



Financial Report - 31 December 2017



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Income Statement

For the financial year to date 31 December 2017

	YTD Budget	YTD Actuals & Comm	YTD Variance	Variance	Annual Budget
	\$	\$	\$	%	\$
Income					
Rates and municipal charges	53,804,275	53,840,944	36,669	0.07	54,455,775
Waste management charges	8,277,423	8,321,765	44,342	0.54	8,277,423
Government grants-recurrent	2,354,891	2,568,045	213,154	9.05	6,093,723
Government grants-non-recurrent	345,200	829,121	483,921	140.19	5,617,419
User charges	3,361,507	3,496,172	134,665	4.01	11,500,127
Statutory fees and fines	585,259	654,113	68,854	11.76	1,177,817
Reimbursements	58,286	58,801	515	0.88	59,286
Interest income	454,000	442,002	(11,998)	(2.64)	970,000
Capital contributions	16,288	123,233	106,945	656.59	1,451,033
Other revenue-recurrent	240,371	321,123	80,752	33.59	463,758
Other revenue-non-recurrent	-	107,061	107,061	100.00	-
Contributions	169,600	570,427	400,827	236.34	345,357
Total income	69,667,100	71,332,807	1,665,707	2.39	90,411,718
Expenses					
Employee benefits	16,161,406	15,639,167	522,239	3.23	32,732,784
External contracts	7,180,272	8,439,281	(1,259,009)	(17.53)	14,763,810
Materials and related costs	6,992,130	7,841,346	(849,216)	(12.15)	11,535,735
Bad and doubtful debts	-	-	-	-	-
Other expenditure	6,851,118	6,772,649	78,469	1.15	10,610,156
Interest expenditure	367,000	365,457	1,543	0.42	820,000
Capital works recharge	(164,001)	(115,803)	(48,198)	(29.39)	(440,000)
New initiatives allocation	875,052	1,087,607	(212,555)	(24.29)	3,001,979
Total expenses	38,262,977	40,029,704	(1,766,727)	(4.62)	73,024,464
Earnings before Depreciation	31,404,123	31,303,103	(101,020)	(0.32)	17,387,254
Depreciation	5,207,500	5,207,500	-	-	10,095,000
Net Surplus	26,196,623	26,095,603	(101,020)	(0.39)	7,292,254

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Balance Sheet

For the financial year to date 31 December 2017

	31-Dec-17	30-Jun-17
	\$	\$
ASSETS		
Current assets		
Cash assets	42,381,488	44,209,764
Receivables	41,221,019	8,873,795
Accrued income	12,339	165,567
Prepayments	1,302	1,605,809
Land held for resale	3,000,000	3,000,000
Inventories	29,069	23,401
GST control	-	-
Total current assets	86,645,217	57,878,335
Non-current assets		
Investments in associates	1,561,890	1,561,890
Property, infrastructure, plant & equipment		
At cost	934,052,341	935,187,269
Accumulated depreciation	(206,886,811)	(201,679,311)
Work in progress 16-17	19,737,044	19,737,044
Work in progress 17-18	9,597,854	-
Total non-current assets	758,062,318	754,806,892
TOTAL ASSETS	844,707,535	812,685,228
LIABILITIES		
Current liabilities		
Creditors	4,341,433	2,043,107
Trust funds	1,290,657	1,509,624
Prepaid income	-	26,878
Accrued expenses	521,484	3,340,250
Commitments	7,473,532	-
Provisions	6,600,764	7,025,147
Borrowings	1,846,744	2,202,905
Total current liabilities	22,074,614	16,147,910
Non-current liabilities		
Provisions	9,207,496	9,207,496
Borrowings	11,256,968	11,256,968
Total non-current liabilities	20,464,464	20,464,464
TOTAL LIABILITIES	42,539,078	36,612,374
NET ASSETS	802,168,457	776,072,853
Presented by:		
Accumulated surplus	373,041,092	373,041,091
YTD surplus/(deficit)	26,095,603	-
Asset revaluation reserve	365,669,217	365,669,217
Other reserves	37,362,545	37,362,545
TOTAL EQUITY	802,168,457	776,072,853

