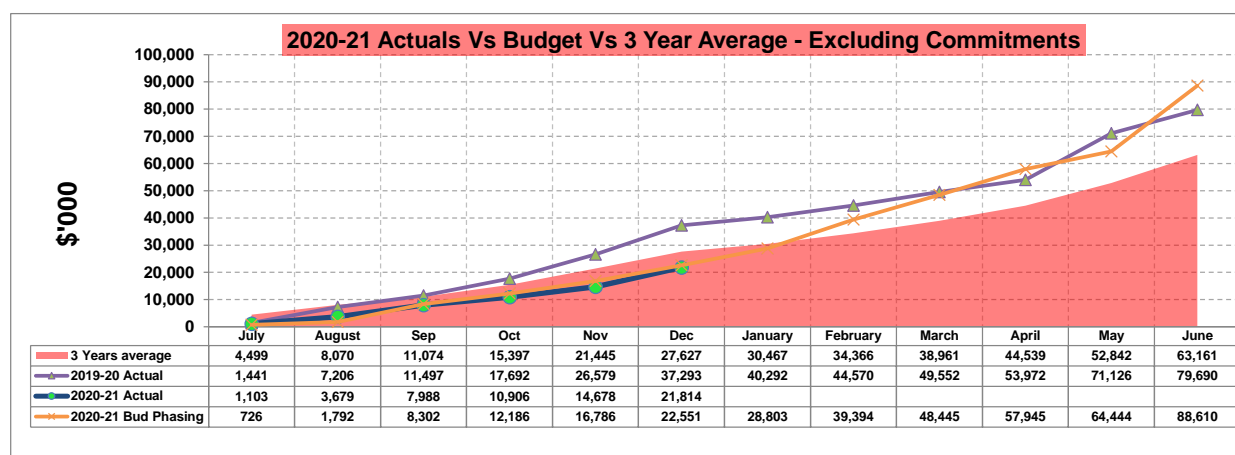
Operating Initiative - Charged to Income Statement	539	170	(369)	363	363	-	0	255
Priority Works	5	-	(5)	-	-	-	0	-
Total Project Expenditure	21,814	22,551	737	80,514	88,610	10,185	(2,140)	59,401
Total Project Expenditure (excluding Land purchases)	19,157	20,551	1,394	68,363	76,531	10,185	(2,068)	47,322

*Amended Budget is the 2020-21 Adopted Budget plus carry-overs from 2019-20 and 2018-19.

Total Project Expenditure



**Capital Works Expenditure
As at 31 December 2020**

**Comments**

Total Project Expenditure at the end of December 2020 (excluding Land purchases) is \$19.16m (or 28% of the full year amended budget). The major items of expenditure are continuing works on major projects Comely Banks, Koo Wee Rup school works, Sealing the Hills, Intersection upgrade and Connect Cardinia program.

Apart from the major projects, Heavy fleet replacement program, Footpath replacement program and Blackspot program also had good progress in the first half of the financial year. Unbudgeted grant funding was received for Princess Highway Share Path \$0.99m, Local Sports Infrastructure Funding from DJPER \$0.86m, and Off-Leash Dog Parks \$0.27m.

A number of project budgets phased in this financial year may be impacted due to the COVID environment. The impact on carryovers will continue to be monitored each month and declared. Forecast carryovers to 2021-22 at end of the December is \$10.185m include Cora Lynn Reserve \$2.0m, which is funded through a State government loan, and Toomuc Reserve South Oval Pavilion \$1.3m, Upper Beaconsfield \$600k, Integrated Timbertop facility \$3m, Integrated Rix Rd facility \$1.4m.

Major capital carry-overs from 2019-20 to 2020-21

	Full Year Adopted Budget 2020-21 \$'000	Full Year Carry-overs from 2019-20 & 2018-19 \$'000	Full Year Amended Budget 2020-21 \$'000	Full Year Forecast 2020-21 \$'000	Full Year Actual 2020-21 \$'000	Full Year Carryover to 2021-22 \$'000	Full Year Savings/ (Overspend) 2020-21 \$'000	Full Year Balance of funds 2020-21 \$'000
Koo Wee Rup High School sports facilities upgrade	-	1,031	1,031	1,031	27	-	-	1,005
Koo Wee Rup football/cricket pavilion upgrades	-	2,319	2,319	2,319	282	-	-	2,037
Toomuc Reserve north oval (senior) pavilion upgrade- netball	250	2,402	2,652	2,152	108	500	-	2,044
Integrated Children's Facility - Timbertop	2,517	1,368	3,885	885	37	3,000	0	848
Gembrook Reserve-Pavilion Upgrade	-	1,739	1,739	1,739	519	-	-	1,221
Roads Sealing Program	-	8,000	8,000	8,000	216	-	-	7,784
DCP - Kenilworth Stage 2		1,928	1,928	928	915	-	1,000	1,013
	2,767	18,788	21,555	17,054	2,103	3,500	1,000	15,951

The table above lists the projects with the major carried over amounts from 2019-20.

