



*Financial Report For
the Year Ending
30 June 2004*

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Introduction

This interim report covers the financial position of the City of Joondalup for the year ending 30 June 2004. The valuation of Acquired Infrastructure Assets for Parks & Reserves and Other Engineering Infrastructure has not yet been finalised and is therefore excluded from the interim results. The financial results will be audited during September 2004.

Year to Date – Financial Overview

The City completed its half-year budget review in December 2003. A revised budget was developed and adopted by Council at its meeting of 17th February 2004. Financial reports for January 2004 onwards refer to the revised budget.

<i>Year-to-date Financial Overview</i>	<i>YTD Actual</i>	<i>YTD Budget</i>	<i>YTD Variance</i>
Operating (surplus)	(\$8.5m)	(\$7.3m)	\$1.2m
Capital Expenditure	\$10.0m	\$6.9m	(\$3.1m)
Capital Works	\$10.0m	\$20.5m	\$10.5m
Total	\$11.5m	\$20.1m	\$8.6m

On the **Operating Statement by Nature**, (Appendix **A**) the City of Joondalup reported an operating surplus (Change in Net Assets Before Reserve Transfers) for the year to date of **\$8.5m**, against a budget of **\$7.3m**.

- Total **Operating Revenues** for the year is **\$76.1m** against a budget of **\$76.4m**, a shortfall of **\$0.3m**.
- Total **Operating Expenses** for the year is **\$67.5m** against a budget of **\$69.0m**, an under spend of **\$1.5m**.

Capital Expenditure (Appendix **E**) for the year is **\$10.0m** against a budget of **\$6.9m**, a variance of **\$3.1m**.

Capital Works (Appendix **F**) for the year is **\$10.0m** against a budget of **\$20.5m**, an under spend of **\$10.5m** as at 30 June 2004. Forward purchase orders of **\$3.2m** have been placed for all capital works including Corporate Projects.

Operating Revenues

Operating Revenue for the year is **\$76.1m**. The year-to-date income is as follows:

<i>Revenue</i>	<i>YTD Actual</i>	<i>YTD Budget</i>
Rates	\$42.3m	\$42.5m
Rates – Specified Area	\$0.2m	\$0.2m
Government Grants	\$7.1m	\$7.2m
Contributions, Reimbursements and Donations	\$11.5m	\$11.6m
Profit on Asset Disposal	\$0.1m	\$0.1m
Fees & Charges	\$12.4m	\$12.5m
Interest Earnings	\$2.4m	\$2.2m
Other	\$0.1m	\$0.1m
Total Revenue	\$76.1m	\$76.4m

a) Rates revenue

Revenue from rates and charges for the year amounted to **\$42.3m**, a shortfall of **\$0.2m** compared to budget.

The shortfall is due to revaluations advised by the Valuer General and represents rate refunds issued, **\$0.3m**. This is partially offset by additional revenue from interim ratings, **\$0.1m**.

Further details on Rating Performance are shown on [Page 4](#) and at Appendix [G](#).

b) Rates – Specified Area

Rates – Specified Area is [\\$0.2m](#) for the year and is as budgeted.

c) Government Grants

Government Grants for the year are [\\$7.1m](#) against a budget of [\\$7.2m](#). The shortfall was due to non-operating grants not being received during 2003/04, specifically:

- Dept of Education, [\\$21k](#) (being capital works related grant funds that is no longer available to the City)
- Perth Bicycle Network Plan, [\\$51k](#) (being capital works related grant funds that will be received in 2004/05)

d) Contributions, Reimbursements & Donations

Contributions, Reimbursements & Donations are [\\$11.5m](#) for the year compared to the budget of [\\$11.6m](#). The net shortfall [\\$0.1m](#) is due to a reduction in Non-Operating Contributions (Normalisation Agreement contributions) of [\\$3.3m](#) which is offset by additional revenue from Acquired Infrastructure Assets [\\$3.2m](#).

The Non Operating Contribution shortfall of [\\$3.3m](#) relates to the Normalisation Agreement. The City had budgeted to receive [\\$5.24m](#) in 2003/04. Of this amount: -

- [\\$1.9m](#) was received and transferred to the Leisure Centres Capital Improvement Reserve to be used for upcoming works on Craigie Leisure Centre.

- [\\$2.8m](#) is expected in 2004/05 to acquire land for the Depot.
- [\\$540k](#) is forecast to be received in 2007/08 and will be transferred to a reserve for future works.

The City received Acquired Infrastructure Assets valued more than budgeted [\\$3.2m](#). The current interim valuations are - Actual [\\$7.5m](#), (budget [\\$4.3m](#)). A similar increase in the Capital Expenditure is shown at [Appendix E](#). Each year, the City recognises as revenue the value of Acquired Infrastructure Assets (assets donated to the City). These assets include roads, parks, footpaths, drainage and other infrastructure such as street lighting. Possession of the assets has passed to the City however the final amount is still being determined. The valuations of Parks & Reserves Infrastructure (budget [\\$120k](#)) and Other Engineering Infrastructure (budget [\\$200k](#)) has not been yet been determined and is excluded from this report. The currently valued acquired assets are included as capital expenditure (Appendix [E](#)).

e) Profit on Asset Disposal

Profit on Asset disposal for the year is [\\$0.1m](#) as budgeted.

f) Fees and Charges

Fees and Charges for the year amounted to [\\$12.4m](#) against a year to date budget of [\\$12.5m](#). The [\\$0.1m](#) variance is driven primarily by shortfalls in: -

- Service Fees at Craigie Leisure Centre, [\\$0.2m](#), and
- Household Refuse & Recycling Charges, [\\$0.1m](#).

