



City of Joondalup

Financial Activity Statement for the
Period Ended 30 November 2017

Contents

Appendix

Financial Activity Statement	1
Investment Summary	2
Notes to and Forming Part of the Financial Activity Statement	3

	Notes	Adopted Budget	YTD Adopted Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates		(96,952,818)	(96,882,818)	(96,843,744)	(39,074)	(0)%
Specified Area Rates		(589,482)	(589,482)	(597,621)	8,139	1%
Grants and Subsidies	1	(3,983,552)	(1,998,383)	(968,520)	(1,029,863)	(52)%
Contributions Reimbursements and Donations	2	(869,387)	(294,194)	(431,376)	137,182	47%
Profit on Asset Disposals	3	(1,493,563)	(614,220)	(821,557)	207,337	34%
Fees and Charges	4	(40,525,044)	(29,992,683)	(30,202,475)	209,792	1%
Interest Earnings	5	(3,108,951)	(1,581,496)	(2,030,194)	448,698	28%
Other Revenue/Income	6	(146,448)	(143,688)	(221,314)	77,626	54%
Total Operating Revenue		(147,669,244)	(132,096,965)	(132,116,801)	19,836	0%
OPERATING EXPENSES						
Employee Costs	7	64,934,762	28,195,756	28,710,732	(514,976)	(2)%
Materials and Contracts	8	51,846,987	22,367,690	19,994,637	2,373,053	11%
Utilities (gas, electricity, water etc.)	9	5,706,215	2,375,297	2,158,095	217,202	9%
Depreciation & Amortisation of Non-Current Assets	10	28,989,014	12,087,034	13,420,156	(1,333,122)	(11)%
Loss on Asset Disposals	11	670,524	279,385	32,642	246,743	88%
Interest Expenses	12	662,030	259,228	228,659	30,569	12%
Insurance Expenses	13	1,542,342	1,536,509	1,368,126	168,383	11%
Total Operating Expenses		154,351,874	67,100,901	65,913,047	1,187,854	2%
(SURPLUS)/DEFICIT FROM OPERATIONS		6,682,630	(64,996,064)	(66,203,754)	1,207,690	2%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(28,989,014)	(12,087,034)	(13,420,156)	1,333,122	11%
Loss on Asset Disposal		(670,524)	(279,385)	(32,642)	(246,743)	(88)%
Profit on Asset Disposals		1,493,563	614,220	821,557	(207,337)	(34)%
Other Non-Current items						
Movement in Non-current Items	14	(100,000)	(100,000)	(198,541)	98,541	99%
OPERATING CASH (SURPLUS)/DEFICIT		(21,583,345)	(76,848,263)	(79,033,536)	2,185,273	3%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	15	(9,026,605)	(3,215,159)	(5,292,669)	2,077,510	(65)%
Capital Contributions	16	-	-	(104,209)	104,209	100%
Equity Distribution - TPRC		(666,667)	-	-	-	0%
Other Equity Movements	17	-	-	(52,334)	52,334	100%
Total Non-Operating Revenue		(9,693,272)	(3,215,159)	(5,449,212)	2,234,053	69%
CAPITAL EXPENDITURE						
Capital Projects	18	6,903,691	3,585,258	978,813	2,606,445	73%
Capital Works	19	33,684,227	10,632,079	9,926,162	705,917	7%
Vehicle and Plant Replacements	20	3,201,000	1,213,000	742,708	470,292	39%
Loan Repayment Principal		3,004,841	990,546	957,061	33,485	3%
Equity Investments		47,443	-	-	-	0%
Total Capital Expenditure		46,841,202	16,420,883	12,604,744	3,816,139	23%
CAPITAL (SURPLUS)/DEFICIT		37,147,930	13,205,724	7,155,532	6,050,192	46%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		15,564,585	(63,642,539)	(71,878,004)	8,235,465	13%
FUNDING						
Proceeds from Disposal	21	(6,150,700)	(2,442,708)	(1,103,965)	(1,338,744)	(55)%
Loans - New Borrowings		-	-	-	-	-
Transfer from Trust		(95,000)	-	-	-	-
Transfer from Reserve		(18,709,313)	-	-	-	-
Transfer to Reserve		9,831,030	-	-	-	-
Transfer to Accumulated Surplus		-	-	-	-	-
Transfer from Accumulated Surplus		-	-	-	-	-
Opening Funds	22	(440,602)	(440,602)	(84,016)	(356,586)	(81)%
CLOSING FUNDS	23	(1)	(66,525,849)	(73,065,984)	6,540,136	10%



