



# City of Joondalup

Financial Activity Statement for the  
Period Ended 31 May 2016

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	Notes	Revised Budget	YTD Revised Budget	YTD Actual	YTD Variance \$	YTD Variance %
<b>OPERATING REVENUE</b>						
Rates	1	(91,920,072)	(91,920,072)	(92,066,624)	146,553	0%
Specified Area Rates		(413,411)	(413,411)	(415,968)	2,557	1%
Grants and Subsidies	2	(2,085,431)	(2,072,286)	(2,131,292)	59,006	3%
Contributions Reimbursements and Donations		(1,864,975)	(1,681,511)	(1,667,378)	(14,133)	(1)%
Profit on Asset Disposals	3	(1,983,981)	(1,983,981)	(3,168,587)	1,184,606	60%
Fees and Charges	4	(39,364,021)	(37,582,417)	(37,440,085)	(142,332)	(0)%
Interest Earnings	5	(4,042,506)	(3,853,973)	(3,974,409)	120,436	3%
Other Revenue/Income	6	(350,250)	(350,250)	(415,761)	65,511	19%
<b>Total Operating Revenue</b>		<b>(142,024,647)</b>	<b>(139,857,901)</b>	<b>(141,280,104)</b>	<b>1,422,203</b>	<b>1%</b>
<b>OPERATING EXPENSES</b>						
Employee Costs	7	60,483,211	55,564,813	55,633,692	(68,879)	(0)%
Materials and Contracts	8	52,084,611	44,990,405	41,355,605	3,634,800	8%
Utilities (gas, electricity, water etc.)	9	6,218,830	5,669,425	5,302,786	366,639	6%
Depreciation & Amortisation of Non-Current Assets		29,531,594	27,087,560	27,120,055	(32,495)	(0)%
Loss on Asset Disposals	10	474,202	301,853	133,008	168,845	56%
Interest Expenses		672,797	578,085	562,283	15,802	3%
Insurance Expenses		1,519,769	1,519,125	1,542,329	(23,204)	(2)%
<b>Total Operating Expenses</b>		<b>150,985,014</b>	<b>135,711,266</b>	<b>131,649,758</b>	<b>4,061,508</b>	<b>3%</b>
<b>(SURPLUS)/DEFICIT FROM OPERATIONS</b>		<b>8,960,367</b>	<b>(4,146,635)</b>	<b>(9,630,346)</b>	<b>5,483,711</b>	<b>132%</b>
<b>OPERATING NON-CASH ADJUSTMENTS</b>						
Depreciation & Amortisation of Non Current Assets		(29,531,594)	(27,087,560)	(27,120,055)	32,495	0%
Loss on Asset Disposal		(474,202)	(301,853)	(133,008)	(168,845)	(56)%
Profit on Asset Disposals		1,983,981	1,983,981	3,168,587	(1,184,606)	60%
Other Non-Current items						
Movement in Non-current Provisions	11	100,000	100,000	480,646	(380,646)	381%
<b>OPERATING CASH (SURPLUS)/DEFICIT</b>		<b>(18,961,448)</b>	<b>(29,452,067)</b>	<b>(33,234,176)</b>	<b>3,782,108</b>	<b>13%</b>
<b>NON-OPERATING REVENUE</b>						
Capital Grants and Subsidies	12	(12,853,301)	(7,561,921)	(7,688,624)	126,703	2%
Capital Contributions	13	(751,400)	(374,324)	(735,353)	361,029	96%
Equity Distribution - TPRC	14	(3,333,333)	(2,500,000)	(1,666,667)	(833,333)	(33)%
Acquired Infrastructure Assets		-	-	-	-	-
<b>Total Non-Operating Revenue</b>		<b>(16,938,034)</b>	<b>(10,436,245)</b>	<b>(10,090,644)</b>	<b>(345,601)</b>	<b>(3)%</b>
<b>CAPITAL EXPENDITURE</b>						
Capital Projects	15	8,163,048	7,158,058	4,816,238	2,341,820	33%
Capital Works	16	43,697,455	36,652,952	28,270,696	8,382,256	23%
Vehicle and Plant Replacements	17	2,850,661	1,728,661	1,824,801	(96,140)	(6)%
Loan Repayment Principal		1,940,221	1,577,633	1,577,633	-	0%
Equity Investments		44,683	21,982	21,982	-	0%
<b>Total Capital Expenditure</b>		<b>56,696,068</b>	<b>47,139,286</b>	<b>36,511,350</b>	<b>10,627,937</b>	<b>23%</b>
TPRC Development Costs		-	-	-	-	-
<b>CAPITAL (SURPLUS)/DEFICIT</b>		<b>39,758,034</b>	<b>36,703,041</b>	<b>26,420,706</b>	<b>10,282,336</b>	<b>28%</b>
<b>(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL</b>		<b>20,796,586</b>	<b>7,250,974</b>	<b>(6,813,470)</b>	<b>14,064,444</b>	<b>(194)%</b>
<b>FUNDING</b>						
Proceeds from Disposal	18	(6,133,188)	(4,139,234)	(2,432,044)	(1,707,190)	(41)%
Loans - New Borrowings	19	(2,498,000)	(2,498,000)	-	(2,498,000)	(100)%
Transfer from Trust		(339,048)	-	-	-	-
Transfer from Reserve		(24,788,728)	-	-	-	-
Transfer to Reserve		16,101,380	-	-	-	-
Transfer to Accumulated Surplus		-	-	-	-	-
Transfer from Accumulated Surplus		-	-	-	-	-
Opening Funds		(3,139,002)	(3,139,002)	(3,139,002)	(0)	(0)%
<b>CLOSING FUNDS</b>	20	<b>-</b>	<b>(2,525,263)</b>	<b>(12,384,516)</b>	<b>9,859,254</b>	<b>390%</b>



