

**Report to the Future Melbourne (Finance and Governance)
Committee**

Agenda item 6.6

2019–20 Financial Performance Report

18 August 2020

Presenter: Michael Tenace, Chief Financial Officer

Purpose and background

1. The purpose of this report is to inform the Future Melbourne Committee of the financial performance of the Council for the financial year ending 30 June 2020, in accordance with the *Local Government Act 1989* and to provide information on supplementary valuations adopted by the Chief Executive Officer under delegation (refer Attachment 3).

Key issues

2. The preliminary result from ordinary activities for the 12 month period ending 30 June 2020, excluding additional compensation from City Square and Laneway sales (total of \$23.6 million), is an underlying net deficit of \$17.2 million (\$31.2 million unfavourable). This result is broadly in line with the March 2020 Forecast (\$18.1m deficit) and has been significantly impacted by COVID-19 since March 2020, with an estimated impact of \$25.0 million on Council's last quarter results. This has mainly been driven by reduced parking fees and fines, hardship allowances and community grants support.
3. Including compensation from City Square and Laneway sales, there was an underlying surplus on the Income Statement of \$6.5 million. This is an unfavourable variance of \$8.5 million against the budgeted underlying surplus of \$15.0 million.
4. A detailed analysis of revenue and expenditure is included in Attachment 2.
5. In addition to the underlying surplus, in accordance with accounting standards, the Council is also required to reflect a comprehensive result in the Annual Report. The comprehensive result includes capital contribution revenue and additional non-cash items including revaluation of Council assets. The Council has a net asset base in excess of \$4.5 billion with land, parkland, roads, footpaths, buildings, kerbs and channels and infrastructure assets being the most significant items.
6. Given the asset base size, revaluations often generate significant non cash gains or (losses) that are unlikely to be realised but do need to be reflected to comply with accounting standards.
7. The comprehensive result for Council in 2019–20 is a surplus of \$205.2 million (\$181.0 million deficit in 2018–19) given a significant revaluation asset increment of \$132.1 million and capital contribution revenue of \$61.2 million in the current year.
8. The reported result is subject to audit by the Victorian Auditor General's Office.

Recommendation from management

9. That the Future Melbourne Committee:
 - 9.1. Accepts the preliminary underlying deficit of \$17.2 million excluding compensation from City Square and Laneway sales for Council (or \$6.5 million net underlying surplus including these items) in the 2019–20 financial year.
 - 9.2. Accepts the preliminary comprehensive result including asset sales and revaluations of \$132.1 million derives a surplus of \$205.2 million for Council in the 2019–20 financial year.

Attachments:

2. Supporting Attachment (Page 2 of 22)
3. Financial Performance Report Year Ending 2019-20 (Page 3 of 22)
4. Supplementary Valuations (Page 21 of 22)
5. Overview of Supplementary Valuation Returns (Page 22 of 22)

- 9.3. Approves the submission of the Consolidated Financial Statements and Performance Statements to the Audit and Risk Committee on 27 August 2020 and then to Council.
- 9.4. Requests the Lord Mayor call a Special Council meeting on the 8 September 2020 to consider and approve in principle the Consolidated Financial Statements and Performance Statements.

Supporting Attachment

Legal

1. Section 138 of the *Local Government Act 1989* (Act) provides that at least every three months, the Chief Executive Officer must ensure that a statement comparing the budgeted revenue and expenditure for the financial year with the actual revenue and expenditure to date is presented to the Council.
2. Section 132(2) of the Act (2) provides that, after passing a resolution giving its approval in principle to the performance statement and financial statements, the Council must submit the statements to the auditor for reporting on the audit.
3. Section 132(5) of the Act provides that the Council must ensure that the performance statement and financial statements (in their final form after any changes recommended or agreed by the auditor have been made) are certified in accordance with the regulations under the Act, prior to being submitted in their finalised form to the auditor for auditing pursuant to section 132(1) of the Act.

Finance

4. The financial implications are detailed in the body of the report and attachments.

Conflict of interest

5. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Health and Safety

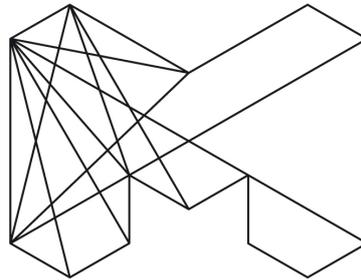
6. In developing this proposal, no Health and Safety issues or opportunities have been identified.

Stakeholder consultation

7. Consultation with the various branches of Council has been undertaken in preparation of this report.

Environmental sustainability

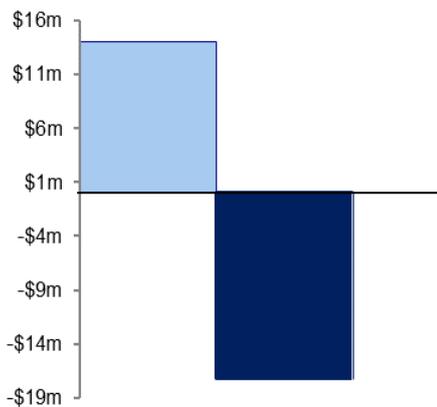
8. The financial performance for the year ended 30 June 2020 reflects many activities impacting on environmental sustainability. There is no direct impact on environmental sustainability from the recommendations in this report.