These variances were partially offset by additional contributions from developers in lieu of public open space, [\\$0.2m](#).

Service Fees are below budget at Craigie Leisure Centre due to hire groups making alternative arrangements as a result of the upcoming redevelopment.

The *Household Refuse & Recycling* shortfall was due to the number of new properties not matching budget expectations. There is an offsetting underspend in Waste Management expenses.

g) Interest Earnings

Interest income is [\\$2.4m](#) for the year compared to the budget of [\\$2.2m](#), a favourable variance of [\\$0.2m](#). Funds available for investment were higher than anticipated due primarily to the timing of capital expenditure relating to the Works Depot and Craigie Leisure Centre. Details of the City's investments are shown at Appendix [H](#).

h) Other Income

Other income is [\\$0.1m](#) for the year and is as budgeted.

Operating Expenses

Operating expenses were as follows:

<i>Operating Expenses</i>	<i>YTD Actual</i>	<i>YTD Budget</i>
Employee Costs	\$27.1m	\$26.3m
Materials and Contracts	\$22.2m	\$24.3m
Utilities	\$2.8m	\$2.9m
Depreciation	\$14.4m	\$14.3m
Loss on Asset Disposal	\$0.1m	\$0.2m
Insurance Expenses	\$0.9m	\$1.0m
Other Expenses	\$0.0m	\$0.0m
Total	\$67.5m	\$69.0m

Operating Expenditure for the year-to-date amounted to **\$67.5m** and is **\$1.5m** under spend.

a) Employee Costs

Employee Costs for the year amounted to **\$27.1m** against a budget of **\$26.3m**, an overspend of **\$0.8m**. The variance is due primarily to: -

- Payments relating to the former CEO **\$0.5m** which was funded from the Domestic Cart Collection Reserve.
- Instead of external consultancies, the City used it's own employees for a number of proposals during the year, **\$211k**. There is an offsetting underspend in consultancy costs.

b) Materials and Contracts

Materials and Contracts costs for the year amounted to **\$22.2m** compared to the budget of **\$24.3m**. The

\$2.1m under spend was due primarily to the following: -

- Consultancy, **\$1,337k**
- Contributions costs, **\$333k**
- Waste Management costs, **\$286k**, and
- Finance Related costs, **\$157k**.

The *Consultancy* costs under spend relates primarily to proposals and corporate projects. A portion of this under spend relates to proposals and projects that were in progress at the year end and has been carried forward into the 2004/05 budget.

A Consultancy under spend in operations of **\$184k** represents a permanent difference and is included in the City's usable carry forward surplus as at 30 June 2004.

The Contributions costs underspend of **\$333k** relates primarily to the following: -

- Community Art Gallery project, **\$105k**.
- Iluka Special Area Rates, **\$90k**.
- Whitfords Sea Rescue Boat Replacement project, **\$80k**.
- Natural Disaster Risk Management Study, **\$25k**.

Expenditure costs for the Community Art Gallery was mainly in the Contribution costs category. The underspend in this category for the project is partially offset by overspends in other expenditure categories for the same project. A carry forward amount of **\$15k** for this project has been included in the 2004/05 budget.

The under spend in the Iluka Specified Area will occur in 2004/05 and these costs have been

recognised in the transfer to the Specified Area Rating – Iluka Reserve at 30 June 2004.

The Whitfords Sea Boat Rescue project and Natural Disaster Risk Management Study projects have been carried forward to be expended in 2004/05.

The Waste Management cost under spend is due to the number of new properties not matching budget expectations. Surpluses arising from Waste Management operations are transferred to the Domestic Cart Collection Reserve for future capital expenditure.

The City received a retrospective payment for unclaimed GST on bank charges during 2003/04. This was the main cause of the under spend in Finance related costs.

c) Utilities

Utility Costs for the year amounted to **\$2.8m** against a budget of **\$2.9m**, an under spend of **\$0.1m**. The variance is due primarily to: -

- An underspend in electricity costs relating to parks and leisure centres, **\$51k**.
- Gas and water costs associated with the Joondalup Civic Centre and Library, **\$25k**. These are permanent differences included in the City's usable carry forward surplus.

d) Depreciation on Non Current Assets

Depreciation expense for the year amounted to **\$14.4m** compared to the budget of **\$14.3m**.

e) Loss on Asset Disposal

Loss on Asset Disposal for the year is **\$120k** compared to the budget of **\$252k**. The favourable variance is due primarily to the City receiving better than anticipated trade in values on disposed vehicles.

f) Insurance Expenses

Insurance expenses for the year to date amounted to **\$0.9m** compared to the budget of **\$1.0m**. The costs include premiums and excesses. While the cost of premiums were on budget, insurance excesses due to property damage / theft were less than anticipated.

g) Other Expenses

Other expenses for the year to date amounted to **\$21k** and are on budget.

