



Financial Report - 31 December 2018



Financial Report - 31 December 2018

Contents

Financial Statements

1. Income Statement	3
2. Balance Sheet	4
3. Statement of Cash Flows	5

Detailed Analysis

1. Income Statement Variance Analysis	6
2. Statement of Capital Works	9
3. Financial Year Projects	10
4. Treasury	11
5. Rates Analysis	12
6. Grant Activity	13
7. Defined Benefit Superannuation Update	14

Financial Report - 31 December 2018

Income Statement

For the financial year to date 31 December 2018

	YTD Budget	YTD Actuals & Comm	YTD Variance Fav / (Unfav)		Annual Budget	YTD Actuals & Comm
	\$	\$	\$	%	\$	\$
Income						
Rates	55,145,836	55,489,247	343,411	0.62	55,633,172	55,489,247
Waste management charge	8,346,902	8,393,638	46,736	0.56	8,346,902	8,393,638
Government grants-recurrent	2,168,220	2,337,982	169,762	7.83	6,498,574	2,337,982
Government grants-non-recurrent	3,651,990	9,513,661	5,861,671	160.51	11,107,189	9,513,661
User charges	3,488,922	3,572,408	83,486	2.39	12,305,449	3,572,408
Statutory fees and fines	682,908	646,162	(36,746)	(5.38)	1,373,718	646,162
Reimbursements	1,000	83,039	82,039	-	2,000	83,039
Interest income	547,982	523,082	(24,900)	(4.54)	1,398,800	523,082
Capital contributions	166,867	51,994	(114,873)	(68.84)	2,377,038	51,994
Other revenue-recurrent	324,350	478,627	154,277	47.56	535,352	478,627
Other revenue-non-recurrent	-	16,782	16,782	100.00	-	16,782
Contributions	100,000	485,500	385,500	385.50	345,485	485,500
Total income	74,624,977	81,592,122	6,967,145	9.34	99,923,679	81,592,122
Expenses						
Employee benefits	17,771,553	16,860,637	910,916	5.13	35,418,178	16,860,637
External contracts	7,408,430	8,776,566	(1,368,136)	(18.47)	15,317,734	8,776,566
Materials and related costs	7,788,517	7,983,532	(195,015)	(2.50)	13,348,079	7,983,532
Other expenditure	7,382,502	7,259,016	123,486	1.67	11,048,709	7,259,016
Interest expenditure	342,801	343,564	(763)	(0.22)	764,487	343,564
Financial year projects allocation	1,137,915	1,306,493	(168,578)	(14.81)	2,049,483	1,306,493
Total expenses	41,831,718	42,529,808	(698,090)	(1.67)	77,946,670	42,529,808
Earnings before Depreciation	32,793,259	39,062,314	6,269,055	19.12	21,977,009	39,062,314
Depreciation	5,557,500	5,557,500	-	-	11,015,000	5,557,500
Net Surplus	27,235,759	33,504,814	6,269,055	23.02	10,962,009	33,504,814

Financial Report - 31 December 2018

Balance Sheet

For the financial year to date 31 December 2018

	31-Dec-18	30-Jun-18
	\$	\$
ASSETS		
Current assets		
Cash assets	51,497,159	47,669,083
Receivables	41,498,110	8,580,365
Accrued income	86,282	2,677,361
Prepayments	8,568	1,700,305
Land held for resale	5,157,900	5,157,900
Inventories	6,045	22,459
Total current assets	98,254,064	65,807,473
Non-current assets		
Investments in associates	1,601,509	1,601,509
Property, infrastructure, plant & equipment		
At cost	1,118,075,498	1,119,893,375
Accumulated depreciation	(227,665,512)	(222,108,012)
Work in progress	35,722,592	24,066,484
Total non-current assets	927,734,087	923,453,355
TOTAL ASSETS	1,025,988,151	989,260,828
LIABILITIES		
Current liabilities		
Creditors	4,310,066	2,663,967
Trust funds	1,643,042	1,649,272
Prepaid income	-	64,670
Accrued expenses	569,274	6,039,974
Commitments	6,979,598	-
Provisions	7,255,393	6,803,683
Borrowings	1,807,311	2,120,607
Total current liabilities	22,564,684	19,342,174
Non-current liabilities		
Provisions	7,707,355	7,707,355
Borrowings	10,614,896	10,614,896
Total non-current liabilities	18,322,252	18,322,251
TOTAL LIABILITIES	40,886,936	37,664,426
NET ASSETS	985,101,215	951,596,403
Presented by:		
Accumulated surplus	388,336,935	371,785,413
YTD surplus/(deficit)	33,504,814	16,551,522
Asset revaluation reserve	524,632,148	524,632,149
Other reserves	38,627,318	38,627,318
TOTAL EQUITY	985,101,215	951,596,403

