



City of  
Joondalup

*Financial Report For  
the Period Ending  
31 May 2004*

<b>Contents:</b>	<b>Page No</b>
Introduction	Page 1
Year to Date – Financial Overview	Page 1
Operating Revenues	Page 1
Operating Expenses	Page 2
Capital Expenditure	Page 3
Capital Works	Page 4
Rating Performance	Page 4
Transfers from (to) Reserves	Page 5
Conclusion	Page 5
 <b>Appendices:</b>	
Operating Statement by Nature	App A
Operating Statement by Programme	App B
Statement of Financial Position	App C
Statement of Cash Flows	App D
Capital Expenditure Summary	App E
Capital Works Summary	App F
Statement of Rating Information	App G
Investment Summary	App H
Reserve Account Summary	App I
Financial Performance Indicators	App J

### Introduction

This report covers the financial position of the City of Joondalup for the year to date ending 31 May 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 17<sup>th</sup> 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)	(\$6.0m)	(\$2.9m)	(\$3.1m)
Capital Expenditure	\$2.4m	\$2.3m	\$0.1m
Capital Works	\$7.9m	\$18.9m	(\$11.0m)
<b>Total</b>	<b>\$4.3m</b>	<b>\$18.3m</b>	<b>(\$14.0m)</b>

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 **\$6.0m**, against a budget of **\$2.9m**.

- Total Operating Revenues for the year-to-date is **\$67.5m** against a budget of **\$65.3m**, a favourable variance of **\$2.2m**.
- Total Operating Expenses for the year-to-date is **\$61.5m** against a budget of **\$62.4m**, an under spend of **\$0.9m**.

**Capital Expenditure** (Appendix E) for the year-to-date is **\$2.4m** against a budget of **\$2.3m**, an over spend of **\$0.1m**.

**Capital Works** (Appendix F) for the year-to-date is **\$7.9m** against a budget of **\$18.9m**, an under spend of **\$11.0m**. Forward orders of **\$3.7m** have been placed for all capital works.

### Operating Revenues

Operating Revenue for the year-to-date is **\$67.5m**. 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	\$6.9m	\$6.7m
Contributions, Reimbursements and Donations	\$3.7m	\$1.7m
Profit on Asset Disposal	\$0.1m	\$0.0m
Fees & Charges	\$12.0m	\$12.1m
Interest Earnings	\$2.2m	\$2.0m
Other	\$0.1m	\$0.1m
<b>Total Revenue</b>	<b>\$67.5m</b>	<b>\$65.3m</b>

#### **a) Rates revenue**

Revenue from rates and charges for the year-to-date 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* year to date and is on target.

**c) Government Grants**

Government Grants for the year-to-date are *\$6.9m* against a budget of *\$6.7m*. The variance is due to non-operating grants received from: -

- Dept of Education, *\$0.1m*, and
- Metro Regional Road Program, *\$0.1m*.

Both grants are timing differences. Funds were received earlier than anticipated. Both grants are offset by related expenditure.

**d) Contributions, Reimbursements & Donations**

Contributions, Reimbursements & Donations are *\$3.7m* year - to - date compared to the budget of *\$1.7m*. The favourable variance is due to: -

- Unbudgeted donations, *\$0.1m*, and
- Normalisation Agreement contribution of *\$1.9m*.

The donation was received from the Lotteries commission towards construction of the Kingsley Memorial Hall. There is offsetting capital expenditure.

The City invoiced Landcorp an amount of *\$1.9m* during May. This is one month earlier than anticipated and represents the cash component of the Normalisation Agreement. This amount will be

transferred to the Joondalup Normalisation Agreement reserve in June.

**e) Profit on Asset Disposal**

Profit on Asset disposal for the year to date is *\$0.1m*. The variance reflects a timing difference.

**f) Fees and Charges**

Fees and Charges for the year-to-date amounted to *\$12.0m* against a year to date budget of *\$12.1m*.

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.

The additional *contribution from developers* in lieu of public open space has been transferred to the Cash in Lieu of POS Reserve.

**g) Interest Earnings**

Interest income is *\$2.2m* year-to-date compared to the budget of *\$2.0m*, a favourable variance of *\$0.2m*. Funds available for investment are higher than anticipated due primarily to the timing of Capital Works and Corporate Projects expenditure. Details of the City's investments are shown at Appendix *H*.

**h) Other Income**

Other income is *\$0.1m* year to date and is on target.