December 2020 Capital Works Report - by Project Manager (incl Operating Initiatives) \$														
Project Details				YTD Budget Expenditure	YTD Actual Expenditure	YTD Budget Income	YTD Actual Income	YTD Net Savings/ (Overspend)	Full Year Budget Income	Full Year Forecast Income	Full Year Budget Expenditure	Full Year Forecast Expenditure	Full Year Carryover to 21/22 Expenditure	Full Year Net Savings/ (Overspend)
Project Number	Account Description	Project Manager	Commitments	(a)	(b)	(c)	(d)	(e) = (a-b)+(c-d)	(f)	(g)	(h)	(i)	(j)	k = (g-f)+(h-i)-j
00017	Car parks & Laneways Sealing Program (R)	A.Barr	344,754.40	0	13,298	0	0	(13,298)	0	0	99,000	99,000	0	0
00499	Footpaths New (N)	A.Barr	0.00	100,000	133,627	0	0	(33,627)	0	0	100,000	101,713	0	(1,713)
00505	Traffic management - Devices (N)	A.Barr	47,969.68	40,000	24,833	0	0	15,167	0	0	246,887	246,887	0	0
00506	Bridges - Replacement/Upgrade (R&U)	A.Barr	17,825.07	190,845	220,617	0	0	(29,772)	0	0	608,845	608,845	0	0
00507	Roads - Resealing (VGC)	A.Barr	3,079,724.32	708,921	704,822	(193,345)	(193,345)	4,099	(808,392)	(808,392)	2,293,000	2,293,000	0	0
00508	Roads - Reseal Preparation (R)	A.Barr	177,120.94	588,000	178,145	0	0	409,855	0	0	588,000	588,000	0	0
00510	Footpaths Replacement (R)	A.Barr	0.00	450,000	471,934	0	0	(21,934)	0	0	450,000	450,000	0	0
00511	Playgrounds Replacement - Capital Works Program (R)	A.Barr	0.00	0	24,525	0	(25,000)	475	0	0	123,000	123,000	0	0
00513	Recreation Reserves - Resurface and improve (R)	A.Barr	57,200.55	0	(13,545)	0	0	13,545	0	0	0	0	0	0
00517	Tennis and Netball - Capital Works Program (R)	A.Barr	106,673.03	40,000	0	0	0	40,000	0	0	70,000	70,000	0	0
00518	Drainage replacement (R)	A.Barr	43,200.19	250,000	143,428	0	(3,800)	110,372	0	0	450,000	450,000	0	0
00654	Roads - Pavement Renewals (RTR)	A.Barr	1,429,470.35	175,000	877,557	(680,000)	(680,000)	(702,557)	(1,353,000)	(1,353,000)	1,551,000	1,551,000	0	0
00771	Hanson Quarry Bunyip North	A.Barr	6,977.27	0	0	0	0	0	0	0	0	0	0	0
00798	New Street Lighting	A.Barr	870.55	40,000	18,126	0	0	21,874	0	0	80,000	80,000	0	0
12005	Lang Lang Bypass Milners Rd/Westernport Rd Construction	A.Barr	2,400.00	0	0	0	0	0	0	0	0	0	0	0
13001	Emerald Gembrook Trail	A.Barr	42,000.00	0	(1,500)	0	0	1,500	0	0	0	0	0	0
13005	Deep Creek Reserve access, Earthworks, Parking	A.Barr	6,189.85	20,000	(104,601)	(60,070)	(90,070)	154,601	(200,000)	(400,000)	200,139	400,139	0	0
13006	Pedestrian & Bicycle strategy	A.Barr	100,946.73	0	27,390	(218,000)	(258,000)	12,610	(436,000)	(436,000)	436,000	436,000	0	0