Financial Report - 31 December 2018

Statement of Cash Flows

For the financial year to date 31 December 2018

	31-Dec-18 YTD	30-Jun-18 *
Inflows from operating activities		
Rates	33,556,219	63,583,000
Statutory fees & fines	646,162	1,558,000
User charges	3,572,408	6,722,000
Grants	11,851,643	11,852,000
Contributions	537,494	2,861,000
Reimbursements	83,039	778,000
Interest	523,082	955,000
Other receipts	495,409	5,280,000
Total inflows from operating activities	51,265,456	93,589,000
Outflows from operating activities		
Payments to suppliers	(16,757,912)	(31,314,000)
Payments to employees	(16,408,927)	(32,406,000)
Borrowing costs	(343,564)	(812,000)
Trust	(6,230)	(12,000)
Other payments	(3,769,217)	(7,048,000)
Total outflows from operating activities	(37,285,850)	(71,592,000)
Movement in operating activities	13,979,606	21,997,000
Inflows from investing activities		
Proceeds from sale of assets	-	5,472,000
Proceeds from investments	-	5,300,000
Outflows from investing activities		
Payments for property, infrastructure, P&E	(9,838,233)	(22,285,000)
Payments for investments	-	(1,000,000)
Movement in investing activities	(9,838,233)	(12,513,000)
Outflows from financing activities		
Repayment of borrowings	(313,297)	(724,000)
Movement in financing activities	(313,297)	(724,000)
TOTAL CASH MOVEMENT FOR PERIOD	3,828,076	8,760,000
Opening bank balance	47,669,083	38,910,000
Net increase/(decrease) in cash and cash equivalents	3,828,076	8,760,000
CLOSING BANK BALANCE	51,497,159	47,670,000

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

Financial Report - 31 December 2018

1. Income Statement Variance Analysis

a. Operating Income year to date

	YTD	YTD	YTD		Annual	YTD
	Budget	Actuals & Comm	Variance Fav / (Unfav)		Budget	Actuals & Comm
	\$	\$	\$	%	\$	\$
Income						
Rates	55,145,836	55,489,247	343,411	0.62	55,633,172	55,489,247
Waste management charge	8,346,902	8,393,638	46,736	0.56	8,346,902	8,393,638
Government grants-recurrent	2,168,220	2,337,982	169,762	7.83	6,498,574	2,337,982
Government grants-non-recurrent	3,651,990	9,513,661	5,861,671	160.51	11,107,189	9,513,661
User charges	3,488,922	3,572,408	83,486	2.39	12,305,449	3,572,408
Statutory fees and fines	682,908	646,162	(36,746)	(5.38)	1,373,718	646,162
Reimbursements	1,000	83,039	82,039	-	2,000	83,039
Interest income	547,982	523,082	(24,900)	(4.54)	1,398,800	523,082
Capital contributions	166,867	51,994	(114,873)	(68.84)	2,377,038	51,994
Other revenue-recurrent	324,350	478,627	154,277	47.56	535,352	478,627
Other revenue-non-recurrent	-	16,782	16,782	100.00	-	16,782
Contributions	100,000	485,500	385,500	385.50	345,485	485,500
Total Operating Income	74,624,977	81,592,122	6,967,145	9.34	99,923,679	81,592,122

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

Rates and waste management charge \$390,147.

- Additional rateable properties processed in July and October 2018.

Recurrent Government Grants \$169,762.

- New funding received from:
 - Department of Environment, Land, Water and Planning for recycling collection \$57,300
 - Department of Environment, Land, Water and Planning for gender equity advocates \$54,000
 - Department of Education and Training for Eltham playhouse \$52,897.