**Operating Expenses**

Operating expenses were as follows:

<i>Operating Expenses</i>	<i>YTD Actual</i>	<i>YTD Budget</i>
Employee Costs	\$24.2m	\$23.7m
Materials and Contracts	\$20.7m	\$22.0m
Utilities	\$2.5m	\$2.7m
Depreciation	\$13.1m	\$13.1m
Loss on Asset Disposal	\$0.1m	\$0.0m
Insurance Expenses	\$0.9m	\$0.9m
Other Expenses	\$0.0m	\$0.0m
Total	\$61.5m	\$62.4m

Operating Expenditure for the year-to-date amounted to *\$61.5m* and is *\$0.9m* under spent.

**a) Employee Costs**

Employee Costs for the year to date amounted to *\$24.2m* against a budget of *\$23.7m*.

**b) Materials and Contracts**

Materials and Contracts costs for the year-to-date amounted to **\$20.7m** compared to the budget of **\$22.0m**. The **\$1.3m** under spend was due primarily to the following: -

- Consultancy, **\$1,013k**
- Contributions Costs, **\$239k**
- Printing Costs, **\$126k**
- Minor Equipment, **\$119k**

These underspends were partially offset by an overspend in Professional Fees, **\$138k**.

The *Consultancy* costs under spend relates primarily to proposals, specifically: -

- Ocean Reef Boat Harbour Development, **\$368k**
- Employer of Choice, **\$141k**
- Other Minor Proposals, **\$238k**

The Ocean Reef Boat Harbour and Employer of Choice proposals are timing differences and will be carried forward for future expenditure in 2004/05.

It is anticipated that most of the underspend in other minor proposals will translate to a permanent variance as at 30 June 2004.

Operating consultancy costs of **\$157k** are also expected to result in a permanent variance as at 30 June 2004.

The *Contributions* costs underspend relates primarily to the following: -

- Community Art Gallery project, **\$105k**.
- Iluka Special Area Rates, **\$76k**.

- Natural Disaster Risk Management Study, **\$25k**.
- Local Area Emergency Management Plan, **\$15k**.

Of the Community Art Gallery project under spend; **\$63k** represents a permanent difference.

The underspend in the Iluka Special Area is a timing difference. Costs are expected to occur once audited statements are received from the community group.

The under spends in the Natural Disaster Risk Management Study and Local Area Emergency Management Plan are timing differences. It is expected these projects will be carried forward.

The *printing cost* variance is primarily a timing difference. Most of the under spend is expected to occur in June.

The *minor equipment* under spend is a timing difference relating to mobile bin purchases in the Waste Management Services area. Costs are expected in June.

**c) Utilities**

Utility Costs for the year-to-date amounted to **\$2.5m** against a budget of **\$2.7m**, an under spend of **\$0.2m**. The variance is due primarily to: -

- The timing of electricity costs in relation to parks and leisure centres, **\$87k**.
- Gas and water costs associated with the Joondalup Civic Centre and Library, **\$31k**.

**d) Depreciation on Non Current Assets**

Depreciation expense for the year-to-date amounted to **\$13.1m** and is in line with the year to date budget.

**e) Loss on Asset Disposal**

Loss on Asset Disposal for the year to date is **\$99k**. The variance is a timing difference.

**f) Insurance Expenses**

Insurance expenses for the year to date amounted to **\$0.9m** and are on target.

**g) Other Expenses**

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

**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-to-date amounted to **\$2.4m** against a budget of **\$2.3m**.

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.

The overspend caused by the capitalisation of Kingsley Memorial Clubrooms was partially offset by underspends in Computer network upgrades and some items of plant and equipment. These costs are expected to occur later in June or be carried forward. Also, some mobile plant items may be

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 year-to-date expenditure amounts to **\$7.9m** against a year-to-date budget of **\$18.9m**, a net under spend of **\$11.0m**.

Of this variance, **\$4.7m** relates to normal Capital Works while **\$6.3m** relates to Capital Works classified as Corporate Projects, primarily: -

- Works Depot, **\$3.4m** - Council has approved the site acquisition for a sum of \$2.8m from Landcorp. The transfer of the funds is pending final settlement of the sale with Landcorp. The City has invoiced Landcorp \$1.9m relating to the land.
- Performing Arts Land, **\$1.1m** - Council has approved the site acquisition for a sum of \$578,000 (inclusive of GST) from the Department of Education and Training. The transfer of funds is pending the final settlement of the sale with the Minister for Education and Training. Council has since agreed to contribute 50% of the construction costs of a new entrance road to the TAFE site off Grand Boulevard for an estimated cost to the City of \$385,000.

