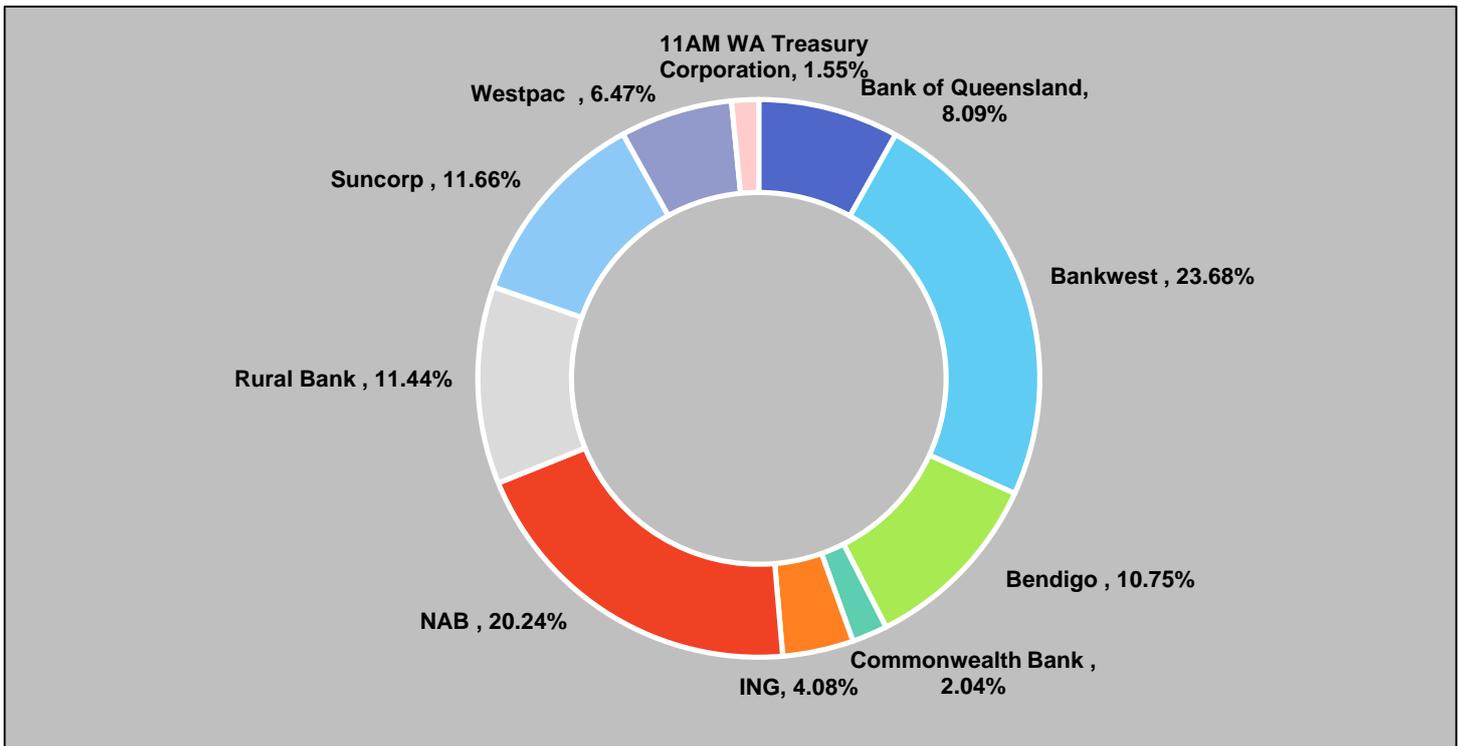


	Notes	Adopted Budget	YTD Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates	1	(100,296,743)	(100,296,743)	(100,772,390)	475,647	0%
Specified Area Rates		(561,099)	(561,099)	(568,372)	7,273	1%
Grants and Subsidies	2	(3,526,604)	(1,738,473)	(964,222)	(774,251)	(45)%
Contributions Reimbursements and Donations	3	(1,100,753)	(672,070)	(618,942)	(53,128)	(8)%
Profit on Asset Disposals	4	(41,225)	(24,735)	(390,403)	365,668	100%
Fees and Charges	5	(41,337,134)	(33,418,832)	(33,252,740)	(166,092)	(0)%
Interest Earnings	6	(3,446,921)	(2,251,869)	(3,051,259)	799,390	35%
Other Revenue/Income	7	(213,466)	(122,912)	(845,852)	722,940	100%
Total Operating Revenue		(150,523,946)	(139,086,733)	(140,464,180)	1,377,447	0%
OPERATING EXPENSES						
Employee Costs	8	65,529,623	39,416,829	37,297,536	2,119,293	5%
Materials and Contracts	9	52,554,318	29,920,039	28,067,560	1,852,479	6%
Utilities (gas, electricity, water etc.)	10	5,613,600	3,175,500	3,253,714	(78,214)	(2)%
Depreciation & Amortisation of Non-Current Assets	11	30,819,322	17,991,820	17,823,557	168,263	1%
Loss on Asset Disposals	12	212,295	56,605	186,282	(129,677)	(100)%
Interest Expenses		476,596	290,450	291,197	(747)	(0)%
Insurance Expenses		1,383,322	1,382,622	1,395,949	(13,327)	(1)%
Total Operating Expenses		156,589,076	92,233,865	88,315,795	3,918,070	4%
(SURPLUS)/DEFICIT FROM OPERATIONS		6,065,131	(46,852,869)	(52,148,385)	5,295,516	11%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(30,819,322)	(17,991,820)	(17,823,557)	(168,263)	(1)%
Loss on Asset Disposal		(212,295)	(56,605)	(186,282)	129,677	100%
Profit on Asset Disposals		41,225	24,735	390,403	(365,668)	100%
Other Non-Current items						
Movement in Non-current Items	13	(100,000)	(100,000)	240,117	(340,117)	(100)%