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Statement of Cash Flows

For the financial year to date 31 December 2017

	31-Dec-17 YTD	30-Jun-17 *
Inflows from operating activities		
Rates	29,968,713	63,005,000
Statutory fees & fines	654,113	1,506,000
User charges	3,496,172	9,797,000
Grants	3,397,166	14,693,000
Contributions	693,660	2,789,000
Reimbursements	58,801	152,000
Interest	442,002	1,403,000
Other receipts	428,184	5,452,000
Total inflows from operating activities	39,138,811	98,797,000
Outflows from operating activities		
Payments to suppliers	(15,229,107)	(30,256,000)
Payments to employees	(16,063,550)	(30,849,000)
Borrowing costs	(365,457)	(885,000)
Trust	(218,967)	(239,000)
New initiatives allocation	(1,087,607)	(794,000)
Other payments	(6,772,649)	(8,401,000)
Total outflows from operating activities	(39,737,337)	(71,424,000)
Movement in operating activities	(598,526)	27,373,000
Inflows from investing activities		
Proceeds from sale of assets	-	1,607,000
Proceeds from investments	-	7,000,000
Outflows from investing activities		
Payments for property, infrastructure, P&E	(873,589)	(24,147,000)
Payments for investments	-	(6,300,000)
Movement in investing activities	(873,589)	(21,840,000)
Inflows from financing activities		
Proceeds from borrowings	-	-
Outflows from financing activities		
Repayment of borrowings	(356,161)	(843,000)
Movement in financing activities	(356,161)	(843,000)
TOTAL CASH MOVEMENT FOR PERIOD	(1,828,276)	4,690,000
Opening bank balance	44,209,764	39,520,000
Net increase/(decrease) in cash and cash equivalents	(1,828,276)	4,690,000
CLOSING BANK BALANCE	42,381,488	44,210,000

*Comparative reflective of annual report which has been rounded to the nearest thousand

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1. Operating Performance

a. Operating Revenue year to date

	YTD Budget	YTD Actuals & Comm	YTD Variance	YTD Variance	Traffic Light	Annual Budget
	\$	\$	\$	%		\$
Revenues						
Rates and municipal charges	53,804,275	53,840,944	36,669	0.07	●	54,455,775
Waste management charges	8,277,423	8,321,765	44,342	0.54	●	8,277,423
Government grants-recurrent	2,354,891	2,568,045	213,154	9.05	●	6,093,723
Government grants-non-recurrent	345,200	829,121	483,921	140.19	●	5,617,419
User charges	3,361,507	3,496,172	134,665	4.01	●	11,500,127
Statutory fees and fines	585,259	654,113	68,854	11.76	●	1,177,817
Reimbursements	58,286	58,801	515	0.88	●	59,286
Interest income	454,000	442,002	(11,998)	(2.64)	●	970,000
Capital contributions	16,288	123,233	106,945	656.59	●	1,451,033
Other revenue-recurrent	240,371	321,123	80,752	33.59	●	463,758
Other revenue-non-recurrent	-	107,061	107,061	100.00	●	
Contributions	169,600	570,427	400,827	236.34	●	345,357
Total Operating Revenue	69,667,100	71,332,807	1,665,707	2.39		90,411,718

● YTD tolerance -5% to 5% ● YTD tolerance 5 to 10% (+/-) ● YTD tolerance greater than 10% (+/-)

Significant variance commentary (Over \$50,000 or >5%):

Recurrent Government Grants \$213,154.

- New funding received from:
 - Department of Health and Human Services \$68,924 for building inclusive communities program.
- Additional funding received from:
 - VicRoads \$74,977 for school crossing supervision,
 - Department of Health and Human Services \$20,030 for delivered meals,
 - Department of Health and Human Services \$10,108 for property maintenance,
 - Department of Education and Training \$12,049 for childcare fee rebates.

The balance of \$27,066 consists of various minor differences.

Non-Recurrent Government Grants \$483,921.