Investment Summary

CITY OF JOONDALUP
November-17

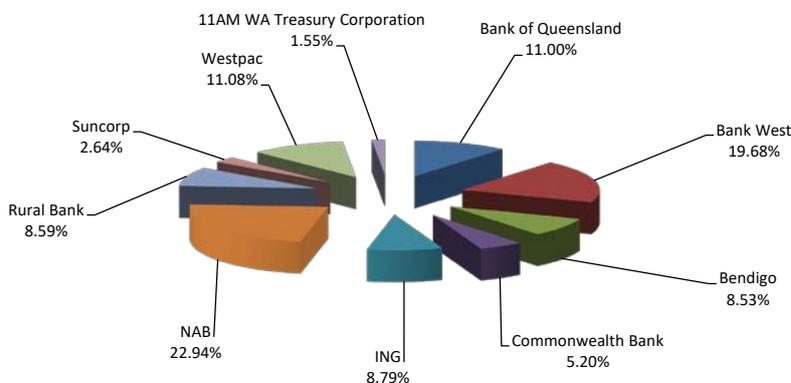
Credit Rating		Investment Account	MTD Return	YTD Return	Value \$	% of Portfolio	Policy Limit
Long Term	Short Term						
A-*	A-2	Bank of Queensland Term Deposit	2.60%	2.62%	\$ 16,640,000	11.00%	10%
AA-	A-1+	Bank West Term Deposit	2.50%	2.50%	\$ 29,770,000	19.68%	25%
A-*	A-2	Bendigo Term Deposit	2.59%	2.60%	\$ 12,900,000	8.53%	10%
AA-	A-1+	Commonwealth Bank Term Deposit	2.54%	2.54%	\$ 7,870,000	5.20%	25%
A+	A-1	ING Term Deposit	2.64%	2.65%	\$ 13,290,000	8.79%	15%
AA-	A-1+	NAB Term Deposit	2.49%	2.50%	\$ 34,700,000	22.94%	25%
A-*	A-2	Rural Bank Term Deposit	2.62%	2.65%	\$ 13,000,000	8.59%	10%
A+	A-1	Suncorp Term Deposit	2.58%	2.60%	\$ 4,000,000	2.64%	15%
AA-	A-1+	Westpac Term Deposit	2.52%	2.63%	\$ 16,760,000	11.08%	25%
AA+	A-1+	11AM WA Treasury Corporation	1.45%	1.45%	\$ 2,340,000	1.55%	25%

Total Investment Portfolio	2.53%	2.55%	151,270,000	100.00%
Municipal Funds			86,294,260	
Reserve Funds			64,975,740	
			151,270,000	

Overall Portfolio Limits		Value\$	% Current	% Limit
Long Term	Short Term			
AA	A-1+	91,440,000	60.4%	100%
A	A-1	17,290,000	11.4%	50%
A	A-2	42,540,000	28.1%	40%