Capital Expenditure

Capital Expenditure (Appendix **E**) includes purchases of motor vehicles, plant, other assets and acquired assets (assets gifted to the City). The net expenditure on Capital for the year amounted to **\$10.0m** against a budget of **\$6.9m**.

The over spend of **\$3.1m** is due primarily to Acquired Infrastructure Assets. The City received Acquired Infrastructure Assets valued more than budgeted. The current interim valuations are - Actual **\$7.5m**, (budget **\$4.3m**). There is an offsetting variance (additional income) included in Contributions, Reimbursements and Donations. Each year, the City recognises as revenue the value of Acquired Infrastructure Assets (assets donated to the City). These assets include roads, parks,

footpaths, drainage and other infrastructure such as street lighting. Possession of the assets has passed to the City however the final amount is still being determined. The valuations of Parks & Reserves Infrastructure (budget **\$120k**) and Other Engineering Infrastructure (budget **\$200k**) has not been yet been determined and is excluded from this report. The currently valued acquired assets are included as capital expenditure (Appendix **E**).

The capitalisation of Kingsley Memorial Clubrooms appears on this report as an over spend. However, the budget for this item is included in the Capital Works report (Appendix **F**) and is therefore offset.

There are underspends in Computer network upgrades and some items of plant and equipment. These costs will be carried forward to 2004/05. Also, some mobile plant items have been deferred until 2004/05 due to better than anticipated condition.

Capital Works

Capital Works (Appendix **F**) pertain mainly to the development of infrastructure including buildings, parks and roads.

Actual expenditure amounts to **\$10.0m** compared to the budget of **\$20.5m**, a net under spend of **\$10.5m**.

Of this variance, **\$3.7m** relates to normal Capital Works while **\$6.8m** relates to Capital Works classified as Corporate Projects, primarily: -

- Works Depot underspend **\$3.9m**. The project was in progress at the end of the year (e.g. preliminary design and site acquisition) and the under spend has been included in the proposed 2004/05 budget expenditure of **\$5.35m**. The site acquisition portion of this expenditure is \$2.8m
- Joondalup Cultural Facility underspend **\$1.1m**. The project was in progress at the end of the year and the under spend has been included in the proposed 2004/05 expenditure of **\$1.25m**. Inclusive in this is the site acquisition for a sum of \$578,000 (inclusive of GST) from the Department of Education and Training.
- Sorrento Beach Development underspend **\$1.3m**. The project was in progress at the end of the year and the underspend has been included in the proposed 2004/05 expenditure of **\$2.25m**. Work recommenced on this project in May 04 after the contractor was placed in liquidation.

As at 30 June 2004, committed funds in relation to all capital works totalled **\$3.5m**. Of this amount: -

- **\$1.5m** relates to normal Capital Works, and
- **\$2.0m** relates to Capital Works classified as Corporate Projects.

Rating Performance

General Rates

The statement of rating information is shown at Appendix [G](#).

The 2003/04 rates notices were issued on 14 August 2003. This is comparable to prior year issue dates:

- 2002/2003 – 8 August 2002
- 2001/2002 – 16 August 2001,
- 2000/2001 – 16 August 2000, and
- 1999/2000 - 17 September 1999.

Total general rates levied were [\\$43.25m](#).

Including outstanding balances arising from prior years, the total general rates outstanding at year-end is as follows:

- General rates - [\\$0.6m](#)
- Deferred rates - [\\$0.95m](#)

98.6% of rates were collected as at 30 June 2004. This compares favourably to 96.4% at the same time last year.

Specified Area Works – Iluka

The City raised [\\$75,549](#) from [1,194](#) properties (budget [\\$73,394](#)) as Special Area Rates – Iluka.

Specified Area Works – Harbour Rise

The City raised [\\$59,370](#) from [368](#) properties (budget [\\$56,610](#)) as Special Area Rates – Harbour Rise.

Specified Area Works – Woodvale Waters

The City raised [\\$21,096](#) from [136](#) properties (budget [\\$21,600](#)) as Special Area Rates - Woodvale Waters.

The Woodvale Waters Residents Association and Council agreed for the normal verge maintenance and the enhanced landscaping works to be subcontracted.

Any funds not spent in relation to Specified Areas are transferred to reserves and quarantined for future expenditure in accordance with the Local Government Act 1995.

Refuse Charges

The 2003/04 Refuse Charge of \$126 per property budgeted to net revenue of [\\$7.0m](#).

At the end of June 2004, [\\$6.9m](#) had been levied against a budget of [\\$7.0m](#) in relation to the Refuse and Recycling Program. The variance is due to the number of new properties not matching budget expectations. There is an offsetting variance in Waste Management operating expenses.

Swimming Pool Inspection

The 2003/04 Swimming Pool Inspection fee of \$13.75 (including \$1.25 for GST) raised revenue of [\\$204,861](#) (budget [\\$207,500](#)) to cover four-yearly swimming pool inspections.

Emergency Services Levy

In accordance with the Emergency Services Legislation, the City levied [\\$5.5m](#) on behalf of FESA. The City is required to collect these funds on

behalf of FESA and to pay the funds to FESA on a monthly basis. As at June 2004, the City had remitted [\\$5.5m](#) to FESA.

