

*Financial Report For  
The Period Ending  
31 January 2005*

APPENDIX 3

Attachment A

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## Introduction

This report covers the financial performance of the City of Joondalup for the year to date period ending 31 January 2005.

## Year to Date – Financial Overview

The City adopted its 2004/05 budget at a special council meeting on the 19<sup>th</sup> August 2004. The YTD results are as follows:

<i>Year-to-date Financial Overview</i>	<i>YTD Actual</i>	<i>YTD Budget</i>	<i>YTD Variance</i>
Operating (surplus)	(\$24.5m)	(\$20.9m)	\$3.6m
Capital Expenditure	\$0.9m	\$2.6m	\$1.7m
Capital Works	\$5.8m	\$12.8m	\$7.0m
<b>Total</b>	<b>(\$17.8m)</b>	<b>(\$5.5m)</b>	<b>\$12.3m</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 **\$24.5m**, against a budget of **\$20.9m**.

- Total **Operating Revenues** for the year is **\$63.0m** against a budget of **\$62.7m**, a favourable variance **\$0.3m**.
- Total **Operating Expenses** for the year is **\$38.5m** against a budget of **\$41.8m**, an under spend of **\$3.3m**.

**Capital Expenditure** (Appendix E) for the year is **\$0.9m** against a budget of **\$2.6m**, an under spend of **\$1.7m**.

**Capital Works** (Appendix F) for the year is **\$5.8m** against a budget of **\$12.8m**, an under spend of **\$7.0m**.

Forward purchase orders of **\$12.4m** have been placed for all capital works including Corporate Projects.

## Operating Revenues

Operating Revenue for the year to date is **\$63.0m**. The year-to-date income is as follows:

<i>Revenue</i>	<i>YTD Actual</i>	<i>YTD Budget</i>
Rates	\$45.7m	\$45.6m
Rates – Specified Area	\$0.1m	\$0.1m
Government Grants	\$4.0m	\$4.1m
Contributions, Reimbursements and Donations	\$0.4m	\$0.5m
Profit on Asset Disposal	\$0.0m	\$0.1m
Fees & Charges	\$10.9m	\$10.7m
Interest Earnings	\$1.8m	\$1.5m
Other	\$0.1m	\$0.1m
<b>Total Revenue</b>	<b>\$63.0m</b>	<b>\$62.7m</b>

### **a) Rates revenue**

Revenue from rates and charges for the year to date amounted to **\$45.7m**. The favourable variance of **\$0.1m** relates to early payment discount estimates.

Further details on Rating Performance are shown on **Page 4** and at Appendix G.

### **b) Rates – Specified Area**

Rates – Specified Area is **\$0.1m** for the year to date and is on target.

**c) Government Grants**

Government Grants for the year to date are **\$4.0m** against a budget of **\$4.1m**, an unfavourable variance of **\$0.1m**. The variance is primarily due to the delay in completion of Metro Regional Road Program projects funded by grants, partially offset by the earlier than expected receipt of Roads to Recovery grant funding.

**d) Contributions, Reimbursements & Donations**

Contributions, Reimbursements & Donations for the year to date are **\$0.4m** against a budget of **\$0.5m**. The unfavourable variance of **\$0.1m** relates to income from private works which is less than budgeted for the year to date. This shortfall has a corresponding underspend in private works expenditure.

**e) Profit on Asset Disposal**

Profit on Asset disposal for the year to date shows an unfavourable timing variance of **\$0.1m**. This is primarily due to the deferred replacement of tip trucks until later in the year.

**f) Fees and Charges**

Fees and Charges for the year to date amounted to **\$10.9m** against a year to date budget of **\$10.7m**, a favourable variance of **\$0.2m**. This is primarily due to a timing variance from interest on outstanding rates and administration charges of **\$0.3m**. In addition, the number of development applications received for the year to date is higher than expected, contributing **\$58k** in additional income. This is partially offset by an unfavourable timing variance of **\$0.2m** from the sale of the Yagan Pre-school site for which settlement is scheduled to occur in May.

**g) Interest Earnings**

Interest income is **\$1.8m** for the year to date against a budget of **\$1.5m**. This favourable variance is due to delays in major capital works projects funded by reserves which means the City has more money to invest. Details of the City's investments are shown at Appendix H.

**h) Other Income**

Other income is **\$81k** for the year to date and is in line with the budget.

**Operating Expenses**

Operating expenses were as follows:

<b>Operating Expenses</b>	<b>YTD Actual</b>	<b>YTD Budget</b>
Employee Costs	\$15.2m	\$16.3m
Materials and Contracts	\$12.6m	\$14.6m
Utilities	\$1.4m	\$1.7m
Depreciation	\$8.7m	\$8.6m
Loss on Asset Disposal	\$0.1m	\$0.1m
Insurance Expenses	\$0.5m	\$0.5m
Other Expenses	\$0.0m	\$0.0m
<b>Total</b>	<b>\$38.5m</b>	<b>\$41.8m</b>

Operating Expenditure for the year-to-date amounted to **\$38.5m** and is **\$3.3m** under spent.