CITY OF MELBOURNE

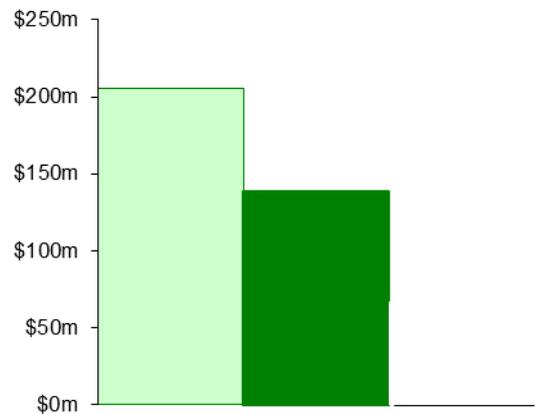
FINANCIAL PERFORMANCE REPORT YEAR ENDING 2019-20

Underlying Surplus/(Deficit)



YTD Budget	\$14.0m
YTD Actual	(\$17.1m)
YTD Variance	(\$31.2m)

Council Works Program



YTD Budget	\$205.4m
YTD Actual	\$138.4m
YTD Variance	\$67.0m

Underlying Deficit excludes one-off compensation for asset sales throughout this report

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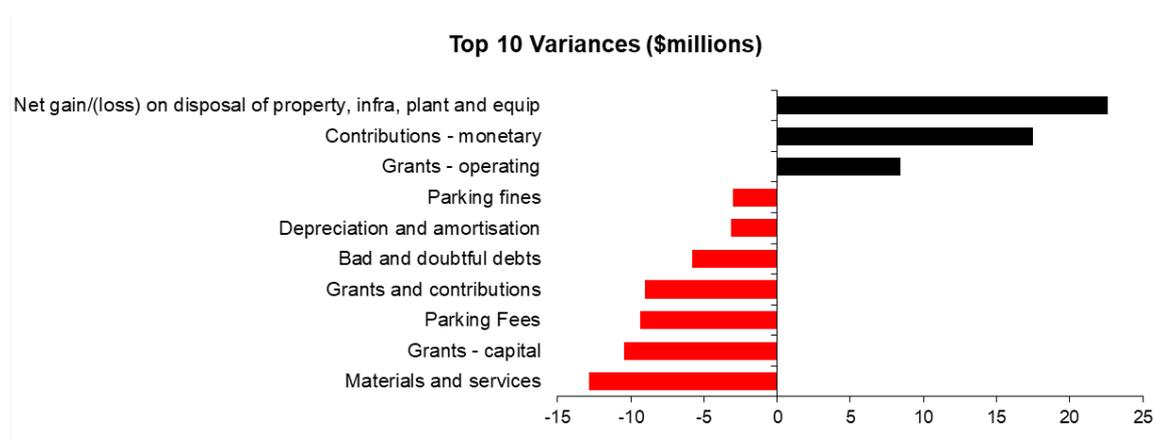
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Executive Summary

Adjusted Underlying Operating Results:

2018-19 Actual	\$ Thousands	2019-20 (\$'000)		
		Budget	Actual	Variance
493,899	Revenue	522,024	527,717	5,693
459,834	Operating Expenditure	453,551	483,702	(30,151)
34,065	Results from Ordinary Activities	68,473	44,015	(24,459)
(177)	Net gain/(loss) on disposal of property, infra, plant and equip	988	23,605	22,617
(5,971)	Fair value adjustments for investment properties	0	5,378	5,378
3,297	Contributions - non monetary	0	0	0
24	Writedown on Investment	0	0	0
31,238	Profit/(Loss)	69,461	72,998	3,537
(16,126)	Less External Contributions to Capital	(54,425)	(61,160)	(6,735)
5,971	Less Gain on Investment Revaluation	0	(5,378)	(5,378)
(3,297)	Less Contributed Assets	0	0	0
0	Less Gain on disposal of asset	(988)	(23,605)	(22,617)
17,787	Underlying Surplus/(Deficit)	14,048	(17,145)	(31,193)

Key Financial Variances:



The 2019-20 financial year result excluding compensation for City Square and lane way sales was an underlying deficit of \$17.2 million, \$31.2 million unfavourable against budget. This was mainly due to COVID-19 impacts estimated to be \$25.0 million.

Including compensation for City Square and lane way sales, the net underlying surplus was \$6.5 million (\$8.5 million below Budget) with variances across the following categories:

- Materials & Services (\$12.8 million unfavourable) impacted by COVID-19 cleaning contract payments (fully offset by operating grants) and Southbank Boulevard project costs.
- Grants – capital (\$10.5 million unfavourable) primarily due to the timing of payments associated with the Protective Security Enhancement Project (Capital contributions are excluded from the underlying surplus).
- Parking Fees (\$9.3 million unfavourable) mainly due to less parking meter revenue as a result of loss of parking spaces and COVID-19 impacts.
- Grants and contributions (\$9.0 million unfavourable) as a result of COVID-19 assistance package.
- Bad and doubtful debts (\$5.8 million unfavourable) driven by higher than expected parking infringement provision costs given COVID-19 impacts.
- Parking fines (\$3.0 million unfavourable) due to less infringement notices being issued as a result of COVID-19 impacts

Partially offset by:

- Gain on disposal of assets (\$22.6 million favourable) largely as a result of additional compensation for City Square and lane way sales
- Contributions – monetary (\$17.5 million favourable) due to higher Public Open Space contributions.
- Grants – operating (\$9.0 million favourable) due to Working for Victoria Fund (fully offset by cleaning contract costs)

COVID-19 Impacts

- There has been a significant impact on the City of Melbourne operations of the COVID-19 pandemic in the 2019-20 financial report, estimated to be \$25.0 million from March to the 30th June.
- Various financial measures have been taken by all three levels of Government in Australia to reduce the spread of COVID-19. This crisis and measures taken to mitigate it has impacted the City of Melbourne's operation in various areas, including:
 - Lower Parking Fee and Fine revenue (\$12.0 million)
 - Lower statutory and other user fees (\$4.3 million)
 - Other Income items (lower dividends etc) (\$0.7 million)
 - Additional funding support for Quick Response Business, Aboriginal and Arts Grants programs (\$8.0 million)
- This has also led to an increase in the total Debtors balance as at the 30th June due to unpaid permits, fees and charges, and other debtors. In response, Council has increased its doubtful debts provision to cover expected future losses.
- In addition, Council on the 26th March released its Rates Financial Hardship and General Hardship policies to provide options to reduce or defer fees or charges and provide rent relief for those rate paying residents and small to medium businesses that lost jobs, or saw income reduced. This resulted in deferrals in rates and decreases in commercial rent revenue of \$1.5 million. Council has also observed a significant increase in overdue rate balances as at 30 June 2020 of \$17.8m (inclusive of rate deferrals) compared to \$9.7 million at the same time last year

Council Works Program

The value of works completed is \$138.4 million compared to the planned \$205.4 million work.

