



*City of*  
Joondalup

*Financial Report For  
The Period Ending  
30 June 2005*

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### Introduction

This report covers the financial performance of the City of Joondalup for the year to date period ending 30 June 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 and completed its half-year review in January 2005. A revised budget was developed based on actual results as at 30 November 2004 and adopted by Council at its meeting of 15<sup>th</sup> March 2005. Financial reports for February 2005 onwards refer to the revised budget.

<b>Year-to-date Financial Overview</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>YTD Variance</b>
Operating (surplus)	(\$2.8m)	(\$6.2m)	(\$3.4m)
Capital Expenditure	\$3.7m	\$8.4m	\$4.7m
Capital Works	\$16.0m	\$34.1m	\$18.1m
<b>Total</b>	<b>\$16.9m</b>	<b>\$36.3m</b>	<b>\$19.4m</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 **\$2.8m**, against a budget of **\$6.2m**.

- Total **Operating Revenues** for the year is **\$72.2m** against a budget of **\$79.2m**, an unfavourable variance **\$7.0m**.
- Total **Operating Expenses** for the year is **\$69.3m** against a budget of **\$72.9m**, an under spend of **\$3.6m**

**Capital Expenditure** (Appendix **E**) for the year is **\$3.7m** against a budget of **\$8.4m**, an under spend of **\$4.7m**.

**Capital Works** (Appendix **F**) for the year is **\$16.0m** against a budget of **\$34.1m**, an under spend of **\$18.1m**.

Forward purchase orders of **\$8.0m** have been placed for all capital works including Council Projects.

### Operating Revenues

The year-to-date income is as follows:

<b>Revenue</b>	<b>YTD Actual</b>	<b>YTD Budget</b>
Rates	\$45.8m	\$46.0m
Rates – Specified Area	\$0.1m	\$0.1m
Government Grants	\$7.3m	\$8.8m
Contributions, Reimbursements and Donations	\$2.4m	\$8.6m
Profit on Asset Disposal	\$0.2m	\$0.1m
Fees & Charges	\$13.2m	\$13.0m
Interest Earnings	\$3.0m	\$2.5m
Other Income	\$0.2m	\$0.1m
<b>Total Revenue</b>	<b>\$72.2m</b>	<b>\$79.2m</b>

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

Revenue from rates and charges for the year to date amounted to **\$45.8m**. The unfavourable variance of **\$0.2m** relates to interim rates.

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 **\$7.3m** against a budget of **\$8.8m**, an unfavourable variance of **\$1.5m**. The variance is primarily due to budgeted grants for the Ocean Reef Boat Harbour Geo-thermal Bore, **\$0.7m**, and for the Craigie Leisure Centre, **\$0.5m**, being deferred to 2005/06.

**d) Contributions, Reimbursements & Donations**

Contributions, Reimbursements & Donations for the year to date are **\$2.4m** against a budget of **\$8.6m**. The unfavourable variance of **\$6.2m** is mainly due to a timing variance of **\$2.8m** for the Joondalup Normalisation Agreement, acquired infrastructure assets being **\$2.1m** lower than budgeted, and a contribution from Beaumaris Land Sales for works to Ocean Read Road, **\$1.1m**. Both the Normalisation Agreement and Beaumaris contribution have been carried forward to the 2005/06 year.

**e) Profit on Asset Disposal**

Profit on Asset disposal for the year to date is **\$0.2m** against a budget of **\$0.1m**, the variance

is due to higher than expected profit on the sale of heavy vehicles and plant.

**f) Fees and Charges**

Fees and Charges for the year to date amounted to **\$13.2m**, a favourable variance of **\$0.2m**. This is due to unbudgeted income for Cash in Lieu of Public Open Spaces **\$0.1m**, higher than expected membership numbers with the Craigie Leisure Centre, **\$0.1m**, and greater than budgeted development applications, **\$0.1m**. These were partially offset by unfavourable variances in building licenses and term programme activities.

**g) Interest Earnings**

Interest income is **\$3.0m** for the year to date against a budget of **\$2.5m**. This favourable variance is due to a higher than expected interest rate and delays in major capital works projects, leaving the City with more money to invest. Details of the City's investments are shown at Appendix [H](#).

**h) Other Income**

Other income has a favourable variance of **\$48k** from the library service agreement with Wanneroo, resulting from a revision of the fees charged and Wanneroo opening another library.