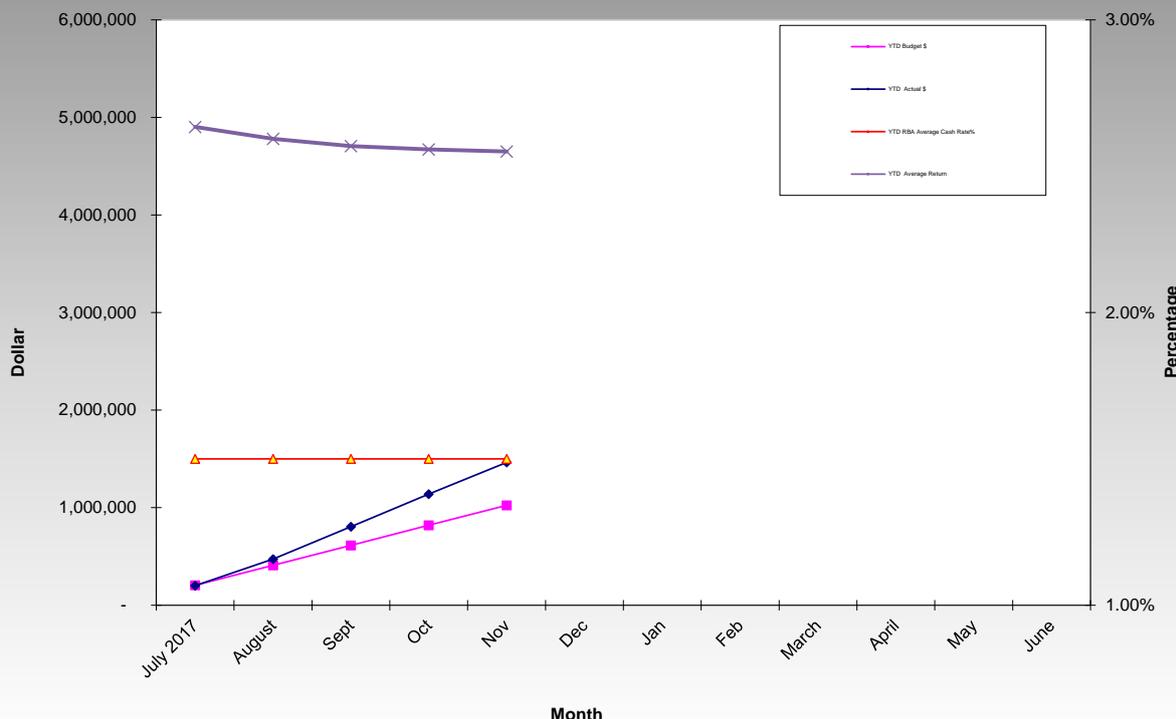
* S&P Long Term Rating BBB, Based on the investment policy the Long Term Rating Used is (A-) Based on Moody's and Fitch Rating

City of Joondalup - Investment Balances



Month	Budget \$	MTD Actual \$	YTD Budget \$	YTD Actual \$	YTD RBA Average Cash Rate%	YTD Average Return
July 2017	204,779	200,783	204,779	200,783	1.50%	2.63%
August	204,779	272,751	409,559	473,533	1.50%	2.59%
Sept	204,779	330,511	614,338	804,045	1.50%	2.57%
Oct	204,779	334,875	819,117	1,138,920	1.50%	2.56%
Nov	204,779	324,722	1,023,896	1,463,642	1.50%	2.55%

Return on Investments



NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 30 NOVEMBER 2017

1. Grants and Subsidies

This unfavourable timing variance arose mainly from Commonwealth General Purpose Grants (\$923,017) which was partly received in the previous financial year. The budget will be adjusted accordingly in the Mid Year Budget Review. Other unfavourable timing variances included SES 2017/18 Operating Grant (\$84,128) which was also partly received in the previous financial period.

2. Contributions, Reimbursements and Donations

This includes a favourable timing variance for Utility Charges \$60,970, Sponsorships \$34,600, Other Miscellaneous Reimbursements \$25,347 and a favourable variance from unbudgeted Insurance Reimbursements \$14,251.

3. Profit on Asset Disposals

This favourable timing variance mainly arose due to the timing of the disposal of surplus land holdings.