Income Statement

2018-19 Actual (\$'000)	Income Statement	2019-20 (\$'000)		
		Budget	Actual	Variance
	REVENUE			
286,834	Rates and charges	299,881	301,764	1,883
	Statutory fees and fines			
38,531	Parking fines	41,234	38,197	(3,037)
14,131	Other	14,771	13,694	(1,077)
	User fees			
54,475	Parking	55,990	46,639	(9,351)
26,327	Other	22,863	24,515	1,652
27,827	Grants - operating	11,070	19,485	8,415
12,881	Grants - capital	35,435	24,962	(10,473)
7,296	Contributions - monetary	22,302	39,805	17,503
	Other income			
4,155	Interest	1,500	2,290	790
3,273	Dividends	2,365	2,063	(303)
6,403	Investment property/market rentals	6,768	5,701	(1,066)
3,056	Intercompany revenue - Citywide	3,464	2,487	(977)
(23)	Intercompany revenue - Queen Vic Market	0	20	20
8,437	Sales & recoveries	4,132	5,728	1,597
296	Project income	249	367	117
493,899	Total Revenue	522,024	527,717	5,693
	EXPENDITURE			
164,352	Employee benefit expense	170,652	169,798	854
190,003	Materials and services	183,907	196,744	(12,837)
12,485	Bad and doubtful debts	8,644	14,464	(5,820)
72,556	Depreciation and amortisation	57,895	61,048	(3,154)
0	Amourtisation - Intangible Asset	10,828	9,726	1,103
0	Amourtisation - Right of use asset	0	2,350	(2,350)
962	Borrowing Costs	808	339	469
0	Finance costs - leases	0	187	(187)
5,099	Other expenses	7,388	6,596	792
14,377	Grants and contributions	13,429	22,449	(9,020)
459,834	Total Operating Expenditure	453,551	483,702	(30,151)
(177)	Net gain/(loss) on disposal of property, infra, plant and equip	988	23,605	22,617
(5,971)	Fair value adjustments for investment properties	0	5,378	5,378
3,297	Contributions - non monetary	0	0	0
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(16,126)	Less External Contributions to Capital	(54,425)	(61,160)	(6,735)
5,971	Less Gain on Investment Revaluation	0	(5,378)	(5,378)
0	Less Gain on disposal of asset (irregular)	(988)	(23,605)	(22,617)
17,787	Underlying Surplus/(Deficit)	14,048	(17,145)	(31,193)

Balance Sheet

Prior Year 2018-19 Actual (\$'000)	Balance Sheet	Current Jun-20 Actual (\$'000)	Movement 2018-19 Actual (\$'000)
	Assets		
	Current Assets		
119,529	Ref 1 Cash and cash equivalents	42,598	(76,931)
51,899	Ref 2 Trade and other receivables	36,764	(15,135)
21,000	Ref 1 Other financial assets	64,000	43,000
3,256	Ref 3 Other assets	13,687	10,431
195,684	Total Current Assets	157,049	(38,635)
	Non current assets		
32,965	Ref 1 Other financial assets	63,488	30,523
26,356	Investment in subsidiaries and trust	26,356	0
3,968,507	Ref 8 Property, infrastructure, plant and equipment	4,156,594	188,087
205,476	Ref 8 Investment property	210,922	5,446
36,885	Ref 8 Intangible assets	41,886	5,001
0	Ref 4 Right of Use Asset	5,493	5,493
4,270,189	Total Non-Current Assets	4,504,739	234,550
4,465,873	TOTAL ASSETS	4,661,788	195,915
	Liabilities		
	Current Liabilities		
(63,782)	Ref 5 Trade and other payables	(70,188)	(6,406)
(7,996)	Ref 6 Trust funds and deposits	(13,356)	(5,360)
(34,991)	Provisions	(3,909)	31,082
0	Ref 4 Lease Liability	(1,411)	(1,411)
(106,769)	Total Current Liabilities	(88,864)	17,905
	Non- current Liabilities		
(3,807)	Provisions	(36,217)	(32,410)
(28,482)	Ref 7 Interest-bearing loans and borrowings	0	28,482
(865)	Trust funds and deposits	(1,388)	(523)
0	Ref 4 Lease Liability	(4,237)	(4,237)
(33,154)	Total Non-Current Liabilities	(41,842)	(8,688)
(139,923)	TOTAL LIABILITIES	(130,706)	9,217
4,325,950	NET ASSETS	4,531,082	205,132
	Equity		
(2,089,521)	Accumulated Surplus	(2,169,912)	(80,391)
(2,236,429)	Reserves	(2,361,170)	(124,741)
(4,325,950)	TOTAL EQUITY	(4,531,082)	(205,132)

Balance Sheet

Comparison to June 2019 Actual

1. The net cash and cash equivalents movements are due to the timing of grants received and cash reclassified to term deposits in Other Financial Assets.
2. The decrease in trade and other receivables is due to a reduction in Other Debtors outstanding at year end, and an increase in the parking infringement notice doubtful debts provision in line given COVID-19 impacts.
3. The increase in other assets is mainly due to accrual income for CBD Security Measurements project.
4. Right of Use Asset and Lease Liability (current and non-current) are created due to the accounting standard change on leasing assets commencing 1st of July 2019.
5. The increase in trade and other payables is due to an increase in the balance of unpaid creditors on prior year.
6. The increase in Trust funds and deposits is due to Fire Services Levy collected for the State Government.
7. Interest-bearing loans and borrowings (CEFC Loan) was paid back in November 2019
8. The increase in property plant and equipment assets is a result of capital projects being completed in infrastructure of \$94 million, buildings of \$19 million, other plant and equipment of \$10 million, and intangible software of \$16 million. A revaluation of land and buildings resulted in a 4.5% increase on the prior year.

