



***Monthly Financial Report  
For the Month Ending  
31 March 2002***

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### Introduction

This monthly financial report covers the financial position of the City of Joondalup for the year to date ending 31 March 2002, and includes the changes identified as part of the half-year budget review.

All YTD comparisons are made against the revised budget.

### Financial Overview

The City of Joondalup is reporting a variance of **\$4.6m** when compared to the YTD budget.

| <b>Financial<br/>Overview</b> | <b>YTD<br/>Budget</b> | <b>YTD<br/>Actual</b> | <b>YTD<br/>Variance</b> |
|-------------------------------|-----------------------|-----------------------|-------------------------|
| <u>Variance</u>               |                       |                       |                         |
| Operating surplus             | \$9.3m                | \$11.2m               | \$1.9m                  |
| <u>Non-Operating</u>          |                       |                       | <b>YTD<br/>Variance</b> |
| Capital Expenditure           | \$1.1m                | \$0.8m                | \$0.3m                  |
| Capital Works                 | \$8.7m                | \$6.3m                | \$2.4m                  |
| Variance                      | \$9.8m                | \$7.1m                | \$2.7m                  |
| Total Variance                |                       |                       | \$4.6m                  |

On the **Operating Statement by Nature**, the City of Joondalup reported an operating surplus to date of **\$11.2m** against a budget of **\$9.3m**, a variance on budget of **\$1.9m**.

**The above variance reflects differences attributable to the timing of revenue and expenditure and does not represent net savings for the year.**

The major differences are as follows:

- The **Operating net variance** of **\$1.9m** resulted from YTD shortfall in revenue of **\$0.2m** and under expenditure of **\$2.1m** when compared to budget.
- **Operating Revenue** for the year-to-date is **\$56.0m** against a YTD budget of **\$56.2m** shortfall in revenue of **\$0.2m**.
- **Operating Expenditure** for the year-to-date amounted to **\$44.8m** against a YTD budget of **\$46.9m**, representing under expenditure to budget of **\$2.1m**.
- **Capital Expenditure** (shown at Appendix E) for the year-to-date is **\$0.8m** against a YTD budget of **\$1.1m**, under spending of **\$0.3m**.
- **Capital Works** (shown at Appendix F) for the year-to-date amounted to **\$6.3m** against a year-to-date budget of **\$8.7m**, an under spend to the phased budget of **\$2.4m**. However the City has committed expenditure through raised purchase orders of **\$2.49m**.

### Operating Revenues

Operating Revenue for the year-to-date is **\$56.0m** against a YTD budget of **\$56.2m**, a revenue shortfall of **\$0.2m**.

A comparison of the year-to-date income is as follows:

| <b>Revenue</b>                              | <b>YTD<br/>Budget</b> | <b>YTD<br/>Actual</b> |
|---|-----------------------|-----------------------|
| Rates                                       | \$39.2m               | \$39.2m               |
| Rates – Specified Area                      | \$0.1m                | \$0.1m                |
| Government Grants                           | \$5.5m                | \$5.0m                |
| Contributions, Reimbursements and Donations | \$1.2m                | \$1.3m                |
| Service Charges                             | \$6.4m                | \$6.6m                |
| Fees & Charges                              | \$2.2m                | \$2.4m                |
| Interest Earnings                           | \$1.5m                | \$1.3m                |
| Revenue from other councils                 | \$0.1m                | \$0.1m                |
| <b>Total Revenue</b>                        | <b>\$56.2m</b>        | <b>\$56.0m</b>        |

### Referring to Appendix A:

#### a) Rates and Charges Revenue

Rates and Charges revenue is on target for the year-to-date. Further details on Rating Performance are shown under this section on **Page 5**.

#### b) Government Grants

Government Grants for the year-to-date amounted to **\$5.0m** compared to a YTD budget of **\$5.5m**. The deficit relates mainly to road grants for works that have not yet commenced or are not yet eligible for the entire grant payment.

#### c) Contributions, Reimbursements & Donations

This includes transfers **from** reserves of **\$0.7m**, consisting mainly of **\$362k** from the Property Surveillance and Security Charge Reserve, **\$25k** from the Special Area Rating – Iluka Reserve, **\$106k** for the purchase of plant and equipment and **\$143k** for the purchase of Light Fleet items. Transfers to and from Reserves are shown at Appendix H.

#### d) Service Charges

Service Charges levied for the year-to-date are ahead of budget by **\$156k** and amounted to **\$6.6m**. This is due to household refuse removal charges and recycling charges, which are ahead of the forecast YTD budget.

#### e) Fees and Charges

Fees and Charges for the year-to-date amounted to **\$2.4m** compared to a YTD budget of **\$2.2m**. The YTD surplus of **\$182k** relates mainly to additional building licenses (**\$101k**) and land

purchase inquiries (**\$77k**) arising from increased building activity.

It is to be recognised that additional building license fee revenue was generated by a number of major building projects including:

- Edith Cowan University - \$79k
- Apartments - Kingsbury Rd, Joondalup - \$7k
- Apartments - Grand Blvd, Joondalup - \$7k
- Lake Joondalup Baptist College - \$7k
- Shops/Offices - Dwyer Turn, Joondalup - \$4k

#### f) Interest Earnings

| <b>Interest on</b> | <b>Revised<br/>Annual<br/>Budget</b> | <b>YTD<br/>Budget</b> | <b>YTD<br/>Actual</b> |
|--------------------|--------------------------------------|-----------------------|-----------------------|
| Municipal          | \$1.1m                               | \$1.0m                | \$0.8m                |
| Reserves           | \$0.6m                               | \$0.5m                | \$0.5m                |
| <b>Total</b>       | <b>\$1.7m</b>                        | <b>\$1.5m</b>         | <b>\$1.3m</b>         |

**Due to interest rate decreases that have taken place since July 2001, interest earnings will be less than originally budgeted.**

Actual interest earnings for the year to date are on target with the revised annual budget, with revenue of approximately \$120k-\$130k per month at present. Discrepancies between the YTD actual and the YTD budget figures are due to phasing.

At its March 2002 meeting the Reserve Bank of Australia foreshadowed an increase in interest rates

in the near future, however this will not affect the City's interest income for this financial year.

Details of the City's investments are referred to later in this report.

#### g) Other Revenues

Other Revenues reflect income received from other Councils such as those services provided to the City of Wanneroo as part of the Library Service Level Agreement. The operational support portion of this Service Level Agreement ceased in September 2001, however the sharing of the Library computer system will continue for a further 3 years.

Currently, revenue received from other Councils exceeds the phased budget by **6k**.