The balance of \$5,565 consists of various minor differences.

Non-Recurrent Government Grants \$5,861,671.

- New funding received from Department of Environment, Land, Water and Planning for:
 - Diamond Creek regional playspace \$2,500,000
 - Greensborough hockey pavilion \$2,000,000
 - Eltham North adventure playground rebuild \$569,641
 - Eltham Lower Park back oval lights \$148,500
 - Biodiversity response planning - Sugarloaf link \$150,000.
- New funding received from VicRoads \$100,000 for L2P learner driver mentor program.
- Funding received earlier than expected from Department of Environment, Land, Water and Planning for Diamond Valley Sports and Fitness Centre \$375,000.

The balance of \$18,530 consists of various minor differences.

User Charges \$83,486.

- Recycling and recovery centre gate fee income is higher than anticipated due greater customer numbers and volumes received \$82,728.
- The balance of \$758 consists of various minor differences.

Financial Report - 31 December 2018

a. Operating Income year to date

Significant variance commentary (continued):

Reimbursements \$82,039.

- Funds received from State Revenue Office for:

- administration of fire services levy, not budgeted due to unexpected extension of agreement \$58,718; and
- return of land tax charges incorrectly applied in prior years \$23,057.

The balance of \$264 consists of various minor differences.

Capital Contributions (\$114,873).

- Contributions for upgrade works at Research Park pavilion (\$145,000) and preschool works (\$20,000) not yet received.
- Contributions received from tenants for early years facility upgrade works \$69,608.

The balance of (\$19,481) consists of various minor differences.

Other Revenue - Recurrent \$154,277.

- Workcover salary refunds received from Worksafe (offset by WorkCover salary expense) \$135,248.
- Lower than anticipated income from sale of property valuation data to the State Revenue Office / Yarra Valley Water (\$13,296).

The balance of \$32,325 consists of various minor differences.

Other Revenue - Non-Recurrent \$16,782.

- Contributions received for Open Farm Day event \$12,000.

The balance of \$4,782 consists of various minor differences.

Contributions \$385,500.

- Higher than anticipated developer contributions received for Open Space \$380,500.

The balance of \$5,000 consists of various minor differences.

Financial Report - 31 December 2018

b. Operating Expenditure year to date

	YTD Budget	YTD Actuals & Comm	YTD Variance Fav / (Unfav)		Annual Budget	YTD Actuals & Comm
	\$	\$	\$	%	\$	\$
Expenditure						
Employee benefits	17,771,553	16,860,637	910,916	5.13	35,418,178	16,860,637
External contracts	7,408,430	8,776,566	(1,368,136)	(18.47)	15,317,734	8,776,566
Materials and related costs	7,788,517	7,983,532	(195,015)	(2.50)	13,348,079	7,983,532
Other expenditure	7,382,502	7,259,016	123,486	1.67	11,048,709	7,259,016
Interest expenditure	342,801	343,564	(763)	(0.22)	764,487	343,564
Financial year projects allocation	1,137,915	1,306,493	(168,578)	(14.81)	2,049,483	1,306,493
Total operating expenditure	41,831,718	42,529,808	(698,090)	(1.67)	77,946,670	42,529,808

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

Employee Benefits \$910,916.

- Reflective of delays in recruitment to fill a number of position vacancies across the organisation.

External Contracts (\$1,368,136).

- Temporary / agency staff have been engaged to backfill vacant positions (\$898,220). This overspend is linked to the abovementioned underspend in employee benefits.
- Kerbside collection recyclable disposal costs incurred as the market responds to China's application of severe contamination rate restrictions (\$268,735).
- Consultants engaged for provision of specialised services across the organisation (\$339,170). This includes, but is not limited to, facility and strategic reviews, and customer requested tree inspections.
- Recruitment costs reflective of the number of positions advertised year to date (\$65,434).
- Cleaning contract management consolidation has resulted in a timing variance (\$40,586).
- Waste audit undertaken earlier than anticipated in order to identify and address contamination issues (\$33,020).
- Demand for Home and Community Care (HACC) services has reduced as clients transition to the National Disability Insurance Scheme (NDIS) \$168,090.
- No landscape maintenance apprentices engaged for the financial year to date \$83,369.