4. Fees and Charges

	YTD Budget	YTD Actual	Variance
a) Refuse Charges	\$20,328,755	\$20,411,509	\$82,754
b) Sports and Recreation Fees	\$3,738,094	\$3,934,858	\$196,764
c) Other Fees and Charges	\$1,346,002	\$1,338,232	(\$7,770)
d) Licenses and Registrations	\$562,881	\$474,015	(\$88,864)
Other Fees and Charges	\$4,016,951	\$4,043,861	\$26,910
	<u>\$29,992,683</u>	<u>\$30,202,475</u>	<u>\$209,792</u>

- a) This favourable variance mainly arose from the actual volume of Domestic Refuse Removal Charges collected compared to budget estimates.
- b) This includes favourable variances for Membership Fees \$156,605, Admission Fees \$55,085, Hire of Facilities \$33,954 and Other Sports and Recreation Fees \$22,091. This was partially offset by unfavourable variances for the Learn to Swim Program (\$78,559) and Court Sport Revenue (\$9,307).
- c) This unfavourable timing variance arose predominantly from Immunisation Fees (\$41,667) partially offset by favourable variances for Fines Enforcement Registry Charges \$12,492 and Sale of Merchandise and Promotional Items \$10,753. The balances of variances are spread across several areas.
- d) This unfavourable variance predominantly arose from Dog Registration Fees (\$84,852).

5. Interest Earnings

A favourable timing variance arose for Interest from Investments \$440,322, Interest on Pensioners Deferred Rate \$10,575 and Rates Penalty Interest \$6,840, partially offset by an unfavourable timing variance for Interest on Instalments (\$9,039).

6. Other Revenue / Income

This favourable variance arose from Insurance Rebates \$26,995, Corrections and Adjustments \$32,289 mainly from GST adjustments pertaining to the previous financial year, Street Side Advertising \$10,677 and Discounts Received \$1,665.

7. Employee Costs

	YTD Budget	YTD Actual	Variance
a) Salaries and Wages	\$26,039,795	\$26,224,479	(\$184,684)
b) Other Employment Costs	\$2,155,961	\$2,486,253	(\$330,292)
	<u>\$28,195,756</u>	<u>\$28,710,732</u>	<u>(\$514,976)</u>

a) This unfavourable timing variance mainly arose from movements in Employee Leave Entitlements (\$727,042) as well as additional casual costs for Parking Services (\$123,947) covering permanent positions yet to be filled and Leisure Centres (\$121,318) due to back pay for casual staff from 01 July 2017 following a new casual employment agreement being reached in August 2017. These were partially offset by favourable timing variances for Salaries and Wages costs arising from vacancies.

b) This unfavourable timing variances mainly arose for Agency Employees (\$301,260) covering vacant positions. The balances of variances are spread across a number of other areas.

8. Materials and Contracts

	YTD Budget	YTD Actual	Variance
a) External Service Expenses	\$9,665,249	\$8,472,235	\$1,193,014
b) Computing	\$1,156,182	\$965,044	\$191,138
c) Travel, Vehicles & Plant	\$845,070	\$693,867	\$151,203
d) Furniture, Equipment and Artworks	\$1,026,084	\$843,991	\$182,093
e) Waste Management Services	\$3,493,000	\$3,126,686	\$366,314
f) Contributions and Donations	\$1,252,239	\$1,090,395	\$161,844
g) Administration	\$529,236	\$377,628	\$151,608
h) Professional Fees and Costs	\$1,220,082	\$942,857	\$277,225
i) Other Materials	\$844,328	\$1,000,423	(\$156,095)
j) Accommodation & Property	\$822,591	\$937,444	(\$114,853)
Other Materials and Contracts	\$1,513,629	\$1,544,067	(\$30,438)
	<u>\$22,367,690</u>	<u>\$19,994,637</u>	<u>\$2,373,053</u>