#### Operating Expenses

Operating expenses were as follows:

| <i>Operating Expenses</i> | <i>Revised Annual Budget</i> | <i>YTD Budget</i> | <i>YTD Actual</i> |
|---------------------------|------------------------------|-------------------|-------------------|
| Employee Costs            | \$22.3m                      | \$16.6m           | \$16.2m           |
| Materials and Contracts   | \$23.9m                      | \$17.4m           | \$15.8m           |
| Utilities                 | \$2.6m                       | \$1.9m            | \$1.8m            |
| Depreciation              | \$13.8m                      | \$10.4m           | \$10.4m           |
| Loss on Asset Disposal    | \$0.1m                       | \$0.1m            | \$0.1m            |
| Insurance                 | \$0.7m                       | \$0.5m            | \$0.5m            |
| Total                     | \$63.4m                      | \$46.9m           | \$44.8m           |

Operating Expenditure for the year-to-date amounted to **\$44.8** against a YTD budget of **46.9m**, a net under spend to budget of **\$2.1m**. The main under spending is in Employee Costs of **\$0.4m** and Material and Contracts of **\$1.6m**.

#### a) Employee Costs

Employee Costs for the year-to-date amounted to **\$16.2m** against a budget of **\$16.6m**. This underspend is despite overtime costs of **\$115k** in excess of the total annual budget. There is however, a shortfall in YTD spending on training of **\$73k**. The underspend of **\$376k** is due to:

- Delays in replacing staff who have left the employ of the City. In some cases the positions have been "backfilled" with contract staff, which is shown by the YTD overspending by **\$174k** for contract labour.)
- Overtime was incurred whilst staff had not been replaced, or to undertake tasks more effectively.
- Delays in the commencement of certain projects that incorporate employee costs.
- Non payment of back pay for EBA 4% increase (yet to be ratified by staff and Industrial Relations Commission).

#### b) Materials and Contracts

Materials and Contracts costs for the year-to-date amounted to **\$15.8m** against a budget of **\$17.4m**, when internal transfers are removed. Materials and Contracts costs are under budget by **\$1.6m** due to delays in commencing administrative programs and projects. In most instances development work has commenced and the expenditures will be incurred during coming months.

Material and Contracts includes transfers to reserves of **\$1.1m** made during the year-to-date, to provide for the future replacement of Plant, Heavy and Light Fleet and interest of **\$0.5m** accumulated on the investment of the Reserve funds.

Major areas of under spending are:

- Administration costs (printing, postage and stationery) **\$218k**. Some underspending is in relation to payment for the printing of the Business and Community Directory and some cost savings achieved in this area.
- Equipment costs relating to non-asset purchases of minor plant, furniture and office equipment **\$173k**.
- Public Relations costs (promotions) **\$169k** relating to community program expenditure, such as the Joondalup Festival (**\$37k** costs still outstanding), and catering **\$37k** not yet undertaken
- Consultancy costs **\$600k** due to projects where expenditure has not yet been incurred. These include Ocean Reef Lot 1029 (**\$87k**), Urban Enhancements (**\$50k**), Strategic Planning Facilitation (**\$25k**), Foreshore Recreation Strategy (**\$25k**), Computerising Agenda & Minutes (**\$22k**), Community Consultation (**\$47k**), Central Walk Promotion (**\$30k**), Precinct Concepts (**\$60k**), Spatial Data Development (**\$50k**), IT consulting (**\$36k**).

c) Utilities

Utility Costs for the year-to-date amounted to **\$1.8m**, which is slightly under budget.

d) Depreciation on Non Current Assets

Depreciation expense for the year-to-date amounted to **\$10.4m** and is on budget. Actual depreciation charges are processed through the General Ledger reflecting the actual depreciation costs of buildings, equipment, motor vehicles and plant.

e) Loss on Asset Disposal

The loss on the disposal of assets arises from the actual disposal price and written down value of the assets at the time of disposal.

Although actual YTD loss on disposal is over YTD budget by **\$49k**, the asset replacement programme is currently on schedule.

Special Area Works – Iluka

The City raised **\$76,026** as Special Area Rates – Iluka, budget (**\$73,393**). The carried forward amount of **\$24,797** was transferred from Reserves at the beginning of the year. The year-to-date expenditure for work undertaken is **\$164,928** against the annual total expenditure budget of **\$159,920**, which includes the funds remitted to the Iluka Residents Association which is managing the total landscaping in the area.

Special Area Works – Woodvale Waters

The City raised **\$24,348** as Special Area Rates - Woodvale Waters, budget (**\$24,300**). The Woodvale Waters Residents Association and Council agreed for the normal verge maintenance and the enhanced landscaping works to be subcontracted. Payment of **\$40,500** has been made to the Woodvale Waters Residents Association (**\$24,348** - Special Area Rates and **\$16,152** - Council contribution).

Special Area Works – Harbour Rise

The City raised **\$47,858** as the Special Area Rates – Harbour Rise, budget (**\$40,200**). Expenditure for the year-to-date is only **\$2,152**, with an accrual of **\$26k** to be processed to reflect the contractor's costs for the first six months work which are yet to be invoiced.

Reserve Transfers

At the end of the month, the City of Joondalup Reserve Funds totalled **\$14.0m**.

In accordance with the requirements of Section 6.11 of the Local Government Act 1995, unspent funds from specific charges were transferred to Reserve Accounts at the 30 June 2001 and formed part of the 1<sup>st</sup> July 2001 opening balance. During July 2001, a total of **\$397,108** was transferred from Reserves to undertake budgeted works. Funds were transferred from the Property Surveillance and Security Charge

Reserve – **\$362,094**, and from the Special Area Iluka Reserve - **\$24,797**.

Transfers To / From Reserves, together with the balances of the Reserve Accounts at the end of the month is shown at Appendix *H*.

### Capital Expenditure

Capital Expenditure (shown at Appendix *E*) for the year-to-date amounted to **\$0.8m** against a budget of **\$1.1m**, an under spend to budget of **\$304k**. The majority of under spending is mainly due to delays in purchasing:

- computer equipment
- **\$150k** purchase of a Mercedes Benz bus

Capital Expenditure is shown at Appendix *E*.

### Capital Works

Capital Works is shown at Appendix *F*.

For the 2001/02 year, the City of Joondalup planned to undertake a Capital Works program of **\$17.2m**. This figure was revised to **\$18.1m** in the half-year budget review.

Actual year-to-date expenditure amounts to **\$6.3m** against a year-to-date budget of **\$8.7m**, a net under spending of **\$2.4m**. However, the City has committed expenditure through raised purchase orders of **\$2.49m**.

