
From: Wufoo
Sent: Monday, 9 September 2019 11:19:59 PM (UTC+10:00) Canberra, Melbourne, Sydney
To: CoM Meetings
Subject: Council and Committee meeting submission form [#2382]

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Please indicate which meeting you would like to make a submission to by selecting the appropriate button: * Council meeting

Date of meeting: * Tuesday 10 September 2019

Agenda item title: * 3.1 2018–19 Draft Consolidated Financial Statements and Performance Statement

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Please write your submission in the space provided below and submit by no later than 10am on the day of the scheduled meeting. We encourage you to make your submission as early as possible.

Dear Councillors and Officers,

Congratulations on maintaining the strength of City of Melbourne's financials over the past 3 years.

Ordinarily, I'd love to be asking questions on the accounts but there's no ability to do so at Council meetings so the next best option is to make a submission outlining a few questions and hoping that these can be addressed by officers

or councillors during tonight's discussion.

The numbers look good and wouldn't other levels of government love to be able to claim they have no net debt. That said, there are a few points which it would be good to have clarified.

I don't recall council being open about the City Square asset sale. Could you please clarify how much of the \$65.6 million in asset sale proceeds in 2018-19 related to City Square and whether it was this sale which has led to the more than doubling of cash reserves at year end in the latest accounts from \$50 million to \$119.5 million. Also, I noticed there is a \$37 million reserve to buy back City Square. What do the contractual arrangements with the state require of council in this regard at the end of the project?

What is the \$9 million asset held for sale? Is that Boyd?

The cash flow statement on page 10 of 68 shows net outflows of \$94.1m on investments in 2017-18 and then net inflows of \$67m in 2018-19. These are big lumpy payments and receipts. Can you identify the assets involved? Is that Munro going out to PDG and City Square coming back in?

With \$128 million in cash reserves, why not just pay out all the loan facilities so that Council can be officially debt free? Is there anything stopping us repaying the CEFC before the loan falls due in October 2020?

With \$3 billion in land and property holdings, why are \$205m of these assets classified as "investment properties" and which properties are these?

After years of heavy investment, why is council still spending a record \$15.1m on computers and telecommunication in 2018-19, which is only just below the total budget for roads, bridges, footpaths and cycleways?

Why did council divested from the Sustainable Melbourne Fund and what was the financial impact of this move?

On page p54 of 68 we have the executive pay tables. There has been a substantial reduction with the highest paid officer at council receiving circa 415k in 2019-19, whereas in 2017-18 there were 3 executives on more than this: one on circa 435k, one on circa 455k and one on circa 515k. Could this at least be clarified as to whether all were at Town Hall or whether Citywide execs made a contribution. Overall, it is good to see reduced spending on senior executives.

I'll be writing about these accounts in the October issue of CBD News, Dockland News and Southbank News, so please be as colourful and informative as possible in your commentary to assist with producing an interesting, factual and

readable column for city residents and businesses.

Kind Regards

Stephen Mayne

Journalist and former City of Melbourne councillor