The remaining balance of \$25,570 consists of several minor variances.

Materials & Related Costs (\$195,015).

- Contractors engaged for the provision of amenity mowing services (\$250,410).
- Increased software maintenance costs reflect additional software requirements and higher than anticipated licence cost increases (\$127,842).
- Hardware purchased for modern office rollout (\$100,481).
- Sportsground maintenance works program for current financial year not yet finalised \$108,795.
- Dry weather conditions and contract revision have resulted in lower than expected open space maintenance contractor costs \$52,065.
- Replacement of damaged road signs and guardrails slightly behind schedule \$24,357.
- Delay in receipt of invoices from Telstra for internet and telephone services \$58,121.

The remaining balance of \$40,380 consists of a number of minor timing variances.

Other Expenditure \$123,486.

- Annual contribution towards Yarra Plenty Regional Library lower than expected \$129,380.

The remaining balance of (\$5,894) consists of a number of minor variances.

Financial Year Projects Allocation (\$168,578).

Refer to Financial Year Projects table on page 10.

Financial Report - 31 December 2018

2. Statement of Capital Works

For the financial year to date 31 December 2018

Asset Class	YTD	YTD	YTD		Annual	YTD
	Budget	Actuals & Comm	Variance		Budget	Actuals & Comm
	\$	\$	\$	%	\$	\$
Bridges	-	-	-	-	707,320	-
Children's playground equipment	1,129,722	1,808,756	(679,034)	(60.11)	1,129,722	1,808,756
Commercial centres/major streetscapes	92,104	100,805	(8,701)	(9.45)	128,045	100,805
Disability access works	104,034	101,191	2,843	2.73	186,071	101,191
Drainage	541,485	563,992	(22,507)	(4.16)	713,449	563,992
Footpaths	372,000	380,574	(8,574)	(2.30)	703,819	380,574
Landfill closure/regional park	1,263,358	1,262,822	536	0.04	3,231,110	1,262,822
Major leisure centres & community halls	4,473,983	5,104,169	(630,186)	(14.09)	6,579,162	5,104,169
Other council buildings	1,008,375	841,623	166,752	16.54	1,922,030	841,623
Plant & vehicle replacement	215,947	223,340	(7,393)	(3.42)	1,343,689	223,340
Public open space	1,250,925	1,117,411	133,514	10.67	2,418,494	1,117,411
Recreation trails	318,780	303,486	15,294	4.80	6,234,731	303,486
Roads	474,859	498,812	(23,953)	(5.04)	3,743,620	498,812
Special charge schemes	323,669	7,803	315,866	97.59	361,750	7,803
Sportsfields & pavilions	11,680,726	11,791,205	(110,479)	(0.95)	15,299,804	11,791,205
Traffic works	326,953	500,395	(173,442)	(53.05)	1,075,821	500,395
Various/miscellaneous capital	35,000	49,200	(14,200)	(40.57)	315,261	49,200
Total	23,611,920	24,655,584	(1,043,664)	(4.42)	46,093,898	24,655,584
Renewal	3,068,495	3,429,012	(360,517)	(11.75)	7,011,878	3,429,012
New	2,259,408	2,770,139	(510,731)	(22.60)	8,428,773	2,770,139
Upgrade	12,246,083	12,575,221	(329,138)	(2.69)	20,893,860	12,575,221
Expansion	6,037,934	5,881,212	156,722	2.60	9,759,387	5,881,212
Total	23,611,920	24,655,584	(1,043,664)	(4.42)	46,093,898	24,655,584

Commentary:

At the end of December, the capital expenditure total spend is 4.42 percent over budget. This is largely attributable to

- revised scope of works at Eltham North adventure playground
- provisional items and landscaping removed from the construction contract at Eltham Leisure Centre and will be completed by sub-contractors
- additional construction costs at Marngrook Oval pavilion redevelopment
- delay in commencement of Fordhams Road special charge scheme works
- permit delays for new pavilion at Eltham North Reserve causing works to be slightly behind schedule
- building renewal projects at Eltham Library and Eltham Leisure Centre have experienced minor delays in the detailed planning process
- sportsfield and pavilion renewal program has been revised and works are now scheduled to be undertaken in the second half of the financial year.