# Investment Summary

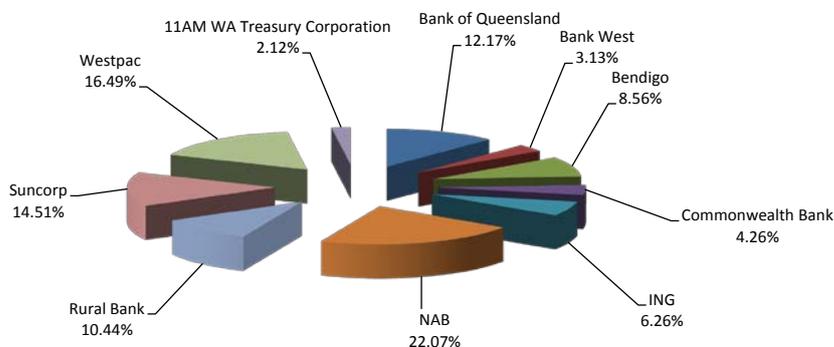
**CITY OF JOONDALUP**  
May-16

Credit Rating		Investment Account	MTD Return	YTD Return	Value \$	% of Portfolio	Policy Limit
Long Term	Short Term						
A-	A-2	Bank of Queensland Term Deposit	3.02%	2.98%	\$ 11,660,000	12.17%	10%
AA-	A-1+	Bank West Term Deposit	2.88%	2.86%	\$ 3,000,000	3.13%	25%
A-	A-2	Bendigo Term Deposit	2.88%	2.93%	\$ 8,200,000	8.56%	10%
AA-	A-1+	Commonwealth Bank Term Deposit	2.95%	2.95%	\$ 4,080,000	4.26%	25%
A-	A-2	ING Term Deposit	3.00%	3.01%	\$ 6,000,000	6.26%	10%
AA-	A-1+	NAB Term Deposit	2.96%	2.97%	\$ 21,150,000	22.07%	25%
A-	A-2	Rural Bank Term Deposit	3.04%	3.02%	\$ 10,000,000	10.44%	10%
A+	A-1	Suncorp Term Deposit	3.00%	2.97%	\$ 13,900,000	14.51%	15%
AA-	A-1+	Westpac Term Deposit	2.92%	2.90%	\$ 15,800,000	16.49%	25%
AA+	A-1+	11AM WA Treasury Corporation	1.95%	1.93%	\$ 2,031,000	2.12%	25%

<b>Total Investment Portfolio</b>	2.94%	2.92%	<b>95,821,000</b>	100.00%
<b>Municipal Funds</b>			42,605,942	
<b>Reserve Funds</b>			53,215,058	
			<b>95,821,000</b>	

