

Rural City of Wangaratta	23/24 Adopted Budget	23/24 Adopted Q1 Full Year Forecast	23/24 Projected Full Year Forecast as at December	23/24 Projected Full Year Forecast as at January	Projected Full Year to Adopted Budget Variance	Movement in Monthly Forecasts	Commitments	23/24 YTD Actual	23/24 YTD Budget	YTD Variance Fav/(Unfav)	YTD Variance	Ref
Income Statement as at 31st January 2024	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	
Income												
Rates and charges	40,623,228	40,621,790	40,621,790	40,523,747	(98,043)	(98,043)	-	40,378,622	40,418,056	(39,433)	(0%)	
Statutory fees and fines	1,432,000	1,429,128	1,429,436	1,379,635	(49,493)	(49,800)	-	593,446	630,947	(37,501)	(6%)	
User fees	12,315,249	12,167,181	11,887,744	12,070,342	(96,839)	182,598	-	6,491,383	6,887,940	(396,558)	(6%)	1
Contributions - cash	652,000	667,010	1,722,295	1,722,295	1,055,285	-	-	1,568,069	262,295	1,305,774	498%	2
Contributions - non-monetary	1,700,000	1,700,000	1,700,000	1,700,000	-	-	-	-	-	-	-	
Grants - Operating	18,734,728	20,482,403	20,914,561	16,651,425	(3,830,978)	(4,263,136)	-	8,423,252	7,111,911	1,311,341	18%	3
Grants - Capital	9,915,190	10,383,483	10,383,483	14,129,399	3,745,916	3,745,916	-	8,985,623	316,044	8,669,579	2743%	4
Reimbursements	90,000	100,000	160,000	147,573	47,573	(12,427)	-	178,256	71,019	107,238	151%	5
Other revenue	1,158,450	1,441,104	1,687,614	1,712,071	270,966	24,456	-	1,405,692	953,322	452,370	47%	
Net gain/(loss) on sale/disposal of PPE&I	(64,733)	(64,733)	(64,733)	(54,733)	10,000	10,000	(19,382)	(12,819)	54,202	(67,020)	(124%)	
Total Income	86,556,112	88,927,367	90,442,189	89,981,754	1,054,387	(460,435)	(19,382)	68,011,525	56,705,736	11,305,789	20%	
Expenses												
Employee benefits	31,097,678	31,558,194	31,889,150	32,102,344	(544,150)	(213,195)	45,473	18,806,221	18,900,794	94,573	1%	6
Materials and services	26,629,191	28,958,948	31,127,010	30,672,523	(1,713,574)	454,488	3,206,769	16,478,251	18,159,105	1,680,854	9%	7
Depreciation and amortisation	17,425,000	17,425,000	17,425,000	17,425,000	(1)	0	9,651,566	10,051,592	400,026	4%		
Finance costs	612,496	612,496	612,496	610,850	1,646	1,646	364,827,999,374	360,049	(4,778)	(1%)		
Other expenses	563,105	728,105	723,474	1,479,448	(751,343)	(755,974)	115,216	448,777	(550,598)	(123%)	8	
Total Expenses	76,327,470	79,282,744	81,777,130	82,290,165	(3,007,421)	(513,035)	3,367,457	46,300,239	47,920,317	1,620,078	3%	
Surplus / (deficit) for the year	10,228,642	9,644,623	8,665,059	7,691,589	(1,953,034)	(973,470)	(3,386,839)	21,711,285	8,785,419	12,925,866	147%	
Adjusted Underlying Operating Position												
Grants - Capital (non-recurrent)	8,361,145	8,829,438	8,829,438	12,575,354	3,745,916	3,745,916	-	8,985,623	316,044	8,669,579	2743%	
Contributions - non-monetary	1,700,000	1,700,000	1,700,000	1,700,000	-	-	-	-	-	-	-	
Total Adjustments	10,061,145	10,529,438	10,529,438	14,275,354	3,745,916	3,745,916	-	8,985,623	316,044	8,669,579	2743%	
Adjusted Underlying Operating Surplus / (deficit) for the year	167,497	(884,815)	(1,864,379)	(6,583,765)	(5,698,950)	(4,719,386)	(3,386,839)	12,725,662	8,469,375	4,256,288	50%	

Notes

1. User Fees
User Fees are \$397k below YTD budget. This unfavourable variance is largely due to timing differences relating to Long Day Child Care Centre (\$220k), Home Care (\$95k) and WSAC Projects (\$82k).