Cash Flow Statement

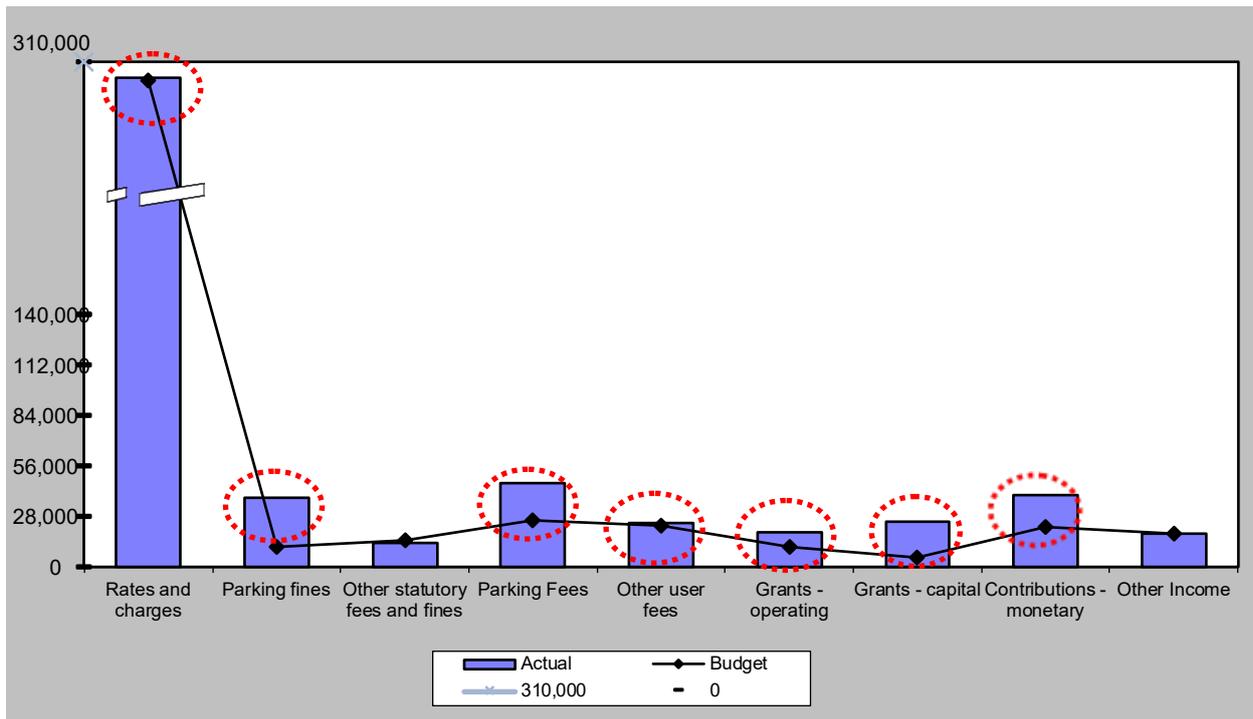
2018-19 Actual (\$'000)	Statement of Cash Flows	2019-20 Actual (\$'000)
	Cashflows from Operating Activities	
	Receipts	
283,567	Rates and charges	292,563
46,665	Statutory fees and fines	62,814
72,242	User fees	67,454
27,827	Grants - operating	19,485
12,881	Grants - capital	24,962
7,296	Contributions - monetary	5,295
4,155	Interest	2,290
3,273	Dividends	2,063
1,728	Trust funds and deposits taken	3,582
18,170	Other receipts	14,303
19,012	Contributions on Public Open Spaces (Reserve)	28,156
496,814		522,967
	Payments	
(163,350)	Employee Costs	(168,437)
(201,092)	Materials & Services	(193,704)
0	Short term and low value lease payments	(680)
(19,476)	Other Payments	(29,045)
(383,918)		(391,866)
112,896	Net Cash Inflow / (Outflow) from Operating Activities	131,101
	Cashflows from Investing Activities	
(121,461)	Payments for property, infrastructure, plant & equipment	(127,838)
467	Proceeds from sale of property, infrastructure, plant & equipment	9,035
0	Compensation for City Square	14,975
5,625	Proceeds from sale of investments (SMF)	0
(2,500)	Loan to SMF	0
10,000	Repayment of Loan from SMF	0
67,000	TD Deposit Reclassification	(73,000)
(40,869)	Net Cash Inflow / (Outflow) from Investing Activities	(176,828)
	Cashflows from Financing Activities	
(1,518)	Proceeds from borrowings (Repatriation of CEFC Loan)	0
(962)	Finance Costs	(339)
0	Interest paid - lease liability	(187)
0	Repayment of lease liability	(2,195)
0	Repayments of borrowings	(28,482)
(2,480)	Net Cash Inflow / (Outflow) from Financing Activities	(31,204)
69,547	Net Cash Inflow / (Outflow) from all Activities	(76,931)
49,982	Cash at beginning of the financial period	119,529
119,529	Cash at the end of Jun-20	42,598
69,547	Movement in cash equivalents	(76,931)