**a) Employee Costs**

Employee Costs for the year to date amounted to **\$15.2m** against a budget of **\$16.3m**, an under spend

of **\$1.1m**. The variance is primarily due to delays in appointing several vacant positions, primarily in the areas of Urban Design, Strategic & Sustainable Development, Finance, Assets & Commissioning, Youth Centres, Infrastructure Asset Management and Operations. Some permanent savings from these vacant positions have been identified and will be redirected as part of the half year budget review. Other items also included in the YTD underspending in Employee Costs relate to staff training (\$75k), conferences (\$26k) uniforms (\$33k), contract related labour (\$75k).

**b) Materials and Contracts**

Materials and Contracts costs for the year to date amounted to **\$12.6m** compared to the budget of **\$14.6m**. The **\$2.0m** under spend was due primarily to the following: -

- Consultancy, **\$1.1m**,
- Administration costs, **\$254k**,
- Finance Related costs, **\$238k**,
- Minor Equipment purchases, **\$223k**,
- Waste Management Services, **\$112k**,
- Travel, Vehicles & Plant costs, **\$239k**

The consultancy variance is a timing difference and is due primarily to deferral of proposals.

The administration cost variance is a timing difference mainly in the areas of printing, advertising and postage costs.

The finance related costs variance is due to a timing difference between the phased budget and actual payment of merchant bank charges, a consequence of the slower than expected rate collection. In

addition some savings have been identified and will be redirected as part of the half year budget review.

The variance in Minor Equipment is a timing variance due to the purchase of minor computer, furniture and plant items.

The waste management services variance is a timing difference.

The travel, vehicles and plant cost variance is a result of the delay in receiving fleet maintenance charges.

#### c) Utilities

Utility Costs for the year to date amounted to **\$1.4m** compared to a year to date budget of **\$1.7m**. The underspend of **\$0.3m** is a timing variance.

#### d) Depreciation on Non Current Assets

Depreciation expense for the year to date amounted to **\$8.7m** and is **\$0.1m** over budget.

#### e) Loss on Asset Disposal

Loss on Asset Disposal for the year to date is **\$77k** compared to the budget of **\$140k**. The underspend is due to the deferred replacement of a tip truck and two mowers. In addition the disposal of several vehicles have been deferred due to delivery delays on the new vehicles.

#### f) Insurance Expenses

Insurance expense for the year to date amounted to **\$0.5m** and is on budget.

#### g) Other Expenses

Other expenses remains on budget.

#### Capital Expenditure

Capital Expenditure (Appendix E) includes purchases of motor vehicles, plant, other assets and acquired assets (assets gifted to the City). Total expenditure on Capital for the year to date amounted to **\$0.9m** against a budget of **\$2.6m**.

The underspend of **\$1.7m** was due to: -

- A timing variance between the phased budget and actual expenditure on IT projects **\$0.4m** which will now occur later in the year.
- Timing variance due to the deferred purchase of three tip trucks, **\$0.5m**. 2 of these vehicles are currently being fitted out and are expected to be delivered in April 2005.
- Timing variance between phasing of budget and actual purchase of several utilities, sedans and light trucks, **\$0.5m**. In addition, the budgeted replacement of a refuse truck **\$0.1m**, is expected for delivery in February 2005.
- The replacement of a mower and wicket roller, **\$0.1m**, has been deferred until next year following a revised condition assessment and by agreement with the cricket club. A timing variance has also arisen for the budgeted replacement of a front-end loader **\$0.2m**, which is expected for delivery in February/March 2005.

#### Capital Works

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

Actual expenditure year to date amounted to **\$5.8m** compared to the budget of **\$12.8m**, a variance of **7.0m**.

Of the variance, **\$4.2m** relates to normal Capital Works and **\$2.8m** relates to Capital Works classified as Corporate Projects, primarily: -

- Favourable timing variances for Sorrento Beach Development **\$0.4m** and Joondalup Works Depot **\$0.2m**, Joondalup Cultural Facility **\$0.6m** and Craigie Leisure Centre **\$1.7m**.
- Capital works projects major favourable timing variances – Ocean Reef Road extension **\$0.7m**, Joondalup Drive dualling **\$0.3m**, various asphalt and road resurfacing projects **\$0.5m**, admin building upgrades **\$0.3m**, various library building upgrades **\$0.4m**, Yellagonga drainage works **\$0.1m**, other drainage works **\$0.2m**, Iluka foreshore toilets **\$0.1m** and street parking for various schools **\$0.2m**.

At the end of the month, committed funds in relation to all capital works totalled **\$12.4m**. Of this amount: -

- **\$3.8m** relates to normal Capital Works, and
- **\$8.6m** relates to Capital Works classified as Corporate Projects.

### Rating Performance

#### **General Rates**

The statement of rating information is shown at Appendix G.

- The 2004/05 rates notices were issued on 27 August 2004.