**Operating Expenses**

Operating expenses were as follows:

<b>Operating Expenses</b>	<b>YTD Actual</b>	<b>YTD Budget</b>
Employee Costs	\$27.2m	\$28.1m
Materials and Contracts	\$23.4m	\$25.7m
Utilities	\$2.8m	\$3.0m
Depreciation	\$14.9m	\$14.9m
Loss on Asset Disposal	\$0.1m	\$0.3m
Insurance Expenses	\$0.9m	\$0.9m
Other Expenses	\$0.0m	\$0.0m
<b>Total</b>	<b>\$69.3m</b>	<b>\$72.9m</b>

**a) Employee Costs**

Employee Costs for the year to date amounted to **\$27.2m** against a budget of **\$28.1m**, an under spend of **\$0.9m**. The variance is mainly 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 were redirected as part of the half-year budget review. Surplus salaries of \$100k in Audit and Executive Services were identified in the half-year budget but left unadjusted to allow the new CEO flexibility in restructuring his immediate support staff. Other items also included in the YTD underspending in Employee Costs relate to staff training, **\$115k**,

conference expenses, **\$59k**, and uniforms **\$29k**.

#### **b) Materials and Contracts**

Materials and Contracts costs for the year to date amounted to **\$23.4m** compared to the budget of **\$25.7m**. The **\$2.3m** under spend is due primarily to the following: -

- Consultancy and IT Consulting, **\$1,668k**,
- Contributions, **\$382k**,
- Administration costs, **\$379k**,
- Professional Fees, **\$273k**,
- Public Relations, **\$217k**,
- Minor Equipment purchases, **\$102k**.

This is partially offset by: -

- Materials, (**\$943k**).

The consultancy variance is due primarily to the Ocean Reef Development project, **\$781k** (both the income and expenditure have been rebudgeted in 2005/06), other projects were underspent in 2004/05 by **\$795k**, of which **\$561k** will be carried forward to next year.

The underspend in contributions and donations is primarily due to contributions and sponsorships. The underspend in contributions is primarily related to the Iluka SAR, **\$83k**, which has been transferred to reserve at year end, the delay in establishing the CAT bus, **\$25k**, and the cricket wickets for McDonald Park, **\$21k**. Sponsorships are also underspent, with a permanent difference of **\$60k** for the Sports Development Program.

The administration cost variance is mainly in the areas of advertising and printing. Advertising for the re-opening of Craigie Leisure Centre was unspent, **\$37k**. The contract for the Business and Community Directory had not been completed at year end and as a result the city will not make its contribution of **\$40k** until 2005/06. The lifestyle guide for the leisure centres was reduced from 4 print runs to 2, **\$37k**, while position vacancies in Community Development prevented several printing projects being undertaken, **\$30k**. Efforts to encourage the public to review the annual report online or take a CD copy resulted in a reduction in the number of Annual Reports printed, saving **\$10k**.

The variance in professional fees is due primarily to an underspend on legal expenses, primarily relating to the Panel Inquiry, **\$290k**, **\$259k** of which is being carried forward into 2005/06.

The variance in minor equipment is due to delays in purchasing of minor equipment such as furniture and plant items, and is being carried forward into 2005/06.

The overspend in materials is a result of using more contract labour as a significant number of positions have been unable to be filled during the year. There is a corresponding underspend in labour costs.

#### **c) Utilities**

Utility Costs for the year to date amounted to **\$2.8m** compared to a year to date budget of **\$3.0m**. The under spend of **\$0.2m** relates primarily to Parks Maintenance, and is the result of a variance of electricity usage during the year.

#### **d) Depreciation on Non Current Assets**

Depreciation expense for the year to date amounted to **\$14.9m** and is on budget.

#### **e) Loss on Asset Disposal**

Loss on Asset Disposal for the year to date is **\$136k** compared to the budget of **\$314k**. The favourable variance is mainly due to the disposal of mobile plant being carried forward to next year, and also the carry forward of some heavy vehicle disposals.

#### **f) Insurance Expenses**

Insurance expense for the year to date amounted to **\$0.9m** and is on budget.

#### **g) Other Expenses**

Other expenses finished 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 **\$3.7m** against a budget of **\$8.5m**.

The underspend of **\$4.7m** was due to: -

- A variance between the budgeted and actual value of acquired infrastructure assets, **\$2.1m**.
- A variance between the budget and actual expenditure on IT projects of **\$0.5m**, of which **\$0.2m** is being carried forward while **\$0.3m** is a permanent underspend in capital items.
- The deferred purchase of heavy vehicles, **\$0.4m**. These vehicles will be purchased in the first quarter of the 2005/06 year.
- The deferred purchase of light vehicles, **\$1.1m**. **\$0.8m** has been carried forward into the 2005/06 year.
- The replacement of a mower and wicket roller, **\$0.7m**, has been deferred until next year following a revised condition assessment and by agreement with the cricket club.