14007	BMX Facility Asset Renewal	A.Barr	12,668.80	0	0	0	0	0	0	0	30,000	30,000	0	0
17012	Peet Street Special Charge Scheme construction	A.Barr	137,448.82	104,189	186,926	0	0	(82,737)	0	0	180,888	180,888	0	0
17020	5 DCP Intersections design works-Officer	A.Barr	36,124.52	2,190,650	41,090	(6,000,000)	(6,000,000)	2,149,560	(7,500,000)	(7,500,000)	8,240,650	8,240,650	0	0
17021	2 DCP Intersections design works-Cardinia Road	A.Barr	0.00	0	(1,241)	0	0	1,241	0	0	0	0	0	0
18003	Roads Sealing Program	A.Barr	216,677.23	558,870	215,935	0	0	342,935	0	0	8,000,000	8,000,000	0	(0)
18010	Koo Wee Rup Tennis facility	A.Barr	909.09	0	2,296	0	(25,000)	22,704	0	0	0	0	0	0
18011	Gembrook Playground and Skate Park	A.Barr	0.00	0	(30)	0	0	30	0	0	0	0	0	0
18016	Paternoster Rd & View Hill Rd BlackSpot project	A.Barr	0.00	0	228,983	0	0	(228,983)	0	0	0	0	0	0
18017	Main Drain Rd & Evans Rd Black Spot project	A.Barr	0.00	0	32,088	0	0	(32,088)	0	0	0	0	0	0
18027	Conquest Upgrade	A.Barr	0.00	0	35,574	0	0	(35,574)	0	0	88,087	88,087	0	0
19001	Avon Road (Woori-Yallock Rd) Blackspot	A.Barr	5,895.01	0	15,992	0	0	(15,992)	0	0	0	0	0	0
19002	Paternoster Road (Bailey Rd) Blackspot	A.Barr	1,400.00	0	0	0	(331,240)	331,240	0	0	0	0	0	0
19004	Retaining Wall Siding Avenue	A.Barr	0.00	0	832	0	0	(832)	0	0	0	0	0	0
19005	Cochrane Park station platform works	A.Barr	8,150.00	20,000	6,416	0	0	13,584	0	0	165,000	165,000	0	0
19009	Local Area Traffic Improvements	A.Barr	3,910.90	10,000	5,772	0	0	4,228	0	0	118,270	118,270	0	0
19017	Associated playspace infrastructure renewal	A.Barr	7,560.45	0	19,584	0	0	(19,584)	0	0	60,000	60,000	0	0
19025	DCP - Kenilworth Stage 2	A.Barr	30,069.51	650,000	914,938	0	0	(264,938)	0	0	1,927,947	927,947	0	1,000,000
19026	Bessie Creek Road Blackspot Project	A.Barr	54,639.35	0	547,969	0	0	(547,969)	0	0	0	0	0	0
19033	Sealing the Hills	A.Barr	654,691.55	1,378,493	1,005,588	0	0	372,905	(4,800,000)	(4,800,000)	2,500,000	2,500,000	0	0
19034	Beaconsfield Ave / Glismann Rd Intersection	A.Barr	1,647,006.36	0	225,986	0	0	(225,986)	0	0	0	0	0	0
19035	O'Neil Road Intersection	A.Barr	2,688,228.73	0	611,921	0	0	(611,921)	0	0	0	0	0	0
19036	Brunt Rd / Whiteside Rd Intersection	A.Barr	46,453.86	0	53,570	0	0	(53,570)	0	0	0	0	0	0
19037	Bayview Road Intersection	A.Barr	48,868.46	0	58,815	0	0	(58,815)	0	0	0	0	0	0
19038	Tivendale Road / Station Street Intersection	A.Barr	84,227.30	0	57,434	0	0	(57,434)	0	0	0	0	0	0
19039	McMullen Road Intersection	A.Barr	48,830.56	0	26,782	0	0	(26,782)	0	0	0	0	0	0
19040	Arena Parade Intersection	A.Barr	36,456.55	0	23,875	0	0	(23,875)	0	0	0	0	0	0