Whilst the timing of individual capital works projects differ to the adopted budget, the main items of year-to-date underspending include:

- Administration Centre – Roof/ Solar panels/modify lighting (**\$206k**, Council report April)
- Giles Ave - Resurface and Roundabout (**\$69k**)
- Eddystone Ave - Road Works (**\$272k**)
- Beach Rd - Drainage Upgrade (**162k**)
- Dampier Ave – Raised Intersection (**107k**)

It is also to be noted that a large difference between the YTD budget and revised annual budget exists, relating to high value projects to be undertaken during the last quarter. These projects are:

- Council depot – Land & design (**\$3.21m**)
- Currambine community centre (**\$0.85m**)
- Collier Pass – road works (**\$0.58m**)

These projects may now not be commenced in the financial year, and will be carried forward.

### Rating Performance

#### **General Rates**

The statement of rating information is shown at Appendix *G*.

The 2001/02 rates notices were issued on 16 August 2001.

The City's payment programme statistics are summarised as follows:

| <u>Method of Payment</u> | <u># of Ratepayers</u> |
|--------------------------|------------------------|
| • Early payment/discount | 28,921                 |
| • Instalments            | 13,759                 |

The instalment programme required that the 4<sup>th</sup> instalment be paid on 28<sup>th</sup> March 2002. Consequently all payments are now due On 8/4/2002 in excess of 1500 letters will be forwarded to those people who have defaulted on instalment payments.

The City will continue to collect outstanding rates through its normal collection process, however, where necessary, legal action is undertaken to collect outstanding balances.

The total general rates outstanding at the end of the month, including outstanding balances arising from prior years, is as follows:

- General rates - **\$2.3m**
- Deferred rates - **\$0.8m**
- Special Area Rates - **\$2k**

Interim rate revenue was revised down by **\$200k** in the half-year budget review from an estimated **\$591k**. Actual revenue for the year to date is **\$221k**.

#### **Specified Area Rate - Iluka**

The 2001/02 Specified Area Rate - Iluka raised revenue of **\$76,026** from 979 properties. (Budget

\$73,393). The City transferred \$24,797 from the Special Area Rating – Iluka Reserve during July 2001 to undertake enhanced landscaping works in the area.

#### Specified Area Rate - Woodvale

The 2001/02 Specified Area Rate - Woodvale raised revenue of \$24,348 from 136 properties. (Budget \$24,300).

#### Specified Area Rate – Harbour Rise

The 2001/02 Specified Area Rate – Harbour Rise raised revenue of \$47,858 from 208 properties. (Budget \$40,200).

#### Rubbish Charges

- The 2001/02 Rubbish Charge of \$119 per property planned to net budget revenue of \$6.4m to cover Environmental Waste Services.
- At the end of January 2002, all budgeted rubbish charges had been levied in relation to the Refuse and Recycling Program.

#### Swimming Pool Inspection

The 2001/02 Swimming Pool Inspection fee of \$11 (including \$1 for GST) raised revenue of \$156,595 (budget \$152k) to cover four-yearly swimming pool inspections.

#### Investments

The City of Joondalup investments are made in accordance with Policy guidelines. The City receives advice from Grove Financial Services P/L in relation to the most suitable investment portfolio to meet the City's risk guidelines.

At the end of the month, the City's investment portfolio amounted to \$41.5m and was spread across a number of different investment funds.

Of this amount, \$26.4m, 64%, was invested in AAA rated investments. \$15.0m, 36% was invested in AA rated investments. An amount of \$95,265 is due from PBS (in liquidation), will be resolved prior to June 2002.

Interest on Investments is as follows:

| <i>Interest on</i> | <i>Revised<br/>Annual<br/>Budget</i> | <i>YTD<br/>Budget</i> | <i>YTD<br/>Actual</i> |
|--------------------|--------------------------------------|-----------------------|-----------------------|
| Municipal          | \$1.1m                               | \$1.0m                | \$0.8m                |
| Reserves           | \$0.6m                               | \$0.5m                | \$0.5m                |
| Total              | \$1.7m                               | \$1.5m                | \$1.3m                |

The reductions in interest rates have had a detrimental impact on the City's investment income. The City had budgeted to receive interest at a 5.25% interest rate, however current interest rates achieved have decreased to approximately 4.25%.

The longer-term interest rate outlook (4.25%) is still well below the budget rate (5.25%) used.

Actual interest earnings for the year to date are on target with the revised annual budget, with revenue of approximately \$120k-\$130k per month at present. Discrepancies between the YTD actual and the YTD budget figures are due to phasing.

#### Conclusion

Overall the City of Joondalup is reporting a net under spend compared to the year-to-date budget of \$4.6m as at 31 March 2002.

The net year-to-date underspend in **Operating Activities** compared to budget of \$1.9m is due to:

- Operating Revenue for the year-to-date of \$56.0m against a budget of \$56.2m represents a shortfall in revenue of \$0.2m. The main areas contributing to the shortfall are Government Grants and Subsidies deficit YTD of \$449k that relates mainly to road grants for works that have not yet commenced or are not yet eligible for the entire grant payment.
- Operating Expenditure for the year-to-date amounted to \$44.8m against a YTD budget of \$46.9m, a net underspend to budget of \$2.1m. The main underspending is in Employee Costs \$376k and Material and Contracts of \$1.6m.



