Notes to the Comprehensive Income Statement

Note	Change	
1	(100)	Reduced income due to higher than anticipated pensioner rebates on Council rates
2	400	Increase due to an efficiency as a result of roster changes and additional staffing ($100K) and a reduction in the provision of doubtful debts ($300K)
3	91	Increase in occupancy at three Child Care Centres ($100K)
4	550	Higher than budgeted street occupation permits and urban planning fees as a result of major developments across the municipality
5	(1,518)	The early receipt of 2015/16 Victoria Grants Commission half yearly payment ($1,255K) in the 2014/15 financial year. The kindergarten funding for Poets Grove is now being remitted to directly to the centre rather than via Council ($247K).
6	503	Unbudgeted grants for St Kilda Life Saving Club, Walk and Bike Plan projects, Peanut Farm and JL Murphy Reserve Pavilions and CCTV in Fitzroy Street. This is partially offset by several grants which were budgeted for 2015/16 but received in the 2014/15 financial year.
7	3,000	Increased developer contributions for public open space. This is matched with an equivalent increase in the transfer to statutory reserves
8	353	Increases due to the interim recycling contract paying more per tonne for recyclables ($116K), unbudgeted sponsorship for the SMM LG Kitchen and Night Markets ($76K) and unbudgeted merchant fee recovery generated from payment of rates notices ($72K).
9	200	Increase in interest income to higher than anticipated cash balances.
10	(149)	Reduced income from commercial hire of council event spaces due to the increased internal meeting and event activity.
11	(1,000)	Internal Fleet Income adjustment - offset by adjustment to materials and other expenditures. Consolidation.
12	(286)	Increases in the following areas; - Increased staffing requirements for St Kilda Triangle and Vibrant Villages operating projects - Increased agency staff required in Statutory Planning in response to the Metropolitian Planning Levy - City Development business support change from a student to a banded position due to workloads - Increased staffing at Coventry Street CCC to meet child:staff ratios - A new coordinator role in People and Culture (5 months) - The OH&S manager position was unbudgeted. - Increase in Maternity Leave ($100K)
13	281	A reallocation of $500K of St Kilda Triangle project cost to professional services Offset by increased recruitment costs ($100K) and an unbudgeted final claim for the Donovan's insurance works (125K).
14	2,091	Internal Fleet Income adjustment - offset by adjustment to contract income. Consolidation. External lease charges $790K are now captured on the balance sheet due to a change in the Accounting Standards.
15	(2,078)	Costs related to the current year capital program but deemed not to be capital expenditure
16	(410)	Costs that are currently in Work in Progress that will be written off during the capitalisation process
17	(572)	Increase to Depreciation - Motor Vehicles.Offset by favourable external lease charges. Note 14
18	(2,455)	The increase is primarily due to new, increased costs and reallocations for operating projects ($2.0 million). Other increase include higher then anticipated legal representation for current planning issues and increase internal audit costs.
19	106	Reduced electricity usage expenditure Council buildings and reduced sewage & water charges in public space
20	24	
21	(3,100)	Estimate of the assets that will be written off due to capital renewals and upgrades
22	(7,240)	See appendix for capital project forecast changes
23	7,269	An increase in the transfers from reserves due to fund the deferral of 2014/15 projects ($2.3 million), the FBURA open space purchase ($6.3 million) and the early receipt of the 2014/15 Victoria Grants Commision payment and other capital grants ($1.6 million). This is partially offset by an increase in the transfer to reserve due to the higher than antipicated developer contributions ($3.0 million).