OPERATING CASH (SURPLUS)/DEFICIT		(25,025,262)	(64,976,558)	(69,527,704)	4,551,145	7%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	14	(8,904,948)	(1,517,898)	(3,270,800)	1,752,902	100%
Capital Contributions	15	(450,000)	(450,000)	(51,281)	(398,719)	(89)%
Equity Distribution - TPRC	16	(1,166,667)	(583,334)	(333,333)	(250,001)	(43)%
Acquired Infrastructure Assets		-	-	-	-	0%
Equity Investments	17	-	-	(17,326)	17,326	100%
Total Non-Operating Revenue		(10,521,615)	(2,551,232)	(3,672,741)	1,121,509	44%
CAPITAL EXPENDITURE						
Capital Projects	18	7,961,809	2,298,350	1,807,092	491,258	21%
Capital Works	19	29,734,882	9,518,323	11,120,201	(1,601,878)	(17)%
Vehicle and Plant Replacements	20	2,574,000	1,198,000	733,400	464,600	39%
Loan Repayment Principal		3,201,862	1,789,641	1,789,641	-	0%
Total Capital Expenditure		43,472,553	14,804,314	15,450,334	(646,020)	(4)%
TPRC Development Costs		-	-	-	-	0%
CAPITAL (SURPLUS)/DEFICIT		32,950,938	12,253,082	11,777,593	475,489	4%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		7,925,676	(52,723,476)	(57,750,111)	5,026,634	10%
FUNDING						
Proceeds from Disposal	21	(1,969,790)	(215,011)	(457,283)	242,273	100%
Loans - New Borrowings		-	-	-	-	-
Transfer from Trust		(1,930,000)	-	-	-	-
Transfer from Reserve		(11,444,145)	-	-	-	-
Transfer to Reserve		7,802,777	-	-	-	-
Transfer to Accumulated Surplus		-	-	-	-	-
Transfer from Accumulated Surplus		-	-	-	-	-
Opening Funds	22	(534,903)	(534,903)	(4,428,425)	3,893,522	100%
CLOSING FUNDS	23	(150,385)	(53,473,390)	(62,635,819)	9,162,429	17%

INVESTMENT SUMMARY

January-19

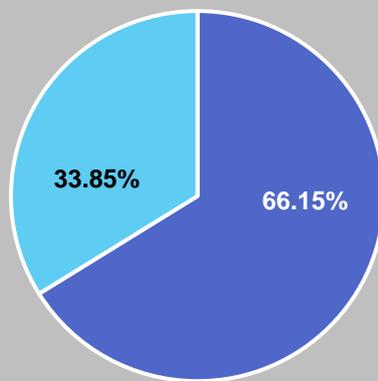


Municipal Funds	\$73,752,031	YTD Return	2.67%
Reserve Funds	\$73,347,969	Benchmark	2.00%
	<u>\$147,100,000</u>	RBA Rate	1.50%