- a) External Contractors and Services expenditure is \$1,226,289 below budget. This includes favourable timing variances for Parks \$591,050, Landscaping and Conservation Services \$211,422, Building Maintenance \$156,522, Civil Projects Management Services \$116,394, CEO Administration \$68,860 and Waste Management Services \$53,180, partially offset by an unfavourable variance for Environmental Health Services (\$32,637) and Parking Services (\$28,617). In addition a favourable variance arose for Pest Control \$30,684 and an unfavourable timing variance arose for Tipping Fees– Domestic (\$109,369). The balances of variances are spread across a number of areas.
- b) This favourable timing variance was predominantly due to Computer Software Maintenance \$75,037, Computer Software Licenses \$47,609, Computer Software Subscriptions \$32,773 and Data Communication Links \$20,840. The balances of variances are spread across other areas.
- c) A favourable variance arose for Vehicle Licensing \$71,570 as a result of the recent decision by State Government to exempt Local Governments from the registration fee component of annual vehicle licensing fees. The budget will be adjusted accordingly in the Mid Year Budget Review. In addition favourable timing variances arose for Fuel \$44,134 and Parts and Repairs \$30,224.
- d) Favourable timing variances arose for Plant and Equipment Maintenance and Repair \$98,180, Computer and Communications Equipment Purchases \$71,406 and Furniture and Office Equipment Purchases – Minor \$23,248. The balances of variances are spread across other areas.
- e) This favourable timing variance arose from Greens Waste Collection and Processing \$210,971, Bulk Hard Waste Collection and Processing \$147,034, Recycling Waste Collection and Processing \$4,376, Domestic Waste Collection \$1,177 and Weekend Greens \$2,756.
- f) This favourable timing variance arose predominantly from the Community Funding Program \$125,000 and Sponsorship \$49,999, partially offset by an unfavourable timing variance for Donations (\$11,858).
- g) Favourable timing variances arose for Other Sundry Administration Expenses \$75,042 and Printing \$52,280. The balances of variances are spread across a number of areas.
- h) This favourable timing variance arose predominantly from Consultancy \$285,612 and Research \$16,500, partially offset by an unfavourable timing variance for Legal Expenses (\$29,344).
- i) An unfavourable timing variance arose for External Material Purchases – Contract (\$200,162), partially offset by a favourable timing variance for Materials – Minor Building Works \$49,583. The balances of variances are spread across other areas.



- j) This unfavourable timing variance arose from a number of areas including Refuse Removal Charges (\$40,980), Rental and Outgoings (\$38,136), Water Rates (\$12,896), FESA Emergency Services Levy Payment (\$12,000) and Rates paid on the City's share of land at Tamala Park (\$10,996).

9. Utilities

Electricity costs are \$206,710 below budget including favourable variances for Buildings \$93,126, Roads \$57,174 and Parks \$53,821. In addition favourable timing variances arose for Water \$7,927 and Gas \$2,566.

10. Depreciation & Amortisation of Non-Current Assets

Unfavourable variances arose due to revaluation and asset capitalisation at 30 June 2017 for Depreciation – Buildings (\$773,900), Depreciation – Open Reserves (\$312,217), Depreciation – Drainage Infrastructure (\$160,901), Depreciation – Bridges, Overpass and Underpass Infrastructure (\$84,635) and Depreciation – Computer and Communications Hardware (\$72,958). This was partially offset by a favourable variance for Depreciation – Roads Infrastructure \$731,051 owing to downward valuations at 30 June 2017. In addition, Impairment costs of \$579,375 arose in respect of the demolition of existing structures in Lot 900 Marri Road (Duncraig Pre-school) prior to disposal of the land asset. The balances of the variances are spread across a number of areas. Movements in depreciation are currently being reviewed.

11. Loss on Asset Disposals

This favourable timing variance arose in respect of the disposal of Fleet and Plant assets \$164,536 and Land Parcels \$82,207.

12. Interest Expense

This favourable variance arose mainly due to the budgeted loan to fund the extension of the SES Winton Road Facility now no longer required. This will be revised in the Mid Year Budget Review.

13. Insurance Expense

Favourable variances arose for premium costs across various insurance categories compared to budget. Budgets will be updated in the Mid Year Budget Review.

14. Movement in Non-current Items

This timing variance arose in respect of Non-current Long Service Leave Liability movements of (\$98,541).