#### **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 **\$16.0m** compared to the budget of **\$34.1m**, a variance of **\$18.1m**.

Of the variance, **\$6.9m** relates to normal Capital Works and **\$11.2m** relates to Capital Works classified as Council Projects, primarily:-

- Favourable variances for Sorrento Beach Development **\$0.8m** and Joondalup Works Depot **\$5.3m**, Joondalup Cultural Facility **\$1.2m** and Craigie Leisure Centre **\$3.7m**. These projects have been rebudgeted in 2005/06.
- Capital works projects major favourable variances – Ocean Reef Road extension **\$1.5m**, various asphalt and road resurfacing projects **\$0.6m**, various library building upgrades **\$0.5m**, admin building upgrades **\$0.4m**, Yellagonga drainage works **\$0.2m**, other drainage works **\$0.1m** and street parking for various schools **\$0.2m**. **\$6.6m** has been carried forward into the 2005/06 year.

At the end of the month, committed funds in relation to all capital works totalled **\$8.0m**. Of this amount: -

- **\$4.1m** relates to normal Capital Works, and
- **\$3.9m** relates to Capital Works classified as Council 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 **\$46.5m**.

#### **Specified Area Rates – Iluka**

The City raised **\$63,583** from **1,194** properties (budget **\$61,471**) as Specified Area Rates – Iluka.

#### **Specified Area Rates – Woodvale Waters**

The City raised **\$21,786** from **136** properties (budget **\$21,600**) as Specified Area Rates - Woodvale Waters.

#### **Refuse Charges**

At the end of March 2005, **\$7.0m** 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 **\$212,908** (budget **\$213,100**) 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 – paid 21 Mar 05
- 10% of invoiced amount – paid 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.

	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>YTD Variance</b>
Transfers (from) Reserves	(\$9.0m)	(\$25.3m)	\$16.3m
Transfer to Reserves	\$8.1m	\$13.6m	(\$5.5m)
Net transfers (from) to Reserves	(\$0.9m)	(\$11.7m)	\$10.8m

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 delays in expenditure on the Joondalup Depot, Craigie Leisure Centre, Cultural Facility and Sorrento Beach projects.

The variance in transfers **to** reserves relates to unreceived funds budgeted to be transferred to the Joondalup Normalisation Agreement Reserve, and then transferred to the Asset Management Reserve, for a total transfer of **\$5.6m**.

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 **\$19.4m** when compared to the end of year budget. After reserve transfers the net useable municipal surplus was **\$8.3m**, of which **\$6.3m** was carried forward works and **\$1.9m** was surplus carried forward.

The operating surplus (Change In Net Assets Before Reserve Transfers) for the year to date is **\$2.8m** compared to a budget of **\$6.2m**. The unfavourable variance of **\$3.4m** is mainly due to reduced revenue from government grants now to be received in 2005/06 and contributions, reimbursements and donations which was down on budget due to delays in finalisation of funds to be received from Landcorp associated with the Joondalup Normalisation Agreement and acquired infrastructure assets estimates being lower than budgeted (non-cash revenue item). This was partially offset by under spends in employee costs, consultancy costs, administration costs and utilities.

Capital Expenditure is **\$4.7m** under spent due to the timing of IT related projects and heavy and light vehicle purchases.

The Capital Works program including Council Projects is under spent by **\$18.1m**.

Committed funds in relation to all Capital Works are **\$8.0m**. Of this amount, **\$3.9m** relates to Capital Works classified as Council Projects.