The overall financial position of the capital works portfolio spend will continue to be closely monitored.

Financial Report - 31 December 2018

3. Financial Year Projects

Department Unit	YTD Budget	YTD Actuals & Comm	YTD Variance Fav / (Unfav)		Annual Budget	YTD Actuals & Comm
	\$	\$	\$	%	\$	\$
Business and Strategy						
Business, Tourism and Marketing	165,247	192,703	(27,456)	(16.61)	280,206	192,703
Connected Communities	141,767	203,005	(61,238)	(43.20)	275,991	203,005
Integrated Strategy	460,426	525,777	(65,351)	(14.19)	523,941	525,777
	767,440	921,485	(154,045)		1,080,138	921,485
Services and Planning						
Community Programs	39,160	30,197	8,963	22.89	50,000	30,197
	39,160	30,197	8,963		50,000	30,197
Sustainability and Place						
Assets and Property	20,000	-	20,000	100.00	200,000	-
Environment	181,812	217,772	(35,960)	(19.78)	450,731	217,772
	201,812	217,772	(15,960)		650,731	217,772
Corporate						
Finance	-	-	-	-	26,698	-
Governance	99,752	108,758	(9,006)	(9.03)	162,916	108,758
People, Culture and Innovation	29,751	28,280	1,471	4.94	79,000	28,280
	129,503	137,039	(7,536)		268,614	137,039
Total	1,137,915	1,306,493	(168,578)	(14.81)	2,049,483	1,306,493

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

Business, Tourism and Marketing (\$27,456)

- Economic Development expenditure for assessment of equine opportunities within Nillumbik (\$19,120).
- Economic development strategy implementation (\$18,500).

Connected Communities (\$61,238)

- Design costs associated with applications for various government grant programs (\$23,891).
- L2P learner driver mentor program expenditure, offset by new grant funding received from VicRoads (\$44,208).

Integrated Strategy (\$65,351)

- Green Wedge Management Plan is being informed by extensive community engagement including a Community Panel which sat from August to November, with final consultation on the draft plan to occur in mid-2019 (\$65,419).

Environment (\$35,960)

- Increased demand for over-the-counter vegetation offset weed control works (\$10,000).
- Peri-urban weed management partnership program expenditure, offset by grant funding received from Department of Environment, Land, Water and Planning (\$22,190).

Financial Report - 31 December 2018

4. Treasury

a. Loans

Financial Institution	Start date	Term (years)	End date	Principal	Interest Rate	Current Balance
				\$	%	\$
NAB	25/06/2010	10	25/06/2020	923,000	7.79	690,963
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	413,872
CBA	30/06/2015	7	30/09/2022	1,480,000	2.65	1,480,000
CBA	28/06/2013	10	28/06/2023	400,000	5.86	208,901
NAB	28/06/2007	20	28/06/2027	2,200,000	6.96	1,277,663
NAB	27/06/2008	20	27/06/2028	3,647,000	7.87	2,406,339
NAB	10/06/2011	20	10/06/2031	2,120,000	7.91	1,673,354
ANZ	29/06/2012	20	29/06/2032	2,373,000	5.88	1,879,115
Total						12,422,207

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	At Call	At Call	
BankWest		A1+	11:00am	4,794,016	At Call	At Call	1.60
BankWest		A1+	Term Deposit	2,500,000	2/01/2019	61	2.50
BankWest		A1+	Term Deposit	4,000,000	2/01/2019	91	2.65
NAB		A1+	Term Deposit	2,500,000	3/01/2019	92	2.64
ME Bank	Yes	A2	Term Deposit	2,500,000	7/01/2019	91	2.60
NAB		A1+	Term Deposit	5,609,000	8/01/2019	120	2.65
Suncorp	Yes	A1	Term Deposit	2,574,000	8/01/2019	120	2.65
Bendigo/Adelaide	Yes	A2	Term Deposit	1,000,000	21/01/2019	276	2.70
ME Bank	Yes	A2	Term Deposit	2,500,000	25/02/2019	91	2.65
Suncorp	Yes	A1	Term Deposit	1,000,000	25/02/2019	91	2.65
Suncorp	Yes	A1	Term Deposit	5,300,000	25/02/2019	91	2.65
Suncorp	Yes	A1	Term Deposit	1,500,000	27/02/2019	90	2.65
ME Bank	Yes	A2	Term Deposit	2,000,000	4/03/2019	91	2.70
ME Bank	Yes	A2	Term Deposit	3,500,000	21/03/2019	90	2.75
NAB	Yes	A1+	Term Deposit	1,500,000	21/03/2019	90	2.68
Total				42,777,206	Weighted average		2.53