- New funding received from:
 - VicRoads \$95,000 for L2P learner driver mentor program,
 - Manningham City Council \$80,000 for emergency management officer,
 - Strathewen Landcare Group \$52,531 for landcare network facilitator,
 - Department of Premier and Cabinet \$12,575 for Nillumbik heritage digital guide,
 - Department of Environment, Land, Water and Planning \$182,556 for peri-urban weed management partnership, charming spider orchid conservation and recovery, biodiversity on-ground project and southern toadlet conservation.
- Additional funding received from:
 - Department of Infrastructure and Regional Development \$37,425 for rural road construction.

The balance of \$23,834 consists of various minor differences.

User Charges \$134,665.

- Transport and Development supervision fee income due to increased subdivision activity \$59,717.
- Recycling and Recovery Centre recycling fee income is higher than anticipated due to increases in both market prices and volumes \$37,505.
- Recycling and Recovery Centre gate fees are higher than anticipated due to the increase in customer numbers \$35,235.
- Asset protection fee income resulting from increased number of building applications \$29,299.
- Edendale Farm plant sales year to date are higher than expected \$25,280.
- Recycling income from kerbside collections has ceased under the new contract as recyclables are now compacted (\$26,883).
- HACC domestic assistance client fees lower than expected due to delays in reporting after transitioning to new service provider (\$34,253).

The balance of \$8,765 consists of various minor differences.

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a. Operating Revenue year to date

Significant variance commentary (continued):

Statutory Fees and Fines \$68,854.

- Planning application fee income higher than anticipated due to increase in, and revised application of, State legislated fees \$163,676.
- Parking infringement fee income has decreased (\$72,953).
- Animal infringement income reflects a decrease in the number of infringement notices issued year to date (\$11,394).

The balance of (\$10,475) consists of various minor differences.

Capital Contributions \$106,945.

- Rebate from Ausnet Services for Civic Drive precinct works \$106,945.

Other Income - Recurrent \$80,752.

- Better than expected return from contract providers at leisure centres \$48,384.
- Paid Parental Leave income received from Centrelink higher than estimated \$11,700.
- Higher than anticipated diesel fuel rebates from the Australian Tax Office \$11,496.

The balance of \$9,172 consists of various minor differences.

Other Income - Non-recurrent \$107,061.

- Additional Council election non-voter fine income received from Victorian Electoral Commission \$81,086.

The balance of \$25,975 consists of various minor differences.

Contributions \$400,827.

- Higher than anticipated developer contributions received for specific purpose, as follows:
 - Open Space in DPO1 area \$70,000,
 - Open Space in DPO2 area \$117,900,
 - Infrastructure in DPO1 area \$36,631,
 - Yarrambat Drainage area \$40,296, and
 - Open Space \$136,000.

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b. Operating Expenditure year to date

	YTD Budget	YTD Actuals & Comm	YTD Variance	YTD Variance	Traffic Light	Annual Budget
	\$	\$	\$	%		\$
Expenditure						
Employee benefits	16,161,406	15,639,167	522,239	3.23	●	32,732,784
External contracts	7,180,272	8,439,281	(1,259,009)	(17.53)	●	14,763,810
Materials and related costs	6,992,130	7,841,346	(849,216)	(12.15)	●	11,535,735
Other expenditure	6,851,118	6,772,649	78,469	1.15	●	10,610,156
Interest expenditure	367,000	365,457	1,543	0.42	●	820,000
Capital works recharge	(164,001)	(115,803)	(48,198)	(29.39)	●	(440,000)
New initiatives allocation	875,052	1,087,607	(212,555)	(24.29)	●	3,001,979
Total operating expenditure	38,262,977	40,029,704	(1,766,727)	(4.62)		73,024,464

● YTD tolerance -5% to 5% ● YTD tolerance 5 to 10% (+/-) ● YTD tolerance greater than 10% (+/-)

Significant variance commentary (Over \$50,000 or >5%):

Employee Benefits \$522,239.

- Year to date variances in employee costs will be addressed in the Mid-Year Budget Review.

External Contracts (\$1,259,009).