- Sorrento Beach Development, **\$1.4m** - Final approval for Sorrento Beach Development commenced during October 03. Funds totalling **\$0.8m** have been committed against the project. Work has recommenced on the project since the main building contractor went into liquidation.

As at reporting date, committed funds in relation to all capital works totalled **\$3.7m**. Of this amount: -

- **\$2.0m** relates to normal Capital Works, and
- **\$1.7m** 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 consistent 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.

All instalment notices for the year have been issued.

Council provides special payment arrangement options for those customers who are unable to pay their rates in full. An administration fee of \$20 is applicable with penalty interest of 8.95% on the outstanding balance.

Total general rates levied were **\$43.25m**.

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

- General rates - **\$0.8m**
- Deferred rates - **\$0.9m**

The collection statistic for general rates is currently at 98.22%. This compares favourably to 96.4% at the same time last year.

#### **Special Area Works – Iluka**

The City raised **\$75,345** from **1,194** properties (budget **\$73,394**) as Special Area Rates – Iluka. Further interim rate notices may be processed during the remainder of the financial year.

#### **Special Area Works – Harbour Rise**

The City raised **\$59,301** from **368** properties (budget **\$56,610**) as Special Area Rates – Harbour Rise. Further interim rate notices may be processed during the remainder of the financial year.

#### **Special Area Works – Woodvale Waters**

The City raised **\$21,096** from **136** properties (budget **\$21,600**) as Special Area Rates - Woodvale Waters. Further interim rate notices may be processed during the remainder of the financial year. The Woodvale Waters Residents Association and Council agreed for the normal verge maintenance and the enhanced landscaping works to be subcontracted.

#### **Rubbish Charges**

The 2003/04 Rubbish Charge of \$126 per property budgeted to net revenue of **\$7.0m**.



At the end of May 2004, **\$6.9m** had been levied against a YTD 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.

#### Swimming Pool Inspection

The 2003/04 Swimming Pool Inspection fee of \$13.75 (including \$1.25 for GST) raised revenue of **\$205,247** (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 31 May 2004, the City had collected cash of **\$5.4m**.

#### 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.

	YTD Actual	YTD Budget	YTD Variance
Transfers (from) Reserves	(\$0.7m)	(\$1.9m)	(\$1.2m)
Transfer to Reserves	\$1.0m	\$0.9m	(\$0.1m)
Net transfers (from) to Reserves	\$0.3m	(\$1.0m)	(\$1.3m)

Funding for various items have been made from Reserve accounts. The variance in transfers from reserves is due to the timing of Capital Works programs and mobile plant purchases. The variance in transfers to reserves is mainly due to unbudgeted contributions from developers in lieu of public open space and parking.

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

#### Conclusion

On an overall basis, the City has a net under spend of **\$14.0m** when compared to the 2003/04 Revised Budget.

The YTD operating surplus (Change In Net Assets Before Reserve Transfers) is **\$6.0m** compared to a YTD budget of **\$2.9m**. The favourable variance is driven primarily by the:-

- Timing of contribution and grants income related to capital works projects, and,
- Consultancy costs associated with proposals and the timing of printing, minor equipment and utility costs.

Year to date Capital Expenditure is **\$0.1m** over spent, due primarily to the capitalisation of Kingsley Memorial Clubrooms. This is, however, partially offset by timing under spends associated with the computer network upgrade and items of equipment. Some light vehicle purchases will be deferred until 2004/05.

The total capital works program is under spent by **\$11.0m** on a year to date basis. Works classified as normal capital works is underspent by **\$4.7m** and works classified as corporate projects are underspent by **\$6.3m**. Total committed funds in relation to normal capital works are **\$2.0m** and **\$1.7m** for works classified as corporate projects. It is expected that \$3.7m for normal Capital Works and \$5.3m relating to Capital Works classified as Corporate Projects will be carried forward to complete these projects in 2004/05.