2. Contributions - Cash
Contributions - Cash are \$1.31m above YTD budget. This favourable variance is due to timing issues relating to developer contributions (\$1.31m).

Projected Full Year Forecast is \$1.06m above adopted budget. This favourable variance is due to receiving previously unexpected developer contributions (\$1.06m).

3. Grants - Operating
Grants - Operating are \$1.31m above YTD budget. This favourable variance is largely due to timing differences relating to Community Care (\$594k) and Organics Processing (\$328k). Additional known variances from prior periods include timing differences relating to Strengthening Rural Communities (\$173k).
Grants - Operating Projected Full Year forecast is \$3.83m below adopted budget. This unfavourable variance is largely due to a reduction in expected financial assistance grants by \$4.29m. This adjustment was made due to uncertainty of which financial year the payment will fall under and be recognised in. This movement was partially offset by an increase to grant funding relating to the Owens & Murray Multicultural Area Partnership (\$372k).

4. Grants - Capital
Grants - Capital are \$8.67m above YTD budget. This favourable variance is largely due to timing differences relating to the Wangaratta Flood Mitigation Strategy (\$2.7m), Showgrounds Relief Centre (\$1.35m), Prosecco Road Masterplan (\$587k), Creative Precinct Masterplan (\$450k) and Standford Road Upgrade (\$299k). Additional known variances from prior periods include timing differences relating to Local Roads and Community Infrastructure (\$980k) and Newman Street drainage (\$1.35m).
Grants - Capital Full Year Forecast is \$3.75m above adopted budget. This favourable variance is largely due to previously unexpected funding relating to Showgrounds Relief (\$1.6m), Prosecco Road (\$837k), Murray to Mountains Trail Enhancement (\$470k) and Federal Blackspot program (\$325k).

5. Other Revenue
Other Revenue is \$452k greater than YTD Budget. This favourable variance is largely due to increased interest income (\$376k) as a result of higher than anticipated cash balances due to unspent capital and operating funding from 22/23.
Other Revenue Projected Full Year Forecast is \$271k above adopted budget. This favourable variance has increased \$88.5k as a result of increased chargeable costs relating to tenants of the Government Centre. Additional known variances include increased interest income of \$150k as a result of higher than anticipated cash balances and rising interest rates.

6. Employee Benefits
Employee Benefits Projected Full Year Forecast Employee Benefits is \$544k above adopted budget. This unfavourable variance is partially due to casuals being recorded at the incorrect FTE within the original budget estimate for Community Care (\$150k) and the School Crossing Supervisor Program (\$109k). Additional reasons include the extension of Future Proof YACVIC (\$48k) and approval of a 12 month Safety Band 6 Role (\$85k).

7. Materials and Services
Materials and Services is \$1.68m below YTD budget. This favourable variance is largely due to timing differences relating to Bowser Landfill (\$316k), WSAC Projects (\$256k), Home Care (\$240k), Marketing & Branding (\$221k), Business Systems (\$210k), Parks & Gardens (\$96k), Plant & Fleet (\$82k).

Materials and Services Projected Full Year Forecast is \$1.71m greater than adopted budget. This unfavourable variance is largely due to increased Facilities costs (\$500k) as a result of an ongoing review of costs in that area. This amount consists of increases to the original budget to better align with invoices received this year. Additional variances include carryovers relating to Detour Road Irrigation Pipeline (\$294k), increases to the Owens & Murray Multicultural Regional Area Partnership (\$218k) (offset by funding increase), increases to reactive Arboriculture works (\$162k).

8. Other Expenses
Other Expenses is \$551k above YTD budget. This unfavourable variance is due to unexpected WIP write-offs (\$551k) in the current period.
Other Expenses Projected Full Year Forecast is \$751k greater than adopted budget. This unfavourable variance is largely due to an increase in expected WIP write-offs (\$750k) as part of the ongoing assets clean up.