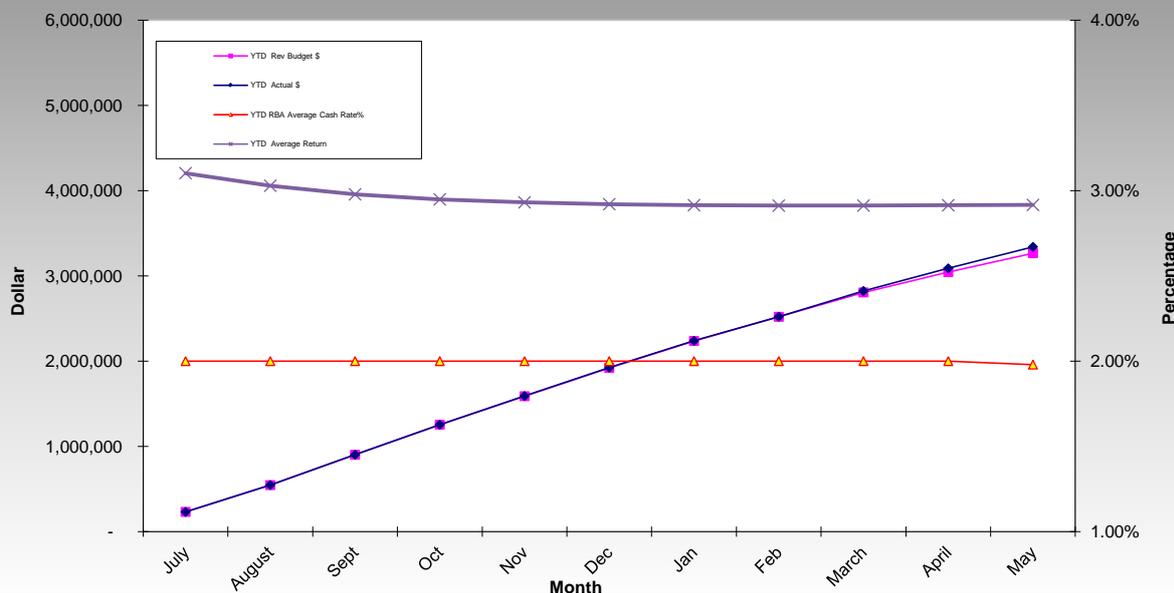
Overall Portfolio Limits		Value\$	% Current	% Limit
Long Term	Short Term			
AA	A-1+	46,061,000	48.1%	100%
A	A-1	13,900,000	14.5%	50%
A	A-2	35,860,000	37.4%	40%

## City of Joondalup - Investment Balances



Month	Rev Budget \$	MTD Actual \$	YTD Rev Budget \$	YTD Actual \$	YTD RBA Average Cash Rate%	YTD Average Return
July	231,571	231,571	231,571	231,571	2.00%	3.10%
August	314,846	314,846	546,417	546,417	2.00%	3.03%
Sept	355,868	355,868	902,285	902,285	2.00%	2.98%
Oct	352,756	352,756	1,255,041	1,255,041	2.00%	2.95%
Nov	334,007	336,254	1,589,048	1,591,295	2.00%	2.93%
Dec	333,293	332,849	1,922,341	1,924,144	2.00%	2.92%
Jan	314,374	314,256	2,236,715	2,238,400	2.00%	2.92%
Feb	284,205	283,456	2,520,920	2,521,856	2.00%	2.91%
March	285,809	302,042	2,806,730	2,823,898	2.00%	2.91%
April	238,676	265,176	3,045,406	3,089,075	2.00%	2.91%
May	221,248	252,605	3,266,654	3,341,680	1.98%	2.92%

## Return on Investments



**NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR  
THE PERIOD ENDED 31 MAY 2016**

**1. Rates**

Increased Revenue is due mainly to additional interim rates from newly developed properties.

**2. Grants and Subsidies**

The City received unbudgeted funding of \$10,000 for the Currambine Youth Space Grant and \$49,823 for the Street Lighting Subsidy, partly offset by balances spread across a number of areas.

**3. Profit on Asset Disposals**

Gains on the disposal of Tamala Park Regional Council (TPRC) land parcels, which were not included in the budget, generated a favourable variance of \$1,753,479, partly offset by an unfavourable variance of (\$586,850) mainly due to the timing of the disposal of surplus land holdings. In addition, profit on the disposal of Fleet and Plant assets is \$17,970 higher than budget.