- Temporary / agency staff have been engaged to backfill vacant positions across the organisation to continue to provide consistent level of service (\$538,858).
- Engagement of specialised services in relation to development of strategic planning framework, preparation of various masterplans, as well as policy and strategy reviews within Business and Strategy Management, Operations Centre Management, Engineering Construction and Corporate Systems (\$325,054).
- Recruitment costs incurred year to date (\$131,462).
- Immunisation costs higher than expected due to inclusion of additional meningococcal vaccinations into the secondary school program (\$60,000).
- Implementation costs associated with system updates in Finance (\$57,932).
- Home and Community Care (HACC) service contract management fee higher than budget estimates (\$50,600).
- Maternal and Child Health services cleaning expenditure has increased under new contractual arrangements (\$25,830).
- Yarrambat Park golf course management contract costs higher than budget (\$20,000).

The remaining balance of (\$49,273) consists of several minor variances.

Materials & Related Costs (\$849,216).

- Arboriculture maintenance contractors engaged to reduce large backlog in line with Council plan (\$250,767).
- Operational requirements have necessitated Network / Desktop server and security equipment purchases (\$150,462).
- Corporate Systems software maintenance costs are higher than anticipated (\$123,390).
- Fleet Operations external repairs have been required for plant damaged in accidents year to date (\$111,301).
- Linemarking works in accordance with the road management plan exceeds adopted budget (\$107,520).
- GIS software maintenance commitments have been raised for multi-year contract (\$97,415).
- Fleet hire recovery has reduced in line with reduction in private use motor vehicle fleet (\$50,133).
- Building Maintenance essential services maintenance includes commitments for work which will be carried out within the 2018-19 financial year (\$38,880).
- Lower than expected diesel expenditure attributable to the continued low price of diesel fuel \$109,783.

The remaining balance of (\$29,131) consists of a number of minor timing variances.

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b. Operating Expenditure year to date

Significant variance commentary (continued):

Other Expenditure \$78,469.

- Technology currently has less equipment on lease than was anticipated \$38,229.
- Planning scheme amendment costs are relective of changing project priorities, which have reduced the need for planning scheme amendments in the current financial year \$18,512.

The remaining balance of (\$21,728) consists of various minor variances.


New Initiatives Allocation (\$212,555).

Refer to New Initiatives table on page 13.

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Statement of Capital Works

For the financial year to date 31 December 2017

Asset Class	YTD Budget	YTD Actuals & Comm	YTD Variance	Variance	Traffic Light	Annual Budget
	\$	\$	\$	%		\$
Bridges	162,234	191,069	(28,835)	(17.77)		1,115,234
Children's playground equipment	70,250	45,985	24,265	34.54		219,000
Commercial centres/major streetscapes	107,020	142,019	(34,999)	(32.70)		221,059
Disability access works	23,050	23,547	(497)	(2.15)		120,000
Drainage	623,632	645,283	(21,651)	(3.47)		751,509
Footpaths	610,000	592,378	17,622	2.89		790,000
Landfill closure/regional park	1,867,865	1,864,636	3,229	0.17		2,663,028
Major leisure centres & community halls	12,864,901	13,679,576	(814,675)	(6.33)		14,061,568
Other	25,000	166,105	(141,105)	(564.42)		410,377
Other council buildings	1,090,259	1,228,236	(137,977)	(12.66)		3,106,086
Plant & vehicle replacement	560,000	592,609	(32,609)	(5.82)		1,871,155
Public open space	818,116	829,704	(11,588)	(1.42)		4,446,460
Recreation trails	366,760	367,338	(578)	(0.16)		3,172,137
Roads	2,457,131	2,700,421	(243,290)	(9.90)		3,100,329
Sportsfields & pavilions	687,753	742,064	(54,311)	(7.90)		6,863,425
Traffic works	278,000	254,677	23,323	8.39		1,062,020
Total	22,611,971	24,067,500	(1,455,529)	(6.44)		43,973,387
Renewal	3,773,669	3,896,424	(122,755)	(3.25)		7,127,393
New	470,116	478,719	(8,603)	(1.83)		4,251,134
Upgrade	17,050,850	18,220,870	(1,170,020)	(6.86)		23,760,856
Expansion	1,317,336	1,471,487	(154,151)	(11.70)		8,834,004
Total	22,611,971	24,067,500	(1,455,529)	(6.44)		43,973,387

Significant Variance Commentary (Over \$50,000):

Major leisure centres & community halls (\$814,675)

- Eltham Leisure Centre Aquatic Redevelopment (\$889,703) - Approved variation as per Council report OCM.084/17 at Ordinary Council Meeting on 1 August 2017.
- Yarrambat Golf Course improvements \$78,758 - Work has been delayed due to redirection of staffing resources to other projects.