<u>Investment Policy Limits</u>					
	<u>LT Rating</u>	<u>Limit</u>		<u>LT Rating</u>	<u>Limit</u>
Bank of Queensland	A-*	10%	NAB	AA-	25%
Bankwest	AA-	25%	Rural Bank	A-*	10%
Bendigo	A-*	10%	Suncorp	A+	15%
Commonwealth Bank	AA-	25%	Westpac	AA-	25%
ING	A+	15%	11AM WATC	AA+	25%

*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

Fossil Fuel Vs Non Fossil Fuel Investment *



■ Fossil Fuel ■ Non Fossil Fuel

*Based on Market Forces ratings (<http://marketforces.org.au/>)

**NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR THE
PERIOD ENDED 31 JANUARY 2019**

1. Rates \$475,647

Rates income is higher than budget predominantly arising from higher interim rates levied than estimated year to date. Necessary adjustments will be effected in the Mid Year Review.

2. Grants and Subsidies (\$774,251)

This unfavourable timing variance arose mainly from the Commonwealth General Purpose Grant (\$813,077) which was partly received in the previous financial year. This is partly offset by an unbudgeted Grant \$47,992 from the Department of Veteran Affairs through the Armistice Centenary Grant Program. Budgets in both cases will be adjusted at the Mid Year Budget Review.

3. Contributions, Reimbursements and Donations (\$53,128)

This unfavourable timing variance arose mainly from Contributions (\$86,550) and Utility Charges (\$65,387) partially offset by favourable timing variances for Insurance \$33,099, Other Miscellaneous Reimbursements \$31,944 and Recoverable Legal Fees \$29,209.

4. Profit on Asset Disposals \$365,668

This favourable timing variance arose due to the timing of the disposal of surplus land holdings and profit on sale of land at Tamala Park \$333,308 and disposal of replaced Vehicles, Plant and Equipment \$32,360.

5. Fees and Charges (\$166,092)

	YTD Budget	YTD Actual	Variance
a) Refuse Charges	\$20,578,110	\$20,494,511	(\$83,599)
b) Building & Development Fees	\$1,114,583	\$1,215,191	\$100,608
c) Sports & Recreation Fees	\$5,341,115	\$5,288,608	(\$52,507)
d) Fines & Penalties	\$981,248	\$886,360	(\$94,888)
e) Licenses & Registrations	\$498,562	\$552,293	\$53,731
f) Other Fees & Charges	\$4,905,214	\$4,815,777	(\$89,437)
	<u>\$33,418,832</u>	<u>\$33,252,740</u>	<u>(\$166,092)</u>

Favourable Variance
Unfavourable Variance

- a) An unfavourable timing variance predominantly arising from Domestic Refuse Removal Charges (\$88,982).
- b) This favourable variance mainly arose from Development Application Fees \$88,792 and Other Building and development Charges \$39,292, partially offset by an unfavourable variance for Building Permits (\$30,363).
- c) An unfavourable variance mainly arising from Admission Fees (\$89,995), Park Hire (\$32,679), Hire of Facilities (\$28,247), Learn to Swim Program (\$24,081) and Personal Training (\$23,311), partially offset by a favourable variance for Membership Fees \$142,676.
- d) An unfavourable variance arose mainly from Parking Infringements (\$135,119) and Poundage Fees (\$18,809), partially offset by favourable variances for Suburban Parking Infringements \$26,412 and Dog Act Costs and Fines \$24,173.
- e) This favourable variance predominantly arose from Dog Registration Fees \$56,466.
- f) Unfavourable variances arose from Hire and Rentals (\$39,825), Parking Fees (\$30,149) and Inspection and Control Fees (\$23,054), partially offset by a favourable variance for Other Fees and Charges \$3,590.

6. Interest Earnings

\$799,390

Favourable timing variances arose from Interest from Investments \$785,751 due to higher volumes invested and better than expected returns, Penalty Interest \$33,216 and Interest on Pensioners Deferred Rate \$5,272, partially offset by an unfavourable timing variance for Interest on Instalments (\$24,850).