# Operating Statement by Nature 2001/2002

CITY OF JOONDALUP

Period: MAR-02

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|   | <i>Annual<br/>Budget</i> | <i>Revised<br/>Budget</i> | <i>YTD<br/>Budget</i> | <i>YTD<br/>Actual</i> | <i>YTD<br/>Variance</i> |
|---|--------------------------|---------------------------|-----------------------|-----------------------|-------------------------|
|   | -----                    | -----                     | -----                 | -----                 | -----                   |
| <b>Revenue</b>  |                          |                           |                       |                       |                         |
| <b>Rates</b>  | 39,587,475               | 39,450,475                | 39,231,429            | 39,221,800            | (9,629)                 |
| <b>Rates - Specified Area</b>                         | 137,893                  | 137,893                   | 137,893               | 148,233               | 10,340                  |
| <b>Government Grants &amp; Subsidies</b>              | 8,512,750                | 8,245,375                 | 5,452,258             | 5,002,996             | (449,263)               |
| <b>Contributions, Reimbursements and Donations</b>    | 9,321,450                | 9,913,762                 | 1,143,091             | 1,295,979             | 152,888                 |
| <b>Profit on Asset Disposal</b>                       | 30,393                   | 30,393                    | 23,631                | 4,789                 | (18,842)                |
| <b>Service Charges</b>                                | 6,463,310                | 6,463,310                 | 6,404,861             | 6,560,959             | 156,098                 |
| <b>Fees &amp; Charges</b>                             | 2,411,952                | 2,890,595                 | 2,224,131             | 2,405,688             | 181,557                 |
| <b>Interest Earnings</b>                              | 2,343,585                | 1,743,585                 | 1,525,981             | 1,280,487             | (245,494)               |
| <b>Revenue from Other Councils</b>                    | 148,780                  | 151,339                   | 87,129                | 92,942                | 5,813                   |
| <b>Total Operating Revenues</b>                       | <u>68,957,588</u>        | <u>69,026,727</u>         | <u>56,230,404</u>     | <u>56,013,872</u>     | <u>(216,532)</u>        |
| <b>Expenditure</b>                                    |                          |                           |                       |                       |                         |
| <b>Employee Costs</b>                                 | 22,380,868               | 22,246,473                | 16,618,833            | 16,243,309            | 375,523                 |
| <b>Materials &amp; Contracts</b>                      | 24,381,084               | 23,945,434                | 17,418,321            | 15,772,745            | 1,645,576               |
| <b>Utilities (Gas, Electricity, Water etc)</b>        | 2,582,695                | 2,580,295                 | 1,935,089             | 1,786,092             | 148,996                 |
| <b>Depreciation on Non Current Assets</b>             | 13,783,997               | 13,788,156                | 10,328,729            | 10,411,538            | (82,809)                |
| <b>Loss on Asset Disposal</b>                         | 114,159                  | 122,659                   | 68,708                | 117,813               | (49,105)                |
| <b>Insurance Expenses</b>                             | 711,954                  | 718,084                   | 531,981               | 494,846               | 37,134                  |
| <b>Total Operating Expenses</b>                       | <u>63,984,757</u>        | <u>63,401,102</u>         | <u>46,901,660</u>     | <u>44,826,344</u>     | <u>2,075,316</u>        |
| <b>Change in Net Assets Resulting from Operations</b> | <u>5,002,831</u>         | <u>5,625,625</u>          | <u>9,328,744</u>      | <u>11,187,528</u>     | <u>1,858,784</u>        |





# Operating Statement by Programme

CITY OF JOONDALUP

Period: MAR-02

|  | <i>Annual<br/>Budget</i> | <i>Revised<br/>Budget</i> | <i>Year-to-Date<br/>Budget</i> | <i>Year-to-Date<br/>Actual</i> | <i>Variance</i>  |
|--|--------------------------|---------------------------|--------------------------------|--------------------------------|------------------|
| <b>Revenues</b>  |                          |                           |                                |                                |                  |
| General Purpose Funding                                    | 45,583,255               | 44,867,070                | 43,477,671                     | 43,223,248                     | (254,423)        |
| Law, Order and Public Safety                               | 1,292,213                | 1,369,572                 | 1,174,978                      | 899,795                        | (275,183)        |
| Health   | 108,561                  | 108,945                   | 79,302                         | 62,752                         | (16,550)         |
| Education and Welfare                                      | 724,702                  | 745,073                   | 279,662                        | 299,987                        | 20,325           |
| Community Amenities  | 7,399,460                | 7,522,256                 | 6,790,119                      | 7,219,737                      | 429,618          |
| Recreation and Culture                                     | 1,279,627                | 1,362,378                 | 977,551                        | 904,076                        | (73,475)         |
| Transport  | 8,002,679                | 8,381,017                 | 2,673,683                      | 2,392,316                      | (281,366)        |
| Economic Services  | 580,276                  | 675,334                   | 483,116                        | 603,883                        | 120,767          |
| Other Property and Services                                | 3,986,816                | 3,995,081                 | 294,322                        | 408,077                        | 113,755          |
| <b>Total Operating Revenue</b>                             | <b>68,957,588</b>        | <b>69,026,727</b>         | <b>56,230,404</b>              | <b>56,013,872</b>              | <b>(216,532)</b> |
| <b>Expenses</b>  |                          |                           |                                |                                |                  |
| Governance   | 1,944,128                | 1,589,158                 | 1,285,016                      | 1,190,306                      | 94,710           |
| Law, Order and Public Safety                               | 4,794,415                | 4,775,319                 | 3,617,278                      | 3,725,922                      | (108,644)        |
| Health   | 1,093,003                | 1,080,163                 | 805,933                        | 699,380                        | 106,553          |
| Education and Welfare                                      | 2,316,108                | 2,232,450                 | 1,670,845                      | 1,434,322                      | 236,523          |
| Community Amenities  | 10,105,302               | 10,116,841                | 7,437,106                      | 6,764,855                      | 672,251          |
| Recreation and Culture                                     | 18,095,821               | 18,028,120                | 12,824,058                     | 13,187,542                     | (363,484)        |
| Transport  | 18,333,783               | 18,267,819                | 13,762,894                     | 13,531,897                     | 230,997          |
| Economic Services  | 1,128,518                | 1,112,990                 | 844,672                        | 768,913                        | 75,759           |
| Other Property and Services                                | 6,143,678                | 6,198,242                 | 4,653,858                      | 3,523,208                      | 1,130,650        |
| <b>Total Operating Expenses</b>                            | <b>63,954,757</b>        | <b>63,401,102</b>         | <b>46,901,660</b>              | <b>44,826,344</b>              | <b>2,075,316</b> |
| <b>CHANGES IN NET ASSETS<br/>RESULTING FROM OPERATIONS</b> | <b>5,002,831</b>         | <b>5,625,625</b>          | <b>9,328,744</b>               | <b>11,187,528</b>              | <b>1,858,784</b> |