**4. Fees and Charges**

	YTD Revised Budget	YTD Actual	Variance
a) Refuse Charges	\$20,118,927	\$20,208,086	\$89,159
b) Building and Development	\$1,999,200	\$1,745,267	(\$253,933)
c) Sports and Recreation Fees	\$7,566,630	\$7,407,133	(\$159,497)
d) Fines and Penalties	\$1,359,476	\$1,539,245	\$179,769
e) Miscellaneous Fees and Charges	\$1,913,890	\$1,845,465	(\$68,425)
f) Licences and Registrations	\$770,675	\$818,358	\$47,683
Other Fees and Charges Variances	\$3,853,619	\$3,876,531	\$22,912
	<u>\$37,582,417</u>	<u>\$37,440,085</u>	<u>(\$142,332)</u>

a) This comprises favourable variances for Domestic Refuse Removal Charges \$71,145 and New / Additional Bin Establishment Fees \$18,014.

b) With activity being less than forecast, unfavourable variances have arisen for Building Licences (\$161,199) and Development and Application Fees (\$99,213). Cash in Lieu of Parking (\$26,000) is a timing variance. These are offset by a favourable variance for Building and Development Charges \$24,887 which is greater than budget estimates.

c) This unfavourable variance has arisen across a number of accounts including Admission Fees (\$83,733), due to lower than estimated attendance volumes, Learn to Swim Program (\$51,034), Term Program Activities (\$42,741) and Personal Training (\$24,913). Total Membership Fees (\$21,531) were generally lower than estimated, mainly in the Fitness Centre, partly offset by Group Fitness and Pool Memberships which showed greater than expected revenue. Favourable variances for Facility Hire \$50,665 and \$16,665 for Park Hire resulted from an increase in bookings during May.



- d) Favourable variances arose for Parking Infringements \$172,009 due to a higher than estimated number of infringements issued, Local Government Act – Costs and Fines \$28,434, predominantly for Building, Planning and Environmental Health non compliance fines and Dog Act Costs and Fines \$11,381. These are offset partly by unfavourable variances across a number of areas including Poundage Fees (\$10,405), Suburban Parking (\$6,294) and Other Fines and Penalties (\$6,552) predominantly in Environmental Health.
- e) Fines Enforcement Registry recoveries were lower than estimated generating an unfavourable timing variance of (\$36,284). Other timing variances include Miscellaneous Fees and Charges (\$21,199), Environmental Health Services – Immunisations (\$13,307), Sale of Abandoned Vehicles (\$6,849) and Sale of Merchandise and Promotional Items (\$6,604), partly offset by favourable variances of \$12,721 for Engineering Supervision Fees, Miscellaneous Sales \$9,381 and Streetside Advertising Commission \$7,404. The balance is spread across a number of areas.
- f) This favourable variance is mainly due to additional revenue for Dog Registrations \$24,821, Food Business Administration Fees \$18,073 and Trading in Public Space Licences \$7,769.

## 5. Interest Earnings

Interest earned on investments exceeded budget by \$75,088 with the volume of investment funds being higher than budgeted, in addition to greater than budgeted penalty interest \$45,348 on rates overdue account balances.

## 6. Other Revenue

This was predominantly due to a favourable variance of \$57,727 arising from Capital Works accruals that were overstated in the prior financial year which will be treated as a correction in the Annual Financial Report as well as a net favourable variance of \$7,784 from Discounts and Rebates.

## 7. Employee Costs

	YTD Revised Budget	YTD Actual	Variance
a) Salaries and Wages	\$52,381,151	\$52,333,452	\$47,699
b) Other Employment Costs	\$3,183,662	\$3,300,240	(\$116,578)
	<u>\$55,564,813</u>	<u>\$55,633,692</u>	<u>(\$68,879)</u>

- a) The Provision for Employee Entitlements is (\$79,610) higher than budgeted and arises from the timing of annual and long service leave taken. This is partly offset by a net favourable variance of \$31,911 mainly due to vacant positions across the City.
- b) A favourable variance arose for Capital Labour Recoveries \$37,235 due to the timing of projects compared to budget estimates. An unfavourable variance arose for Agency Employees (\$274,834), mainly to cover long term leave predominantly in Parks (\$183,671) Human Resources Administration (\$49,691), Engineering (\$25,739) and Waste Management (\$23,279), partly offset by a favourable variance for Environmental Health Services \$10,200. These are further offset by favourable variances for Staff Training \$95,260, Conferences and Seminars \$21,949, Staff



Recruitment Costs \$19,947 and Study Assistance and Professional Development \$18,805.