Total general rates levied were **\$46.3m**.

#### **Specified Area Works – Iluka**

The City raised **\$62,582** from **1,194** properties (budget **\$61,471**) as Specified Area Rates – Iluka.

#### **Specified Area Works – Woodvale Waters**

The City raised **\$21,735** from **136** properties (budget **\$21,600**) as Specified Area Rates – Woodvale Waters.

#### **Refuse Charges**

At the end of January 2005, **\$6.9m** had been levied against a year to date budget of **\$6.9m** in relation to the Refuse and Recycling Program.

#### **Swimming Pool Inspection**

The 2004/05 Swimming Pool Inspection fee of \$13.75 (including \$1.25 for GST) raised revenue of **\$212,992** (budget **\$207,500**) to cover four-yearly swimming pool inspections.

#### **Emergency Services Levy**

In accordance with the Emergency Services Legislation, the City levied the annual ESL of **\$8.5m** on behalf of FESA. The City is required to

levy these funds on behalf of FESA and to remit the funds to FESA on a quarterly basis as follows:

- 30% of invoiced amount – paid 21 Sept 04
- 30% of invoiced amount – paid 21 Dec 04
- 30% of invoiced amount – due 21 Mar 05
- 10% of invoiced amount – due 21 June 05

### 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	(\$2.5m)	(\$1.5m)	\$1.0m
Transfer to Reserves	\$3.1m	\$0.6m	(\$2.5m)
Net transfers (from) to Reserves	\$0.6m	(\$0.9m)	(\$1.5m)

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 from reserves relates primarily to the earlier than anticipated transfer from reserves to recoup capital and corporate project works expenditure, partially offset by the deferrals of vehicle purchases funded from reserves.

The variance in transfers to reserves relates to the earlier than anticipated transfer of 2003/04 carried

forward works funding to reserves for the Mullaloo Foreshore & Sorrento Beach projects.

Funding from individual reserves are in accordance with the purpose of the funds and as outlined in the 2004/05 budget.

### Conclusion

On an overall basis, the City has a net under spend of **\$12.3m** when compared to the year to date budget.

The operating surplus (Change In Net Assets Before Reserve Transfers) for the year to date is **\$24.5m** compared to a budget of **\$20.9m**. The variance of **\$3.6m** is mainly due to under spends in Employee costs, Consultancy costs, Administration costs, Finance Related costs, Utilities, a favourable variance in income from rates instalment interest and charges, a reduction in early payment discounts and interest income.

Capital Expenditure is **\$1.7m** under spent due to the timing of IT related projects and heavy and light vehicle purchases.

The Capital Works program including Corporate Projects is under spent by **\$7.0m**.

Committed funds in relation to all Capital Works are **\$12.4m**. Of this amount, **\$8.6m** relates to Capital Works classified as Corporate Projects.



# Operating Statement by Nature

CITY OF JOONDALUP

Period: Jan-05

	<i>Adopted Budget</i>	<i>YTD Budget</i>	<i>YTD Actual</i>	<i>Variance</i>
	\$	\$	\$	\$
<b>Revenue</b>				
Rates	45,800,267	45,650,267	45,748,120	97,853
Rates - Specified Area	83,071	83,071	84,357	1,286
Government Grants & Subsidies	7,235,994	4,118,337	4,040,993	(77,344)
Contributions, Reimbursements and Donations	8,589,070	515,212	425,489	(89,723)
Profit on Asset Disposal	68,123	54,798	9,297	(45,501)
Fees & Charges	13,010,621	10,739,463	10,853,075	113,612
Interest Earnings	2,414,000	1,511,347	1,781,285	269,938
Other Revenue	106,000	66,169	81,213	15,044
<b>Total Operating Revenues</b>	<u>77,307,146</u>	<u>62,738,664</u>	<u>63,023,829</u>	<u>285,165</u>
<b>Expenditure</b>				
Employee Costs	28,230,363	16,290,651	15,236,387	1,054,264
Materials & Contracts	25,159,234	14,562,611	12,558,953	2,003,658
Utilities (Gas, Electricity, Water etc)	2,995,576	1,686,788	1,399,466	287,322
Depreciation on Non Current Assets	14,868,476	8,622,306	8,673,198	(50,892)
Loss on Asset Disposal	313,779	140,290	77,020	63,270
Insurance Expenses	922,540	485,923	521,736	(35,813)
Other Expenses	44,000	44,000	34,517	9,483
<b>Total Operating Expenses</b>	<u>72,533,968</u>	<u>41,832,569</u>	<u>38,501,277</u>	<u>3,331,292</u>
<b>Change in Net Assets Before Reserve Transfers</b>	<u>4,773,178</u>	<u>20,906,095</u>	<u>24,522,552</u>	<u>3,616,457</u>
Transfer from Reserves	25,118,606	1,463,800	2,471,735	1,007,935
Transfer to Reserves	13,374,381	590,282	3,074,938	(2,484,656)
<b>Net Transfer from/(to) Reserves</b>	<u>11,744,225</u>	<u>873,518</u>	<u>(603,203)</u>	<u>(1,476,721)</u>
<b>Change in Net Assets After Reserve Transfers</b>	<u>16,517,403</u>	<u>21,779,613</u>	<u>23,919,349</u>	<u>2,139,736</u>