## Operating Statement by Nature

CITY OF JOONDALUP

Period: June-05

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	<i>Adopted Budget</i>	<i>Revised Budget</i>	<i>YTD Budget</i>	<i>YTD Actual</i>	<i>Variance</i>
	\$	\$	\$	\$	\$
<b>Revenue</b>					
Rates	45,800,267	45,980,267	45,980,267	45,848,540	(131,727)
Rates - Specified Area	83,071	83,071	83,071	85,409	2,338
Government Grants & Subsidies	7,235,994	8,784,838	8,784,838	7,317,930	(1,466,908)
Contributions, Reimbursements and Donations	8,589,070	8,586,032	8,586,032	2,418,508	(6,167,524)
Profit on Asset Disposal	68,123	68,123	68,123	167,839	99,716
Fees & Charges	13,010,621	13,016,445	13,016,445	13,175,879	159,434
Interest Earnings	2,414,000	2,474,000	2,474,000	2,978,516	504,516
Other Revenue	106,000	111,000	111,000	159,438	48,438
<b>Total Operating Revenues</b>	<u>77,307,146</u>	<u>79,103,776</u>	<u>79,103,776</u>	<u>72,152,059</u>	<u>(6,951,717)</u>
<b>Expenditure</b>					
Employee Costs	28,230,363	28,070,586	28,070,586	27,212,259	858,327
Materials & Contracts	25,159,234	25,638,212	25,638,212	23,305,089	2,333,123
Utilities (Gas, Electricity, Water etc)	2,995,576	2,995,576	2,995,576	2,815,963	179,613
Depreciation on Non Current Assets	14,868,476	14,868,476	14,868,476	14,891,643	(23,167)
Loss on Asset Disposal	313,779	313,779	313,779	136,311	177,468
Insurance Expenses	922,540	922,540	922,540	909,534	13,006
Other Expenses	44,000	44,000	44,000	34,517	9,483
<b>Total Operating Expenses</b>	<u>72,533,968</u>	<u>72,853,169</u>	<u>72,853,169</u>	<u>69,305,316</u>	<u>3,547,853</u>
<b>Change in Net Assets Before Reserve Transfers</b>	<u>4,773,178</u>	<u>6,250,607</u>	<u>6,250,607</u>	<u>2,846,743</u>	<u>(3,403,864)</u>
Transfer from Reserves	25,118,606	25,314,606	25,314,606	9,028,266	(16,286,340)
Transfer to Reserves	13,374,381	13,629,381	13,629,381	8,057,230	5,572,151
<b>Net Transfer from/(to) Reserves</b>	<u>11,744,225</u>	<u>11,685,225</u>	<u>11,685,225</u>	<u>971,036</u>	<u>(10,714,189)</u>
<b>Change in Net Assets After Reserve Transfers</b>	<u>16,517,403</u>	<u>17,935,832</u>	<u>17,935,832</u>	<u>3,817,779</u>	<u>(14,118,053)</u>

# Operating Statement by Programme

CITY OF JOONDALUP  
Period: June-05

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	<i>Adopted Budget</i>	<i>Revised Budget</i>	<i>YTD Budget</i>	<i>YTD Actual</i>	<i>Variance</i>
	\$	\$	\$	\$	\$
<b>Revenue</b>					
General Purpose Funding	55,723,451	56,000,451	56,000,451	53,613,057	(2,387,394)
Governance	0	0	0	9,527	9,527
Law, Order and Public Safety	554,372	593,931	614,556	481,298	(133,258)
Health	263,010	305,681	306,031	353,203	47,172
Education and Welfare	273,529	316,594	333,419	294,744	(38,675)
Community Amenities	8,015,928	8,152,431	8,194,481	8,287,505	93,024
Recreation and Culture	2,993,086	3,006,956	3,529,581	2,861,015	(668,566)
Transport	7,924,550	8,434,093	8,518,418	4,759,357	(3,759,062)
Economic Services	1,183,221	1,193,664	1,194,364	1,095,303	(99,061)
Other Property and Services	375,999	399,974	412,474	397,050	(15,424)
<b>Total Operating Revenue</b>	<u>77,307,146</u>	<u>78,403,776</u>	<u>79,103,776</u>	<u>72,152,059</u>	<u>(6,951,717)</u>
<b>Expenses</b>					
General Purpose Funding	1,148,628	1,093,628	1,093,628	719,848	373,780
Governance	8,022,118	7,988,231	7,988,231	6,988,364	999,868
Law, Order and Public Safety	3,338,611	3,231,661	3,289,411	2,979,397	310,014
Health	1,467,220	1,534,467	1,535,447	1,417,823	117,624
Education and Welfare	1,556,110	1,572,040	1,619,150	1,415,509	203,641
Community Amenities	9,621,952	9,605,263	9,723,003	9,553,237	169,766
Recreation and Culture	23,390,425	23,465,568	23,668,918	23,020,488	648,430
Transport	17,576,900	17,586,916	17,823,026	16,386,942	1,436,085
Economic Services	1,393,579	1,379,252	1,381,212	1,277,314	103,898
Other Property and Services	5,018,425	4,696,141	4,731,141	5,546,394	(815,252)
<b>Total Operating Expenses</b>	<u>72,533,968</u>	<u>72,153,169</u>	<u>72,853,169</u>	<u>69,305,316</u>	<u>3,547,853</u>
<b>Change In Net Assets Resulting from Operations</b>	<u>4,773,178</u>	<u>6,250,607</u>	<u>6,250,607</u>	<u>2,846,743</u>	<u>(3,403,864)</u>
Transfer From Reserves	25,118,606	25,314,606	25,314,606	9,028,266	(16,286,340)
Transfer To Reserves	13,374,381	13,629,381	13,629,381	8,057,230	5,572,151
	11,744,225	11,685,225	11,685,225	971,036	(10,714,189)
<b>Change In Net Assets Resulting from Operations</b>	<u>16,517,403</u>	<u>17,935,832</u>	<u>17,935,832</u>	<u>3,817,779</u>	<u>(14,118,053)</u>