Transfers (from) to Reserves

Transfers from/(to) Reserves, together with the balances of the Reserve Accounts at the end of the month is shown at Appendix [I](#).

	<i>YTD Actual</i>	<i>YTD Budget</i>	<i>YTD Variance</i>
Transfers (from) Reserves	(\$10.4m)	(\$13.7m)	(\$3.3m)
Transfer to Reserves	\$16.0m	\$16.1m	\$0.1m
Net transfers (from) to Reserves	\$5.6m	\$2.4m	(\$3.2m)

The variance in transfers from reserves was primarily due to the timing of capital works in relation to the Depot and also the deferment of some mobile plant items.

The City transfers funds to reserves for the funding of future works or capital replacement, or for other programs specifically identified.

The variance in transfers to reserves is mainly due to unbudgeted contributions from developers in lieu of public open space and parking, [\\$375k](#).

Conclusion

The interim report covers the financial position of the City of Joondalup for the year ending 30 June 2004. The valuation of Acquired Infrastructure Assets for Parks & Reserves and Other Engineering Infrastructure has not yet been valued and is excluded from the interim results. The financial results have not yet been audited.

On an overall basis, the City has a net under spend of **\$8.6m** when compared to the 2003/04 Revised Budget.

The operating surplus (Change In Net Assets Before Reserve Transfers) is **\$8.5m** compared to a budget of **\$7.3m**. The variance is primarily due to the additional value of Acquired Infrastructure Assets. This was offset by the City not receiving all the revenue due from the Normalisation Agreement. There are, in addition, underspends in Consultancy costs, Contributions costs and Waste Management expenses.

Capital Expenditure is **\$3.1m** over spent due primarily to additional value of Acquired Infrastructure Assets and the capitalisation of Kingsley Memorial Clubrooms.

The total capital works program is under spent by **\$10.5m**. Works classified as normal capital works is underspent by **\$3.7m** and works classified as corporate projects are underspent by **\$6.8m**. Total committed funds in relation to normal capital works are **\$1.5m** and **\$2.0m** for works classified as Corporate Projects. The proposed 2004/05 budget includes a carry forward amount of **\$3.2m** for

normal Capital Works and **\$6.8m** relating to Capital Works classified as Corporate Projects.

Operating Statement by Nature 37

CITY OF JOONDALUP

Period: June-04

	<i>Revised Budget</i>	<i>YTD Budget</i>	<i>YTD Actual</i>	<i>Variance</i>
Revenue				
Rates	42,523,866	42,523,866	42,330,990	(192,876)
Rates - Specified Area	151,604	151,604	156,015	4,411
Government Grants & Subsidies	7,182,944	7,182,944	7,102,265	(80,679)
Contributions, Reimbursements and Donations	11,581,858	11,581,858	11,511,995	(69,863)
Profit on Asset Disposal	59,078	59,078	60,502	1,424
Fees & Charges	12,555,743	12,555,743	12,391,430	(164,313)
Interest Earnings	2,230,600	2,230,600	2,390,622	160,022
Other Revenue	112,000	112,000	123,497	11,497
Total Operating Revenues	<u>76,397,693</u>	<u>76,397,693</u>	<u>76,067,316</u>	<u>(330,377)</u>
Expenditure				
Employee Costs	26,297,761	26,297,761	27,092,006	(794,245)
Materials & Contracts	24,307,708	24,271,708	22,160,625	2,111,083
Utilities (Gas, Electricity, Water etc)	2,937,850	2,937,850	2,830,133	107,717
Depreciation on Non Current Assets	14,335,096	14,335,096	14,385,459	(50,363)
Loss on Asset Disposal	251,685	251,685	119,729	131,956
Insurance Expenses	953,214	953,214	909,599	43,615
Other Expenses	20,000	20,000	21,086	(1,086)
Total Operating Expenses	<u>69,103,314</u>	<u>69,067,314</u>	<u>67,518,637</u>	<u>1,548,677</u>
Change in Net Assets Before Reserve Transfers	<u>7,294,379</u>	<u>7,330,379</u>	<u>8,548,679</u>	<u>1,218,300</u>
Transfer from Reserves	13,692,233	13,692,233	10,365,030	(3,327,203)
Transfer to Reserves	16,107,616	16,107,616	15,961,264	146,352
Net Transfer from/(to) Reserves	<u>(2,415,383)</u>	<u>(2,415,383)</u>	<u>(5,596,234)</u>	<u>(3,180,851)</u>
Change in Net Assets After Reserve Transfers	<u>4,878,996</u>	<u>4,914,996</u>	<u>2,952,445</u>	<u>(1,962,551)</u>