2018-19 Actual (\$'000)	Statement of Cash Flow (reconciliation)	2019-20 Actual (\$'000)
31,214	Net Surplus (exc Public Open Space Contributions)	38,488
	Add Back Non-Cash Items	
72,556	Depreciation/Amortisation	70,774
0	WIP (Southbank Boulevard Upgrading) Write Off	5,558
5,971	Fair value adjustments for investment property	(5,378)
177	Profit/(loss) on disposal of property, plant and equipment	(23,605)
(3,297)	Contributions - Non-monetary assets	0
24	Writedown on Investment	0
106,645	Operating Surplus/(Deficit) before Non cash items	85,837
(13,876)	Net Movement in Working Capital	14,388
(121,306)	Capital Expenditure	(127,839)
(2,500)	Loan to SMF	0
10,000	Repayment of SMF Loan	0
467	Proceeds from sale of assets	9,035
0	Compensaton on City Square	14,975
5,625	Proceeds from sale of Investment (SMF)	0
19,012	Contributions on Public Open Spaces (Reserve)	28,156
67,000	TD Deposit Reclassification	(73,000)
(1,518)	Repartriation of CEFC Loan	(28,482)
69,547	Net Cash inflow/(outflow)	(76,931)

On a year-to-date basis Council has a total cash outflow of \$76.9 million. This is comprised of:

- An operating surplus before non-cash items of \$85.8 million;
- Inflow from working capital of \$14.4 million;
- An outflow associated with capital expenditure of \$127.8 million.
- Inflow from additional funds received pursuant to the agreement of the compulsory acquisition of the City Square Carpark of \$15.0 million and proceeds from the sale of assets (including laneways) of \$9.0 million; and
- Inflow from Contribution to Public Open Spaces of \$28.5 million.

Revenue Details



Period: Jun-20

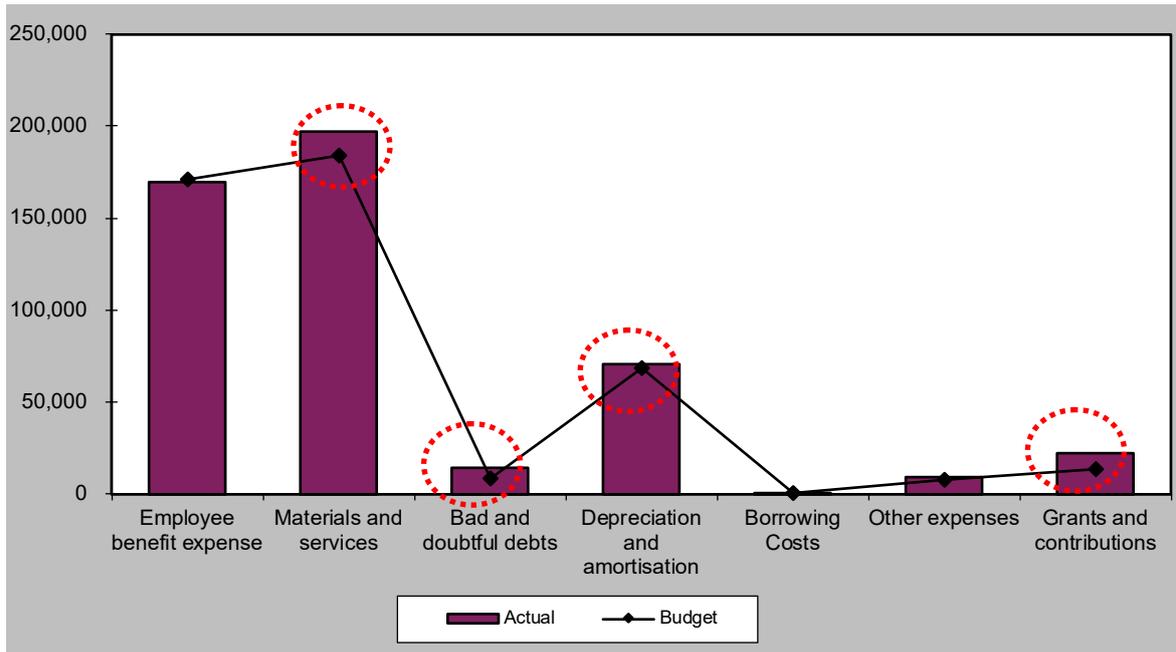
REVENUE	Year to Date \$'000		
	Budget	Actual	Variance
<i>Ref 3.0</i> Rates and charges	299,881	301,764	1,883
<i>Ref 3.1</i> Parking fines	41,234	38,197	(3,037)
<i>Ref 3.2</i> Other statutory fees and fines	14,771	13,694	(1,077)
<i>Ref 3.3</i> Parking Fees	55,990	46,639	(9,351)
<i>Ref 3.4</i> Other user fees	22,863	24,515	1,652
<i>Ref 3.5</i> Grants - operating	11,070	19,485	8,415
<i>Ref 3.6</i> Grants - capital	35,435	24,962	(10,473)
<i>Ref 3.7</i> Contributions - monetary	22,302	39,805	17,503
<i>Ref 3.8</i> Other Income	18,478	18,656	178
Total Revenue	522,024	527,717	5,693