# Operating Statement by Nature

CITY OF JOONDALUP  
Period: May-04

	<i>Revised Budget</i>	<i>YTD Budget</i>	<i>YTD Actual</i>	<i>Variance</i>
Revenue				
Rates				
Rates - Specified Area	42,523,866	42,465,396	42,323,347	(142,049)
Government Grants & Subsidies	151,604	151,604	155,741	4,137
Contributions, Reimbursements and Donations	7,182,944	6,755,392	6,946,241	190,849
Profit on Asset Disposal	11,581,858	1,711,300	3,738,644	2,027,344
Fees & Charges	59,078	258	54,623	54,365
Interest Earnings	12,555,743	12,102,413	11,973,272	(129,141)
Other Revenue	2,230,600	2,055,000	2,241,951	186,951
	112,000	102,674	118,118	15,444
<b>Total Operating Revenues</b>	<b>76,397,693</b>	<b>65,344,037</b>	<b>67,551,937</b>	<b>2,207,900</b>
Expenditure				
Employee Costs				
Materials & Contracts	26,297,761	23,657,294	24,163,078	(505,784)
Utilities (Gas, Electricity, Water etc)	24,307,708	22,054,890	20,662,148	1,392,742
Depreciation on Non Current Assets	2,937,850	2,692,993	2,561,440	131,553
Loss on Asset Disposal	14,335,096	13,139,588	13,188,708	(49,120)
Insurance Expenses	251,685	0	99,056	(99,056)
Other Expenses	953,214	872,959	831,613	41,346
	20,000	20,000	21,086	(1,086)
<b>Total Operating Expenses</b>	<b>69,103,314</b>	<b>62,437,724</b>	<b>61,527,129</b>	<b>910,595</b>
<b>Change in Net Assets Before Reserve Transfers</b>	<b>7,294,379</b>	<b>2,906,313</b>	<b>6,024,808</b>	<b>3,118,495</b>
Transfer from Reserves				
Transfer to Reserves	13,692,233	1,896,021	685,838	(1,210,183)
Net Transfer from/(to) Reserves	16,107,616	922,922	1,017,859	(94,937)
	(2,415,383)	973,099	(332,021)	(1,305,120)
<b>Change in Net Assets After Reserve Transfers</b>	<b>4,878,996</b>	<b>3,879,412</b>	<b>5,692,787</b>	<b>1,813,375</b>

	<i>Revised Budget</i>	<i>YTD Budget</i>	<i>YTD Actual</i>	<i>Variance</i>
<b>Revenue</b>				
General Purpose Funding	50,073,770	49,526,700	49,574,562	47,862
Governance	135	119	608	489
Law, Order and Public Safety	525,319	422,125	430,915	8,790
Health	272,903	237,337	267,101	29,764
Education and Welfare	274,259	266,256	299,094	32,838
Community Amenities	7,729,698	7,644,045	7,898,454	254,409
Recreation and Culture	3,648,855	3,189,548	3,154,272	(35,276)
Transport	12,333,526	2,677,312	4,745,623	2,068,311
Economic Services	1,191,374	1,088,556	934,736	(153,820)
Other Property and Services	347,854	292,040	246,573	(45,467)
<b>Total Operating Revenue</b>	<u>76,397,693</u>	<u>65,344,037</u>	<u>67,551,937</u>	<u>2,207,900</u>
<b>Expenses</b>				
General Purpose Funding	784,860	694,506	577,230	117,276
Governance	7,929,120	7,562,220	6,742,339	819,881
Law, Order and Public Safety	3,238,587	2,902,606	2,723,751	178,855
Health	1,470,967	1,301,917	1,222,206	79,711
Education and Welfare	1,850,432	1,548,727	1,447,922	100,806
Community Amenities	9,344,089	8,386,703	8,041,625	345,079
Recreation and Culture	20,724,305	18,814,704	18,732,447	82,256
Transport	17,408,621	15,651,898	15,661,306	(9,408)
Economic Services	1,398,760	1,273,781	1,153,036	120,746
Other Property and Services	4,953,573	4,300,662	5,225,268	(924,606)
<b>Total Operating Expenses</b>	<u>69,103,314</u>	<u>62,437,724</u>	<u>61,527,129</u>	<u>910,595</u>
<b>Change In Net Assets Resulting from Operations</b>	<u>7,294,379</u>	<u>2,906,313</u>	<u>6,024,808</u>	<u>3,118,495</u>
<b>Transfer From Reserves</b>	13,692,233	1,896,021	685,838	(1,210,183)
<b>Transfer To Reserves</b>	<u>16,107,616</u>	<u>922,922</u>	<u>1,017,859</u>	<u>(94,937)</u>
	(2,415,383)	973,099	(332,021)	(1,305,120)
<b>Change In Net Assets Resulting from Operations</b>	<u>4,878,996</u>	<u>3,879,412</u>	<u>5,692,787</u>	<u>1,813,375</u>