Other (\$141,105)

- Emergency Repairs (\$89,803) - Emergency works required have included Challenger Street Tennis Club lighting (\$30,855), Plenty hockey pitch repair (\$23,870), Hurstbridge Tennis Club tree root removal (\$10,225) and Kangaroo Ground tower retaining wall (\$9,522).
- Fire Fighting Water Storage Tanks (\$26,740) - Water storage tank constructed in Olives Lane, St Andrews, as well as fire access track works being undertaken at Temple Ridge, for which additional funding is to be received from the Country Fire Authority

Other Council Buildings (\$137,977)

- Diamond Creek Men's Shed (\$31,611) - Project scope for accessible amenities has been increased.
- Eltham Community Reception Centre Upgrade (\$108,424) - Significant costs and project delays resulted following discovery of termite and water damage to the existing building. In addition, the project scope was amended to include full replacement of carpet throughout the building and additional landscaping works to enable better utilisation of the centre.

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Capital Works

Significant Variance Commentary (continued):

Roads (\$243,290)

- Civic Drive Precinct Infrastructure Works (\$101,600) - Additional works due to poor soil conditions and service relocations.
- DPO2 Collard Drive upgrade (\$99,143) - Increase in scope of works being undertaken in this stage. These works are funded from the DPO2 Infrastructure Reserve.
- Rural Road Construction (\$59,796) - Works funded from Department of Infrastructure and Regional Development's Roads To Recovery program have been revised to include additional rural road works in 2017-18.

Sportsfields & Pavilions (\$54,311)

- Baseball facility - Campbell Street (\$25,303) - Timing variance arisen due to expenditure being incurred earlier than anticipated.

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Eltham Leisure Centre Redevelopment - Total project cost to date
For the period 2015 - 2018

	Project To Date Actuals	YTD Commitments	Project to Date Actuals & Comm	Total Project Budget	Unspent Budget*
	\$	\$	\$	\$	\$
Expenditure	11,587,870	8,723,084	20,310,954	20,388,750	77,796

* There is currently an under spend in budget given the project is not yet complete.

Project Variance Commentary:

The awarded contract includes an amount set aside for unforeseen costs, referred to as a construction contingency. Unforeseen costs are typically identified after commencement of the project as site conditions are exposed following demolition of existing structures.

At this stage \$725,834 has been approved as a variation, which is largely attributable to:

- Additional asbestos removal;
- Diversion of the sewer main;
- Electrical submain diversion;
- Termite damage to the columns at the interface with the existing building;
- Updated civil and stormwater plans to match existing conditions;
- Additional reinforcement and footings; and
- Soft spots.

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3. New Initiatives Expenditure

Department Unit	YTD Budget	YTD Actuals & Comm	YTD Variance	YTD Variance	Traffic Light	Annual Budget
	\$	\$	\$	%		\$
Business and Strategy						
Business, Tourism and Marketing	35,728	188,131	(152,403)	(426.57)	●	331,252
Connected Communities	-	56,200	(56,200)	(100.00)	●	40,000
Integrated Strategy	134,703	204,987	(70,284)	(52.18)	●	576,000
	170,431	449,318	(278,887)			947,252
Services and Planning						
Business Support	-	-	-	-	●	10,000
Community Programs	-	-	-	-	●	40,000
Community Safety	25,000	14,814	10,186	40.74	●	25,000
	25,000	14,814	10,186			75,000
Sustainability and Place						
Assets and Property	15,360	15,360	-	-	●	115,360
Environment	446,816	372,302	74,514	16.68	●	1,085,230
Infrastructure	-	3,528	(3,528)	(100.00)	●	-
	462,176	391,190	70,986			1,200,590
Corporate						
Chief Executive Officer	-	-	-	-	●	345,000
Governance	198,195	198,977	(782)	(0.39)	●	297,137
People, Culture and Innovation	19,250	33,307	(14,057)	(73.02)	●	137,000
	217,445	232,284	(14,839)			779,137
Total	875,052	1,087,607	(212,555)	(24.29)		3,001,979

● YTD tolerance -5% to 5% ● YTD tolerance 5 to 10% (+/-) ● YTD tolerance greater than 10% (+/-)

Year to date main variances (greater than \$20,000) by department and unit:

Business, Tourism and Marketing (\$152,403).