7. Other Revenue / Income

\$722,940

This favourable variance arose predominantly from an unbudgeted Contribution \$500,000 from Satterley in lieu of providing the City with land for future community purposes (Beaumauris Beach Estate) and unbudgeted rebates received from LGIS \$238,966 representing the City's share of rebates provided to LGIS scheme members. This was partially offset by an unfavourable timing variance for Adshel Advertising (\$27,102).

8. Employee Costs

\$2,119,293

	YTD Budget	YTD Actual	Variance
a) Salaries and Wages	\$37,388,785	\$35,140,425	\$2,248,360
b) Other Employment Costs	\$2,028,044	\$2,157,111	(\$129,067)
	<u>\$39,416,829</u>	<u>\$37,297,536</u>	<u>\$2,119,293</u>

Favourable Variance

Unfavourable Variance

- a) A favourable variance arose for Salaries and Wages in various areas including Parks \$410,650, Planning Approvals \$249,570, CEO Administration \$191,055, Engineering Maintenance \$167,725, Library Operations \$138,271, Cultural Services \$110,461, Building Services \$100,430 and Traffic Engineering \$98,160 mainly due to vacant positions. The balances of variances are spread across a number of areas.
- b) An unfavourable variance arose for Agency Employees (\$320,390) covering vacant positions, partially offset by favourable variances for Other Employment Costs \$133,809 and Labour Recovery - Capital Works \$57,514.

9. Materials and Contracts

\$1,852,479

	YTD Budget	YTD Actual	Variance
a) Professional Fees and Costs	\$1,631,500	\$1,734,415	(\$102,915)
b) Public Relations, Advertising & Promotions	\$797,247	\$539,770	\$257,477
c) Computing	\$1,358,371	\$1,215,350	\$143,021
d) Other Building Materials & Supplies	\$1,195,686	\$1,373,391	(\$177,705)
e) External Service Expenses	\$13,538,558	\$12,678,200	\$860,358
f) Accommodation & Property	\$1,125,007	\$978,748	\$146,259
g) Administration	\$1,155,658	\$727,758	\$427,900
h) Furniture, Equipment & Artworks	\$1,304,211	\$1,208,514	\$95,697
i) Charges & Recoveries	(\$109,422)	(\$272,767)	\$163,345
j) Travel, Vehicles & Plant	\$918,792	\$1,091,347	(\$172,555)
k) Contributions & Donations	\$1,211,030	\$1,137,668	\$73,362
l) Members Costs	\$458,577	\$397,692	\$60,885
m) Waste Management Services	\$4,063,808	\$3,999,564	\$64,244
Other Materials & Contracts	\$1,271,016	\$1,257,910	\$13,106
	<u>\$29,920,039</u>	<u>\$28,067,560</u>	<u>\$1,852,479</u>

- a) Unfavourable timing variances arose for Consultancy (\$66,303), Legal Expenses (\$41,587) and Recoverable Legal Expenses (\$22,761), partially offset by favourable timing variances for Auction Fees \$14,192 and Licence Fees \$12,132. The balances of variances are spread across a number of areas.
- b) This favourable variance was predominantly due to Promotions \$93,283, General Advertising \$76,724, Catering \$25,648, Signage \$24,471, Bar Stocks \$17,154 and Public Relations \$15,837.
- c) This includes favourable timing variances for Computer Software Subscriptions \$57,997, Computer Software Licences \$52,634 and Internet Provider Costs \$23,789.
- d) An unfavourable timing variance arose predominantly from External Material Purchases – Contract (\$301,393) and External Material Purchases – Day Labour (\$24,205), partially offset by a favourable timing variance for Materials - Minor Building Works \$149,081.