# Statement of Financial Position

CITY OF JOONDALUP

Period: May-04

	YTD Actual June 2003	YTD Actual	Movement
<b>CURRENT ASSETS</b>			
Cash	(1,429,790)	964,172	2,393,962
Inventories	1,406	976	(430)
Receivables	2,306,372	3,666,318	1,359,946
Investments	33,248,899	38,060,791	4,811,892
<b>TOTAL CURRENT ASSETS</b>	<u>34,126,887</u>	<u>42,692,257</u>	<u>8,565,370</u>
<b>CURRENT LIABILITIES</b>			
Creditors	(4,711,254)	(3,742,205)	969,049
Provisions	(4,470,561)	(4,551,998)	(81,437)
Other	0	187,512	187,512
<b>TOTAL CURRENT LIABILITIES</b>	<u>(9,181,815)</u>	<u>(8,106,691)</u>	<u>1,075,124</u>
<b>NET CURRENT ASSETS</b>	<u>24,945,072</u>	<u>34,585,566</u>	<u>9,640,494</u>
<b>NON CURRENT ASSETS</b>			
Receivables	1,363,861	1,320,861	(43,000)
Property, Plant & Equipment	492,636,036	489,063,350	(3,572,686)
<b>TOTAL NON CURRENT ASSETS</b>	<u>493,999,897</u>	<u>490,384,211</u>	<u>(3,615,686)</u>
<b>Provisions</b>	<u>(666,226)</u>	<u>(666,226)</u>	<u>0</u>
<b>TOTAL NON CURRENT LIABILITIES</b>	<u>(666,226)</u>	<u>(666,226)</u>	<u>0</u>
<b>NET NON CURRENT ASSETS</b>	<u>493,333,671</u>	<u>489,717,985</u>	<u>(3,615,686)</u>
<b>NET ASSETS</b>	<u>518,278,743</u>	<u>524,303,551</u>	<u>6,024,808</u>
<b>EQUITY</b>			
Accumulated Surplus - Prior Years	(498,105,845)	(500,843,187)	(2,737,342)
Accumulated Surplus - This Year	(2,737,342)	(5,692,787)	(2,955,445)
Reserves	(17,435,556)	(17,767,577)	(332,021)
<b>TOTAL EQUITY</b>	<u>(518,278,743)</u>	<u>(524,303,551)</u>	<u>(6,024,808)</u>

CITY OF JOONDALUP

Period: May-04

	Actual June-03	Annual Budget	YTD Actual
<b>Cash Flows from Operating Activities</b>			
<b>Receipts:</b>			
Rates	42,069,763	42,306,702	43,438,038
Prescribed Area Rate	149,746	151,604	104,277
Government Grants & Subsidies	6,225,524	6,816,376	6,431,597
Contributions, Reimbursements and Donations	2,133,159	6,375,826	2,761,235
Fees & Charges	11,790,855	12,675,563	9,939,443
Interest Earnings	2,053,424	2,230,600	2,241,951
Revenue from Other Councils	121,907	112,000	118,118
<b>Total Receipts</b>	<b>64,544,378</b>	<b>70,668,671</b>	<b>65,034,660</b>
<b>Payments:</b>			
Employee Costs	25,036,081	25,839,723	23,972,273
Materials & Contracts	21,341,034	24,055,383	21,010,916
Utilities (Gas, Electricity, Water etc)	2,826,615	2,937,850	2,561,440
Insurance Expenses	833,822	941,559	1,142,396
Other Expenses	821,841	20,000	21,086
<b>Total Payments</b>	<b>50,859,393</b>	<b>53,794,515</b>	<b>48,708,112</b>
<b>Net Cash Provided by Operating Activities</b>	<b>13,684,985</b>	<b>16,874,156</b>	<b>16,326,548</b>
<b>Cash Flow from Investing Activities</b>			
<b>Receipts:</b>			
Proceeds from Asset Sales	904,397	693,009	622,608
<b>Total Receipts</b>	<b>904,397</b>	<b>693,009</b>	<b>622,608</b>
<b>Payments:</b>			
Purchase of Land	0	3,800,000	0
Purchase of Buildings	1,020,992	4,029,126	0
Purchase of Artworks	14,655	20,000	19,091
Purchase of Furniture & Equipment	767,239	619,365	348,260
Purchase of Vehicles & Plant	1,836,703	1,930,990	1,472,263
Construction of Infrastructure Assets	8,913,857	15,914,797	7,903,689
<b>Total Payments</b>	<b>12,553,446</b>	<b>26,314,278</b>	<b>9,743,303</b>
<b>Net Cash From Investing Activities</b>	<b>(11,649,049)</b>	<b>(25,621,269)</b>	<b>(9,120,695)</b>
<b>Net Increase/Decrease in Cash Held</b>	<b>2,035,936</b>	<b>(8,747,113)</b>	<b>7,205,854</b>
<b>Cash at the Beginning of the Financial Period</b>	<b>29,783,173</b>	<b>31,819,109</b>	<b>31,819,109</b>
<b>Cash at the End of the Financial Period</b>	<b>31,819,109</b>	<b>23,071,996</b>	<b>39,024,963</b>