- Unbudgeted Eltham Community Reception Centre opening event costs (\$60,642).
- Temporary employment of Business Development Officer pending finalisation of organisational structure (\$19,048).

Connected Communities (\$56,200).

- L2P learner driver mentor program expenditure is offset by new grant funding received from VicRoads (\$55,760).

Integrated Strategy (\$70,284).

- Following adoption by Council of the Lifetime Play Strategy Planning Framework (Ordinary Council Meeting 27 June 2017 OCM.068/17) an audit of playspaces has been undertaken to enable development of an implementation plan (\$26,700).
- Unexpected costs associated with Growing Suburbs Fund grant applications (\$54,698), from which five applications were successful for a total funding amount of \$7.7 million.

Environment \$74,514.

- Proactive tree management program has been delayed due to contractor availability \$100,002.
- Roadside vegetation and open space maintenance has included a high level of spring and pre-Christmas mowing (\$25,328).

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4. Loans and Investments

a. Loans

Financial Institution	Start date	Term (years)	End date	Principal	Interest Rate	Current Balance
				\$	%	\$
NAB	27/06/2008	10	27/06/2018	920,000	8.04	61,988
CBA	30/06/2015	3	30/09/2018	1,480,000	2.42	1,480,000
NAB	25/06/2010	10	25/06/2020	923,000	7.79	726,912
LGFV	27/06/2014	7	12/11/2021	2,392,000	4.65	2,392,000
ANZ	29/06/2012	10	29/06/2022	1,000,000	5.52	518,107
CBA	28/06/2013	10	28/06/2023	400,000	5.86	248,364
NAB	28/06/2007	20	28/06/2027	2,200,000	6.96	1,385,678
NAB	27/06/2008	20	27/06/2028	3,647,000	7.87	2,573,642
NAB	10/06/2011	20	10/06/2031	2,120,000	7.91	1,749,618
ANZ	29/06/2012	20	29/06/2032	2,373,000	5.88	1,967,403
Total						13,103,712

b. Investment activities

Council carries out investment activities according to Section 143 of the Victorian Local Government Act 1989.

All Council funds are invested with Authorised Deposit Taking Institutions (ADI's), in either cash, at call or term deposits.

The following tables provide our investment portfolio by maturity and rating type.

Financial Institution	Green Investment	S & P Rating	Investment Type	Principal \$	Maturity Date	Term (days)	Interest Rate %
ANZ *		A1+	11:00am	190	N/A	N/A	
BankWest		A1+	11:00am	4,035,228	N/A	N/A	1.60
NAB		A1+	Term Deposit	7,121,000	2/01/2018	90	2.50
NAB		A1+	Term Deposit	3,000,000	8/01/2018	91	2.49
IMB	Yes	A2	Term Deposit	2,500,000	11/01/2018	90	2.40
IMB	Yes	A2	Term Deposit	2,500,000	22/01/2018	91	2.50
NAB		A1+	Term Deposit	2,500,000	5/02/2018	90	2.47
BankWest		A1+	Term Deposit	1,200,000	5/02/2018	61	2.35
ME Bank	Yes	A2	Term Deposit	3,500,000	26/02/2018	91	2.45
Suncorp	Yes	A1	Term Deposit	5,300,000	26/02/2018	245	2.60
ME Bank	Yes	A2	Term Deposit	2,000,000	5/03/2018	91	2.45
BankWest		A1+	Term Deposit	3,500,000	8/03/2018	90	2.45
Bendigo/Adelaide	Yes	A2	Term Deposit	1,000,000	20/04/2018	365	2.60
Total				38,156,418		Weighted average	2.40

* Nominal amount held with ANZ to enable future investments if required.