Favourable Variance

Unfavourable Variance

- e) This favourable timing variance mainly arose from External Contractors and Services \$1,115,628 of which \$339,701 relates to Yellagonga Wetlands – Smart Monitoring and Management Program, Programme Activities \$75,548, Pest Control \$23,003 and Production Costs \$21,821, partially offset by an unfavourable timing variance for General Waste Tipping Fees (\$429,811). The balances of variances are spread across a number of areas.
- f) This favourable timing variance arose predominantly from Refuse Removal Charges \$183,350, partially offset by an unfavourable timing variance for Rental and Outgoings (\$28,645). The balances of variances are spread across a number of areas.
- g) This favourable timing variance mainly arose from Other Sundry Administration Expenses \$330,378, Printing \$39,198, Photography and Video Production \$25,623, Interstate / Overseas Conferences \$17,191 and Stationery \$14,022.
- h) Favourable timing variances arose mainly from Computer and Communications Equipment Purchases – Minor \$93,901, Hire of Equipment \$46,508, Furniture and Office Equipment Purchases – Minor \$18,177 and Plant and Equipment Maintenance and Repair \$9,384, partially offset by unfavourable timing variances for Plant and Equipment Purchases – Minor (\$55,941) and Computer and Communications Equipment Maintenance (\$17,437).
- i) This favourable timing variance arose predominantly from Operational Overhead Recoveries \$122,974 and Capital Overhead Recoveries \$30,770. The balances of variances are spread across a number of areas.
- j) This unfavourable timing variance arose mainly from Parts and Repairs (\$106,913), Fuel (\$44,798) and Vehicle Servicing Costs (\$32,107).
- k) Favourable timing variances arose mainly from Community Funding Program \$71,938, Prizes and Trophies \$25,947 and Donations \$17,189, partially offset by an unfavourable timing variance for Sponsorship (\$41,310).
- l) This favourable timing variance predominantly arose from Elected Members Conference and Training Expenses \$54,949.
- m) Favourable variances arose from Green Waste collection and processing \$87,169 and Bulk Hard Waste collection and processing \$32,616, partially offset by unfavourable variances for Recycling collection and processing (\$33,231) and General Waste collection (\$22,320).

10. Utilities

(\$78,214)

Unfavourable timing variances arose mainly from Electricity costs for Parks (\$41,232), Civic Chambers (\$32,245), Leisure Centres (\$27,175) and Lighting (\$16,147), partially offset by a favourable timing variance for Water costs \$28,325.

Favourable Variance
Unfavourable Variance

11. Depreciation & Amortisation of Non-Current Assets \$168,263

Depreciation variances arose due to revaluation and asset capitalisation at 30 June 2018. Favourable variances arose for Depreciation – Open Reserves \$643,085 and Depreciation – Buildings \$90,679, partially offset by unfavourable variances for Depreciation – Computer and Communications Hardware (\$152,853), Depreciation – Mobile and Other Plant (\$140,619), Depreciation – Lighting (\$47,229) and Depreciation – Drainage Infrastructure (\$26,954). In addition, an unfavourable variance arose for Impairment / Write Off of Assets (\$166,494). The balances of the variances are spread across a number of areas. Amendments to depreciation budgets will be effected in the Mid Year Budget Review.

12. Loss on Asset Disposals (\$129,677)

This unfavourable timing variance arose mainly in respect of the disposal of Fleet and Plant Assets (127,128).

13. Movement in Non-Current Items (\$340,117)

This timing variance arose in respect of a decrease in Non-current Long Service Leave Liability, reflecting movements for the year to date.

14. Capital Grants and Subsidies \$1,752,902

	YTD Budget	YTD Actual	Variance
a) Road Preservation / Resurfacing Program	\$1,143,460	\$1,373,690	\$230,230
b) Street Lighting Program	\$5,000	\$752,529	\$747,529
c) Traffic Management Program	\$92,000	\$234,314	\$142,314
d) Major Roads Construction	-	\$773,023	\$773,023
e) Capital Projects	\$277,438	-	(\$277,438)
f) Other Programs	-	\$137,245	\$137,245
	<u>\$1,517,898</u>	<u>\$3,270,800</u>	<u>\$1,752,902</u>

a) This favourable variance is mainly due to additional Direct Grant funding received for Ripley Way \$149,267 and Parnell Avenue – Seacrest Drive to Martin Drive \$40,000. In addition, a favourable timing variance arose from receipt of final grant payment for Whitfords Avenue East Bound - Alexander Road – Gibson Avenue \$36,810 completed in 2017-18. Budgets for these programs will be adjusted at the Mid Year Budget Review.