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

Financial Institution Rating	Investment \$	Portfolio %
A1	10,374,000	24.25%
A1+	20,903,206	48.87%
A2	11,500,000	26.88%
Total	42,777,206	100%

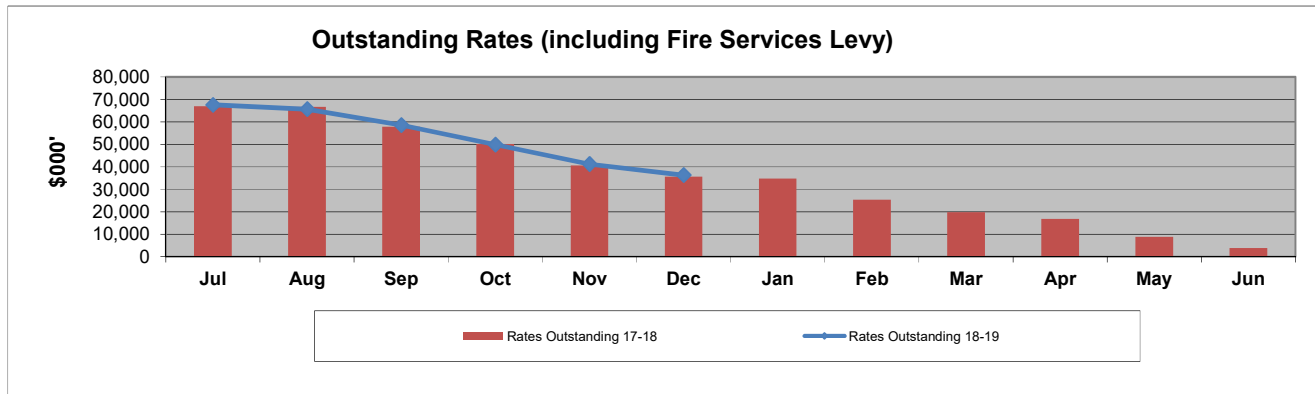
Council's current average rate of return on investments for the 2018-19 financial year is 2.53 percent and is compliant with Council's Investment policy.

The portion of investment portfolio currently invested with green institutions is 51.13 percent.