## 8. Materials and Contracts

	YTD Revised Budget	YTD Actual	Variance
a) External Service Expenses	\$21,248,406	\$19,660,859	\$1,587,547
b) Waste Management	\$7,018,639	\$6,380,321	\$638,318
c) Professional Fees and Costs	\$2,116,896	\$1,604,037	\$512,859
d) Administration	\$1,246,448	\$1,036,766	\$209,682
e) Other Materials	\$1,915,807	\$1,723,261	\$192,546
f) Furniture, Equipment and Artworks	\$2,408,931	\$2,219,416	\$189,515
g) Public Relations, Advertising and Promotions	\$1,111,936	\$966,423	\$145,513
h) Computing	\$1,486,298	\$1,360,612	\$125,686
i) Charges and Recoveries	(\$427,957)	(\$233,651)	(\$194,306)
Other Materials and Contracts	\$6,865,001	\$6,637,561	\$227,440
	<u>\$44,990,405</u>	<u>\$41,355,605</u>	<u>\$3,634,800</u>

- a) External Contractors and Services is \$924,022 below budget. This includes favourable timing variances across a number of areas including Parks \$196,932, Building Maintenance \$166,080, Engineering Maintenance \$165,054, City Administration \$136,136, Waste Management \$83,243, Landscaping & Conservation Services \$70,807 and Economic Development \$30,990, partly offset by unfavourable timing variances for City Rangers (\$36,464), Marketing (\$27,412) and Fleet Management (\$13,713). Graffiti removal costs are lower than budget estimates giving rise to the favourable variance \$62,336. In addition a favourable variance arose for Bulk and Domestic Tipping Fees \$614,261 due to lower tonnages collected compared to budget estimates. The balance is spread across a number of areas.
- b) Favourable variances arose for Bulk Collection \$373,663, Weekend Greens Collection \$135,236, Domestic Collection \$58,896 and collection and processing of Recyclables \$70,523, largely as a result of a downward trend in tonnages across the metropolitan area and the cessation of bulk collections in May 2016.
- c) The largest contributors to this favourable variance are Consultancy \$290,081, Legal Expenses \$99,381 and \$123,647 for Research into attracting international markets, which is expected to commence later than budget estimates.
- d) This favourable timing variance is mainly due to Printing \$79,437, spread across a number of activities, Photography and Video Production \$32,454 Other City Administration Expenses \$65,887, Conferences \$17,125 and Corporate Membership \$12,007.
- e) Favourable timing variances arose for Materials \$174,688, mainly for Engineering Maintenance and Parks Maintenance, in addition to Building Minor Works \$17,859.
- f) This includes favourable timing variances for Computer and Communications Equipment Maintenance \$51,929, Computer Purchases \$31,652, Plant and Equipment Maintenance \$46,485, Equipment Purchases \$45,669, and Maintenance of Artifacts and Artworks \$9,741.



- g) The timing of various events generated favourable variances predominantly for Signage/Decals \$38,553, Promotions \$29,249, Advertising \$41,765 and Catering \$20,361.
- h) Computing expenditure shows a favourable variance largely due to timing differences in the areas of Data Communication Links \$43,350 and Computer Software Licences \$88,194 which includes \$42,500 for the now implemented online Building Application project.
- i) Capital Overhead Recoveries are to date (\$217,306) lower than budget estimates, partly offset by a favourable Fleet and Plant recovery variance from capital jobs of \$31,986.

## 9. Utilities

Electricity costs are \$369,374 lower than estimated with savings generated from both a lower unit price increase for street lighting and savings resulting from a new electricity supply contract for contestable sites.

## 10. Loss on Asset Disposals

The timing of Fleet and Plant disposals has resulted in a favourable variance of \$168,846.

## 11. Non-Current Items

The year to date movement in the non-current long service leave liability is \$380,646 greater than estimated. This is partly due to the change of entitlements from non-current to current based on age, but also due to some anomalies in the generation of leave balance reports from the payroll system that have been identified and will be corrected in June 2016.