Analysis of Revenue Variances

Budget \$522.0m	Actual \$527.7m	Variance \$5.7m Favourable
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3.0 Rates and charges	0.6% Variance	\$1.9m Fav
This favourable variance is mainly due to higher supplementary rates revenue.		
3.1 Parking fines	-7.4% Variance	(\$3.0m) Unfav
This unfavourable variance is less PINS infringements being issued as a result of COVID-19 impacts.		
3.2 Other statutory fees and fines	-7.3% Variance	(\$1.1m) Unfav
This unfavourable variance is due to lower construction and parking permits revenue as a result of COVID-19 impacts.		
3.3 Parking fees	-16.7% Variance	(\$9.3m) Unfav
This unfavourable variance is as a result of loss of parking spaces and COVID-19 impacts.		
3.4 Other user fees	7.2% Variance	\$1.6m Fav
This favourable variance is due to higher building service revenue which is partially offset by lower user fees as a result of COVID-19 impacts.		
3.5 Grants – operating	76.0% Variance	\$8.4m Fav
This favourable variance is largely due to Working for Victoria funds, International food voucher funds, and cost recovery grants for West Gate Tunnel and Metro Rail projects.		
3.6 Grants – capital	-29.6% Variance	(\$10.5m) Unfav
This unfavourable variance is driven by capital funding related to the Protective Security Enhancement Project received in year 2019-20 (based on milestones).		
3.7 Contributions – monetary	78.5% Variance	\$17.5m Fav
This favourable variance is due to Public Open Space funds which is partially offset by Construct Emergency Services Victoria Memorial funds.		
3.8 Other income	1.8% Variance	\$0.2m Fav
This favourable variance is due to grants in kind income partially by rent relief provided as a result of COVID-19 impacts.		

Expense Details



Period: Jun-20

EXPENDITURE	Year to Date \$'000		
	Budget	Actual	Variance
Ref 4.1 Employee benefit expense	170,652	169,798	854
Ref 4.2 Materials and services	183,907	196,744	(12,837)
Ref 4.3 Bad and doubtful debts	8,644	14,464	(5,820)
Ref 4.4 Depreciation and amortisation	68,723	70,774	(2,051)
Ref 4.5 Borrowing Costs	808	339	469
Ref 4.6 Other expenses	7,388	9,134	(1,746)
Ref 4.7 Grants and contributions	13,429	22,449	(9,020)
Total Expenditure	453,552	483,702	(30,150)

Analysis of Expense Variances

Budget \$453.5m	Actual \$483.7m	Variance \$30.1m Unfavourable
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4.1 Employee benefit expense **0.5% Variance** **\$0.9m Fav**

This favourable variance is largely due to holding vacant positions across Council.

4.2 Materials & Services **-7.0% Variance** **(\$12.8m) Unfav**

Variances of note have occurred in the following categories:

- Contract payments and General maintenance \$13.9 million unfavourable;
- Internal Revenue/Charges \$3.4 million unfavourable; *partially offset by*
- Administration/Supplies \$3.0 million favourable.

Contract payments & General maintenance (unfavourable \$12.9 million)

This favourable variance is largely due to COVID-19 cleaning expenditure and Greening Melbourne Initiatives (which is fully offset by Work for Vic Grants), and cost recognition on Southbank Boulevard Upgrading project.

Internal revenue/charges (unfavourable \$3.4 million)

This unfavourable variance is due mainly to lower labour capitalisations recoveries as a result of lower year to date capital expenditure.

Administration/Supplies (favourable \$3.0 million)

This favourable variance is due mainly to lower general administration expense including marketing, corporate training, travel and others as a result of cost saving initiatives activities.

4.3 Bad and doubtful debts **-67.3% Variance** **(\$5.8m) Unfav**

This unfavourable variance is associated with higher than expected parking infringement provision costs given collectability uncertainty due to COVID-19 impacts.

4.4 Depreciation and amortisation **-3.0% Variance** **(\$2.0m) Unfav**

This unfavourable variance is driven by the capitalisation timing of capital projects.

4.5 Borrowing costs **68.0% Variance** **\$0.5m Fav**

This favourable variance is due mainly to the earlier settlement of CEFC loan.

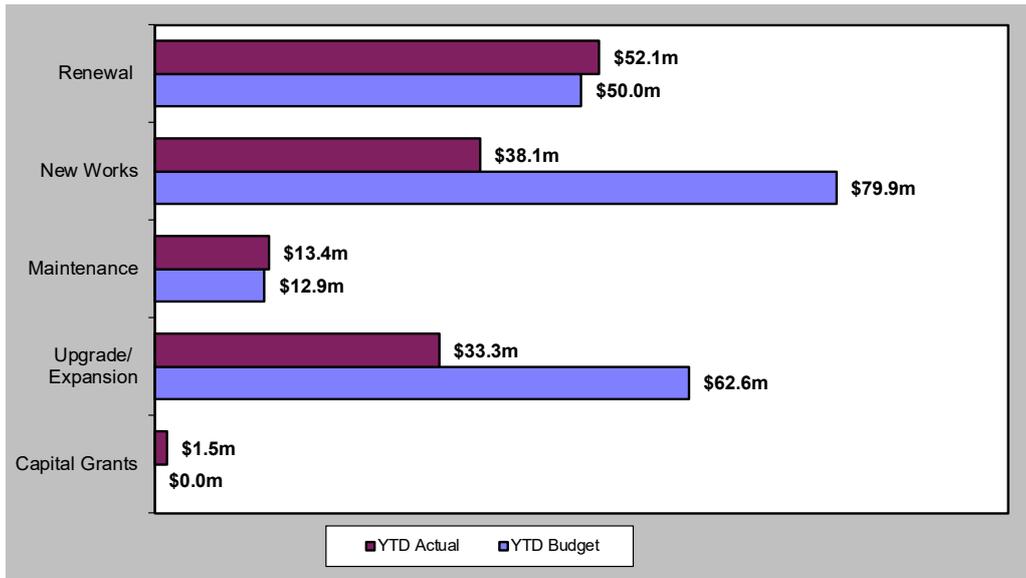
4.6 Other expenses **-23.6% Variance** **(\$1.7) Unfav**

This unfavourable variance is due to landfill levy costs being reclassified from contract expense.