Financial Report - 31 December 2018

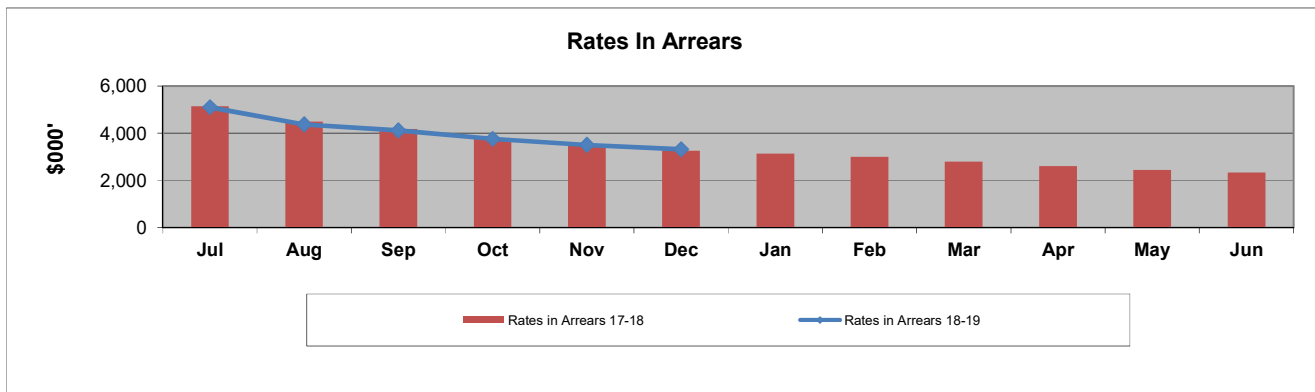
5. Rates Analysis

	YTD Actual 31-Dec-17 \$000'	YTD Actual 31-Dec-18 \$000'	Variance \$000'	Variance %
Rates Outstanding	35,640	36,269	(629)	(1.76)
Rates in Arrears (prior years)	3,262	3,319	(57)	(1.75)



As at 31 December 2018 the year to date actual Fire Service Levy charges outstanding are \$2,499,888; the outstanding rates balance is \$33,768,619.

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 2018	23,383
2018-19 growth	234
Rateable properties at 31 December 2018	<u>23,617</u>

Financial Report - 31 December 2018

6. Grant Activity

The following table provides a summary of grant funding, greater than \$50,000, received for Council activities during the period 1 July 2018 to 31 December 2018.

Project Description	2018-19 Actuals YTD \$	Funding Body
Recurrent		
Childcare Eltham	52,898	Department of Education and Training (Cwlth)
Best Start	59,141	Department of Education and Training (Vic)
Living & Learning Vocational Education & Training	71,240	Department of Education and Training (Vic)
Grow Communities Thriving Children	96,143	Department of Education and Training (Vic)
Maternal & Child Health Universal Funding	171,656	Department of Education and Training (Vic)
Gender Equity Advocates	54,000	Department of Environment, Land, Water and Planning
Recycling collection	57,300	Department of Environment, Land, Water and Planning
Grants Commission - Roads	242,752	Department of Environment, Land, Water and Planning
Grants Commission - General	467,594	Department of Environment, Land, Water and Planning
Home & Community Care - Personal Care	58,822	Department of Health (Cwlth)
Home & Community Care - Domestic Assistance	93,948	Department of Health (Cwlth)
Home & Community Care - Personal Care	66,641	Department of Health and Human Services
Metro Access	72,105	Department of Health and Human Services
Home & Community Care - Domestic Assistance	103,774	Department of Health and Human Services
Aged Care Assessment service funding	105,025	Department of Health and Human Services
Home & Community Care - Respite	135,489	Department of Health and Human Services
Total Recurrent	1,908,528	
Non-Recurrent		
Capital Works		
Nilumbik digital agora	59,380	Creative Victoria
Peri-urban Weed Management Partnership	59,428	Department of Environment, Land, Water and Planning
Biodiversity response planning - Sugarload link	150,000	Department of Environment, Land, Water and Planning
Blacksmiths' tree bushfire commemoration	55,025	Department of Premier and Cabinet
Landcare Network Facilitator	53,845	Strathewen Landcare Group
Learner Driver Mentor Program	100,000	VicRoads
Council Plan / Grant Funded Initiatives		
Eltham Lower Park back oval flood lights	148,500	Department of Environment, Land, Water and Planning
Eltham North playground rebuild	569,641	Department of Environment, Land, Water and Planning
Greensborough hockey pavilion	2,000,000	Department of Environment, Land, Water and Planning
Diamond Valley Sports and Fitness Centre	2,375,000	Department of Environment, Land, Water and Planning
Diamond Creek regional playground	2,500,000	Department of Environment, Land, Water and Planning
Early Years facility improvement	61,350	Department of Health & Human Services
Eltham Precinct 3 & 4 / Central Oval	200,000	Department of Health & Human Services
Eltham North Reserve Pavilion	1,000,000	Department of Health & Human Services
Cherry Tree Road trail	70,000	Transport Accident Commission
Total Non-Recurrent	8,924,491	

Financial Report - 31 December 2018

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 (estimated) %	31 Dec (estimated) %	31 Mar (estimated) %	30 Jun (actual) %
2018/19	106.90	**	-	-
2017/18	103.80	106.40	106.20	106.00
2016/17	103.70	105.40	106.60	103.10
2015/16	104.00	104.40	102.40	102.00

** The 31 December 2018 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.