## 12. Capital Grants and Subsidies

	YTD Revised Budget	YTD Actual	Variance
a) Slab Path Replacement Program	-	\$498,182	\$498,182
b) Major Projects Program	\$300,000	\$795,000	\$495,000
c) Blackspot Projects	\$845,600	\$422,800	(\$422,800)
d) Street Lighting Program	\$301,171	-	(\$301,171)
e) Other Grants	\$6,115,150	\$5,972,642	(\$142,508)
	<u>\$7,561,921</u>	<u>\$7,688,624</u>	<u>\$126,703</u>

- a) This favourable timing variance arose due to the early receipt of grant funding for the Robertson Road Cycleway.
- b) Early receipt of grant funding for the Ocean Reef Boat Harbour Floating Jetties is responsible for this favourable timing variance.
- c) Unfavourable timing variances have arisen for a number of the Blackspot Projects including Oceanside Promenade (\$156,000), Marmion Avenue / Shenton Avenue Roundabout (\$124,000) and Joondalup Drive / Shenton Avenue Lighting Upgrade (\$98,400).



- d) This unfavourable timing variance is due to Chichester Park (\$175,511) and Ocean Reef (\$125,660) Floodlighting Upgrades which are complete but awaiting final contractor invoices, before grant claims can be submitted.
- e) This unfavourable timing variance is mainly due to funding for the Hepburn Avenue Perth Bike Network Shared Path (\$130,000).

### 13. Capital Contributions

A favourable variance of \$420,909 arose for the initial instalments from the Department of Sport and Recreation and the Whitford Hockey Club towards the construction of the Warwick Hockey Centre which were claimed earlier than estimated, partly offset by the unfavourable timing variance of (\$73,755) for the Telstra Proof of Concept Project which is progressing behind budget phasing.

### 14. Equity Distribution – Tamala Park Regional Council

The equity distribution received from Tamala Park Regional Council (TPRC) this year is (\$833,333) lower than budget estimates. A second distribution for the current year is expected in June 2016.

### 15. Capital Projects

	YTD Revised Budget	YTD Actual	Variance
a) Joondalup Performing Arts & Cultural Facility (JPACF) and Jinan Garden	\$1,429,713	\$772,058	\$657,655
b) Parking Ticket Machines – Upgrade	\$172,467	-	\$172,467
c) Ocean Reef Marina	\$1,284,642	\$1,118,804	\$165,838
d) Telstra Proof of Concept Project – Tom Simpson Park Mullaloo	\$147,510	\$276	\$147,234
e) Joondalup City Centre Commercial Office Development	\$233,565	\$153,625	\$79,940
f) Better Bins Project	\$300,000	-	\$300,000
g) Cafes, Restaurants and Kiosks	\$153,241	\$79,394	\$73,847
h) Mullaloo Surf Life Saving Club Refurbishment	\$225,000	-	\$225,000
i) Land Purchase – Blackwattle Parade, Padbury	\$88,000	-	\$88,000
j) Youth Bus Fit-out	\$90,000	-	\$90,000
k) Corporate PC and Printer Replacement Program	\$111,192	\$39,986	\$71,206
l) Pool Refurbishment CLC	\$370,000	\$302,438	\$67,562
m) Replacement of CCTV Equipment – Boas Ave	\$60,000	-	\$60,000
n) IT Disaster Recovery Facilities	\$139,502	\$95,765	\$43,737
Other Projects	\$2,353,226	\$2,253,892	\$99,334
	<u>\$7,158,058</u>	<u>\$4,816,238</u>	<u>\$2,341,820</u>

- a) The development of the schematic design is continuing and it is anticipated that expenditure will increase in subsequent months.