# Statement of Financial Position

CITY OF JOONDALUP

Period: June-05

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	<i>YTD Actual June 2004</i>	<i>YTD Actual</i>	<i>Movement</i>
	\$	\$	\$
<b>CURRENT ASSETS</b>			
Cash	373,771	383,940	10,169
Inventories	54	0	(54)
Receivables	6,004,874	2,243,961	(3,760,913)
Investments	49,252,879	40,191,073	(9,000,379)
<b>TOTAL CURRENT ASSETS</b>	<b>55,631,578</b>	<b>42,818,974</b>	<b>(12,751,177)</b>
<b>CURRENT LIABILITIES</b>			
Borrowings	0	(228,493)	(228,493)
Creditors	(3,865,292)	(6,637,414)	(2,772,122)
Provisions	(4,861,460)	(5,631,940)	(770,480)
Other	227,859	5,485	(222,374)
<b>TOTAL CURRENT LIABILITIES</b>	<b>(8,498,893)</b>	<b>(12,492,362)</b>	<b>(3,993,469)</b>
<b>NET CURRENT ASSETS</b>	<b>47,132,685</b>	<b>30,326,612</b>	<b>(16,744,646)</b>
<b>NON CURRENT ASSETS</b>			
Receivables	1,333,695	1,389,092	55,397
Property, Plant & Equipment	492,312,837	497,916,951	5,604,113
<b>TOTAL NON CURRENT ASSETS</b>	<b>493,646,532</b>	<b>499,306,043</b>	<b>5,659,510</b>
<b>NON CURRENT LIABILITIES</b>			
Borrowings	0	(2,771,507)	(2,771,507)
Provisions	(708,067)	(788,843)	(80,776)
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>(708,067)</b>	<b>(3,560,350)</b>	<b>(2,852,283)</b>
<b>NET NON CURRENT ASSETS</b>	<b>492,938,465</b>	<b>495,745,693</b>	<b>2,807,227</b>
<b>NET ASSETS</b>	<b>540,071,150</b>	<b>526,072,305</b>	<b>(13,937,419)</b>
<b>EQUITY</b>			
Accumulated Surplus - Prior Years	(500,255,711)	(500,255,711)	0
Accumulated Surplus - This Year	(18,310,074)	(3,817,266)	14,492,808
Reserves	(21,505,366)	(22,060,755)	(555,389)
<b>TOTAL EQUITY</b>	<b>(540,071,151)</b>	<b>(526,133,732)</b>	<b>13,937,419</b>

	<i>Actual June-04</i>	<i>Annual Budget</i>	<i>YTD Actual</i>
	\$	\$	\$
<b>Cash Flows from Operating Activities</b>			
Receipts:			
Rates	43,188,034	46,371,207	46,450,514
Prescribed Area Rate	148,273	76,638	98,510
Government Grants & Subsidies	6,552,047	7,172,176	7,452,903
Contributions, Reimbursements and Donations	3,459,395	4,839,070	2,418,508
Fees & Charges	11,751,037	12,185,741	12,871,437
Interest Earnings	2,390,622	2,414,000	2,978,516
Revenue from Other Councils	123,497	106,000	159,438
<b>Total Receipts</b>	<b>67,612,905</b>	<b>73,164,832</b>	<b>72,429,826</b>
Payments:			
Employee Costs	26,822,011	27,992,748	26,179,635
Materials & Contracts	21,097,857	24,051,398	22,474,862
Utilities (Gas, Electricity, Water etc)	2,830,133	2,995,576	2,815,963
Interest Expenses	0	0	0
Insurance Expenses	909,599	922,540	909,534
Other Expenses	21,086	44,000	34,517
<b>Total Payments</b>	<b>51,680,686</b>	<b>56,006,262</b>	<b>52,414,511</b>
<b>Net Cash Provided by Operating Activities</b>	<b>15,932,219</b>	<b>17,158,570</b>	<b>20,015,315</b>
<b>Cash Flow from Investing Activities</b>			
Receipts:			
Proceeds from Asset Sales	743,580	1,354,200	626,534
Bonds Received	0	0	669,627
<b>Total Receipts</b>	<b>743,580</b>	<b>1,354,200</b>	<b>1,296,161</b>
Payments:			
Bonds Repaid	0	0	513,910
Purchase of Land	0	3,390,000	0
Purchase of Artworks	23,613	50,000	47,432
Purchase of Furniture & Equipment	475,257	839,687	484,946
Purchase of Vehicles & Plant	1,241,785	3,811,000	1,600,584
Construction of Infrastructure Assets	10,082,508	29,915,922	17,761,337
<b>Total Payments</b>	<b>11,823,163</b>	<b>38,006,609</b>	<b>20,408,208</b>
<b>Net Cash From Investing Activities</b>	<b>(11,079,583)</b>	<b>(36,652,409)</b>	<b>(19,112,047)</b>
<b>Cash Flow from Financing Activities</b>			
Proceeds from Borrowings	0	3,000,000	3,000,000
Repayment of Borrowings	0	(75,000)	0
<b>Net Cash from Investing Activities</b>	<b>0</b>	<b>2,925,000</b>	<b>3,000,000</b>
<b>Net Increase/Decrease in Cash Held</b>	<b>4,852,636</b>	<b>(16,568,839)</b>	<b>3,903,268</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>20,102,906</b>	<b>40,575,013</b>