# Operating Statement by Programme

CITY OF JOONDALUP

Period: Jan-05

	<i>Adopted Budget</i>	<i>YTD Budget</i>	<i>YTD Actual</i>	<i>Variance</i>
	\$	\$	\$	\$
<b>Revenue</b>				
General Purpose Funding	55,723,451	49,528,419	50,182,415	653,996
Governance	0	0	228	228
Law, Order and Public Safety	554,372	340,598	340,915	316
Health	263,010	201,624	232,327	30,703
Education and Welfare	273,529	186,782	207,210	20,428
Community Amenities	8,015,928	7,693,650	7,761,888	68,238
Recreation and Culture	2,993,086	1,639,744	1,480,482	(159,262)
Transport	7,924,550	2,145,487	1,909,412	(236,075)
Economic Services	1,183,221	762,667	743,786	(18,881)
Other Property and Services	375,999	239,693	165,166	(74,527)
<b>Total Operating Revenue</b>	<u>77,307,146</u>	<u>62,738,664</u>	<u>63,023,829</u>	<u>285,165</u>
<b>Expenses</b>				
General Purpose Funding	1,148,628	621,808	374,124	247,684
Governance	8,022,118	4,475,886	3,977,367	498,519
Law, Order and Public Safety	3,338,611	1,895,921	1,706,226	189,695
Health	1,467,220	831,533	828,703	2,829
Education and Welfare	1,556,110	951,083	774,968	176,115
Community Amenities	9,621,952	5,642,486	5,170,588	471,899
Recreation and Culture	23,390,425	13,533,380	13,074,562	458,818
Transport	17,576,900	10,365,830	9,348,159	1,017,671
Economic Services	1,393,579	825,121	727,844	97,277
Other Property and Services	5,018,425	2,689,522	2,518,737	170,785
<b>Total Operating Expenses</b>	<u>72,533,968</u>	<u>41,832,569</u>	<u>38,501,277</u>	<u>3,331,292</u>
<b>Change In Net Assets Resulting from Operations</b>	<u>4,773,178</u>	<u>20,906,095</u>	<u>24,522,552</u>	<u>3,616,457</u>
<b>Transfer From Reserves</b>	25,118,606	1,463,800	2,471,735	1,007,935
<b>Transfer To Reserves</b>	<u>13,374,381</u>	<u>590,282</u>	<u>3,074,938</u>	<u>(2,484,656)</u>
	11,744,225	873,518	(603,203)	(1,476,721)
<b>Change In Net Assets Resulting from Operations</b>	<u>16,517,403</u>	<u>21,779,613</u>	<u>23,919,349</u>	<u>2,139,736</u>



# Statement of Financial Position

CITY OF JOONDALUP

Period: Jan-05

	<i>YTD Actual June 2004</i>	<i>YTD Actual</i>	<i>Movement</i>
	\$	\$	\$
<b>CURRENT ASSETS</b>			
Cash	528,637	1,415,430	886,793
Inventories	226	54	(172)
Receivables	2,487,402	9,587,335	7,099,933
Investments	36,143,108	55,918,547	19,775,439
<b>TOTAL CURRENT ASSETS</b>	<b>39,159,373</b>	<b>66,921,366</b>	<b>27,761,993</b>
<b>CURRENT LIABILITIES</b>			
Creditors	(5,356,747)	(5,794,908)	(438,161)
Provisions	(4,665,997)	(4,584,660)	81,337
Other	(5,558)	(562,489)	(556,931)
<b>TOTAL CURRENT LIABILITIES</b>	<b>(10,028,302)</b>	<b>(10,942,057)</b>	<b>(913,755)</b>
<b>NET CURRENT ASSETS</b>	<b>29,131,071</b>	<b>55,979,309</b>	<b>26,848,238</b>
<b>NON CURRENT ASSETS</b>			
Receivables	1,355,195	1,355,195	0
Property, Plant & Equipment	493,509,302	491,187,184	(2,322,118)
<b>TOTAL NON CURRENT ASSETS</b>	<b>494,864,497</b>	<b>492,542,379</b>	<b>(2,322,118)</b>
<b>Provisions</b>	<b>(708,067)</b>	<b>(708,067)</b>	<b>0</b>
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>(708,067)</b>	<b>(708,067)</b>	<b>0</b>
<b>NET NON CURRENT ASSETS</b>	<b>494,156,430</b>	<b>491,834,312</b>	<b>(2,322,118)</b>
<b>NET ASSETS</b>	<b>523,287,501</b>	<b>547,813,621</b>	<b>24,526,120</b>
<b>EQUITY</b>			
Accumulated Surplus - Prior Years	(500,843,187)	(500,255,711)	587,476
Accumulated Surplus - This Year	587,476	(23,919,347)	(24,506,823)
Reserves	(23,031,790)	(23,638,563)	(606,773)
<b>TOTAL EQUITY</b>	<b>(523,287,501)</b>	<b>(547,813,621)</b>	<b>(24,526,120)</b>