Operating Statement by Programme

CITY OF JOONDALUP
Period: June-04

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	<i>Revised Budget</i>	<i>YTD Budget</i>	<i>YTD Actual</i>	<i>Variance</i>
Revenue				
General Purpose Funding	50,073,770	50,073,770	49,779,212	(294,558)
Governance	135	135	609	474
Law, Order and Public Safety	525,319	525,319	453,243	(72,076)
Health	272,903	272,903	380,350	107,446
Education and Welfare	274,259	270,046	307,931	37,884
Community Amenities	7,729,698	7,729,698	8,153,584	423,886
Recreation and Culture	3,648,855	3,653,068	3,455,990	(197,077)
Transport	12,333,526	12,333,526	12,272,725	(60,801)
Economic Services	1,191,374	1,191,374	982,827	(208,547)
Other Property and Services	347,854	347,854	280,846	(67,008)
Total Operating Revenue	<u>76,397,693</u>	<u>76,397,693</u>	<u>76,067,316</u>	<u>(330,377)</u>
Expenses				
General Purpose Funding	784,860	757,639	632,978	124,661
Governance	7,929,120	8,254,141	7,716,269	537,872
Law, Order and Public Safety	3,238,587	3,187,687	3,029,856	157,831
Health	1,470,967	1,439,395	1,367,792	71,603
Education and Welfare	1,850,432	1,710,474	1,651,422	59,052
Community Amenities	9,344,089	9,293,269	9,099,132	194,138
Recreation and Culture	20,724,305	20,779,209	21,011,215	(232,007)
Transport	17,408,621	17,274,250	16,345,002	929,248
Economic Services	1,398,760	1,402,897	1,280,681	122,217
Other Property and Services	4,953,573	4,968,352	5,384,289	(415,937)
Total Operating Expenses	<u>69,103,314</u>	<u>69,067,314</u>	<u>67,518,637</u>	<u>1,548,677</u>
Change In Net Assets Resulting from Operations	<u>7,294,379</u>	<u>7,330,379</u>	<u>8,548,679</u>	<u>1,218,300</u>
Transfer From Reserves	13,692,233	13,692,233	10,365,030	(3,327,203)
Transfer To Reserves	<u>16,107,616</u>	<u>16,107,616</u>	<u>15,961,264</u>	<u>146,352</u>
	(2,415,383)	(2,415,383)	(5,596,234)	(3,180,851)
Change In Net Assets Resulting from Operations	<u>4,878,996</u>	<u>4,914,996</u>	<u>2,952,445</u>	<u>(1,962,551)</u>



Statement of Financial Position

CITY OF JOONDALUP
Period: June-04

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	<i>YTD Actual June 2003</i>	<i>YTD Actual</i>	<i>Movement</i>
CURRENT ASSETS			
Cash	(1,429,790)	531,137	1,960,927
Inventories	1,406	226	(1,180)
Receivables	2,306,372	2,121,598	(184,774)
Investments	33,248,899	36,143,108	2,894,209
TOTAL CURRENT ASSETS	34,126,887	38,796,069	4,669,182
CURRENT LIABILITIES			
Creditors	(4,711,254)	(5,375,844)	(664,590)
Provisions	(4,470,561)	(4,665,997)	(195,436)
Other	0	(27,937)	(27,937)
TOTAL CURRENT LIABILITIES	(9,181,815)	(10,069,778)	(887,963)
NET CURRENT ASSETS	24,945,072	28,726,291	3,781,219
NON CURRENT ASSETS			
Receivables	1,363,861	1,355,195	(8,666)
Property, Plant & Equipment	492,636,036	497,454,002	4,817,966
TOTAL NON CURRENT ASSETS	493,999,897	498,809,197	4,809,300
Provisions	(666,226)	(708,067)	(41,841)
TOTAL NON CURRENT LIABILITIES	(666,226)	(708,067)	(41,841)
NET NON CURRENT ASSETS	493,333,671	498,101,130	4,767,459
NET ASSETS	518,278,743	526,827,421	8,548,678
EQUITY			
Accumulated Surplus - Prior Years	(498,105,845)	(500,843,187)	(2,737,342)
Accumulated Surplus - This Year	(2,737,342)	(2,952,445)	(215,103)
Reserves	(17,435,556)	(23,031,790)	(5,596,234)
TOTAL EQUITY	(518,278,743)	(526,827,422)	(8,548,679)

	<i>Actual June-03</i>	<i>Annual Budget</i>	<i>YTD Actual</i>
Cash Flows from Operating Activities			
Receipts:			
Rates	42,069,763	42,306,702	43,356,240
Prescribed Area Rate	149,746	151,604	147,628
Government Grants & Subsidies	6,225,524	6,816,376	6,570,482
Contributions, Reimbursements and Donations	2,133,159	6,375,826	3,458,130
Fees & Charges	11,790,855	12,675,563	11,585,128
Interest Earnings	2,053,424	2,230,600	2,390,622
Revenue from Other Councils	121,907	112,000	123,497
Total Receipts	64,544,378	70,668,671	67,631,727
Payments:			
Employee Costs	25,036,081	25,839,723	26,817,983
Materials & Contracts	21,341,034	24,055,383	20,989,003
Utilities (Gas, Electricity, Water etc)	2,826,615	2,937,850	2,830,134
Insurance Expenses	833,822	941,559	909,599
Other Expenses	821,841	20,000	21,086
Total Payments	50,859,393	53,794,515	51,567,804
Net Cash Provided by Operating Activities	13,684,985	16,874,156	16,063,922
Cash Flow from Investing Activities			
Receipts:			
Proceeds from Asset Sales	904,397	693,009	757,545
Total Receipts	904,397	693,009	757,545
Payments:			
Purchase of Land	-	3,800,000	-
Purchase of Buildings	1,020,992	4,029,126	-
Purchase of Artworks	14,655	20,000	23,613
Purchase of Furniture & Equipment	767,239	619,365	434,190
Purchase of Vehicles & Plant	1,836,703	1,930,990	1,550,167
Construction of Infrastructure Assets	8,913,857	15,914,797	9,958,361
Total Payments	12,553,446	26,314,278	11,966,331
Net Cash From Investing Activities	(11,649,049)	(25,621,269)	(11,208,786)
Net Increase/Decrease in Cash Held	2,035,936	(8,747,113)	4,855,136
Cash at the Beginning of the Financial Period	29,783,173	31,819,109	31,819,109
Cash at the End of the Financial Period	31,819,109	23,071,996	36,674,245