# Statement of Financial Position - City of Joondalup



CITY OF JOONDALUP  
Period: MAR-02  
Submitted: 03-APR-02 10:58:53

|                                      | <i>YTD Actual<br/>June 2001<br/>-----</i> | <i>YTD Actual<br/>Current<br/>-----</i> | <i>Movement<br/>to Date<br/>-----</i> |
|--------------------------------------|---|---|---------------------------------------|
| <b>CURRENT ASSETS</b>                |   |   |                                       |
| Cash                                 | (1,472,361)                               | (5,649,910)                             | (4,177,549)                           |
| Inventories                          | 4,019                                     | 3,080                                   | (939)                                 |
| Receivables                          | 2,959,589                                 | 3,328,432                               | 368,843                               |
| Investments                          | 27,542,482                                | 44,746,776                              | 17,204,294                            |
| <b>TOTAL CURRENT ASSETS</b>          | <u>29,033,729</u>                         | <u>42,428,378</u>                       | <u>13,394,649</u>                     |
| <b>CURRENT LIABILITIES</b>           |   |   |                                       |
| Creditors                            | (4,445,594)                               | (2,004,275)                             | 2,441,319                             |
| Provisions                           | (3,712,694)                               | (3,710,025)                             | 2,669                                 |
| Other                                | (1,761)                                   | (597,259)                               | (595,498)                             |
| <b>TOTAL CURRENT LIABILITIES</b>     | <u>(8,160,049)</u>                        | <u>(6,311,559)</u>                      | <u>1,848,490</u>                      |
| <b>NET CURRENT ASSETS</b>            | <u>20,873,679</u>                         | <u>36,116,819</u>                       | <u>15,243,139</u>                     |
| <b>NON CURRENT ASSETS</b>            |   |   |                                       |
| Receivables                          | 1,499,681                                 | 1,532,688                               | 33,007                                |
| Property, Plant & Equipment          | 489,117,715                               | 485,484,723                             | (3,632,992)                           |
| <b>TOTAL NON CURRENT ASSETS</b>      | <u>490,617,396</u>                        | <u>487,017,411</u>                      | <u>(3,599,985)</u>                    |
| <b>NON CURRENT LIABILITIES</b>       |   |   |                                       |
| Creditors                            | 0   | 0                                       | 0                                     |
| Provisions                           | (702,635)                                 | (702,635)                               | 0                                     |
| <b>TOTAL NON CURRENT LIABILITIES</b> | <u>(702,635)</u>                          | <u>(702,635)</u>                        | <u>0</u>                              |
| <b>NET NON CURRENT ASSETS</b>        | <u>489,914,761</u>                        | <u>486,314,776</u>                      | <u>(3,599,985)</u>                    |
| <b>NET ASSETS</b>                    | <u>510,788,441</u>                        | <u>522,431,595</u>                      | <u>11,643,154</u>                     |
| <b>EQUITY</b>                        |   |   |                                       |
| Accumulated Surplus - Prior Years    | (497,710,685)                             | (497,244,619)                           | 466,067                               |
| Accumulated Surplus - This Year      | 466,066                                   | (11,187,528)                            | (11,653,594)                          |
| Transfers to Reserves                | 0   | 0                                       | 0                                     |
| Reserves                             | (13,543,822)                              | (13,999,449)                            | (455,627)                             |
| <b>TOTAL EQUITY</b>                  | <u>(510,788,441)</u>                      | <u>(522,431,595)</u>                    | <u>(11,643,154)</u>                   |

# Statement of Cash Flows - City of Joondalup



CITY OF JOONDALUP  
Period: MAR-02

|  | <i>Actual<br/>June-01</i> | <i>Adopted Budget<br/>2001/2002</i> | <i>YTD Actual<br/>Current Period</i> |
|--|---------------------------|-------------------------------------|--------------------------------------|
| <b><u>Cash Flows from Operating Activities</u></b>     |                           |                                     |                                      |
| <b>Receipts:</b>                                       |                           |                                     |                                      |
| Rates  | 38,062,114                | 39,523,361                          | 38,844,932                           |
| Prescribed Area Rate                                   | 65,951                    | 137,893                             | 147,632                              |
| Security Charge  | 1,503,643                 | 0                                   | 0                                    |
| Government Grants & Subsidies                          | 8,240,830                 | 8,612,900                           | 4,996,985                            |
| Contributions, Reimbursements and Donations            | 916,653                   | 1,379,139                           | 618,575                              |
| Service Charges  | 6,152,359                 | 6,463,310                           | 6,544,129                            |
| Fees & Charges   | 3,481,117                 | 2,411,952                           | 2,405,087                            |
| Interest Earnings                                      | 2,265,029                 | 2,343,585                           | 1,280,487                            |
| Revenue from Other Councils                            | 341,108                   | 148,780                             | 92,942                               |
| <b>Total Receipts</b>                                  | <b>61,028,804</b>         | <b>61,020,920</b>                   | <b>54,930,768</b>                    |
| <b>Payments:</b>                                       |                           |                                     |                                      |
| Employee Costs   | 25,403,563                | 22,306,535                          | 16,245,979                           |
| Materials & Contracts                                  | 19,664,488                | 21,527,001                          | 16,630,352                           |
| Utilities (Gas, Electricity, Water etc)                | 2,737,031                 | 2,582,695                           | 1,786,092                            |
| Insurance Expenses                                     | 566,331                   | 711,954                             | 494,846                              |
| <b>Total Payments</b>                                  | <b>48,371,413</b>         | <b>47,128,185</b>                   | <b>35,157,269</b>                    |
| <b>Net Cash Provided by Operating Activities</b>       | <b>12,657,391</b>         | <b>13,892,735</b>                   | <b>19,773,499</b>                    |
| <b><u>Cash Flow from Investing Activities</u></b>      |                           |                                     |                                      |
| <b>Receipts:</b>                                       |                           |                                     |                                      |
| Proceeds from Asset Sales                              | 802,446                   | 563,163                             | 353,998                              |
| <b>Total Receipts</b>                                  | <b>802,446</b>            | <b>563,163</b>                      | <b>353,998</b>                       |
| <b>Payments:</b>                                       |                           |                                     |                                      |
| Purchase of Buildings                                  | 9,336                     | 0                                   | 0                                    |
| Purchase of Artworks                                   | 31,088                    | 10,000                              | 8,620                                |
| Purchase of Furniture & Equipment                      | 640,895                   | 774,566                             | 250,125                              |
| Purchase of Vehicles & Plant                           | 1,760,969                 | 1,449,315                           | 575,996                              |
| Construction of Infrastructure Assets                  | 10,610,032                | 17,201,483                          | 6,266,011                            |
| <b>Total Payments</b>                                  | <b>13,052,320</b>         | <b>19,435,364</b>                   | <b>7,100,752</b>                     |
| <b>Net Cash (Used In) or From Investing Activities</b> | <b>(12,249,874)</b>       | <b>(18,872,201)</b>                 | <b>(6,746,754)</b>                   |
| <b><u>Cash Flow from Financing Activities</u></b>      |                           |                                     |                                      |
| <b>Net Increase/Decrease in Cash Held</b>              | <b>407,517</b>            | <b>(4,979,466)</b>                  | <b>13,026,745</b>                    |
| <b>Cash at the Beginning of the Financial Period</b>   | <b>25,662,604</b>         | <b>26,070,121</b>                   | <b>26,070,121</b>                    |
| <b>Cash at the End of the Financial Period</b>         | <b>26,070,121</b>         | <b>21,090,655</b>                   | <b>39,096,866</b>                    |