CITY OF JOONDALUP

Period: Jan-05

	<i>Actual June-04</i>	<i>Annual Budget</i>	<i>YTD Actual</i>
	\$	\$	\$
<b><u>Cash Flows from Operating Activities</u></b>			
<b>Receipts:</b>			
Rates	43,188,034	46,371,207	41,602,415
Prescribed Area Rate	148,273	76,638	103,472
Government Grants & Subsidies	6,552,047	7,172,176	4,226,874
Contributions, Reimbursements and Donations	3,459,395	4,839,070	425,489
Fees & Charges	11,751,037	12,185,741	10,792,066
Interest Earnings	2,390,622	2,414,000	1,781,285
Revenue from Other Councils	123,497	106,000	81,213
<b>Total Receipts</b>	<b>67,612,905</b>	<b>73,164,832</b>	<b>59,012,814</b>
<b>Payments:</b>			
Employee Costs	26,822,011	27,992,748	14,372,575
Materials & Contracts	21,097,857	24,051,398	15,243,660
Utilities (Gas, Electricity, Water etc)	2,830,133	2,995,576	1,399,466
Interest Expenses	0	93,000	0
Insurance Expenses	909,599	922,540	910,951
Other Expenses	21,086	44,000	34,517
<b>Total Payments</b>	<b>51,680,686</b>	<b>56,099,262</b>	<b>31,961,169</b>
<b>Net Cash Provided by Operating Activities</b>	<b>15,932,219</b>	<b>17,065,570</b>	<b>27,051,646</b>
<b><u>Cash Flow from Investing Activities</u></b>			
<b>Receipts:</b>			
Proceeds from Asset Sales	743,580	1,354,200	282,152
Bonds Received	0	0	324,828
<b>Total Receipts</b>	<b>743,580</b>	<b>1,354,200</b>	<b>606,979</b>
<b>Payments:</b>			
Bonds Repaid	0	0	295,437
Purchase of Land	0	3,390,000	0
Purchase of Artworks	23,613	50,000	39,500
Purchase of Furniture & Equipment	475,257	839,687	204,600
Purchase of Vehicles & Plant	1,241,785	3,811,000	654,395
Construction of Infrastructure Assets	10,082,508	29,915,922	5,802,462
<b>Total Payments</b>	<b>11,823,163</b>	<b>38,006,609</b>	<b>6,996,393</b>
<b>Net Cash From Investing Activities</b>	<b>(11,079,583)</b>	<b>(36,652,409)</b>	<b>(6,389,414)</b>
<b><u>Cash Flow from Financing Activities</u></b>			
Proceeds from Borrowings	0	3,000,000	0
Repayment of Borrowings	0	(75,000)	0
<b>Net Cash from Investing Activities</b>	<b>0</b>	<b>2,925,000</b>	<b>0</b>
<b>Net Increase/Decrease in Cash Held</b>	<b>4,852,636</b>	<b>(16,661,839)</b>	<b>20,662,232</b>
<b>Cash at the Beginning of the Financial Period</b>	<b>31,819,109</b>	<b>36,671,745</b>	<b>36,671,745</b>
<b>Cash at the End of the Financial Period</b>	<b>36,671,745</b>	<b>20,009,906</b>	<b>57,333,977</b>

# Capital Expenditure Summary

CITY OF JOONDALUP

Period: Jan-05

	<i>Adopted Budget</i>	<i>Revised Budget</i>	<i>YTD Budget</i>	<i>YTD Spend Actual</i>	<i>Variance</i>	Notes:
	\$	\$	\$	\$	\$	
<b>Capital Expenditure</b>						
Computer & Computer Equipment	797,687	797,687	545,747	166,900	378,847	(1)
Furniture & Office Equipment	42,000	42,000	42,000	37,700	4,300	
Heavy Vehicles	675,000	675,000	480,000	0	480,000	(2)
Light Vehicles	1,935,000	1,935,000	1,055,000	545,976	509,024	(3)
Mobile Plant	1,201,000	1,201,000	431,000	89,764	341,236	(4)
Plant & Equipment	0	0	0	18,655	(18,655)	
Artefacts & Artworks	50,000	50,000	50,000	39,500	10,500	
Parks & Reserves Infrastructure	105,000	105,000	0	0	0	(5)
Roads Infrastructure	2,450,000	2,450,000	0	0	0	
Footpaths Infrastructure	235,000	235,000	0	0	0	
Drainage Infrastructure	785,000	785,000	0	0	0	
Car Parking Infrastructure	0	0	0	0	0	
Other Engineering Infrastructure	175,000	175,000	0	0	0	
<b>Capital Expenditure Total</b>	<b>8,450,687</b>	<b>8,450,687</b>	<b>2,603,747</b>	<b>898,494</b>	<b>1,705,253</b>	

(1) Timing variance for PC replacements, Oracle enhancements and network infrastructure upgrades due later in the year.