## Capital Expenditure Summary

CITY OF JOONDALUP  
Period: June-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	797,687	315,733	481,954	(1)
Furniture & Office Equipment	42,000	42,000	42,000	84,044	(42,044)	
Heavy Vehicles	675,000	675,000	675,000	238,246	436,754	(2)
Light Vehicles	1,935,000	1,935,000	1,935,000	864,493	1,070,507	(3)
Mobile Plant	1,201,000	1,201,000	1,201,000	479,190	721,810	(4)
Plant & Equipment	0	4,455	4,455	18,655	(14,200)	
Artifacts & Artworks	50,000	50,000	50,000	47,432	2,568	
Parks & Reserves Infrastructure	105,000	105,000	105,000	0	105,000	
Roads Infrastructure	2,450,000	2,450,000	2,450,000	1,123,254	1,326,746	
Footpaths Infrastructure	235,000	235,000	235,000	79,692	155,308	(5)
Drainage Infrastructure	785,000	785,000	785,000	357,399	427,601	
Car Parking Infrastructure	0	0	0	0	0	
Other Engineering Infrastructure	175,000	175,000	175,000	119,550	55,450	
<b>Capital Expenditure Total</b>	<b>8,450,687</b>	<b>8,455,142</b>	<b>8,455,142</b>	<b>3,727,687</b>	<b>4,727,455</b>	

(1) Includes \$0.2m in carry forward items and \$0.3m in permanent underspending.

(2) Items carried forward to the first quarter of 2005/06.

(3) \$0.8m has been carried forward to the first quarter of 2005/06 and \$0.3m is a permanent underspending.

(4) The replacement of a mower and wicket roller, \$85k, has been deferred until next year due to a better than expected condition and with agreement of the cricket club.