# Capital Expenditure Summary

CITY OF JOONDALUP

Period: May-04

Appendix E

	<i>Adopted Budget</i>	<i>Revised Budget</i>	<i>YTD Budget</i>	<i>YTD Actual</i>	<i>Variance</i>	Notes:
<b>Capital Expenditure</b>						
Buildings	0	0	0	539,760	(539,760)	(1)
Computer & Computer Equipment	487,865	502,065	502,065	305,360	196,705	(2)
Furniture & Office Equipment	131,500	131,500	131,500	42,900	88,600	(3)
Heavy Vehicles	75,000	97,445	97,445	53,854	43,591	
Light Vehicles	1,254,314	1,254,314	1,055,314	1,048,666	6,648	
Mobile Plant	535,820	508,820	414,420	171,648	242,772	(4)
Plant & Equipment	65,856	60,856	60,856	198,095	(137,239)	(5)
Artefacts & Artworks	20,000	24,250	24,250	19,091	5,159	
Roads Infrastructure	2,800,000	2,800,000	0	0	0	(6)
Footpaths Infrastructure	270,000	270,000	0	0	0	(6)
Drainage Infrastructure	900,000	900,000	0	0	0	(6)
Other Engineering Infrastructure	200,000	200,000	0	0	0	(6)
<b>Capital Expenditure Total</b>	<b>6,740,355</b>	<b>6,749,250</b>	<b>2,285,850</b>	<b>2,379,374</b>	<b>(93,524)</b>	

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 expected to occur in June or carried forward.

(3) Tenders for the purchase of three photocopiers are being finalised and expenditure is expected to occur in June.

(4) The underspend in Mobile Plant is primarily due to:

a) Several items due for replacement in 2003/04 may be deferred until 2004/05 due to better than anticipated condition of the assets.

b) The City is in discussions with suppliers and sports ground operators prior to incurring expenditure on some items.

(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 to be received from developers. These assets will be capitalised in June 2004.

# Capital Works Summary

CITY OF JOONDALUP

Period: May-04

	<i>Adopted Budget</i>	<i>Revised Budget</i>	<i>YTD Budget</i>	<i>YTD Actual</i>	<i>Variance</i>	Notes
Capital Works						
C101 Major Building Works - Municipal Fund	4,335,353	4,015,353	3,637,240	1,219,842	2,417,398	(1)
C102 Major Building Works - Reserve Fund	4,043,773	4,043,773	3,510,473	101,912	3,408,561	(2)
C201 Roadworks - Municipal Fund	728,137	728,137	728,137	760,252	(32,115)	
C203 Roadworks - Metro Regional Road Program	528,057	882,229	882,229	435,556	446,673	
C303 Resurfacing - Formula Local Road Grant	1,390,428	1,390,428	1,241,944	705,875	536,069	
C304 Resurfacing - Metro Regional Road Program	97,712	144,183	133,599	144,189	(10,590)	
C305 Resurfacing - Main Roads Direct Grant	255,675	255,675	227,662	126,248	101,414	
C306 Resurfacing - Roads to Recovery	866,367	866,367	770,104	865,150	(95,046)	
C401 Traffic Management - Municipal Fund	1,737,083	1,737,083	1,541,579	654,057	887,522	
C404 Traffic Management - Black Spot	430,000	430,000	416,660	431,551	(14,891)	
C407 Traffic Management - Reserve	357,386	290,986	275,986	58,987	216,999	
C501 Shared Paths/Bicycle Facilities	424,611	424,611	406,211	137,491	268,720	
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	38,595	22,755	
C512 Footpaths - Replacement	217,400	217,400	217,400	169,480	47,920	
C521 Pedestrian Underpasses & Bridges	30,000	30,000	27,500	0	27,500	
C531 Parking Facilities - Municipal Fund	357,930	357,930	357,930	245,410	112,520	
C532 Parking Facilities - Reserve Fund	17,913	17,913	17,913	23,494	(5,581)	
C541 Drainage - Municipal Fund	439,990	439,990	389,825	252,619	137,206	
C542 Drainage - Reserve Fund	232,000	232,000	212,000	79,272	132,728	
C551 Street Lighting - Municipal Fund	197,574	197,574	181,626	69,764	111,862	
C571 Urban Enhancements - Municipal Fund	0	0	0	(124)	124	
C601 Foreshore Protection/Restoration	2,502,762	2,502,762	2,424,727	638,258	1,786,469	(3)
C611 Sporting Facilities	258,200	258,200	223,179	147,767	75,412	
C621 Playground Equipment	147,000	147,000	142,833	57,499	85,334	
C631 Fencing Works	17,000	32,000	27,000	15,773	11,227	
C641 Streetscape Works	532,050	512,050	512,050	223,331	288,719	
C651 Miscellaneous Works	224,002	224,002	224,002	239,481	(15,479)	
<b>Capital Works Total</b>	<b>20,493,923</b>	<b>20,503,166</b>	<b>18,855,329</b>	<b>7,903,690</b>	<b>10,951,639</b>	