Capital Expenditure Summary

CITY OF JOONDALUP

Period: June-04

	<i>Adopted Budget</i>	<i>Revised Budget</i>	<i>YTD Budget</i>	<i>YTD Spend Actual</i>	<i>Variance</i>	Notes:
Capital Expenditure						
Buildings	0	0	0	539,760	(539,760)	(1)
Computer & Computer Equipment	487,865	502,065	502,065	330,287	171,778	(2)
Furniture & Office Equipment	131,500	131,500	131,500	103,903	27,597	
Heavy Vehicles	75,000	97,445	97,445	53,854	43,591	
Light Vehicles	1,254,314	1,254,314	1,254,314	1,099,004	155,310	(3)
Mobile Plant	535,820	508,820	508,820	188,804	320,016	(4)
Plant & Equipment	65,856	60,856	60,856	208,505	(147,649)	(5)
Artefacts & Artworks	20,000	24,250	24,250	23,613	637	
Parks & Reserves Infrastructure	120,000	120,000	120,000	0	120,000	(7)
Roads Infrastructure	2,800,000	2,800,000	2,800,000	5,511,726	(2,711,726)	(6)
Footpaths Infrastructure	270,000	270,000	270,000	248,648	21,352	(6)
Drainage Infrastructure	900,000	900,000	900,000	1,753,731	(853,731)	(6)
Other Engineering Infrastructure	200,000	200,000	200,000	0	200,000	(7)
Capital Expenditure Total	6,860,355	6,869,250	6,869,250	10,061,835	(3,192,585)	

Notes:

- (1) Capitalisation of Kingsley Memorial Clubrooms - budgeted in Capital Works (see Appendix F).
- (2) Network infrastructure upgrades project delayed due to modified contract evaluation process. Expenditure to be carried forward.
- (3) Some replacement items due this year have been postponed until 2004/05.
- (4) The underspend in Mobile Plant is primarily due to:
 - a) Several items due for replacement in 2003/04 will be deferred due to better than anticipated condition.
 - b) Some items will not be replaced until discussions with suppliers and sports ground operators are finalised.
- (5) The Plant & Equipment budget is understated (and mobile plant similarly overstated) due to subsequently reclassifying some items as Mobile Plant. In addition, some capital purchases were budgeted as minor equipment in the operating statement - an offsetting underspend therefore exists.
- (6) This expenditure relates to acquired Infrastructure Assets received from developers. The values are also recognised as a revenue item in the operating statement under Contributions, Reimbursements and Donations.
- (7) The City has received acquired Infrastructure Assets of this type, however the valuations are not yet available.



Capital Works Summary

CITY OF JOONDALUP
Period: June-04

	Adopted Budget	Revised Budget	YTD Budget	YTD Spend Actual	Variance	Notes
Capital Works						
C101 Major Building Works - Municipal Fund	4,335,353	4,015,353	4,015,353	1,469,863	2,545,490	(1)
C102 Major Building Works - Reserve Fund	4,043,773	4,043,773	4,043,773	169,303	3,874,470	(2)
C201 Roadwork's - Municipal Fund	728,137	728,137	728,137	760,252	(32,115)	
C203 Roadwork's - Metro Regional Road Program	528,057	882,229	882,229	435,925	446,304	
C303 Resurfacing - Formula Local Road Grant	1,390,428	1,390,428	1,390,428	1,058,840	331,588	
C304 Resurfacing - Metro Regional Road Program	97,712	144,183	144,183	145,002	(819)	
C305 Resurfacing - Main Roads Direct Grant	255,675	255,675	255,675	255,182	493	
C306 Resurfacing - Roads to Recovery	866,367	866,367	866,367	865,778	589	
C401 Traffic Management - Municipal Fund	1,737,083	1,737,083	1,737,083	1,107,938	629,145	
C404 Traffic Management - Black Spot	430,000	430,000	430,000	563,047	(133,047)	
C407 Traffic Management - Reserve	357,386	290,986	290,986	75,007	215,979	
C501 Shared Paths/Bicycle Facilities	424,611	424,611	424,611	247,817	176,794	
C502 Dual Use Paths - Reserve Fund	64,170	64,170	64,170	61,961	2,209	
C511 Footpaths - Construction	61,350	61,350	61,350	44,006	17,344	
C512 Footpaths - Replacement	217,400	217,400	217,400	171,778	45,622	
C521 Pedestrian Underpasses & Bridges	30,000	30,000	30,000	16,460	13,540	
C531 Parking Facilities - Municipal Fund	357,930	357,930	357,930	304,025	53,905	
C532 Parking Facilities - Reserve Fund	17,913	17,913	17,913	23,494	(5,581)	
C541 Drainage - Municipal Fund	439,990	439,990	439,990	263,918	176,072	
C542 Drainage - Reserve Fund	232,000	232,000	232,000	102,009	129,991	
C551 Street Lighting - Municipal Fund	197,574	197,574	197,574	74,417	123,157	
C601 Foreshore Protection/Restoration	2,502,762	2,502,762	2,502,762	768,097	1,734,665	(3)
C611 Sporting Facilities	258,200	258,200	258,200	152,848	105,352	
C621 Playground Equipment	147,000	147,000	147,000	112,353	34,647	
C631 Fencing Works	17,000	32,000	32,000	15,773	16,227	
C641 Streetscape Works	532,050	512,050	512,050	424,215	87,835	
C651 Miscellaneous Works	224,002	224,002	224,002	269,053	(45,051)	
Capital Works Total	20,493,923	20,503,166	20,503,166	9,958,361	10,544,805	