19041	Thewlis Road Intersection	A.Barr	46,928.39	0	36,560	0	0	(36,560)	0	0	0	0	0	0
19042	Tynong Drainage Emergency Works	A.Barr	4,590.91	0	0	0	0	0	0	0	0	0	0	0
19201	Officer District Park MPlan Imp - Civil	A.Barr	178,277.17	150,000	173,689	0	0	(23,689)	(2,200,000)	0	150,000	150,000	0	(2,200,000)
20001	Emerald Netball Pavillion/Courts Civil	A.Barr	70,183.08	0	31,604	0	0	(31,604)	0	0	686,120	686,120	0	0
20003	IYU Recreation Reserve Athletics facility - Roundabout	A.Barr	13,500.00	40,000	15,191	0	0	24,809	0	0	50,000	50,000	0	0
20006	Cockatoo Tennis Courts New Lights for Four Courts	A.Barr	99,073.67	20,000	2,851	0	(59,400)	76,549	0	(66,000)	300,000	192,268	0	173,732
20009	Worrell Reserve Recreation Car Park	A.Barr	0.00	100,000	10,926	(187,500)	(187,500)	89,074	(375,000)	(375,000)	750,000	750,000	0	0
20013	Pakenham Regional Tennis Court Resurfacing	A.Barr	0.00	0	0	0	0	0	0	0	200,000	0	200,000	0
20014	Koo Wee Rup Skate Park (Located in Cochrane Park)	A.Barr	0.00	20,000	0	0	0	20,000	0	0	30,000	30,000	0	0
20015	Nar Nar Goon Oval Renovation Renewal	A.Barr	0.00	0	0	0	0	0	(800,000)	(800,000)	800,000	800,000	0	0
20016	Comely Banks Reserve Sports Fields & Car Parking	A.Barr	7,607,779.08	0	353	0	(480,000)	479,647	0	(800,000)	1,583,518	1,583,518	0	800,000
20017	Pedestrian & Bicycle strategy - major projects design	A.Barr	0.00	85,000	0	0	0	85,000	0	0	100,000	100,000	0	0
20020	Princes Highway (South Side) Shared Pathway	A.Barr	76,521.04	0	136,585	0	(989,824)	853,239	0	(989,924)	0	1,979,648	0	(989,724)
20026	Aura Vale Rd Menzies Creek - Improve Roadside Delineation	A.Barr	1,126.00	0	21,982	0	0	(21,982)	0	0	0	0	0	0
20100	Boundary Drain Road	A.Barr	847,089.34	0	308,147	0	0	(308,147)	0	0	0	0	0	0
20102	Main Drain Road	A.Barr	1,399,399.59	0	1,687,009	0	0	(1,687,009)	0	0	0	0	0	0
20106	LL and Armytage Road	A.Barr	0.00	0	4,645	0	0	(4,645)	0	0	0	0	0	0
20110	Pink Hill Boulevard Construction (DI_RO-02c)	A.Barr	60,567.64	0	185,599	0	0	(185,599)	0	0	0	250,000	0	(250,000)
	A.Barr Total	A.Barr	21,638,575.89	7,929,968	9,650,893	(7,338,915)	(9,323,179)	263,339	(18,472,392)	(18,328,316)	33,256,351	34,379,980	200,000	(1,467,705)
12012	James Bathe Recreation Reserve	A.Barr & W. Carmignani	0.00	0	47,498	0	0	(47,498)	0	0	0	60,000	0	(60,000)
17013	Koo Wee Rup High School sports facilities upgrade	A.Barr & W. Carmignani	18,979.09	275,000	26,676	0	0	248,324	(650,000)	(650,000)	1,031,431	1,031,431	0	0
	A.Barr & W. Carmignani Total		18,979.09	275,000	74,174	0	0	200,826	(650,000)	(650,000)	1,031,431	1,091,431	0	(60,000)