# Capital Expenditure Summary

CITY OF JOONDALUP

Period: MAR-02

|  | Additions                |                           |                       |                       |                         | Notes |
|--|--------------------------|---------------------------|-----------------------|-----------------------|-------------------------|-------|
|  | <i>Annual<br/>Budget</i> | <i>Revised<br/>Budget</i> | <i>YTD<br/>Budget</i> | <i>YTD<br/>Actual</i> | <i>YTD<br/>Variance</i> |       |
| <b>Property, Plant &amp; Equipment</b> |                          |                           |                       |                       |                         |       |
| Computers and Comm Equipment           | 688,910                  | 579,844                   | 418,444               | 229,113               | 189,331                 | 1     |
| Furniture & Equipment at Cost          | 57,400                   | 57,400                    | 57,400                | 21,012                | 36,388                  | 2,3   |
| Heavy Vehicles at Cost                 | 240,000                  | 240,000                   | 150,000               | 0                     | 150,000                 | 4     |
| Light Vehicles at Cost                 | 761,494                  | 761,494                   | 151,000               | 259,223               | (108,223)               | 5     |
| Mobile Plant at Cost                   | 454,401                  | 454,401                   | 321,701               | 302,966               | 18,735                  |       |
| Other Plant & Equipment at Cost        | 21,676                   | 21,676                    | 13,796                | 13,807                | (11)                    | 3,6   |
| Artifacts & Artworks at Cost           | 10,000                   | 10,000                    | 6,664                 | 8,620                 | (1,956)                 |       |
| Parks & Reserves at Cost               | 200,000                  | 200,000                   | 0                     | 0                     | 0                       | 7     |
| Roads at Cost                          | 3,330,000                | 3,330,000                 | 0                     | 0                     | 0                       | 7     |
| <b>Total Capital Expenditure</b>       | <b>5,763,881</b>         | <b>5,654,815</b>          | <b>1,119,005</b>      | <b>834,741</b>        | <b>284,264</b>          |       |

## Notes

## Remarks

- (1) F016 - ProClaim enhancements (45K), F329 - software distribution & support (40K), F342 - Corporate PC replacement (33K), F271 - Digital signatures (21.5K) F240 - Rewards and recognition (20K), F328 Upgrade wide area network (20K), F120 Microfiche project (11K).
- (2) C651 - Cleaning equipment for miscellaneous works (11K), F060 - Precinct concepts (10K).
- (3) Budget for scrubbers - C651 (11K), originally classified as Furniture & Equipment now classified as Other Plant & Equipment - F361 (12K).
- (4) V100 - Mercedes Bus (150K).
- (5) Overexpended year to date but within adopted budget - vehicles purchased early. Refuse truck, van and commuter bus.
- (6) F224 - Environmental noise monitoring (12K).
- (7) These items represent roads and parkland that is transferred to the City, and is brought to account at June 30 2002.



# Capital Works Report 2001/2002

CITY OF JOONDALUP

Period: MAR-02

Submitted: 04-APR-02 17:24:12

|  | <i>Adopted<br/>Budget</i> | <i>Revised<br/>Budget</i> | <i>YTD<br/>Budget</i> | <i>YTD Spend<br/>Actual</i> | <i>Variance</i>  |
|--|---------------------------|---------------------------|-----------------------|-----------------------------|------------------|
| <b>Capital Works</b>                               |                           |                           |                       |                             |                  |
| <b>C101 Major Building Works - Municipal Fund</b>  | 6,029,692                 | 6,174,737                 | 771,407               | 525,517                     | 245,890          |
| <b>C201 Roadworks - Municipal Fund</b>             | 650,000                   | 848,000                   | 260,000               | 173,637                     | 86,363           |
| <b>C203 Roadworks - MRRP</b>                       | 1,000,000                 | 1,380,000                 | 495,000               | 118,356                     | 376,644          |
| <b>C209 Roadworks - Roads to Recovery</b>          | 409,384                   | 409,384                   | 233,800               | 824                         | 232,976          |
| <b>C303 Resurfacing - FLRG</b>                     | 1,250,000                 | 1,260,190                 | 977,900               | 1,121,123                   | (143,223)        |
| <b>C304 Resurfacing - MRRP</b>                     | 688,278                   | 688,278                   | 688,278               | 595,670                     | 92,608           |
| <b>C305 Resurfacing - MRDG</b>                     | 220,547                   | 234,156                   | 165,300               | 105,077                     | 60,223           |
| <b>C306 Resurfacing - Roads to Recovery</b>        | 456,983                   | 456,983                   | 456,983               | 451,508                     | 5,475            |
| <b>C401 Traffic Management - Municipal Fund</b>    | 1,701,087                 | 1,903,140                 | 1,137,637             | 736,616                     | 401,021          |
| <b>C404 Traffic Management - Black Spot</b>        | 648,486                   | 648,486                   | 407,749               | 160,991                     | 246,758          |
| <b>C406 Traffic Management - Roads to Recovery</b> | 39,926                    | 39,926                    | 39,926                | 37,014                      | 2,913            |
| <b>C501 Dual Use Paths - Municipal Fund</b>        | 152,190                   | 160,490                   | 131,070               | 93,997                      | 37,073           |
| <b>C511 Footpaths - Construction</b>               | 294,984                   | 294,984                   | 243,984               | 186,730                     | 57,254           |
| <b>C512 Footpaths - Replacement</b>                | 209,881                   | 186,278                   | 124,394               | 141,837                     | (17,443)         |
| <b>C521 Pedestrian Underpasses &amp; Bridges</b>   | 3,066                     | 3,066                     | 3,066                 | 3,645                       | (579)            |
| <b>C531 Parking Facilities - Municipal Fund</b>    | 104,500                   | 104,500                   | 84,407                | 63,687                      | 20,720           |
| <b>C541 Drainage - Municipal Fund</b>              | 945,531                   | 945,531                   | 802,999               | 375,168                     | 427,831          |
| <b>C551 Street Lighting - Municipal Fund</b>       | 265,000                   | 265,000                   | 229,500               | 101,523                     | 127,977          |
| <b>C571 Urban Enhancements - Municipal Fund</b>    | 200,000                   | 200,000                   | 133,200               | 93,957                      | 39,243           |
| <b>C601 Foreshore Protection/Restoration</b>       | 668,749                   | 679,639                   | 363,231               | 323,873                     | 39,358           |
| <b>C611 Sporting Facilities</b>                    | 118,131                   | 118,131                   | 112,131               | 46,576                      | 65,555           |
| <b>C621 Playground Equipment</b>                   | 140,257                   | 140,257                   | 108,807               | 71,983                      | 36,824           |
| <b>C631 Fencing Works</b>                          | 63,300                    | 63,300                    | 63,300                | 43,520                      | 19,780           |
| <b>C641 Streetscape Works</b>                      | 616,748                   | 594,808                   | 396,638               | 382,691                     | 13,947           |
| <b>C651 Miscellaneous Works</b>                    | 294,763                   | 316,703                   | 273,573               | 310,491                     | (36,918)         |
| <b>Capital Works Total</b>                         | <u>17,171,483</u>         | <u>18,115,967</u>         | <u>8,704,280</u>      | <u>6,266,011</u>            | <u>2,438,270</u> |