4.7 Grants and contributions **-67.2% Variance** **(\$9.0m) Unfav**

This unfavourable variance is due to COVID-19 Economic Assistance Grants Support Package.

Council Works – Expenditure

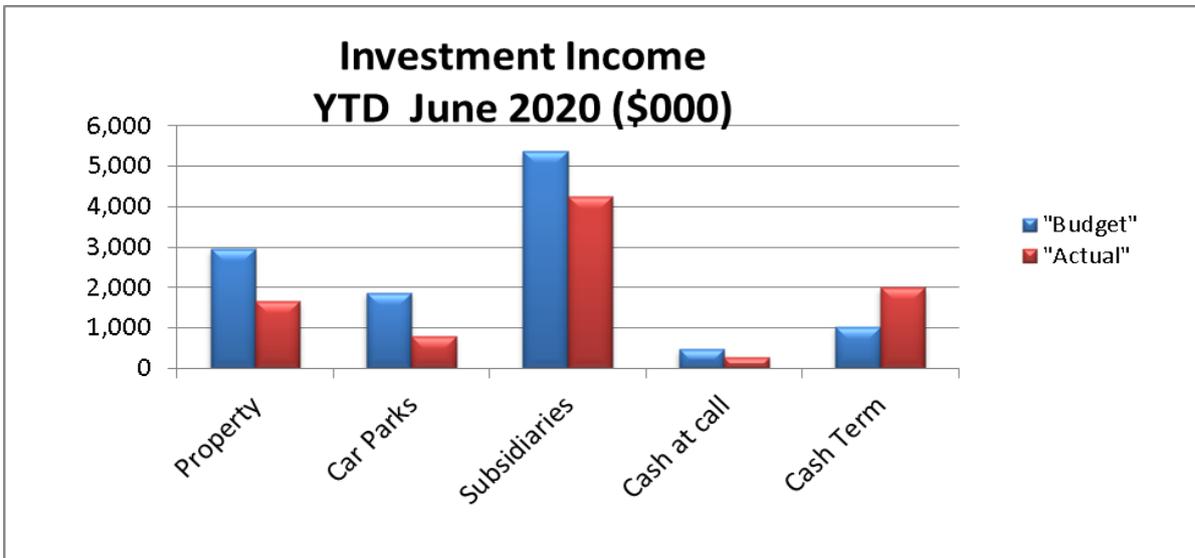
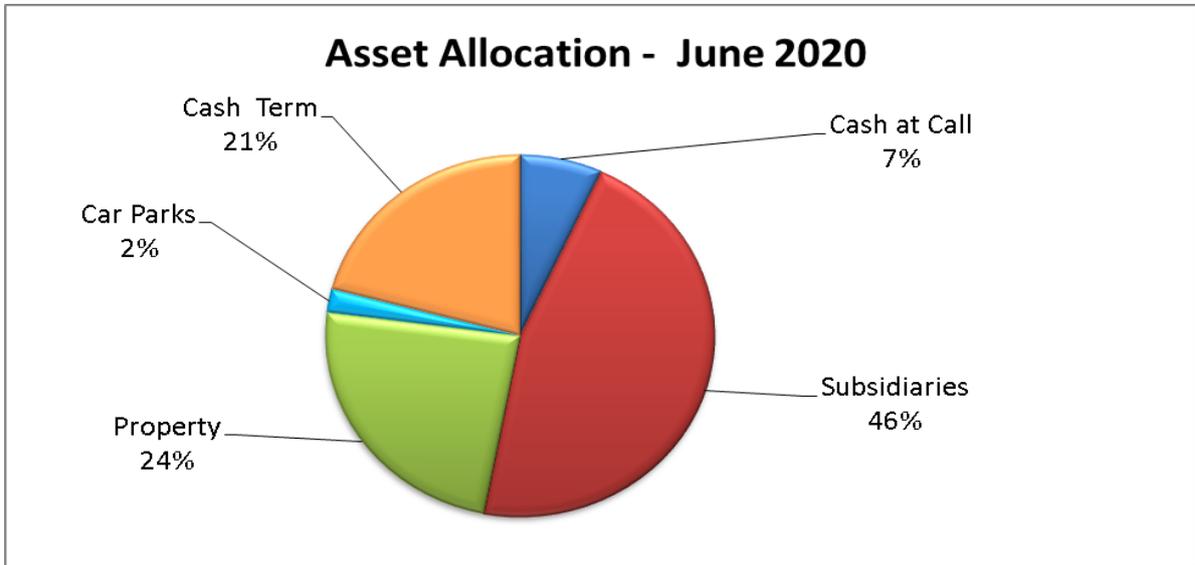


Period: Jun-20

Council Works Area	2019-20 (\$'000)		
	Budget	Actual	Variance
Maintenance			
Capital Grants	0	1,489	(1,489)
Maintenance	12,877	13,373	(496)
Total Maintenance	12,877	14,862	(1,986)
Capital Works			
Expansion	34,850	13,567	21,283
Upgrade	27,753	19,746	8,007
New Works	79,896	38,116	41,781
Renewal	50,011	52,090	(2,079)
Total Capital Expenditure	192,511	123,519	68,991
Total Council Works Program	205,388	138,381	67,007

Investment Portfolio Performance

The Investment Portfolio returned \$9.0 million for year to date which is \$2.7 million lower than \$11.7 million budget.