(2) Timing variance due to the deferral in purchase of three tip trucks, two of which are now expected in April 2005.

(3) Timing variance between phasing of budget and actual purchase of several utilities and sedans, plus budgeted replacement of a refuse truck due in February 2005.

(4) The replacement of a mower and wicket roller, \$0.85m, has been deferred until next year due to a better than expected condition and with agreement of the cricket club.

Timing variance for the budgeted replacement of a front end loader, \$200k, due for delivery in Feb/Mar.

(5) This expenditure relates to Acquired Infrastructure Assets to be received from developers. These assets will be capitalised in June 2005.



## Capital Works Summary

CITY OF JOONDALUP

Period: Jan-05

	<i>Adopted Budget</i>	<i>Revised Budget</i>	<i>YTD Budget</i>	<i>YTD Spend Actual</i>	<i>Variance</i>	<i>Note</i>
	\$	\$	\$	\$	\$	
<b>Capital Works</b>						
C101 Major Building Works - Municipal Fund	12,477,436	12,477,436	4,488,239	1,307,768	3,180,471	1
C102 Major Building Works - Reserve Fund	5,352,000	5,352,000	250,000	47,104	202,896	1
C201 Roadworks - Municipal Fund	1,995,088	1,995,088	881,672	10,638	871,035	
C203 Roadworks - MRRP	1,446,304	1,446,304	333,844	44,720	289,124	
C301 Resurfacing - Municipal Fund	477,048	477,048	212,020	355,110	(143,090)	
C303 Resurfacing - FLRG	1,785,330	1,785,330	988,303	838,873	149,430	
C304 Resurfacing - MRRP	63,806	63,806	63,806	66,335	(2,529)	
C305 Resurfacing - MRDG	265,083	265,083	117,812	0	117,812	
C306 Resurfacing - Roads to Recovery	746,302	746,302	331,688	4,193	327,495	
C401 Traffic Management - Municipal Fund	1,480,384	1,480,384	931,947	502,314	429,633	
C404 Traffic Management - Black Spot	389,334	389,334	149,607	156,818	(7,211)	
C407 Traffic Management - Reserve	361,655	361,655	177,000	118,300	58,700	
C501 Shared Paths/Bicycle Facilities	353,240	353,240	185,294	122,288	63,006	
C502 Dual Use Paths - Reserve Fund	10,000	10,000	0	0	0	
C511 Footpaths - Construction	85,090	85,090	64,625	1,147	63,478	
C512 Footpaths - Replacement	276,600	276,600	239,100	94,843	144,257	
C521 Pedestrian Underpasses & Bridges	43,540	43,540	19,348	0	19,348	
C531 Parking Facilities - Municipal Fund	175,990	175,990	107,352	49,328	58,024	
C541 Drainage - Municipal Fund	774,020	774,020	418,853	199,887	218,966	
C542 Drainage - Reserve Fund	130,288	130,288	130,288	49,458	80,830	
C551 Street Lighting - Municipal Fund	290,895	290,895	151,793	28,084	123,709	
C601 Foreshore Protection/Restoration	3,027,131	3,027,131	1,872,994	1,393,291	479,703	2
C611 Sporting Facilities	153,500	153,500	116,500	48,044	68,456	
C621 Playground Equipment	300,116	300,116	158,736	27,710	131,026	
C631 Fencing Works	55,000	55,000	40,000	18,823	21,177	
C641 Streetscape Works	124,764	124,764	94,764	62,369	32,395	
C651 Miscellaneous Works	157,400	157,400	55,025	22,028	32,997	
C661 Dry Park Development/Upgrade	324,578	324,578	184,420	162,994	21,426	
C671 Retic Park Development/Upgrade	184,000	184,000	54,540	69,995	(15,455)	
<b>Capital Works Total</b>	<b>33,305,922</b>	<b>33,305,922</b>	<b>12,819,570</b>	<b>5,802,461</b>	<b>7,017,109</b>	

## Notes:

Of the \$7.0m variance, \$2.8m relates to Corporate Projects.

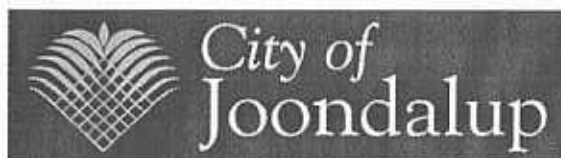
The variance in Corporate Projects includes:

YTD underspends in the Sorrento Beach Development (\$0.4m) and Joondalup Works Depot (\$0.2m), Joondalup Cultural Facility (\$0.6m) and Craigie Leisure Centre (\$1.7m)

Committed funds in relation to all Capital Works is \$12.4m. Of this, \$8.6m relates to Corporate Projects.