Financial Institution Rating	Investment \$	Portfolio %
A1+	21,356,418	55.97%
A1	5,300,000	13.89%
A2	11,500,000	30.14%
A3		
Total	38,156,418	100%

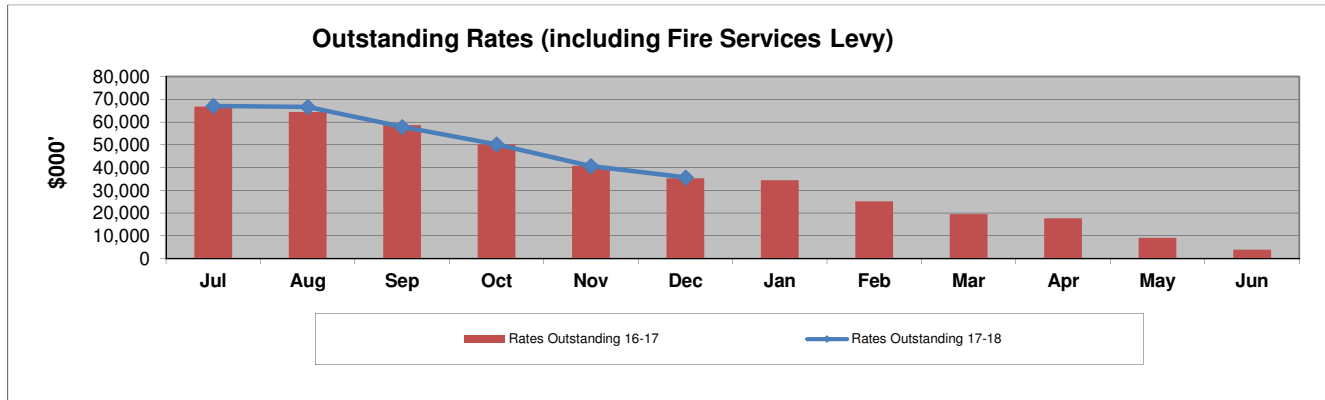
Council's current average rate of return on investments for the 2017-18 financial year is 2.40 percent and is compliant with Council's Investment policy.

The portion of investment portfolio currently invested with green institutions is 44.03 percent.

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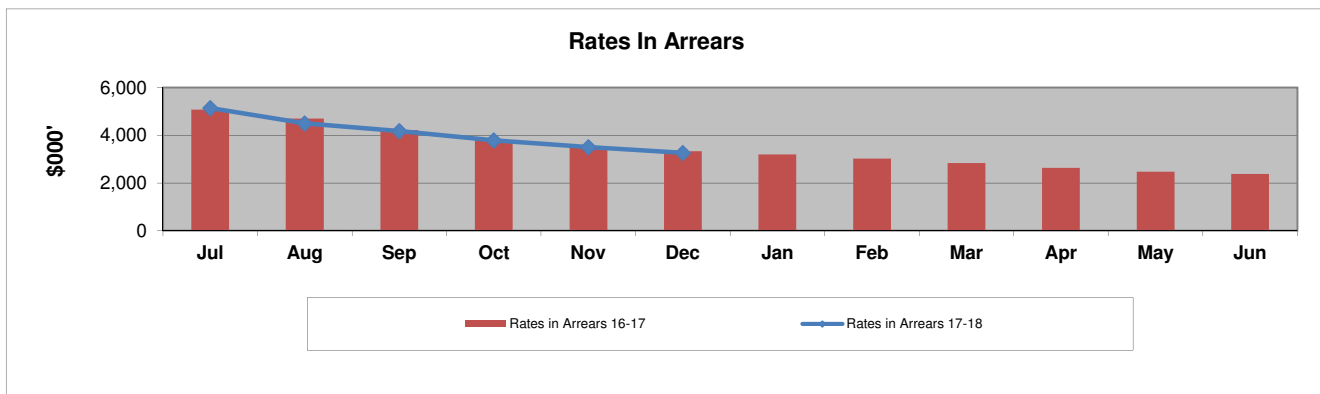
5. Rates outstanding

	YTD Actual 31-Dec-16 \$000'	YTD Actual 31-Dec-17 \$000'	Variance \$000'	Variance %
Rates Outstanding	35,265	35,640	(375)	(1.06)
Rates in Arrears (prior years)	3,328	3,262	66	1.98



As at 31 December 2017 the year to date actual Fire Service Levy charges outstanding are \$2,840,822; the outstanding rates balance is \$32,799,433.