**CITY OF JOONDALUP**  
**STATEMENT OF 2001/2002 RATING INFORMATION**  
**As at 31 March 2002**

|                                  | GENERAL RATES  |                  |            |            |
|----------------------------------|----------------|------------------|------------|------------|
|                                  | Rateable Value | No of Properties | Rate in \$ | Rate Yield |
| <b>General Rate - GRV</b>        | \$             |                  | c          | \$         |
| Residential                      | 406,575,806    | 46,373           | 7.1000     | 28,866,880 |
| Commercial Improved              | 86,418,050     | 577              | 7.1000     | 6,135,682  |
| Commercial Not Improved          | 456,125        | 23               | 7.1000     | 32,385     |
| Industrial                       | 6,739,019      | 246              | 7.1000     | 478,470    |
| <b>Sub Total GRV</b>             | \$ 500,189,000 | 47,219           |            | 35,513,417 |
| <b>General Rate - UV</b>         |                |                  |            |            |
| Residential                      | 1,757,000      | 8                | 0.5589     | 9,820      |
| Rural                            | 28,611,194     | 4                | 0.5589     | 159,908    |
| <b>Total UV</b>                  | \$ 30,368,194  | 12               |            | 169,728    |
| Interim Rates                    |                |                  |            | 221,197    |
| Interest on Outstanding Rates    |                |                  |            |            |
| Instalment Administration Charge |                |                  |            |            |
| Discount Allowed                 |                |                  |            |            |
| <b>TOTAL RATES LEVIED</b>        | \$             |                  |            | 35,904,342 |

| MINIMUM RATES  |                  |              |            |             |
|----------------|------------------|--------------|------------|-------------|
| Rateable Value | No of Properties | Minimum Rate | Rate Yield | TOTAL       |
| \$             |                  | \$           | \$         | \$          |
| 45,884,802     | 8,461            | 435          | 3,680,535  | 32,547,415  |
| 919,009        | 129              | 801          | 103,329    | 6,239,011   |
| 120,000        | 12               | 801          | 9,612      | 41,997      |
| 920,417        | 105              | 801          | 84,105     | 562,575     |
| 47,844,228     | 8,707            |              | 3,877,581  | 39,390,998  |
|                |                  |              |            |             |
|                |                  |              |            | 9,820       |
|                |                  |              |            | 159,908     |
|                |                  |              |            | 169,728     |
|                |                  |              |            | 221,197     |
|                |                  |              |            | 239,110     |
|                |                  |              |            | 275,236     |
|                |                  |              |            | (1,074,468) |
|                |                  |              | 3,877,581  | 39,221,801  |

| SPECIAL AREA RATES                  | Budget | Actual |
|-------------------------------------|--------|--------|
| Special Area Iluka                  | 73,393 | 76,026 |
| Special Area Woodvale Waters        | 24,300 | 24,348 |
| Special Area Harbour Rise, Hillarys | 40,200 | 47,858 |



# Reserve Account Summary

CITY OF JOONDALUP  
As at 31 March 2002

| Reserve Account                              | Opening Balance   | Transfers To Reserves | Transfers (From) Reserves | Reserve Balances at the end of the period | Reserve Balances estimated at 30 June 2002 |
|--|-------------------|-----------------------|---------------------------|---|--|
|  | \$                | \$                    | \$                        | \$  | \$   |
| Asset Replacement Reserve                    | 6,733,227         | 229,820               |                           | 6,963,047                                 | 3,972,033                                  |
| Cash in Lieu of Parking Reserve              | 402,769           | 13,727                | (1,200)                   | 415,296                                   | 429,466                                    |
| Cash in Lieu of POS Reserve                  | 674,169           | 23,005                |                           | 697,174                                   | 718,856                                    |
| Leisure Centres Capital Improvements Reserve | 0                 | 0                     |                           | 0   | 10,833                                     |
| Domestic Cart Collection Reserve             | 1,136,748         | 38,800                | (40,000)                  | 1,135,548                                 | 1,447,108                                  |
| Heavy Vehicle Replacement Reserve            | 446,943           | 142,055               |                           | 588,998                                   | 445,558                                    |
| Hodges Drive Drainage Reserve                | 171,633           | 5,858                 |                           | 177,491                                   | 183,010                                    |
| Joondalup City Centre Public Parking Reserve | 395,709           | 55,039                |                           | 450,748                                   | 421,938                                    |
| Light Vehicle Replacement Reserve            | 683,260           | 307,467               | (143,027)                 | 847,700                                   | 827,608                                    |
| Ocean Reef Boat Facility Reserve             | 49,070            | 1,675                 |                           | 50,745                                    | 52,323                                     |
| Performing Arts Facility Reserve             | 1,000,000         | 34,132                |                           | 1,034,132                                 | 2,066,284                                  |
| Plant Replacement Reserve                    | 465,592           | 247,668               | (106,286)                 | 606,974                                   | 553,838                                    |
| Property Security and Surveillance Reserve   | 362,094           | 0                     | (362,094)                 | 0   | 0  |
| Section 20A Reserve                          | 27,721            | 946                   |                           | 28,667                                    | 29,558                                     |
| Special Area – Iluka Reserve                 | 24,797            | 0                     | (24,797)                  | 0   | 0  |
| Town Planning Scheme 10 Reserve              | 944,522           | 31,965                |                           | 976,487                                   | 1,007,129                                  |
| Wanneroo Bicentennial Reserve                | 25,568            | 873                   |                           | 26,441                                    | 0  |
| <b>Total</b>                                 | <b>13,543,822</b> | <b>1,133,030</b>      | <b>(677,404)</b>          | <b>13,999,448</b>                         | <b>12,165,543</b>                          |