15. Capital Grants and Subsidies

	YTD Budget	YTD Actual	Variance
a) Capital Projects	\$150,000	\$353,911	\$203,911
b) Street Lighting Program	-	\$291,945	\$291,945
c) Road Preservation / Resurfacing Program	\$1,641,226	\$2,307,293	\$666,067
d) Major Road Construction Program	\$646,933	\$1,042,667	\$395,734
e) Parks Equipment Program	-	\$101,491	\$101,491
f) Major Projects Program	\$275,000	-	(\$275,000)
g) Major Building Capital Works Program	-	\$953,717	\$953,717
h) Blackspot Projects	\$502,000	\$176,625	(\$325,375)
Other Programs	-	\$65,020	\$65,020
	<u>\$3,215,159</u>	<u>\$5,292,669</u>	<u>\$2,077,510</u>

- a) This favourable variances arose mainly from Ocean Reef Marina \$187,826 being reimbursement sought from LandCorp for project expenditure incurred in 2016/17. The budget will be adjusted accordingly in the Mid Year Budget Review.
- b) A favourable timing variance arose from grant funding received for Admiral Park Floodlight Upgrade \$91,945 which was anticipated to be received in 2016/17. In addition unbudgeted funding was received for Lighting and CCTV installation at Shenton Avenue and Lakeside Drive \$200,000.
- c) This favourable timing variance arose for the Roads to Recovery Program \$884,453 which includes final grant payment for completed 2016/17 projects Eddystone Avenue - Eagle Street to Whitfords Avenue \$46,166 and Drakeswood Road \$186,578. This was partially offset by an unfavourable variance for the Direct Grants Program (\$218,498) due to the State Government reducing allocated funds below original forecasts. The unfavourable variance on the Direct Grant Program will be funded by Federal Local Roads Grant and adjusted at Mid Year review.
- d) A favourable timing variance arose for Burns Beach Road – Joondalup Drive Roundabout \$230,400 due to the first grant claim being received whilst the City seeks agreement from the Metropolitan Road Improvement Alliance to deliver the project in full with the City providing a \$500,000 contribution in place of the current arrangement. In addition, a favourable timing variance arose for Ocean Reef Road – Marmion Avenue to Swanson Road \$393,334, with final grant claim now received. This is offset by an unfavourable timing variance for Whitfords Avenue Upgrades \$228,000 which is progressing with 21% construction completed.
- e) Favourable variance predominantly due to the City receiving grant funds of \$110,000 from the Local Jobs grant program in relation to the Thornton Park Playspace Renewal.
- f) An unfavourable variance arose for Penistone Park Facility Redevelopment (\$275,000) which is 70% complete with grant claims to be made in coming months.
- g) Favourable variance due to the City receiving grant funds of \$60,000 for Windermere Park Clubroom Refurbishment. In addition an unbudgeted contribution was received for Winton Road SES \$873,717 as the Department of Fire and Emergency Services previously intended to contribute to the project in instalments under a borrowing

arrangement (Refer Note 13). The budget will be adjusted accordingly in the Mid Year Budget Review.

- h) Unfavourable timing variances arose across the whole program but significantly for Whitfords Avenue and John Wilkie Tarn Roundabout (\$157,333) which is being delivered in conjunction with Whitfords Avenue Upgrades. Warwick Train Station (\$56,667) has been delayed due to awaiting Main Roads approvals. In addition unfavourable timing variances arose for upgrades to Marmion Avenue and Ocean Reef Road (\$40,000), Marmion Avenue and Burns Beach Road (\$32,000) with works commenced and Ocean Reef Road and Trappers Drive (\$40,000) which will commence in following months.

16. Capital Contributions

A favourable timing variance arose from receipt of final contribution for the Warwick Hockey Centre \$90,909. In addition a favourable variance arose from Artwork Donations \$15,300.

17. Other Equity Movements

This favourable variance arose from reimbursement of rates paid to the City of Wanneroo for the City's share of land at Tamala Park.