December 2020 Capital Works Report - by Project Manager (incl Operating Initiatives) \$



Table with columns: Project Number, Account Description, Project Manager, Commitments, YTD Budget Expenditure (a), YTD Actual Expenditure (b), YTD Budget Income (c), YTD Actual Income (d), YTD Net Savings/ (Overspend) (e) = (a-b)+(c-d), Full Year Budget Income (f), Full Year Forecast Income (g), Full Year Budget Expenditure (h), Full Year Forecast Expenditure (i), Full Year Carryover to 21/22 Expenditure (j), Full Year Net Savings/ (Overspend) (k) = (g-f)+(h-i)-j.

Table with 16 columns: Project Number, Account Description, Project Manager, Commitments, YTD Budget Expenditure (a), YTD Actual Expenditure (b), YTD Budget Income (c), YTD Actual Income (d), YTD Net Savings/ (Overspend) (e) = (a-b)+(c-d), Full Year Budget Income (f), Full Year Forecast Income (g), Full Year Budget Expenditure (h), Full Year Forecast Expenditure (i), Full Year Carryover to 21/22 Expenditure (j), Full Year Net Savings/ (Overspend) (k) = (g-f)+(h-i)-j. Includes Cardinia logo.

December 2020 Capital Works Report - by Project Manager (incl Operating Initiatives) \$														
Project Details				YTD Budget Expenditure	YTD Actual Expenditure	YTD Budget Income	YTD Actual Income	YTD Net Savings/ (Overspend)	Full Year Budget Income	Full Year Forecast Income	Full Year Budget Expenditure	Full Year Forecast Expenditure	Full Year Carryover to 21/22 Expenditure	Full Year Net Savings/ (Overspend)
Project Number	Account Description	Project Manager	Commitments	(a)	(b)	(c)	(d)	(e) = (a-b)+(c-d)	(f)	(g)	(h)	(i)	(j)	k = (g-f)+(h-i)-j
18025	Pakenham Outdoor Pool Accessibility Upgrade	W.Carmignani	2,726.65	0	0	0	0	0	0	0	0	0	0	0
18029	Koo Wee Rup netball pavilion upgrades	W.Carmignani	852,341.23	774,000	120,142	0	0	653,858	0	0	1,233,808	1,233,808	0	0
19003	My Place Youth Facility Expansion	W.Carmignani	6,345.44	152,000	196,556	0	0	(44,556)	(1,000,000)	(1,000,000)	1,133,730	1,133,730	0	0
19006	Cockatoo Community Hall / Senior Citizens improvements	W.Carmignani	0.00	0	0	0	0	0	0	0	100,000	30,000	0	70,000
19013	Furniture and Equipment renewal	W.Carmignani	0.00	0	15,328	0	0	(15,328)	0	0	0	0	0	0
19018	KWR Recreation Reserve Power and Sewage Upgrade	W.Carmignani	0.00	50,000	0	0	0	50,000	0	0	250,000	250,000	0	0
19024	Integrated Children's Facility - Officer Rix Road DCP	W.Carmignani	4,968,883.72	1,350,000	303,891	0	0	1,046,109	(3,100,000)	(3,100,000)	5,241,702	3,841,702	1,400,000	0
19031	Electronic Access Control and Master Key Systems	W.Carmignani	21,808.32	35,000	24,637	0	(5,432)	15,795	0	0	50,000	50,000	0	0
19043	Multi-Cultural Hub Feasibility Study	W.Carmignani	8,948.00	147,000	32,270	0	0	114,730	(350,000)	(350,000)	381,200	381,200	0	0
19045	Cockatoo Cottages	W.Carmignani	0.00	64,786	19,287	0	(60,000)	105,499	0	0	388,716	448,716	0	(60,000)
19046	Pakenham Heights Kindergarten Accessibility	W.Carmignani	0.00	0	63,235	0	(47,000)	(16,235)	0	0	0	0	0	0
20002	Pakenham Tennis Club Relocation - Club Room Renovation	W.Carmignani	0.00	0	2,007	0	0	(2,007)	0	0	370,000	80,000	470,000	(180,000)
20004	IYU Recreation Reserve Athletics Facility - Pavilion	W.Carmignani	0.00	0	0	0	0	0	0	0	50,000	50,000	0	0
20005	Koo Wee Rup Bowling Club Pavilion	W.Carmignani	0.00	0	836	0	0	(836)	0	0	30,000	30,000	0	0
20007	Officer Rec Reserve Sewage Connection	W.Carmignani	0.00	85,000	5,042	0	0	79,958	0	0	200,000	200,000	0	0
20008	Upper Beaconsfield Community Buildings Masterplan	W.Carmignani	0.00	0	0	0	0	0	0	0	52,000	52,000	0	0
20010	Pakenham Bowls Club Roof Over Front green	W.Carmignani	0.00	250,000	250,000	0	0	0	0	0	250,000	250,000	0	0
20011	Council Pound Holding Facility	W.Carmignani	0.00	80,000	0	0	0	80,000	0	0	80,000	0	0	80,000
20012	Koo Wee Rup Community Centre Works Design	W.Carmignani	0.00	0	969	0	0	(969)	0	0	50,000	50,000	0	0
W.Carmignani Total			10,225,780.13	8,405,998	4,757,723	(117,765)	(858,876)	4,389,386	(12,022,668)	(11,468,000)	27,079,394	20,489,104	6,370,000	(334,378)
Grand Total			33,009,426	22,550,538	21,813,757	(7,731,680)	(12,551,064)	5,556,165	(33,745,060)	(33,870,975)	88,609,622	80,513,707	10,185,000	(1,963,170)