Rural City of Wangaratta	30 June 2022	30 June 2023	31st December 2023	31st January 2024	Variance Fav/(Unfav) C - B	Variance Fav/(Unfav) %	Ref
Balance Sheet as at 31st January 2024	\$	\$	B	C	\$	%	
Assets							
Current assets							
Cash and cash equivalents	40,513,290	39,232,472	19,322,080	14,798,089	(4,523,991)	(23%)	1
Rate receivables	992,940	1,502,471	19,918,798	19,030,084	(888,714)	(4%)	2
Other receivables - current	2,858,303	3,655,691	7,558,016	6,346,119	(1,211,897)	(16%)	3
Financial assets - current	10,000,000	-	10,000,000	10,000,000	0	0%	
Inventories	2,460	1,793	6,220	(4,419)	(10,639)	(171%)	
Assets held for sale	1,492,590	646,810	646,810	646,810	0	0%	
Other assets - current	1,269,643	1,253,383	533,383	472,034	(61,349)	(12%)	
Investments in associates	-	-	-	-	0	0%	
Total Current assets	57,129,225	46,292,619	57,985,306	51,288,715	(6,696,591)	(12%)	
Non-current assets							
Receivables non-current	-	-	-	-	-	0%	
Financial assets non-current	257,630	277,243	277,243	277,243	0	0%	
Property, plant and equipment and infrastructure	650,612,190	763,356,940	770,338,734	770,950,070	611,336	0%	4
Book collection	794,560	810,131	886,772	871,790	(14,983)	(2%)	
Intangible Assets - Landfill	902,279	2,662,367	2,662,367	2,662,367	0	0%	
Right of Use Assets	465,166	244,382	171,872	159,655	(12,216)	(7%)	
Total Non-current assets	653,031,826	767,351,063	774,336,988	774,921,124	584,137	0%	
Total Assets	710,161,051	813,643,682	832,322,294	826,209,840	(6,112,454)	(1%)	
Liabilities							
Current liabilities							
Payables - current	21,489,765	12,107,713	4,107,181	2,811,997	1,295,183	32%	5
Trust funds and deposits	2,101,642	2,783,380	4,903,286	4,862,232	41,053	1%	
Provisions - current	6,314,079	6,411,466	6,671,337	6,416,853	254,484	4%	
Interest bearing loans and borrowings - current	2,683,154	2,628,232	1,320,565	1,320,565	0	0%	
Lease liabilities - current	222,322	151,313	75,657	63,047	12,609	17%	
Total Current liabilities	32,810,963	24,082,104	17,078,025	15,474,695	(1,603,330)	(9%)	
Non-current liabilities							
Provisions non-current	24,039,261	16,171,858	15,625,629	15,625,629	0	0%	
Interest bearing loans and borrowings - non-current	27,694,519	25,066,288	25,066,288	25,066,288	0	0%	
Lease liabilities - non-current	263,091	111,778	111,778	111,778	0	0%	
Total Non-current liabilities	51,996,871	41,349,924	40,803,695	40,803,695	0	0%	
Total liabilities	84,807,834	65,432,028	57,881,720	56,278,389	(1,603,330)	(3%)	
Net assets	625,353,217	748,211,655	774,440,574	769,931,451	21,719,796	3%	
Equity							
Accumulated surplus	174,133,518	171,221,227	194,167,411	194,167,411	0	0%	
Other reserves	27,380,253	31,233,086	30,561,801	30,561,801	0	0%	
Asset revaluation reserve	422,921,029	523,465,378	523,490,954	523,490,954	0	0%	
Accumulated surplus - current year	918,417	22,291,963	26,220,409	21,711,285	(4,509,124)	(17%)	
Total Equity	625,353,217	748,211,655	774,440,574	769,931,451	(4,509,124)	(1%)	

Notes	
1. Cash and Cash Equivalents	Cash and Cash Equivalents have decreased in January. This is largely due to general operation of the business.
2. Rate Receivables	The balance reflects outstanding rates for the financial year and will reduce progressively over the course of financial year, as instalments fall due and payments are made by ratepayers.
3. Other receivables - current	Balance is reflective of debtor invoices issued but not yet paid. This account will fluctuate during the year as invoices are received and paid by debtors and the timing of when the figures are taken for reporting.
4. Property, plant and equipment and infrastructure	Decrease in PP&E relates to depreciation for the current period.
5. Payables - current	Payables - current balance is reflective of supplier invoices received but not yet paid. This account will fluctuate during the year as invoices are received and paid as part of Council operations. Invoices are generally paid when they are due, not when received.