- b) The roll out of the ticket machine upgrade is continuing with completion date now expected to be in 2016-17.
- c) Tasks associated with the project continued throughout the period including meetings with the project consultants and the finalisation of the draft Public Environmental Review, however expenditure remains lower than estimated in the budget.
- d) Expenditure will commence later than budget phasing, with the project expected to be completed in 2016-17.
- e) The City has commenced geotechnical investigations of the project site and is continuing with discussions on the proposed delivery strategy and development vision, with expenditure expected to be lower than budget estimates.
- f) The City is awaiting delivery of the recycling bins giving rise to this favourable timing variance.
- g) Progression of tasks associated with the approvals process and lease agreements for Pinnaroo Point are ongoing and preparation of a new Expression of Interest for a facility at Burns Beach continued, however expenditure is less than anticipated in the budget. The Development Application for the project has been received and is being processed, giving rise to this favourable timing variance.
- h) The City has undertaken discussions with the Club in regard to the Development Application and leasing terms, however the project is progressing behind budget estimates.
- i) The City received approval from the Minister for Lands in relation to the acquisition of this property, which is unlikely to be finalised before June 2016.
- j) Work has commenced on the fit-out of the vehicle, with the project expected to be completed early in the next financial year.
- k) The most suitable print management software for the printer purchases has been selected and although implementation had commenced, it is currently on hold whilst awaiting the introduction of new security cards for printer access.
- l) Works commenced in May on the chemical store with air conditioning works to commence in June. The project will be carried over to be completed in 2016-17.
- m) Additional wireless data link paths have now been identified and the project is awaiting supplier approval, with the commencement date now expected to be later than originally estimated.
- n) This favourable variance is due to the timing of the implementation which is progressing behind budget estimates.

**16. Capital Works**

	YTD Revised Budget	YTD Actual	Variance
a) Road Preservation / Resurfacing Program	\$6,726,164	\$6,048,143	\$678,021
b) Major Projects Program	\$10,612,295	\$9,282,899	\$1,329,396
c) Stormwater Drainage Program	\$575,751	\$370,336	\$205,415
d) Parks Equipment Program	\$1,796,262	\$1,410,323	\$385,939
e) Major Building Capital Works Program	\$4,098,012	\$2,739,897	\$1,358,115
f) Local Traffic Management	\$651,485	\$349,905	\$301,580
g) Major Road Construction Program	\$3,732,350	\$2,306,138	\$1,426,212
h) Streetscape Enhancement Program	\$1,170,138	\$906,430	\$263,708
i) Street Lighting Program	\$2,396,437	\$1,287,973	\$1,108,464
j) New Path Program	\$812,631	\$550,729	\$261,902
k) Slab Path Replacement	\$1,090,762	\$877,598	\$213,164
l) Blackspot Projects	\$927,978	\$506,822	\$421,156
Other Works variances – not material	\$2,062,687	\$1,633,503	\$429,184
	<u>\$36,652,952</u>	<u>\$28,270,696</u>	<u>\$8,382,256</u>

- a) This favourable timing variance is mainly due to a number of projects awaiting final contractor invoices. Projects progressing behind schedule as a result of unfavourable weather conditions include Whitfords Nodes South Carpark \$121,502 and Trappers Drive Parking Bays \$41,016.
- b) Favourable timing variances have arisen for the Warwick Hockey Centre Project \$498,616 and Sorrento Beach Enclosure \$469,445, in addition to Marmion Foreshore Parking \$29,540 and Bramston Park \$271,656, which are complete but awaiting final contractor invoices. The Multi Storey Car Park is complete and under budget, showing a variance of \$64,399.
- c) A favourable timing variance arose for Beaumont Park Catchment Improvements \$68,328 which is complete but awaiting final contractor invoices. In addition, Penistone Park is progressing behind schedule with a favourable timing variance of \$164,387, offset by balances spread across a number of areas.
- d) A number of projects progressing behind schedule have given rise to favourable timing variances including the Tennis Court Resurfacing Program \$128,923, Windermere Park \$70,331, the Fish Cleaning Station \$38,573, Tom Simpson Park Shelter Renewal \$17,741, Gunida Park \$53,000 and Whitfords West Park \$38,155 which is complete but awaiting final invoices. Projects which are complete and under budget include Sorrento Foreshore Barbecue Renewals \$13,639 and Ridge Park \$20,049 partly offset by Hawker Park (\$33,165) which is complete and has exceeded budget estimates due to the requirement of an additional Pathogen Plan.
- e) This variance has resulted mainly from favourable timing variances for Timberlane Park Hall Upgrade \$325,459 and Joondalup Library and Civic Centre Lift Replacement \$215,180. As a result of the existing contractor being placed into administration, Kingsley Clubrooms \$262,415 will require additional quoting to complete the facility, whilst SES Winton Road \$506,389 will require re-tendering.