* Full Year Budget Expenditure figure is based on Adopted Budget of \$59.401m plus 2019/20 carryover \$25.025m and \$4.183m from 2018/19

Income Statement Category Line Item Glossary		
Income	Description	Example
Rates and charges	These are the taxes levied on ratepayers within the council. Rates are most commonly based on the valuation of the property subject to charge. A number of methods are employed for calculating rates payable by property holders; however, all are linked to either the valuation of the property or its capacity to generate income (such as rental). In addition to rates other specific charges may also be levied as part of the rating process. For example, many councils will include a charge for waste collection as part of the overall rates and charges. Typically, these charges are based on the cost of providing the service and will be levied without regard to the specific property valuation.	<ul style="list-style-type: none"> • Rates • Garbage (Residential & Commercial) • Green waste recycling charge
Statutory fees and fines	A key function of a council is the administration of a range of regulatory functions. These can vary from administering the town planning process through to parking enforcement. Under this regulatory function there will be a range of fees and fines that will be levied by the council. These can be distinguished from user fees and charges (defined below) in that the amount of the fee or fine is (often) set externally (by statute or regulation) and the payment is compulsory.	<ul style="list-style-type: none"> • Statutory Fines • Statutory Fees • Court Recoveries
User fees	All councils generate a level of income through the charging of fees for goods and services. The fees can vary from admission to an aquatic facility through to the payment of a hall hire fee. The one characteristic that all user fees and charges have is that they are entered into at the election of the user rather than as a result of any legislative or regulatory compulsion.	<ul style="list-style-type: none"> • User Charges • Hall and equipment hire • Event revenue
Grants - operating	All councils rely, to a certain extent, on the provision of operating grants to fund the delivery of services. Operating grants typically fall into one of two categories:	<ul style="list-style-type: none"> • Grants - Operating recurrent Federal • Grants - Operating recurrent State • Grants - Operating non-recurrent State • Grants - Operating non-recurrent Federal
Grants - capital	External funding from the other levels of governments to assist in the acquisition, development, and renewal of community assets. These grants are mainly non-recurring in nature essentially for the purposes of funding the purchase of a large asset or capital works project and are usually expended by councils to construct new or upgrade existing assets. The grants are in addition to the funds allocated by council to the capital works project.	<ul style="list-style-type: none"> • Grants - Capital recurrent Federal • Grants - Capital recurrent State • Grants - Capital non-recurrent Federal • Grants - Capital non-recurrent State
Contributions - monetary	Councils receive Monetary contributions, typically from developers, in relation to the development or redevelopment activities occurring within the municipality. Monetary contributions are received to assist the councils deliver additional infrastructure that is required to service new developments.	<ul style="list-style-type: none"> • Contributions - cash
Contributions - non-monetary	Councils receive Non-monetary contributions, typically from developers, in relation to the development or redevelopment activities occurring within the municipality. Non-monetary contributions are received in the form of gifted assets, such as roads, footpaths, drainage and other community facilities, which are brought to account by the council at their fair value.	<ul style="list-style-type: none"> • Contributions - Non cash
Net gain on asset revaluation	Net gain on asset revaluation recognised in profit and loss to reverse prior year losses, in line with AASB 116	<ul style="list-style-type: none"> • Off-street car parks revaluation
Share of net profits of associates	Councils portion of net profit from associates, joint arrangements and subsidiaries	<ul style="list-style-type: none"> • Casey Cardinia Library Corporation
Other income	Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.	<ul style="list-style-type: none"> • Interest • Cost recoveries • Other rent
Expenses	Description	Example
Employee costs	These represent the total cost of staff employed in the delivery of council services. These costs are also likely to include temporary or casual staff employed to assist in the delivery of services. In general, they will not include the costs of engaging contractors providing services to the council on an outsourced basis.	<ul style="list-style-type: none"> • Wages • Superannuation • Employee leave entitlements • Fringe Benefits Tax • Other on costs
Materials and services	These are the costs incurred in the purchase of material or other services necessary to deliver council services. The actual costs can be extremely varied; accordingly, councils will often include a note providing a breakdown of the types of costs that make up this category.	<ul style="list-style-type: none"> • Contractor payments • Maintenance costs • Utilities • ICT costs • Consultants and professional services
Depreciation	The consumption of property, infrastructure, plant and equipment is measured through depreciation for physical assets and amortisation for non-physical assets. This is recognised as a cost to council and is measured as an estimate of the reduction of the future value of the assets over the period. While this is a significant cost, it does not represent a cash outflow to the council.	<ul style="list-style-type: none"> • Depreciation building • Depreciation Plant & Machinery • Depreciation Furniture, Equipment & Computers • Depreciation roads, Footpaths, Bridges
Amortisation - intangible assets	An intangible asset is an asset that is not physical in nature. Amortization of intangibles is the process of expensing the cost of an intangible asset over the projected life of the asset accounting purposes.	<ul style="list-style-type: none"> • Software • Patents, Copyrights & Trademarks • Goodwill
Amortisation - right of use assets	The right-of-use asset is a lessee's right to use an asset over the life of a lease. The amortization period for the right-of-use asset is from the lease commencement date to the earlier of the end of the lease term or the end of the useful life of the asset.	
Bad and doubtful debts	These are the costs associated with the provision for or writing off of bad or doubtful debts. Councils often have a high level of write off in relations to fines due to the inherently difficult nature of collection. Other receivables such as those related to rates have a very low level of write off due to councils having the ability to recover any outstanding amounts at the time of sale of the subject property or otherwise through legal action.	<ul style="list-style-type: none"> • Fines • Rates • Facility hire fees