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



## Capital Works Summary

CITY OF JOONDALUP

Period: June-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	12,477,436	6,201,591	6,275,845	1
C102 Major Building Works - Reserve Fund	5,352,000	5,352,000	5,352,000	210,447	5,141,553	1
C201 Roadworks - Municipal Fund	1,995,088	2,231,088	2,231,088	278,217	1,952,871	
C203 Roadworks - MRRP	1,446,304	1,446,304	1,446,304	785,379	660,925	
C205 Roadworks - Reserve Fund	0	196,000	196,000	22,600	173,400	
C301 Resurfacing - Municipal Fund	477,048	477,048	477,048	435,688	41,360	
C303 Resurfacing - FLRG	1,785,330	1,832,073	1,832,073	1,508,231	323,842	
C304 Resurfacing - MRRP	63,806	347,118	347,118	92,599	254,519	
C305 Resurfacing - MRDG	265,083	265,083	265,083	57,741	207,342	
C306 Resurfacing - Roads to Recovery	746,302	746,302	746,302	606,217	140,085	
C401 Traffic Management - Municipal Fund	1,480,384	1,480,384	1,480,384	1,102,556	377,828	
C404 Traffic Management - Black Spot	389,334	389,334	389,334	276,930	112,404	
C407 Traffic Management - Reserve	361,655	361,655	361,655	166,181	195,474	
C501 Shared Paths/Bicycle Facilities	353,240	353,240	353,240	295,607	57,633	
C502 Dual Use Paths - Reserve Fund	10,000	10,000	10,000	10,160	(160)	
C511 Footpaths - Construction	85,090	80,090	80,090	109,467	(29,377)	
C512 Footpaths - Replacement	276,600	276,600	276,600	191,483	85,117	
C521 Pedestrian Underpasses & Bridges	43,540	43,540	43,540	940	42,600	
C531 Parking Facilities - Municipal Fund	175,990	175,990	175,990	76,381	99,609	
C541 Drainage - Municipal Fund	774,020	774,020	774,020	356,695	417,325	
C542 Drainage - Reserve Fund	130,288	130,288	130,288	68,410	61,878	
C551 Street Lighting - Municipal Fund	290,895	290,895	290,895	84,013	206,882	
C601 Foreshore Protection/Restoration	3,027,131	3,027,131	3,027,131	2,065,375	961,756	2
C611 Sporting Facilities	153,500	153,500	153,500	118,260	35,240	
C621 Playground Equipment	300,116	300,116	300,116	229,190	70,926	
C631 Fencing Works	55,000	55,000	55,000	48,198	6,802	
C641 Streetscape Enhancement	124,764	124,764	124,764	102,717	22,047	
C651 Park & Reserve Enhancements	157,400	157,400	157,400	67,945	89,455	
C661 Dry Park Development/Upgrade	324,578	324,578	324,578	275,732	48,846	
C671 Retic Park Development/Upgrade	184,000	184,000	184,000	173,468	10,532	
<b>Capital Works Total</b>	<b>33,305,922</b>	<b>34,062,977</b>	<b>34,062,977</b>	<b>16,018,415</b>	<b>18,044,562</b>	

## Notes:

Of the \$18.1m variance, \$11.2m relates to Council Projects.

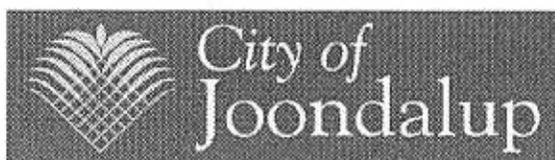
The variance in Council Projects includes:

YTD underspends in the Sorrento Beach Development (\$0.8m) and Joondalup Works Depot (\$5.3m), Joondalup Cultural Facility (\$1.2m) and Craigie Leisure Centre (\$3.7m)

Committed funds in relation to all Capital Works is \$8.0m. Of this, \$3.9m relates to Council Projects.

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

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



# Statement of Rating Information

CITY OF JOONDALUP

Period: June-05

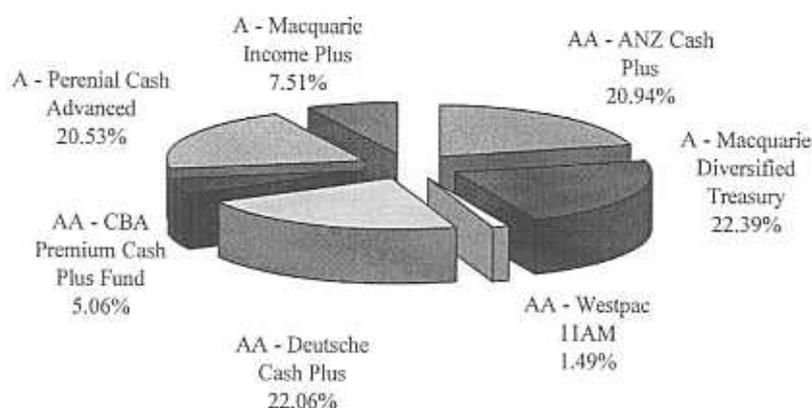
	GENERAL RATES			
	Rateable Value	No of Properties	Rate in \$	Rate Yield
<b>General Rate - GRV</b>	\$			\$
Residential	476,797,196	47,063	7.0207	33,474,504
Commercial Improved	108,541,235	887	7.0207	7,620,355
Commercial Not Improved	431,250	23	7.0207	30,277
Industrial	8,516,494	350	7.0207	597,917
<b>Sub Total GRV</b>	594,286,175	48,323		41,723,053
<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>				41,892,859
Interim Rates & Adjustments				160,945
Discounts Allowed (Early Payment)				
<b>TOTAL - RATES LEVIED</b>				42,053,804
<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	37,837,568
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	46,130,461
				12,337
				157,468
				169,805
			4,407,408	46,300,267
			(8,078)	152,867
				(619,253)
			4,399,330	45,833,881
				299,399
				380,860
				46,514,140