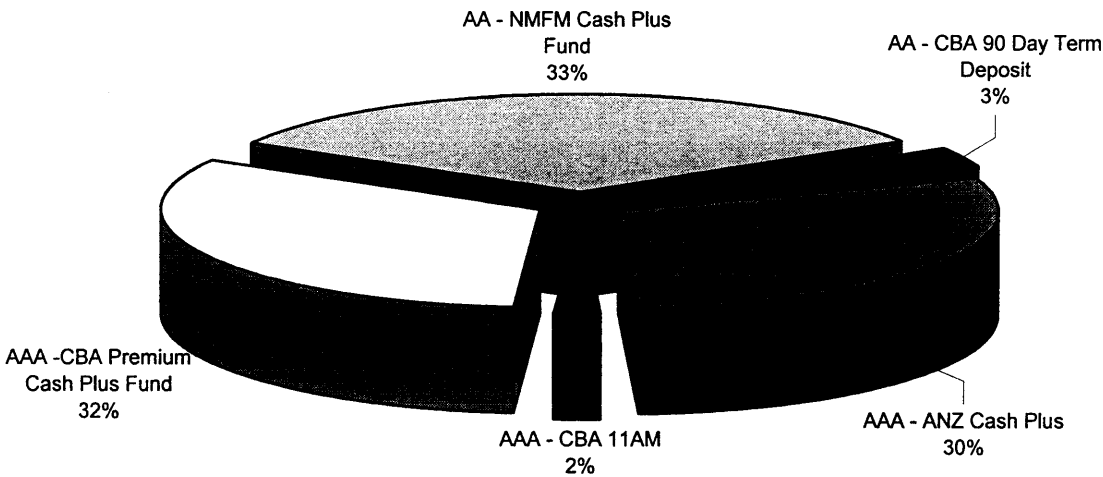
# Investment Summary

CITY OF JOONDALUP  
As at 31 March 2002

| Investment Account                       | Fund Held  |
|--|------------|
|  | \$         |
| AAA - ANZ Cash Plus                      | 12,285,169 |
| AAA - CBA 11AM                           | 865,262    |
| AAA -CBA Premium Cash Plus Fund          | 13,288,242 |
| AA - NMFM Cash Plus Fund                 | 13,569,230 |
| AA - CBA 90 Day Term Deposit             | 1,393,606  |
| Total Funds held in AAA + AA Investments | 41,401,509 |
| PBS (In Liquidation)                     | 95,266     |
| Total                                    | 41,496,775 |

Investments are in accordance with Council policy.

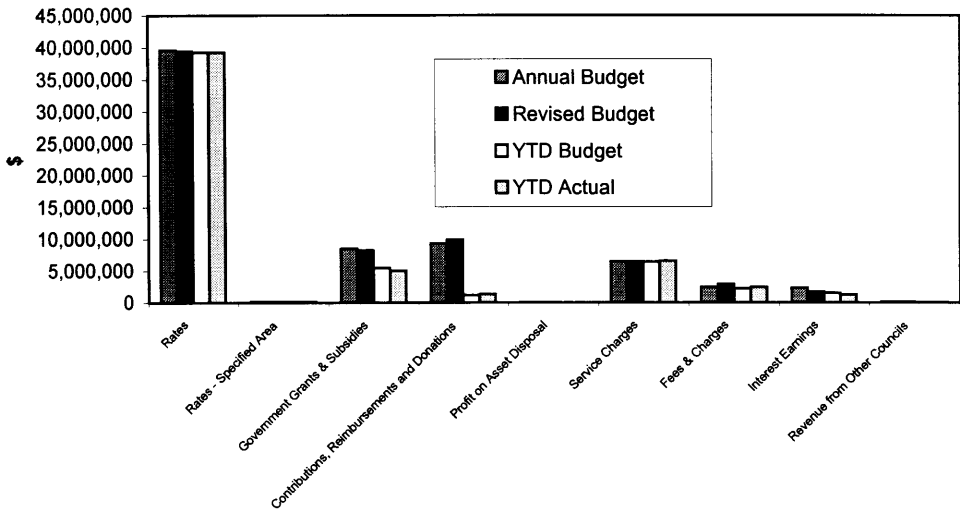
City of Joondalup - Investment Balances



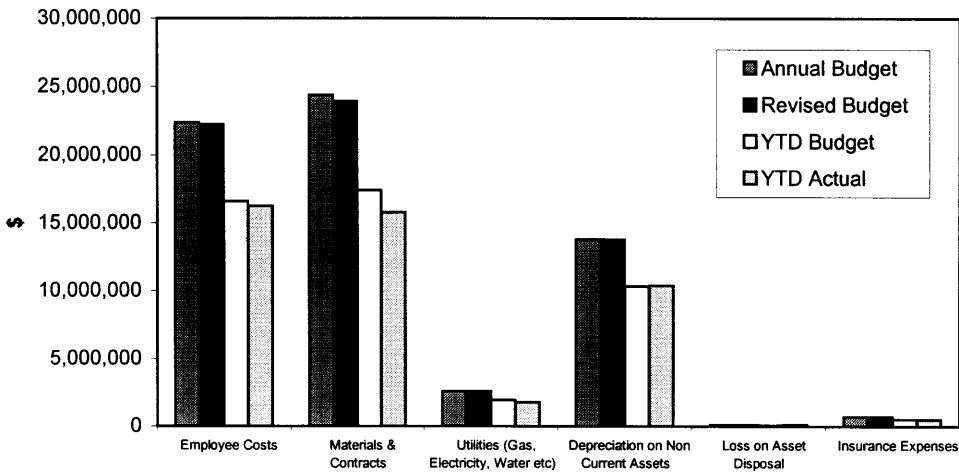


FINANCIAL PERFORMANCE INDICATORS

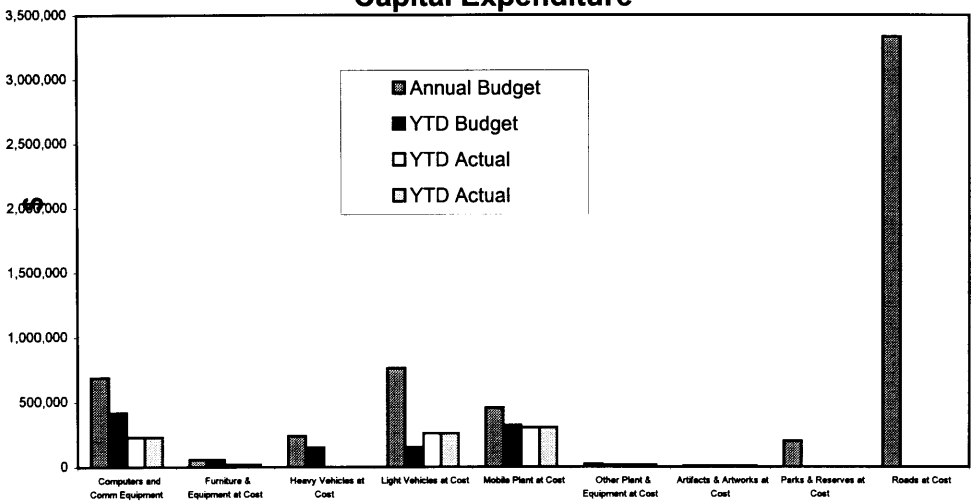
Operating Revenue



Operating Expenditure



Capital Expenditure



Capital Works