Expenses	Description	Example
Borrowing costs	These are the costs associated with borrowings held by council, typically interest. In certain, qualifying, cases rather than recognised as a cost, borrowing costs can be incorporated into the cost of an asset purchased or constructed by council.	<ul style="list-style-type: none"> • Interest on loans • Bank charges
Finance costs - leases	These are borrowing costs related to leases. As a requirement of the change in accounting standards it's disclosed separately. (Previously was part of Borrowing costs)	<ul style="list-style-type: none"> • Leases related Interest & Bank charges
Net loss on disposal of property, infrastructure, plant and equipment	Council will recognise a loss in disposal of a plant asset when the proceeds on disposal is less than the book value.	<ul style="list-style-type: none"> • Proceeds from sale • Written down value of assets disposed
Share of net loss of associates	Councils portion of net loss from associates, joint arrangements and subsidiaries	<ul style="list-style-type: none"> • Casey Cardinia Library Corporation
Other expenses	Other expenses is measured at the fair value of the consideration paid or payable.	<ul style="list-style-type: none"> • Councillor Allowances • Government Fees & Charges • Other Expenses
Surplus/(deficit) for the year		
less: Capital income and other abnormals	Any External capital funding from the other levels of governments, Monetary and Non-Monetary capital contributions typically from developers that is of non-recurrent nature is removed	<ul style="list-style-type: none"> • Capital Contributions (cash & non cash) • Capital Grants (recurrent and non-recurrent) • Developer Levies (cash & non cash)
add back: Recurrent capital grants	Any External capital grant funding from the other levels of governments that is of recurrent nature is added back	<ul style="list-style-type: none"> • Capital Grants of recurrent nature
Adjusted underlying result		
Other comprehensive income		
Items that will not be reclassified to surplus or deficit in future periods		
add/(less): Net asset revaluation increment/(decrement)	The asset revaluation reserve is used to record the increased/(decreased) net value of Council's assets over time	<ul style="list-style-type: none"> • Property • Infrastructure
Total comprehensive result		