1) Includes the following Corporate Projects: Craigie Leisure Centre; Currambine Community Centre; Joondalup Regional Cultural Facility; Joondalup Works Depot.

2) Includes the following Corporate Projects: Ocean Reef Boat Harbour Development; Sorrento Beach and Mullaloo Beach redevelopments.



# Statement of Rating Information

CITY OF JOONDALUP

Period: Jan-05

GENERAL RATES				
	Rateable Value	No of Properties	Rate in \$	Rate Yield
<b>General Rate - GRV</b>	\$	-		\$
Residential	476,797,196	47,063	7.0207	33,474,503
Commercial Improved	108,541,235	887	7.0207	7,620,355
Commercial Not Improved	431,250	23	7.0207	30,277
Industrial	8,516,494	350	7.0207	597,917
<b>Sub Total GRV</b>	594,286,175	48,323		41,723,052
<b>General Rate - UV</b>				
Residential	2,248,000	8	0.5488	12,337
Rural	28,693,194	4	0.5488	157,468
<b>Total UV</b>	30,941,194	12		169,805
<b>TOTAL - RATES LEVIED</b>				41,892,858
Interim Rates & Adjustments				75,147
Discounts Allowed (Early Payment)				
<b>TOTAL - RATES LEVIED</b>				41,968,005
<b>OTHER CHARGES</b>				
Interest on Outstanding Rates				
Instalment Administration Charge				
<b>TOTAL - RATES LEVIED AND CHARGES</b>				

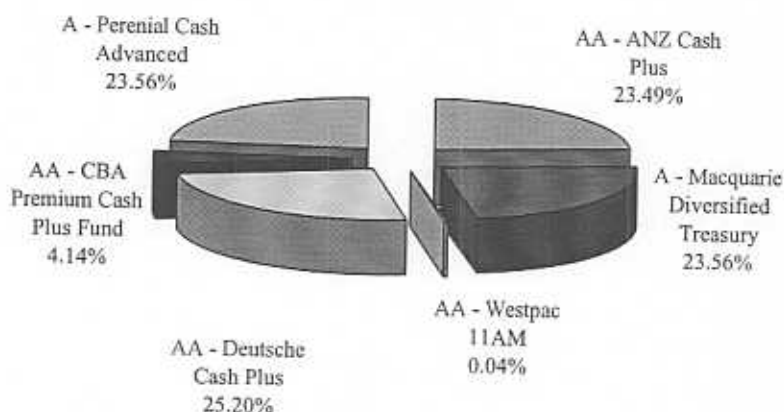
MINIMUM PAYMENTS				
Rateable Value	No of Properties	Minimum Payment	Rate Yield	TOTAL
\$		\$	\$	\$
56,968,331	9,052	482	4,363,064	37,837,567
394,900	71	482	34,222	7,654,577
36,000	6	482	2,892	33,169
90,238	15	482	7,230	605,147
57,489,469	9,144		4,407,408	46,130,460
				12,337
				157,468
				169,805
			4,407,408	46,300,266
			(8,078)	67,069
				(619,215)
			4,399,330	45,748,120
				263,338
				371,721
				46,383,179

SPECIFIED AREA RATES	Budget \$	Actual \$
Specified Area Iluka	61,471	62,582
Specified Area Harbour Rise, Hillarys	-	40
Specified Area Woodvale Waters	21,600	21,735
<b>Total</b>	<b>83,071</b>	<b>84,357</b>

Key Rating Dates	
Rates Issue Date	27-Aug-04
Discount cutoff	24-Sep-04
First / final payment	01-Oct-04
Instalment 2	03-Dec-04
Instalment 3	04-Feb-05
Instalment 4	08-Apr-05



## City of Joondalup - Investment Balances



Investment Account	Funds Held
AA - ANZ Cash Plus	\$ 13,133,433
A - Macquarie Diversified Treasury	13,177,081
AA - Westpac 11AM	24,158
AA - Deutsche Cash Plus	14,091,644
AA - CBA Premium Cash Plus Fund	2,316,509
A - Perennial Cash Advanced	13,175,722
<b>Total Funds held in AA + A Investments</b>	<b>55,918,547</b>

<b>Total</b>	<b>55,918,547</b>
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Amount included in total funds invested that relate to reserves: \$ 23,634,994