- b) This favourable variance mainly arose from unbudgeted grant funding of \$641,250 received from the Department of Industry for Stage 2 of the Joondalup City Centre Street Lighting. In addition, a favourable timing variance arose from receipt of the final grant payment for Warrandyte Park Floodlighting Upgrade \$111,279 completed in 2017/18.
- c) This favourable variance is a combination of the timing of final payments for 2017/18 State Black Spot Project Whitfords Avenue / John Wilkie Tarn \$78,667 and progress payments for 2017/18 projects Warwick Train Station \$54,667 and Ocean Reef Road / Trappers Drive \$60,000. An unbudgeted amount of \$16,000 was received for Moore Drive / Marmion Avenue due to additional grant funding received. This is offset by an unfavourable timing variance for Warwick Road / Allenswood Drive (\$72,000) due to project delays with the project re-scheduled for completion in March 2019.
- d) A favourable variance arose from additional funding received for multi-year project Warwick Road / Erindale Road Intersection Upgrades \$360,000. In addition, a favourable timing variance arose from Major Road Improvement Grant for Whitfords Avenue Median Upgrades \$113,023 which was anticipated to be received in 2017/18. A favourable variance also arose from finalisation of a grant acquittal for Ocean Reef Road / Joondalup Drive Intersection Upgrade \$300,000.
- e) This unfavourable timing variance arose from Yellagonga Wetlands – Smart Monitoring and Management delayed due to re-scheduling of Federal Government funding, phasing for which will be adjusted at Mid-Year Budget Review.
- f) Favourable timing variances arose for Streetscape Enhancement Program \$49,612, Major Building Capital Works Program \$20,000, Foreshore and Natural Areas Management Program \$22,633, Major Projects Program \$20,000 and New Paths Program \$5,000.

15. Capital Contributions

\$398,719

This unfavourable timing variance arose mainly from Burns Beach to Mindarie Dual Use Path (\$450,000) due to project progress, partially offset by unbudgeted contributions received for refurbishment of the clubrooms at Windermere Park \$22,727, replacement of the floor tiles in the tennis change rooms at Percy Doyle Reserve \$9,957 and Park Signage Renewal \$4,000. In addition, unbudgeted rebates of \$14,597 were received for renewable energy appliances installed to projects under the Capital Works program.

16. Equity Distribution - TPRC

\$250,001

The dividend distribution from Tamala Park Regional Council was below budget estimates. Adjustments will be made in the Mid Year Budget Review.

Favourable Variance
Unfavourable Variance

17. Equity Investments
\$17,326

This favourable variance arose from unbudgeted GST contributions from TPRC in respect of land sales undertaken. This has arisen as a result of the new GST rules on property sales that commenced on 01 July 2018.

18. Capital Projects
\$491,258

	YTD Budget	YTD Actual	Variance
a) Yellagonga Wetlands -Smart Monitoring and Management	\$221,590	-	\$221,590
b) Joondalup City Centre Commercial Office Development	\$292,321	\$98,333	\$193,988
c) Ocean Reef Marina	\$92,603	\$32,304	\$60,299
d) Better Bins Project	\$850,000	\$1,233,548	(\$383,548)
e) Information Technology Projects	\$314,750	\$61,695	\$253,055
f) Joondalup Performing Arts & Cultural Facility	\$135,086	\$52,635	\$82,451
g) Infrastructure Asset Management System Implementation	\$110,000	\$55,616	\$54,384
Other Programs	\$282,000	\$272,960	\$9,040
	<u>\$2,298,350</u>	<u>\$1,807,092</u>	<u>\$491,258</u>

- a) Favourable timing variance due to re-scheduling of Federal Government funding for this project, phasing for which will be adjusted at Mid-Year Budget Review.
- b) Favourable timing variance due to project progress which is awaiting recommendations arising from the Order of Magnitude Business Case currently being prepared by the consultant.
- c) Expenditure on this project is impacted by the City's level of involvement as required by LandCorp. It is anticipated that expenditure will increase in the coming months with the City commencing a detailed financial analysis of the refined concept plan.
- d) This unfavourable timing variance is a result of this project progressing ahead of schedule in preparation for roll out in January to May 2019.
- e) Favourable timing variances arose for IT Disaster Recovery Facilities \$155,000 and Network Infrastructure Upgrade Program \$98,055.
- f) Following Council's decision not to commence detailed design at this time, this favourable timing variance has arisen due to further project investigation/research progressing behind estimates.
- g) A favourable timing variance arose for this project for which the Building Condition Audit is currently in progress, with further payments to be made in coming months to finalise the contract.