When Council adopts the budget, rates are levied on ratepayers and the full amount due is treated as income at that point.



Supplementary Valuations

Between the two-year revaluation cycle, supplementary valuations are conducted to:

- record changes made to properties that affect property value,
- record changes to the rateability status, and
- consider any planning amendments made within the cycle.

Growth in the number of rateable assessments predominantly occurs as a result of developments within the Shire, creating assessments through subdivision of land and/or buildings.

Rateable properties at 1 July 2017	23,297
2017-18 growth	81
Rateable properties at 31 December 2017	<u>23,378</u>

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6. Grant Activity

The following table provides a summary of grant funding received greater than \$50,000 for Council activities during the period 1 July 2017 to 31 December 2017.

Project Description	2017-18 Actuals YTD \$	Funding Body
Recurrent		
Living & Learning Vocational Education & Training	249,494	Department of Education and Training
Maternal & Child Health Universal Funding	164,689	Department of Education and Training
Grow Communities Thriving Children	63,934	Department of Education and Training
Best Start	58,267	Department of Education and Training
Grants Commission - General	450,359	Department of Environment, Land, Water and Planning
Grants Commission - Roads	280,892	Department of Environment, Land, Water and Planning
Home & Community Care - Domestic Assistance	185,467	Department of Health (Cwlth)
Home & Community Care - Personal Care	137,411	Department of Health (Cwlth)
Home & Community Care - Personal Care	60,792	Department of Health and Human Services (Vic)
Home & Community Care - Respite	120,659	Department of Health and Human Services (Vic)
Aged Care Assessment service funding	118,192	Department of Health and Human Services (Vic)
Metro Access	68,924	Department of Health and Human Services (Vic)
School Crossing Supervision	225,977	VicRoads
Total Recurrent	2,185,057	
Non-Recurrent		
New Initiatives		
Charming Spider Orchid	50,000	Department of Environment, Land, Water and Planning
Peri-urban Weed Management Partnership	56,021	Department of Environment, Land, Water and Planning
Emergency Management Officer	80,000	Manningham City Council
Landcare Network Facilitator	52,531	Strathewen Landcare Group
Learner Driver Mentor Program	95,000	VicRoads
Capital Works		
Roads To Recovery - Rural Road Construction	337,425	Department of Infrastructure and Regional Development
Total Non-Recurrent	670,977	

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7. Defined Benefit Superannuation Update

Council has an obligation to contribute to any funding shortfalls within the Local Authorities Superannuation Fund (LASF) Defined Benefit Plan.

The Australian Prudential Regulation Authority (APRA) standard SPS160 uses the Vested Benefits Index (VBI) as its primary measure of fund solvency. The VBI measures the market value of assets in a defined benefit portfolio against the benefits that members would have been entitled to if they had all resigned on the same day.

The independent Actuary to the fund calculates the VBI at 30 June each year. It is necessary for the VBI to be 100% or greater at 30 June each year.

Vision Super produces interim quarterly VBI estimates based on actual quarterly assets and membership.

The recent history of the LASF VBI is shown below:

Estimated Vested Benefit Index

Year	30 Sept	31 Dec	31 Mar	30 Jun
	(estimated)	(estimated)	(estimated)	(actual)
	%	%	%	%
2017/18	103.80	**	-	-
2016/17	103.70	105.40	106.60	103.10
2015/16	104.00	104.40	102.40	102.00
2014/15	102.60	103.10	108.50	105.80

** The 31 December 2017 estimated figure is not yet available from Vision Super.

To enable Council to monitor this risk, reliance is placed on the actuarial reviews conducted on the fund on a periodic basis.