18. Capital Projects

	YTD Budget	YTD Actual	Variance
a) Joondalup Performing Arts and Cultural Facility	\$2,057,870	\$24,112	\$2,033,758
b) Pool Tiles Replacement Craigie Leisure Centre	\$200,000	\$83,594	\$116,406
c) Workshop Outside Shelter and Truck Hoist	\$131,750	-	\$131,750
d) Information Technology Projects	\$313,000	\$122,955	\$190,045
e) WOC Undercover Area Enclosure	\$76,000	-	\$76,000
Other Projects	\$806,638	\$748,152	\$58,486
	<u>\$3,585,258</u>	<u>\$978,813</u>	<u>\$2,606,445</u>

- a) This favourable variance is due to the Council decision not to initiate the design development phase of this project at this time. Costs incurred are partly due to invoices relating to project activities prior to the Council decision and partly due to activities undertaken to place the project on hold.
- b) Timing of this project has been deferred to later in the year. Budget will be adjusted during the Mid Year Review.
- c) Commencement of this project has been delayed due to contractor availability with works now expected to commence in January 2018.

- d) This favourable timing variance arose from the Network Infrastructure Upgrade Program \$120,665 and the Information Technology Disaster Recovery Facilities Program \$69,380.
- e) Commencement of this project has been delayed due to contractor availability with works now expected to commence in January 2018.

19. Capital Works

	YTD Budget	YTD Actual	Variance
a) Parks Equipment Program	\$741,000	\$529,126	\$211,874
b) Major Projects Program	\$1,734,000	\$2,434,949	(\$700,949)
c) Streetscape Enhancement Program	\$916,000	\$693,797	\$222,203
d) Major Road Construction Program	\$814,129	\$118,611	\$695,518
e) Parking Facilities Program	\$90,000	\$335,431	(\$245,431)
f) Parks Development Program	\$783,000	\$1,052,441	(\$269,441)
g) Street Lighting Program	\$428,000	\$597,381	(\$169,381)
h) Foreshore & Natural Areas Management Program	\$155,000	\$312,651	(\$157,651)
i) Blackspot Projects Program	\$1,075,000	\$253,221	\$821,779
j) Local Traffic Management Program	\$550,000	\$42,160	\$507,840
k) New Paths Program	\$112,000	\$199,973	(\$87,973)
l) Stormwater Drainage Program	\$170,653	\$270,170	(\$99,517)
Other Programs	\$3,063,297	\$3,086,251	(\$22,954)
	<u>\$10,632,079</u>	<u>\$9,926,162</u>	<u>\$705,917</u>

- a) This favourable timing variance arose mainly due to Tom Simpson Park Playspace Renewal \$206,728 which is on track for completion in March 2018. In addition a favourable variance occurred for MacDonald Park Playspace Renewal \$66,391. This is offset by an unfavourable variance for Bollard and Fencing Renewal Program (\$51,624) which is complete.
- b) This unfavourable timing variance is mainly due to Penistone Park – Facility Redevelopment (\$742,456) which is progressing ahead of schedule and Joondalup Administration Building Major Refurbishment \$172,948. These are partially offset by a favourable timing variance for Percy Doyle – Soccer Clubrooms Refurbishment \$61,014 and Percy Doyle – Utilities Upgrade \$66,443 with construction progressing in the following months.
- c) Favourable timing variance arose in the Arterial Roads Landscape Upgrade Program \$98,898 and Leafy City Program \$84,630 with both projects progressing as scheduled.
- d) This favourable variance is predominantly due to Whitfords Avenue Upgrades \$461,911 which has commenced. In addition Ocean Reef Road – Marmion Avenue to Oceanside Promenade Dualling \$215,613 was completed below budget.
- e) This unfavourable variance is a result of projects being funded from funds brought forward from the previous financial year including Chesapeake Way On-street Parking (\$188,853) which is complete and Forest Park Additional Parking (\$141,724)



which is also completed. These are partially offset by a favourable timing variance for Barridale Drive Parking Embayments \$85,225.