Rural City of Wangaratta	FY23/24	FY23/24	FY23/24	Projected Full	Commitments	FY23/24	FY23/24	YTD	YTD	Ref
Statement of Capital Works	Adopted Budget	Adopted Full Year	Projected Full	Year to Adopted		YTD	YTD	Variance	Variance	
31st January 2024	\$	\$	\$	\$	\$	\$	\$	\$	%	
Property										
WIP Land Improvements	60,000	60,000	530,140	(470,140)	298,637	(275,552)	35,933	311,485	867%	●
Total Land	60,000	60,000	530,140	(470,140)	298,637	(275,552)	35,933	311,485	867%	●
WIP Buildings	1,450,697	1,811,971	1,762,145	49,826	461,706	877,738	1,217,697	339,959	28%	●
Total Buildings	1,450,697	1,811,971	1,762,145	49,826	461,706	877,738	1,217,697	339,959	28%	●
Total Property	1,510,697	1,871,971	2,292,285	(420,314)	760,343	602,186	1,253,630	651,444	52%	●
Plant and equipment										
Plant and equipment	3,030,339	3,030,339	3,210,339	(180,000)	2,775,714	227,616	16,782	(210,834)	(1256%)	●
Furniture and fittings	141,700	146,614	285,918	(139,305)	140,100	114,843	67,067	(47,776)	(71%)	●
Computers and telecommunications	1,407,580	1,163,507	1,029,437	134,070	403,666	408,747	727,110	318,363	44%	●
Artworks	7,500	9,491	9,491	-	0	(2,500)	3,500	6,000	171%	●
Book collection	200,648	204,048	204,047	-	8,668	172,635	186,011	13,376	7%	●
Total Plant and equipment	4,787,767	4,553,998	4,739,232	(185,235)	3,328,148	921,341	1,000,469	79,129	8%	●
Infrastructure										
WIP Waste management	767,000	771,081	995,213	(224,132)	68,576	703,484	530,129	(173,355)	(33%)	●
WIP Sealed roads and substructure	2,200,000	2,200,000	2,484,631	(284,631)	106,588	1,352,543	1,598,394	245,851	15%	●
WIP Gravel Roads and substructure	1,828,594	1,828,594	1,828,594	-	195,693	769,215	978,210	208,994	21%	●
WIP Bridges	820,000	1,026,875	1,026,875	-	623,463	293,617	304,362	10,745	4%	●
WIP Drainage	8,023,000	8,109,489	8,109,489	(1)	2,859,216	3,105,543	3,779,734	674,191	18%	●
WIP Footpaths	500,000	697,665	831,190	(133,526)	51,814	605,221	476,547	(128,675)	(27%)	●
WIP Bikepaths	-	-	-	-	-	(273)	-	273	-	●
WIP Off Street Car Parks	-	-	(0)	-	-	4,457	-	(4,457)	-	●
WIP Parks, Open Spaces and Streetscapes	95,000	648,688	617,774	30,914	37,037	460,613	374,492	(86,121)	(23%)	●
WIP Recreation, Leisure and Community Facilities	8,490,736	8,996,475	9,206,647	(210,172)	1,972,152	6,260,249	7,328,126	1,067,878	15%	●
WIP Aerodromes	-	-	97,376	(97,376)	19,938	77,180	-	(77,180)	-	●
WIP Other Infrastructure	3,439,370	4,728,496	4,736,297	(7,801)	1,401,114	2,595,550	2,459,669	(135,881)	(6%)	●
Total Infrastructure	26,163,700	29,007,362	29,934,087	(926,725)	7,335,592	16,227,399	17,829,662	1,602,263	9%	●
Total capital works expenditure	32,462,164	35,433,331	36,965,605	(1,532,274)	11,424,083	17,750,926	20,083,761	2,332,835	12%	●
Represented by:										
Renewal expenditure	13,948,416	14,437,095	14,413,531	23,563	6,097,168	4,477,831	5,815,854	1,338,023	23%	●
Upgrade expenditure	13,074,948	13,181,302	14,201,136	(1,019,834)	2,806,842	8,243,511	9,047,646	804,135	9%	●
New Assets expenditure	5,438,800	7,814,935	8,350,938	(536,003)	2,520,073	5,029,583	5,220,261	190,678	4%	●
Total capital works expenditure	32,462,164	35,433,331	36,965,605	(1,532,274)	11,424,083	17,750,926	20,083,761	2,332,835	12%	●

Notes

Delivery of \$17.8m of Council's 23/24 capital works program was completed as at 31st January 2024, with a further \$11.4M of works committed.

YTD performance as at 31st January is \$2.33m behind budget performance. The full year forecast has increased by \$1.5m from Q1 forecast review.

Major increases from Q1 relate to:

- Murray to Mountains Trail Enhancements (\$470k) (Fully funded project)
- Federal Blackspot Program (\$325k) (Fully funded project)
- Organics Processing Plant (\$200k) (\$160k funded)