Comprehensive Income Statement

	Notes	Dec-15 Year to Date Actual ($'000)	Dec-15 Year to Date Forecast ($'000)	Dec-15 Year to Date Variance ($'000)	Annual Budget ($'000)	Proposed Full Year Forecast ($'000)	Proposed Forecast Changes ($'000)
INCOME							
Rates and garbage charges	1	56,238	56,411	(173)	113,147	113,047	(100)
Parking fees and fines	2	15,383	14,803	580	29,279	29,679	400
User charges and other fees	3	8,988	8,593	395	15,936	16,027	91
Statutory fees and fines	4	2,040	1,847	193	2,804	3,354	550
Grants - operating	5	4,796	4,801	(5)	10,243	8,725	(1,518)
Grants- capital	6	255	255	0	1,734	2,237	503
Contributions	7	3,925	1,250	2,675	2,500	5,500	3,000
Other income	8	1,200	876	324	1,914	2,267	353
Interest	9	701	440	261	1,260	1,460	200
Rent	10	3,968	4,185	(217)	8,369	8,220	(149)
Contract income	11	0	(16)	16	1,320	320	(1,000)
TOTAL INCOME		**97,494**	**93,445**	**4,049**	**188,507**	**190,836**	**2,329**
EXPENSES							
Employee costs	12	39,897	40,180	283	80,526	80,812	(286)
Contract services	13	19,400	20,364	964	44,204	43,923	281
Materials and admin costs	14	5,892	6,729	837	15,053	12,962	2,091
Costs reclassified from current year capital program	15	1	0	(1)	0	2,078	(2,078)
Costs reclassified from from prior year WIP	16	0	0	0	0	410	(410)
Bad and Doubtful Debts		(72)	55	127	109	109	0
Depreciation	17	9,323	9,322	(1)	18,644	19,216	(572)
Professional Services	18	3,364	3,773	409	5,696	8,151	(2,455)
Utility Payments	19	1,068	1,062	(6)	2,959	2,853	106
Other Expenses	20	3,630	3,808	178	7,913	7,889	24
Borrowing costs		224	229	5	459	459	()
Loss on Disposal of Assets due to Capital Upgrades	21	(2)	0	2	0	3,100	(3,100)
TOTAL EXPENSES		**82,725**	**85,522**	**2,797**	**175,562**	**181,962**	**(6,400)**
OPERATING SURPLUS / (DEFICIT)		**14,769**	**7,923**	**6,846**	**12,944**	**8,874**	**(4,070)**
Rate Determination Adjustment to Cash Surplus							
Loss on disposal of assets due to capital upgrades	21	(2)	0	(2)	0	3,100	3,100
Depreciation	17	9,323	9,322	1	18,644	19,216	572
Proceeds from sale of Assets		88	0	88	3,000	3,000	0
Costs reclassified from from prior year WIP	16	0	0	0	0	410	410
Borrowings		0	0	0	610	610	0
Loan repayments		(328)	0	(328)	(587)	(587)	0
		9,081	**9,322**	**(241)**	**21,667**	**25,749**	**4,082**
Capital Project Expenditure							0
Capital project portfolio 2015/16 (including Deferred 2014/15)	22	(9,382)	(10,655)	1,273	(36,177)	(43,417)	(7,240)
Capital projects reclassified to operating expenditure		1	0	1	0	2,078	2,078
		(9,381)	**(10,655)**	**1,274**	**(36,177)**	**(41,339)**	**(5,162)**
Reserve transfers							
Net Transfers (to) / from reserves	23	1,284	3,378	(2,094)	(379)	6,890	7,269
CURRENT YEAR SURPLUS / (DEFICIT)		**15,753**	**9,968**	**5,785**	**(1,945)**	**174**	**2,119**
2014/15 carry forward surplus / (deficit)		2,235	2,193	42	2,193	2,193	0
CASH SURPLUS / (DEFICIT)		17,988	12,161	5,828	248	2,367	2,119

Underlying Result Calculation (as per Local Government Reporting Calculation)

	Annual Budget ($'000)	Proposed Forecast ($'000)
OPERATING SURPLUS / (DEFICIT)	**12,944**	**8,874**
Developer contributions	(2,500)	(5,500)
Non recurring capital contributions	(1,734)	(1,734)
Non cash contributions	0	0
UNDERLYING SURPLUS / (DEFICIT)	**8,710**	**1,640**