- f) Unfavourable timing variance is due predominantly to MacDonald Park (\$291,170) which is complete and is partially offset by favourable variances for several projects across the program.
- g) Street Lighting unfavourable timing variance due to Joondalup City Centre Lighting (\$107,063) progressing ahead of phasing and Arterial & Urban Road Street Lighting (\$55,378) with construction 28% completed. This is partially offset by a favourable variance for Pinnaroo Point Car Park Lighting \$20,000 which has been delayed pending planning decisions for the development.
- h) Unfavourable timing variance mainly due to Bushland Reserve Paths Renewal (\$117,063) and Bushland Reserve Fencing Renewal Program (\$37,903) which are complete ahead of schedule. This is offset by a favourable variance for Conservation Reserves Interpretive Signage \$19,601 which is complete awaiting final invoices.
- i) Black Spot Projects favourable timing variance is due to Whitfords Avenue to John Wilkie Tarn Roundabout \$130,715 which is being delivered in conjunction with the Major Roads Project - Whitfords Avenue Upgrades. In addition Whitfords Avenue and Trappers Drive \$115,555 is delayed as design is incomplete, however this is not expected to delay forecast construction completion dates. Ocean Reef Road and Trappers Drive \$146,850 is delayed with construction completion now forecast for March 2018. Also a favourable timing variance arose for Marmion Avenue and Gilbert Road \$216,000 with the project now due for completion in June 2018.
- j) Traffic Management Programs has a favourable timing variance due mainly to Whitfords Avenue Median Treatment \$446,406 which is now being delivered in conjunction with the Major Roads Project - Whitfords Avenue Upgrades. In addition favourable timing variances arose for Barridale Drive \$65,959 which is progressing as scheduled.
- k) This unfavourable timing variance is mainly due to Whitfords Avenue Shared Path (\$110,346) which is staged, with Stage 1 complete and Stage 2 due for completion in March 2018.
- l) Storm Drainage Program has a number of unfavourable variances across the program but predominately due to projects carried forward from 2016/17 Coolibah Park Sump Beautification (\$48,542) and Creaney Drive (\$42,460) which are both complete.

20. Vehicle and Plant Replacements

This favourable variance for Fleet and Plant purchases includes a number of items which are progressing behind budget phasing, including a compactor truck, a skid steer loader, a low bed trailer, two tractors, four vans and three utilities at a combined value of \$792,000. Orders totalling \$824,118 are awaiting delivery.

21. Proceeds from Disposal

The timing of the disposal of surplus land holdings generated an unfavourable variance of (\$1,299,210) and an unfavourable timing variance arose for Fleet and Plant assets disposals (\$39,534).

22. Opening Funds

Variations in the actual results for 2016-17 compared to the budget estimate gave rise to an unfavourable variance of (\$356,586) in opening funds. Adjustment to opening funds will be reflected in the Mid Year Budget Review.

23. Closing Funds

	June 2017	November 2017
Current Assets		
Cash and Investments	\$91,237,574	\$151,808,413
Rates Outstanding, Sundry Debtors and Other Receivables	\$2,956,710	\$28,828,515
Accrued Income	\$967,074	\$1,013,477
Prepayments	\$10,653	\$495,686
Inventories	\$144,976	\$175,909
Total Current Assets	\$95,316,987	\$182,322,000
Current Liabilities		
Trade Creditors	\$3,786,997	\$8,581,392
Sundry Payables	\$523,645	\$10,016,291
Accrued Expenses	\$4,796,208	\$4,549,992
Other Payables	\$2,107,983	-
Borrowings	\$3,084,740	\$2,127,679
Provision for Annual Leave	\$4,366,612	\$4,688,332
Provision for Long Service Leave	\$5,579,310	\$5,726,856
Provision for Workers Compensation Insurance	\$3,550,341	\$5,127,346
Provision for Sick Leave	\$964,736	\$1,006,975
Other Provisions	\$59,321	\$61,013
Total Current Liabilities	\$28,819,891	\$41,885,876
Net Current Assets	\$66,497,096	\$140,436,124
Add back: Borrowings	\$3,084,740	\$2,127,680
Less: Cash Backed Reserves	\$67,903,096	\$67,903,096
Less: Non Current Long Service Leave	\$1,594,724	\$1,594,724
Closing Funds – Surplus/(Deficit)	\$84,016	\$73,065,984