### Other Comments

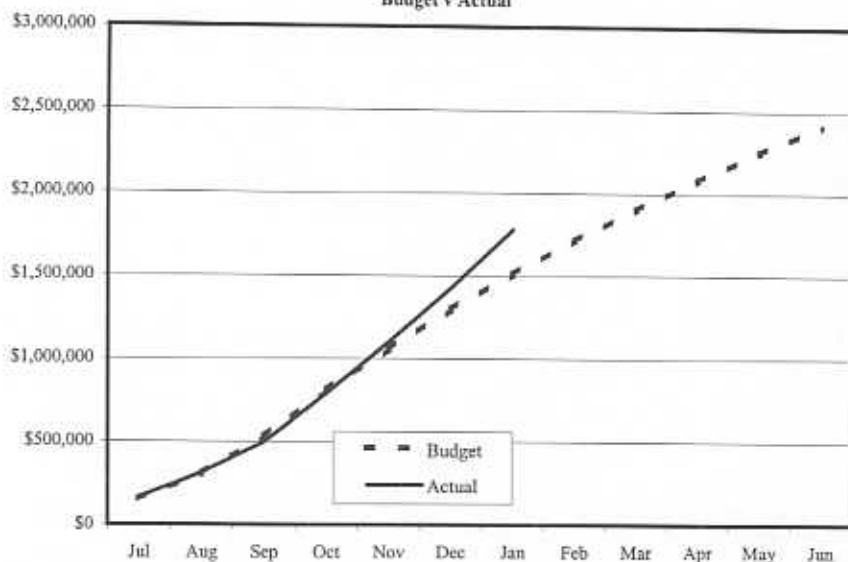
Investments are in accordance with Council Policy. Maximum investment with any one institution :

'A' not to exceed 40%

'AA' not to exceed 50%

No breach of Council Policy 2.4.2 has occurred during the month.

Interest on Investments 2004/05  
Budget v Actual



### Return on Investments

Year to Date Interest:	Budget	Actual
	\$1.5m	\$1.8m

Average return for the portfolio:	5.92%
Benchmark return:	5.50%

The Benchmark is the UBSWA Bank Bill Index (a 90 day index of bank bill returns)



Reserve Account	Actual Opening Balance as at 1 July 2004	Note	Transfers (From) Reserves	Transfers To Reserves	Reserve Balances at the end of the period	Reserve Balances Budgeted as at 30 June 2005
	\$		\$	\$	\$	\$
Asset Replacement Reserve	7,233,985	1	(38,329)		7,195,656	4,881,986
Cash in Lieu of Parking Reserve	357,380				357,380	357,381
Cash in Lieu of Public Open Space Reserve	1,066,540				1,066,540	1,066,539
Community Facilities Reserve	344,000				344,000	229,000
Domestic Cart - Refuse Collection Reserve	1,272,228				1,272,228	1,385,190
Heavy Vehicle Replacement Reserve	843,935	2		70,544	914,479	536,057
Hodges Drive Drainage Reserve	196,309				196,309	196,309
Joondalup City Centre Public Parking Reserve	229,122			8,100	237,222	229,122
Joondalup Normalisation Agreement Reserve	0				0	0
Leisure Centres Capital Replacement Reserve	7,416,195	3	(800,173)		6,616,022	212,898
Library Literacy Program Reserve	7,604			3,737	11,341	7,605
Light Vehicle Replacement Reserve	468,386	2	(250,953)	265,570	483,003	26,195
Mullaloo Beach Foreshore Enhancement Reserve	0	4	(267,748)	267,748	0	0
Ocean Reef Boat Facility Reserve	55,991				55,991	55,991
Joondalup Cultural Facility Reserve	1,688,971				1,688,971	265
Plant Replacement Reserve	991,583	2	(43,241)	211,375	1,159,717	353,768
Rate Revaluation Reserve	65,000				65,000	130,000
Section 20A Land Reserve	31,792				31,792	31,792
Specified Area Rating - Harbour Rise Reserve	57,833	5	(57,833)		0	11,514
Specified Area Rating - Iluka Reserve	131,578	5	(131,578)		0	0
Sorrento Beach Foreshore Enhancement Reserve	0	6	(830,163)	2,247,864	1,417,701	0
Strategic Asset Management Reserve	0				0	1,192,594
Town Planning Scheme No. 10 (Revoked) Reserve	560,859	7	(51,717)		509,142	370,858
Wanneroo Bicentennial Trust Reserve	12,500				12,500	12,500
<b>Total</b>	<b>23,031,791</b>		<b>(2,471,735)</b>	<b>3,074,938</b>	<b>23,634,994</b>	<b>11,287,564</b>

- 1) Transfers from Reserves represents actual YTD expenditure incurred on the preliminary Depot related matters.
- 2) Transfer to Reserves represents the provision for future replacements and the recoup of actual replacements for vehicles and plant.
- 3) Transfer of funds from Reserves to Municipal Fund for actual YTD expenditure incurred on the Craigie Leisure Centre refurbishment.
- 4) Transfer of funds to Reserves from Municipal Fund represents 03/04 cfw balances. Transfers from Reserves for expenditure incurred for Mullaloo Beach Development. This includes improvements in playground equipment, seating, dual use paths, beach access pathways, carparking areas and the Surf Club building.
- 5) Transfer of funds from Reserves for actual YTD expenditure incurred on maintenance at Harbour Rise and Iluka Specified Areas.
- 6) Transfer of funds to Reserves from Municipal Fund represents 03/04 cfw balances. Transfers from Reserves for expenditure incurred for Sorrento Beach Development.
- 7) Transfers from Reserves represents actual YTD expenditure incurred on numerous projects approved in the budget in the TPS10 area of Kingsley.