**Notes:**

Of the \$11.0m variance, \$6.3m relates to Corporate Projects.

They are primarily:

(1) Performing Arts Centre, \$1.1m.

The underspend is also due to:-

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

b) Labour Costs associated with some projects yet to be capitalised

(2) Works Depot, \$3.4m.

(3) Sorrento Beach Development, \$1.4m.

Total committed funds in relation to Capital Works are \$2.0m and \$1.7 for Corporate Projects



# Statement of Rating Information

CITY OF JOONDALUP

Period: May-04

	GENERAL RATES			
	Rateable Value	No of Properties	Rate in \$	Rate Yield
<b>General Rate - GRV</b>	\$			\$
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
<b>Sub Total GRV</b>	\$ 585,308,343	48,876		39,323,370
<b>General Rate - UV</b>				
Residential	2,248,000	8	0.5252	11,806
Rural	28,693,194	4	0.5252	150,697
<b>Total UV</b>	\$ 30,941,194	12		162,503
<b>TOTAL - RATES LEVIED</b>	\$			39,485,873
Interim Rates & Adjustments				
Discounts Allowed (Early Payment)				
<b>TOTAL - RATES LEVIED</b>	\$			
<b>OTHER CHARGES</b>				
Interest on Outstanding Rates				
Instalment Administration Charge				
<b>TOTAL - RATES LEVIED AND CHARGES</b>				

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
				43,252,243
				230,373
				(1,159,271)
				42,323,345
				265,858
				311,140
				42,900,343

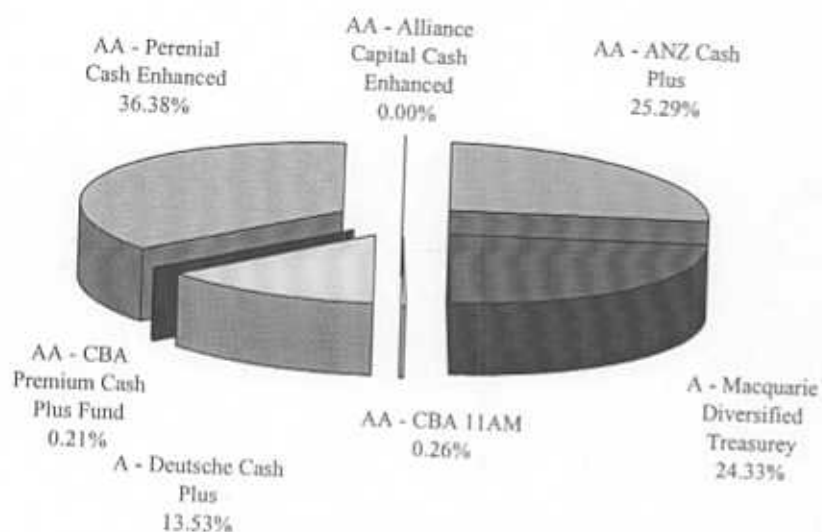
## SPECIAL AREA RATES

	Budget	Actual
Special Area Iluka	73,394	75,345
Special Area Harbour Rise, Hillarys	56,610	59,301
Special Area Woodvale Waters	21,600	21,096
<b>Total</b>	<b>151,604</b>	<b>155,742</b>