Notes:

Of the \$10.5m variance, \$6.8m relates to Corporate Projects.

Primarily:

(1) Joondalup Cultural Centre, \$1.1m.

The underspend is also due to:-

a) Capitalising Kingsley Memorial Clubrooms under Capital Expenditure, \$540k - see Appendix E)

b) Carry forward expenditure of \$726k.

(2) Works Depot, \$3.9m.

(3) Sorrento Beach Development, \$1.3m.

Total committed funds in relation to Capital Works are \$1.5m and \$2.0 for Corporate Projects

Carry forward expenditure for 2004/05 includes \$3.2m for Capital Works and \$6.8m for Corporate Projects



Statement of Rating Information

CITY OF JOONDALUP

Period: June-04

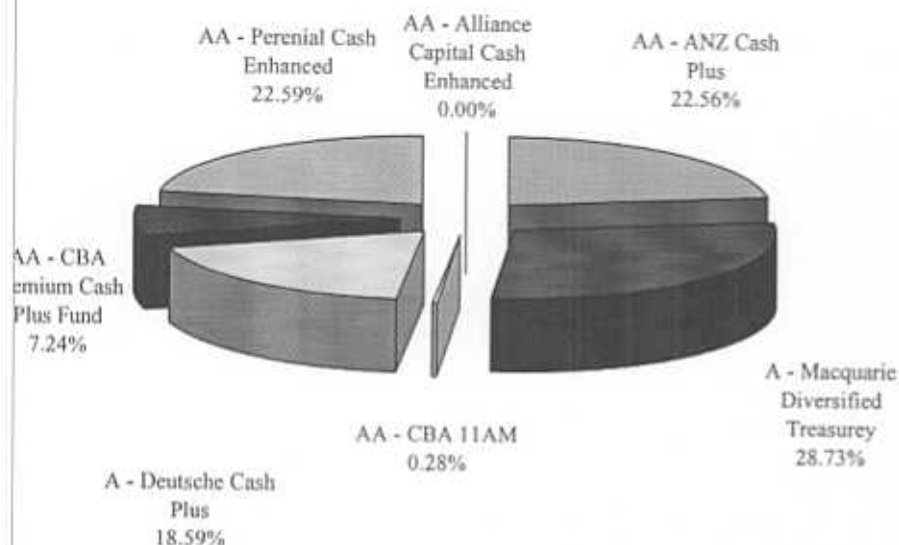
GENERAL RATES				
	Rateable Value	No of Properties	Rate in \$	Rate Yield
General Rate - GRV	\$			\$
Residential	476,700,489	47,678	6.7184	32,026,660
Commercial Improved	99,823,840	825	6.7184	6,706,565
Commercial Not Improved	606,500	29	6.7184	40,747
Industrial	8,177,514	344	6.7184	549,398
Sub Total GRV	\$ 585,308,343	48,876		39,323,370
General Rate - UV				
Residential	2,248,000	8	0.5252	11,806
Rural	28,693,194	4	0.5252	150,697
Total UV	\$ 30,941,194	12		162,503
TOTAL - RATES LEVIED	\$			39,485,873
Interim Rates & Adjustments				
Discounts Allowed (Early Payment)				
TOTAL - RATES LEVIED	\$			
OTHER CHARGES				
Interest on Outstanding Rates				
Instalment Administration Charge				
TOTAL - RATES LEVIED AND CHARGES				

MINIMUM PAYMENTS				
Rateable Value	No of Properties	Minimum Payment	Rate Yield	TOTAL
\$		\$	\$	\$
50,630,769	8,111	461	3,739,171	35,765,831
182,480	38	461	17,518	6,724,083
36,000	6	461	2,766	43,513
90,238	15	461	6,915	556,313
50,939,487	8,170		3,766,370	43,089,740
				11,806
				150,697
				162,503
			3,766,370	43,252,243
				235,019
				(1,156,273)
				42,330,989
				267,502
				311,401
				42,909,892

SPECIAL AREA RATES	Budget	Actual
Special Area Iluka	73,394	75,549
Special Area Harbour Rise, Hillarys	56,610	59,370
Special Area Woodvale Waters	21,600	21,096
Total	151,604	156,015