SPECIFIED AREA RATES	Budget \$	Actual \$
Specified Area Iluka	61,471	63,583
Specified Area Harbour Rise, Hillarys	-	40
Specified Area Woodvale Waters	21,600	21,786
<b>Total</b>	<b>83,071</b>	<b>85,409</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	8,417,899
A - Macquarie Diversified Treasury	9,000,426
AA - Westpac 11AM	600,000
AA - Deutsche Cash Plus	8,866,788
AA - CBA Premium Cash Plus Fund	2,033,477
A - Perennial Cash Advanced	8,253,199
A - Macquarie Income Plus	3,019,284
<b>Total Funds held in AA + A Investments</b>	<b>40,191,074</b>

Total	<u>40,191,074</u>
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Amount included in total funds invested that relate to reserves: \$ 22,060,755

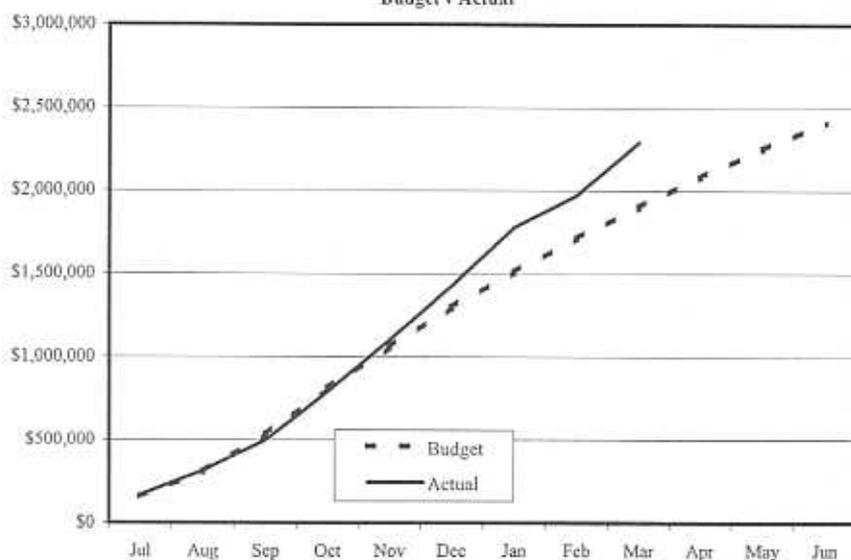
#### Other Comments

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:	<b>Budget</b>	<b>Actual</b>
	\$2.3m	\$2.8m

Average return for the portfolio:	5.87%
Benchmark return:	5.63%

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

CITY OF JOONDALUP  
Period: June-05

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	(45,574)	200,000	7,388,411	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			91,505	1,158,045	1,066,539
Community Facilities Reserve	344,000				344,000	229,000
Domestic Cart - Refuse Collection Reserve	1,272,228		(200,000)	423,473	1,495,701	1,385,190
Heavy Vehicle Replacement Reserve	843,935	2	(274,594)	169,575	738,916	536,057
Hodges Drive Drainage Reserve	196,309		(37,550)		158,759	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	(5,655,987)	2,200,000	3,960,208	212,898
Library Literacy Program Reserve	7,604			9,996	17,600	7,605
Light Vehicle Replacement Reserve	468,386	2	(377,019)	456,863	548,230	26,195
Mullaloo Beach Foreshore Enhancement Reserve	0	4	(267,748)	267,748	0	0
Ocean Reef Boat Facility Reserve	55,991			100,000	155,991	55,991
Joondalup Cultural Facility Reserve	1,688,971		(62,556)	122,294	1,748,709	265
Plant Replacement Reserve	991,583	2	(367,476)	375,688	999,795	353,768
Rate Revaluation Reserve	65,000			65,000	130,000	130,000
Section 20A Land Reserve	31,792			113,479	145,271	31,792
Specified Area Rating - Harbour Rise Reserve	57,833	5	(57,833)	13,051	13,051	11,514
Specified Area Rating - Iluka Reserve	131,578	5	(131,578)		0	0
Sorrento Beach Foreshore Enhancement Reserve	0	6	(1,419,569)	2,247,864	828,295	0
Strategic Asset Management Reserve	0			1,192,594	1,192,594	1,192,594
Town Planning Scheme No. 10 (Revoked) Reserve	560,859	7	(130,782)		430,077	370,858
Wanneroo Bicentennial Trust Reserve	12,500				12,500	12,500
<b>Total</b>	<b>23,031,791</b>		<b>(9,028,266)</b>	<b>8,057,230</b>	<b>22,060,755</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 cfwd 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 cfwd 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.