## 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



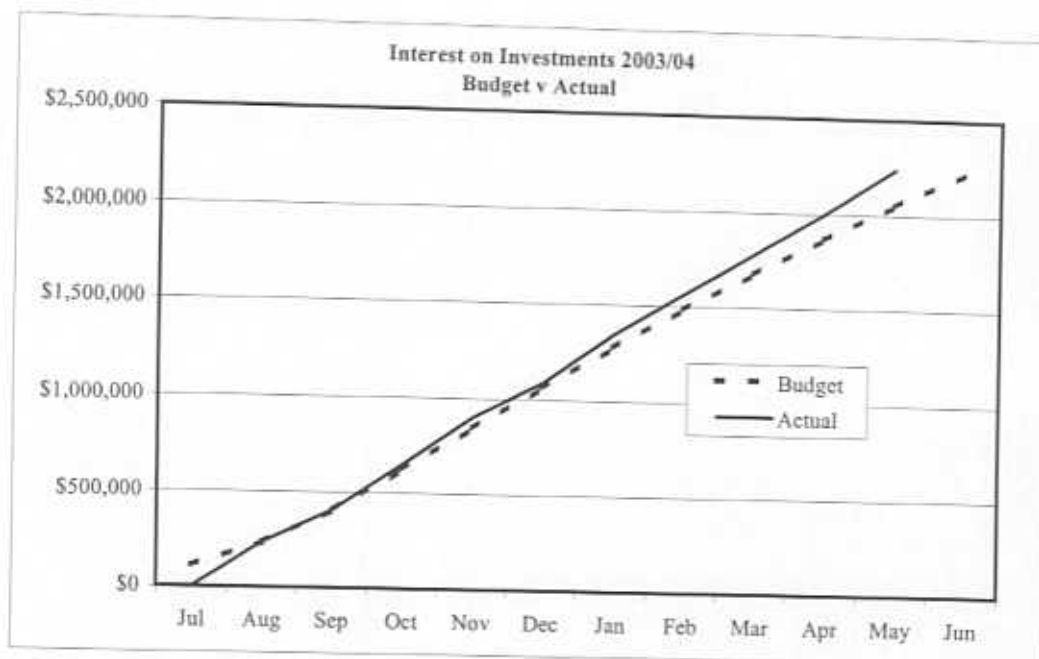
Investment Account	Funds Held
AA - ANZ Cash Plus	\$ 9,465,897
A - Macquarie Diversified Treasury	9,104,718
AA - CBA 11AM	98,495
A - Deutsche Cash Plus	5,063,907
AA - CBA Premium Cash Plus Fund	80,116
AA - Perennial Cash Enhanced	13,614,648
AA - Alliance Capital Cash Enhanced	273
<b>Total Funds held in AA + A Investments</b>	<b>37,428,055</b>

## Restricted Investment

Bond - Beaumaris Land Sales	632,736
<b>Total</b>	<b>38,060,791</b>

Investments are in accordance with Council policy.  
Amount included in total funds invested that relate to reserves:

\$ 17,767,577





# Reserve Account Summary

Appendix I

CITY OF JOONDALUP  
Period: May-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			7,163,348	6,255,348
Cash in Lieu of Parking Reserve	363,874			363,874	380,874
Cash in Lieu of POS Reserve	832,339		205,217	1,037,556	866,839
Community Facilities Reserve	0			0	329,000
Domestic Cart Collection Reserve	2,724,138			2,724,138	1,789,238
Heavy Vehicle Replacement Reserve	710,481	(34,104)	57,343	733,720	848,251
Hodges Drive Drainage Reserve	187,309			187,309	196,309
Joondalup City Centre Public Parking Reserve	52,022		72,900	124,922	41,109
Leisure Centres Capital Improvements Reserve	14,445			14,445	7,164,445
Library Literacy Program Reserve	1,162		6,443	7,605	1,162
Light Vehicle Replacement Reserve	638,684	(508,516)	358,868	489,036	518,516
Ocean Reef Boat Facility Reserve	53,491			53,491	55,991
Performing Arts Facility Reserve	3,135,459			3,135,459	561,265
Plant Replacement Reserve	708,378	(109,552)	317,088	915,914	624,358
Rate Revaluation Reserve	0			0	65,000
Section 20A Reserve	30,292			30,292	31,792
Special Rate Harbour Rise Reserve	28,336	(28,336)		0	0
Special Rate Iluka Reserve	5,330	(5,330)		0	0
Town Planning Scheme 10 Reserve	773,967			773,967	293,661
Wanneroo Bicentennial Reserve	12,500			12,501	0
<b>Total</b>	<b>17,435,555</b>	<b>(685,838)</b>	<b>1,017,859</b>	<b>17,767,577</b>	<b>20,023,158</b>