- f) The favourable variance is mainly due to Venturi Drive Median Treatment \$44,808 and Northshore Drive Pedestrian Crossing Upgrade \$29,091 which commenced later than budget estimates and \$154,284 for Oceanside Promenade due to later scheduling of the project. There was an additional favourable variance of \$51,251 for the Marmion / Edinburgh Pedestrian Crossing which will now be carried forward to 2016-17 due to increased scope of the works.
- g) Whitfords Avenue-Northshore Drive to Belrose Entrance which is 95% constructed and likely to be completed under budget shows a favourable variance of \$543,478, in addition to favourable timing variances for Ocean Reef Road - Marmion Avenue to Oceanside Promenade Dualling project \$433,961 and Ocean Reef Road / Joondalup Drive Intersection \$448,773.
- h) Favourable timing variances arose for Arterial Roads Streetscape Upgrade Program \$125,893, Streetscape Renewal Program \$109,020 and the Leafy City Program \$28,795.
- i) This favourable variance is the result of a number of projects progressing behind schedule including Joondalup City Centre Lighting \$495,743, Caledonia Park Public Access Way Lighting \$59,241 and Percy Doyle Lighting Upgrade \$66,787 in addition to Chichester Park Floodlight Upgrade \$234,367 and Ocean Reef Park Floodlight Upgrade \$231,942 which are complete and awaiting final contractor invoices. The balance is spread across a number of projects.
- j) A number of the Walkability Projects are running behind schedule, including Collier Pass Pedestrian Improvements \$64,899, Sunset Coast Trail Signage \$26,234 and City Centre Signage \$28,512. Others included New Bus Shelter Installation Program \$31,820 and Albion Street-Camberwarra Drive Footpath \$20,000 which is yet to commence. Favourable timing variances for Strathyre Drive \$25,809 and Methuen Way \$29,711 have resulted following a period of community consultation, with the balance spread across a number of path and signage projects.
- k) Robertson Road Cycleway, a new project 80% funded by the Public Transport Authority, shows a favourable timing variance of \$224,670 offset by an unfavourable variance of (\$11,506) for the Shared Path Renewal & Resurfacing Program.
- l) Favourable timing variances arose for a number of projects progressing behind schedule including Oceanside Promenade \$212,621 and Joondalup Drive / Shenton Avenue Lighting \$114,887, in addition to Whitfords Avenue / Dampier Avenue Intersection \$15,000 which is awaiting Main Roads approval for sections of the project. Grand Boulevard / Hodges Drive / Joondalup Drive Intersection is complete and under budget by \$70,879 due to Main Roads non approval of enhanced road markings and signage.

## **17. Vehicle and Plant Replacements**

The timing of Fleet and Plant Purchases compared to budget phasing has generated a net unfavourable timing variance of (\$137,980) in addition to net savings of \$41,840 on Fleet and Plant items purchased to date.

## **18. Proceeds from Disposal**

An unfavourable timing variance of (\$1,839,201) arose for surplus land holdings which are forecast to be sold later than budget estimates, offset by a favourable variance of \$132,011 from the disposal of Fleet and Plant assets.



## 19. Loans – New Borrowings

Bramston Park Facility and SES Winton Road Facility Extension borrowings have not yet been drawn down.

## 20. Closing Funds

	June 2015	May 2016
<b>Current Assets</b>		
Cash Assets	\$88,083,406	\$95,850,023
Rates and Sundry Debtors	\$3,199,209	\$1,001,716
GST Receivable	\$1,280,332	\$671,859
Accrued Income	\$1,123,565	\$1,009,333
Advances and Prepayments	\$507,864	\$397,652
	\$94,194,376	\$98,930,583
<b>Less: Current Liabilities</b>		
Creditors	(\$3,310,018)	(\$3,347,484)
Sundry Payables	(\$456,510)	(\$548,636)
Provisions - Annual Leave	(\$4,095,880)	(\$4,111,264)
Provisions - Other	(\$8,241,075)	(\$9,656,613)
Accrued Expenses	(\$7,155,658)	(\$2,989,133)
Income in Advance	(\$1,920,608)	(\$5,000)
Borrowings	(\$1,823,565)	(\$245,932)
GST Payable	(\$194,830)	(\$207,142)
	(\$27,198,144)	(\$21,111,204)
<b>Net Current Assets</b>	<b>\$66,996,232</b>	<b>\$77,819,379</b>
<b>Add: Borrowings</b>	\$1,823,565	\$245,932
<b>Less: Cash Backed Reserves</b>	(\$65,680,795)	(\$65,680,795)
<b>Closing Funds – Surplus/(Deficit)</b>	<b>\$3,139,002</b>	<b>\$12,384,516</b>