Public Open Space Contributions

DATE PAID	SUBDIVISION REG. NO	ADDRESS OF DEVELOPMENT	SUBURB	Proposed Fee Figure
03/07/2019	SA-2018-57	464-466 Collins Street	MELBOURNE	\$1,906,200
04/07/2019	SA-2018-39	Arden Gdns 101-133 Arden Street	NORTH MELBOURNE	\$2,118,000
11/07/2019	SA-2016-19	535-541 Royal Parade	PARKVILLE	\$550,000
19/08/2019	SA-2018-51	71-87 City Road	SOUTHBANK	\$2,471,000
23/08/2019	SA-2017-94	93-119 Kavanagh Street	SOUTHBANK	\$646,857
20/11/2019	SA-2017-94	93-119 Kavanagh Street	SOUTHBANK	\$3,881,143
16/09/2019	SA-2018-84	65 Manningham Street	PARKVILLE	\$225,000
02/10/2019	SA-2010-83	557-591 Swanston Street	CARLTON	\$500,000
12 & 13/11/2019	SA-2019-6	54-60 Smith Street	KENSINGTON	\$150,000
15/11/2019	SA-2019-46	3-11 Howard Street	WEST MELBOURNE	\$285,000
25/10/2019	SA-2019-39	83-113 Batman Street	WEST MELBOURNE	\$1,800,000
28/11/2019	SA-2018-91	80-82 Lothian Street	NORTH MELBOURNE	\$100,000
28/11/2019	SA-2019-61	69-73 Flemington Road	NORTH MELBOURNE	\$494,200
09/12/2019	SA-2019-1	244-276 Spencer Street	MELBOURNE	\$8,472,000
09/01/2020	SA-2019-30	52-60 Dorcas Street	SOUTHBANK	\$2,118,000
24/02/2020	SA-2017-34	1-3 Eastwood Street & 10 Brock Way	KENSINGTON	\$55,000
10/02/2020	SA-2018-12	39-43 Leveson Street	NORTH MELBOURNE	\$220,000
27/03/2020	SA-2019-73	199-217 Peel Street	NORTH MELBOURNE	\$444,780
02/03/2020	SA-2019-66	25-29 Coventry Street	SOUTHBANK	\$953,100
08/05/2020	SA-2018-53	141-149 LaTrobe Street	MELBOURNE	\$706,000
18/06/2020	SA-2020-2	12-14 bayswater Road	KENSINGTON	\$60,000
			Total Received	\$28,156,280
29/05/2020	SA-2019-54	93-151 Therry Strret & 452-468 Queen St	MELBOURNE	\$6,354,000
			Total Contributions	\$34,510,280

Comprehensive Income Statement - Asset Revaluation

Council	Balance at		Balance at		Balance at
	beginning of	Increment	end of	Increment	
	2019	(Decrement)	2019	(Decrement)	
	\$'000	\$'000	\$'000	\$'000	2020
					\$'000
Property					
Land	1,622,114	(263,418)	1,358,696	99,646	1,458,342
Buildings	128,847	(4,036)	124,811	(691)	124,120
Infrastructure					
Roads & Laneways	405,418	16,001	421,419	38,536	459,955
Bridges	18,265	1,785	20,050	3,381	23,431
Footpaths and cycleways	94,458	14,668	109,126	10,229	119,355
Drainage	31,158	2,859	34,017	(2,345)	31,672
Recreational, leisure and community facilities	3,241	3,445	6,686	(3,762)	2,924
Other infrastructure	79,508	(4,841)	74,667	(12,860)	61,807
Artworks	5,404	-	5,404		5,404
	2,388,413	(233,537)	2,154,876	132,134	2,287,010

SUPPLEMENTARY VALUATIONS

Supplementary valuations are undertaken for a variety of reasons and these are prescribed in the *Valuation of Land Act 1960 (VLA)*. Pursuant to the Council resolution of February 2013, supplementary valuations are returned to the Chief Executive Officer and reported quarterly to Council.

In the April to June 2020 quarter, there was one supplementary valuation return; the total of this return is as follows:

Date	NAV Change	Total Rate Change	New Rates	Exemptions	Objections
1 April 2020	(\$4,968,975)	(\$277,498.03)	\$87,062.67	(\$6,816.63)	(\$357,744.07)
Total	(\$4,968,975)	(\$277,498.03)	\$87,062.67	(\$6,816.63)	(\$357,744.07)

The 2019-20 supplementary new rates budget is \$4.9 million. The year to date actual for new rates is \$6.3 million.

Detailed listings of all supplementary valuation returns are attached to each supplementary return and are available for inspection upon request.

Overview of Supplementary Valuation Returns

Ref #	Address	Category	Current NAV	Previous NAV	NAV Change	Rate Change	Comments
1 April 2020							
5	Shop 8, Ground Union House Building 130 230 Grattan Street PARKVILLE VIC 3010	Exempt	\$75,000	\$75,000	-	(\$3,369.38)	University, exempt from rates
7	Fitzroy Gardens 230-298 Wellington Parade EAST MELBOURNE VIC 3002	Exempt	\$52,750	\$52,750	-	(\$2,369.79)	Tenant vacated, now exempt
15	Pan Pacific Melbourne 2 Convention Centre Place SOUTH WHARF VIC 3006	Objection	\$11,578,500	\$14,276,900	(\$2,698,400)	(\$121,166.75)	Objection
19	Suite 411, Level 4 365 Little Collins Street MELBOURNE VIC 3000	Objection	\$15,202,450	\$17,823,700	(\$2,621,250)	(\$117,305.73)	Objection
46	Port of Melbourne various	Supplementary	\$9,755,000	\$8,295,000	\$1,460,000	\$65,590.50	Change in occupancy
36	229-241 Franklin Street MELBOURNE VIC 3000	Supplementary	\$3,872,500	\$3,495,000	\$377,500	\$15,525.44	Correction to valuations
	Balance of 853 assessments		\$126,109,000	\$127,595,825	(\$1,486,825)	(\$114,402.32)	
	Total for April 2020		\$166,645,200	\$171,614,175	(\$4,968,975)	(\$277,498.03)	
Total Fourth Quarter 2019-20			\$166,645,200	\$171,614,175	(\$4,968,975)	(\$277,498.03)	