Key Rating Dates	
Rates Issue Date	14-Aug-03
Discount cutoff	11-Sep-03
First / final payment	18-Sep-03
Instalment 2	02-Nov-03
Instalment 3	16-Jan-04
Instalment 4	20-Mar-04

City of Joondalup - Investment Balances



Investment Account	Funds Held
	\$
AA - ANZ Cash Plus	8,094,144
A - Macquarie Diversified Treasury	10,306,916
AA - CBA 11AM	99,997
A - Deutsche Cash Plus	6,669,734
AA - CBA Premium Cash Plus Fund	2,596,530
AA - Perennial Cash Enhanced	8,103,513
AA - Alliance Capital Cash Enhanced	274
Total Funds held in AA + A Investments	35,871,108

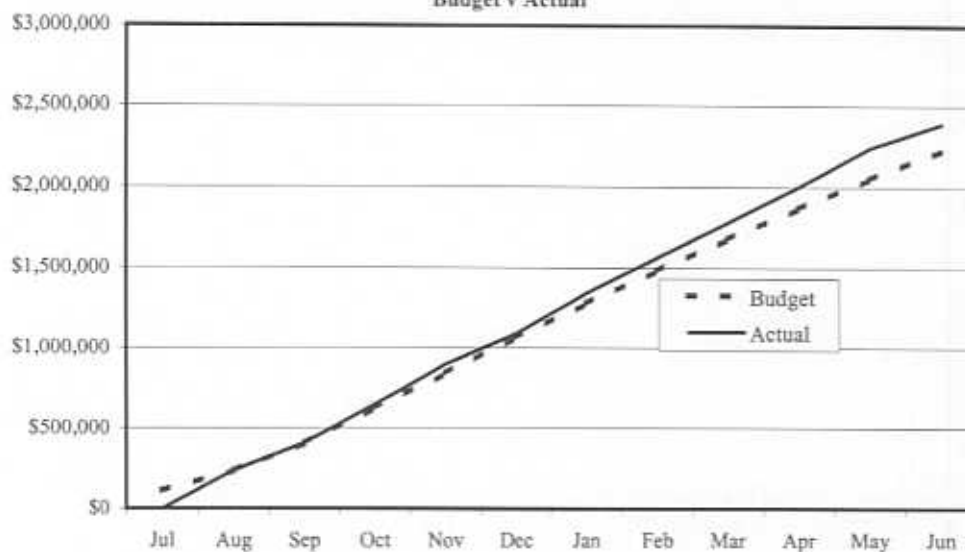
Restricted Investment	
Bond - Beaumaris Land Sales	272,000
Total	36,143,108

Investments are in accordance with Council policy.

Amount included in total funds invested that relate to reserves:

\$ 23,031,790

Interest on Investments 2003/04
Budget v Actual



Reserve Account Summary

CITY OF JOONDALUP
Period: June-04

Reserve Account	Actual Opening Balance as at 1 July 2003	Transfers (From) Reserves	Transfers To Reserves	Reserve Balances at the end of the period	Reserve Balances Budgeted as at 30 June 2004
	\$	\$	\$	\$	\$
Asset Replacement Reserve	7,163,348	(1,291,131)	1,361,769	7,233,986	6,255,348
Cash in Lieu of Parking Reserve	363,874	(23,493)	17,000	357,381	380,874
Cash in Lieu of POS Reserve	832,339	(5,517)	239,717	1,066,539	866,839
Community Facilities Reserve	0	(500,000)	844,000	344,000	329,000
Domestic Cart Collection Reserve	2,724,138	(2,174,875)	722,964	1,272,227	1,789,238
Heavy Vehicle Replacement Reserve	710,481	(34,104)	167,558	843,935	848,251
Hodges Drive Drainage Reserve	187,309	0	9,000	196,309	196,309
Joondalup City Centre Public Parking Reserve	52,022	0	177,100	229,122	41,109
Joondalup Normalisation Agreement Reserve	0	(1,900,000)	1,900,000	0	0
Leisure Centres Capital Improvements Reserve	14,445	0	7,401,750	7,416,195	7,164,445
Library Literacy Program Reserve	1,162	0	6,443	7,605	1,162
Light Vehicle Replacement Reserve	638,684	(613,368)	443,069	468,385	518,516
Mullaloo Beach Reserve	0	0	0	0	0
Ocean Reef Boat Facility Reserve	53,491	0	2,500	55,991	55,991
Performing Arts Facility Reserve	3,135,459	(3,400,000)	1,953,512	1,688,971	561,265
Plant Replacement Reserve	708,378	(139,945)	423,149	991,582	624,358
Rate Revaluation Reserve	0	0	65,000	65,000	65,000
Section 20A Reserve	30,292	0	1,500	31,792	31,792
Special Rate Harbour Rise Reserve	28,336	(28,336)	57,833	57,833	0
Special Rate Iluka Reserve	5,330	(15,152)	141,400	131,578	0
Sorrento Beach Reserve	0	0	0	0	0
Town Planning Scheme 10 Reserve	773,967	(239,109)	26,000	560,859	293,661
Wanneroo Bicentennial Reserve	12,500	0	0	12,500	0
Total	17,435,555	(10,365,030)	15,961,264	23,031,790	20,023,158