Balance Sheet Category Line Item Glossary		
Current Assets	Description	Example
Cash and cash equivalents	The most liquid of all assets cash is listed here. Cash Equivalents are also lumped under this line item and includes assets that have short-term maturities.	<ul style="list-style-type: none"> • Cash on hand • Cash at bank • Bank bills
Trade & Other Receivables (Current)	This account includes the balance of all sales revenue still on credit, net of any allowances for doubtful accounts (which generates a bad debt expense). As the councils recover accounts receivables, this account decreases and cash increases by the same amount.	<ul style="list-style-type: none"> • Rate Debtors • Infringement Debtors • Other Debtors
Accrued Income	Accrued Income Reported on the Balance Sheet is the amount of accrued income that the council has a right to receive as of the date of the balance sheet will be reported. Also known as accrued receivables.	
Prepayments	Prepayments represents goods or services paid for upfront where the council expects to use the benefit within 12 months. It is a future expense that the council has paid for in advance.	<ul style="list-style-type: none"> • Rent paid in advance • Deposits for asset purchases
Inventories	Inventory is the goods available for sale and raw materials used to produce goods available for sale	<ul style="list-style-type: none"> • Supplies • Land held for resale at cost
Non-Current Assets	Description	Example
Intangible Assets	Intangible assets are identifiable, non-monetary assets without physical substance. (Intangible assets lack a physical substance like other assets such as inventory and equipment) Like all assets, intangible assets are expected to generate economic returns for the company in the future. As a Non current asset, this expectation extends for more than 12 months.	<ul style="list-style-type: none"> • Intangibles At Cost • Intangibles accumulated depreciation at cost • Intangibles incl software WIP
Trade and other receivables (Non-current)	This account includes the balance of all sales revenue still on credit, that is not due within the next twelve months	• Non Current Debtors
Long Term Investments	Investments are classified as Long-term investments when the council intends to hold for more than a year.	• Casey Cardinia Library Corporation
Property, infrastructure, plant and equipment	Property, Plant, and Equipment (PP&E) is a non-current, tangible capital asset shown on the balance sheet of the council and is used to generate revenues and profits. PP&E plays a key part in the financial planning and analysis of the councils operations and future expenditures, especially with regards to capital expenditures.	<ul style="list-style-type: none"> • Land • Buildings • Recreational, Leisure & Community Facilities • Plant & Machinery • Furniture, Equipment & Computers
Current liabilities	Description	Example
Trade and other payables	This is the amount the council owes suppliers for items or services purchased on credit expected to be settled in 12 months. As the council pays off their AP, it decreases along with an equal amount decrease to the cash account.	<ul style="list-style-type: none"> • Trade payables • Accrued expenses • Income in advance (current)
Trust funds and deposits	Trust funds and deposits, are to be disclosed separately on the balance sheet. Trust funds and deposits are amounts received by a council with the expectation that they will be returned to the contributor once certain conditions are met.	<ul style="list-style-type: none"> • Contractors Security Bond • Landscape Maintenance Bonds • Asset Protection Security Deposit • Hall Hire Bond
Provisions (Current)	Councils are required to recognise, as a liability, the value of leave entitlements (annual and long service) accrued (earned but not yet taken) by existing employees expected to be settled with in 12 months.	<ul style="list-style-type: none"> • Annual leave (current) • Long service leave (current) • Sick leave bonus/gratuity (current)
Interest-bearing loans and borrowings (Current)	This account includes the total amount of loans and borrowings expected to be settled with in 12 months. This includes the councils outstanding debt, the interest expense, and the principal repayment for the period.	• Borrowings - secured (current)
Non-Current liabilities	Description	Example
Provisions (Non-current)	Councils are required to recognise, as a liability, the value of leave entitlements (annual and long service) accrued (earned but not yet taken) by existing employees expected to be settled after 12 months.	<ul style="list-style-type: none"> • Annual leave (current) • Long service leave (current) • DCP Liabilities (non-current)
Interest-bearing loans and borrowings (Non-current)	This account includes the total amount of loans and borrowings expected to be settled after 12 months. This includes the councils outstanding debt, the interest expense, and the principal repayment for the period.	• Borrowings - secured (non-current)
Trade and other payables (Non-current)	Councils are required to recognise, as a liability, the value of leave entitlements (annual and long service) accrued (earned but not yet taken) by existing employees expected to be settled after 12 months.	• Other non-current creditors
Equity	Description	Example
Accumulated Surplus	An accumulated fund holds excess money received by the council . The accumulated fund grows when revenues are greater than expenses and there is a budgetary surplus.	<ul style="list-style-type: none"> • Developer Reserve Movements • Asset Adjustments
Reserves	Reserves is also known as retained earnings is the portions of the councils profits which have been set aside to strengthen the councils financial position.	<ul style="list-style-type: none"> • Asset Revaluation Reserves • Public Open Space Reserves • Pakenham DCP Reserves • Cardinia Rd DCP Reserves • Officer DCP Reserves • Other Reserves