Favourable Variance
Unfavourable Variance

19. Capital Works
(\$1,601,878)

	YTD Budget	YTD Actual	Variance
a) Street Lighting Program	\$865,500	\$2,670,332	(\$1,804,832)
b) Road Preservation/Resurfacing Program	\$2,719,499	\$3,442,542	(\$723,043)
c) Traffic Management Program	\$362,290	\$553,426	(\$191,136)
d) Paths Program	\$639,000	\$719,258	(\$80,258)
e) Major Buildings Capital Works Program	\$706,500	\$1,069,633	(\$363,133)
f) Parks Development Program	\$282,000	\$466,144	(\$184,144)
g) Major Projects Program	\$1,306,821	\$299,933	\$1,006,888
h) Streetscape Enhancement Program	\$600,979	\$482,211	\$118,768
i) Foreshore and Natural Areas Management Program	\$244,500	\$163,713	\$80,787
j) Parks Equipment Program	\$849,500	\$781,267	\$68,233
k) Parking Facilities Program	\$132,000	\$10,585	\$121,415
l) Major Road Construction Program	\$384,000	\$3,091	\$380,909
m) Stormwater Drainage Program	\$425,734	\$458,066	(\$32,332)
	<u>\$9,518,323</u>	<u>\$11,120,201</u>	<u>(\$1,601,878)</u>

- a) This unfavourable timing variance is due predominantly to Stage 2 Joondalup City Centre Lighting (\$2,029,464) which is a multiyear project carried over from the previous year and Whitfords Nodes Car Park (\$33,830) which is now complete. This is partially offset by favourable timing variances for Kingsley Park Floodlighting Upgrade \$173,644 which has commenced, Sir James McCusker Park Path Lighting \$35,761, the Floodlight and Pole Replacement Program \$29,583, Ocean Reef Road LED Conversion \$15,959 and Environmental Design Lighting \$10,000 due to projects progress.
- b) Unfavourable timing variances arose from a number of projects across the program completed ahead of schedule including Armytage Way (\$160,155), Oldham Street (\$101,603), Alderhaus Drive (\$90,237), Newport Gardens (\$68,680) and Turnberry Place (\$36,189). In addition, unfavourable timing variances arose for Cockatoo Ridge (\$53,855) and Crack Sealing and Patching works City wide (\$42,817) due to projects progress. This is offset by favourable variances from Joondalup Drive – City Boundary West Bound \$116,200 which is now revised for completion in 2019/2020. Poynter Drive – Griffell Way to Granadilla Street \$38,000 has been withdrawn following a recent condition audit that determined resurfacing is not required and Blackall Drive \$40,654 and Gibson Avenue – Rudall Way to Hepburn Avenue \$21,369 are complete awaiting final invoices. Beach Road \$29,000 was completed in conjunction with the Black Spot project June 2018. The balances of variances are spread across a number areas.
- c) Unfavourable timing variances arose as a result of projects funding brought forward from the previous financial year including Venturi Drive Median Treatment (\$75,629), Warwick Train Station (\$33,949) and Marmion Avenue and Ocean Reef Road (\$49,905) which are all now complete. In addition, unfavourable timing variances arose for Perilya Road Improvements (\$50,196) and Marmion Avenue and Moore Drive (\$61,425) which are complete ahead of schedule. This is partially offset by Blackspot

Favourable Variance
Unfavourable Variance

project Marmion Avenue and Burns Beach Road \$47,761 which is complete under budget and Warwick Road and Allenswood Drive \$31,871 which has commenced behind schedule with a revised forecast completion of March 2019.

- d) Several unfavourable timing variances arose across the Path Replacement Program which is progressing ahead of schedule with 22 (92%) projects complete including Shenton Avenue under Shared Path Renewal and Resurfacing (\$111,466) and New Bus Shelter Installation (\$27,579) which is complete awaiting payment of final invoices. This is partially offset by a favourable timing variance for New Path Program project Sandalwood Drive – Marlock Drive to Calectasia Street \$80,000 which is delayed until March 2019 awaiting the outcome of a petition by residents and Moore Drive Shared Path favourable variance of \$25,667 which is complete under budget. The balances of variances are spread across a number of areas.
- e) This unfavourable timing variance arose mainly due to Air Conditioning Replacement Program (\$96,711), Mirror Park Toilets Refurbishment (\$83,357), Iluka Sports Roof Upgrade (\$47,436), Emerald Park Community Facility Upgrade (\$36,176) and Mawson Park Toilets / Changeroom Refurbishment (\$24,583) being completed ahead of schedule. In addition, Windermere Park Clubroom Refurbishment (\$91,580) is progressing ahead of schedule. The balances of variances are spread across a number of projects.
- f) Unfavourable timing variances arose from a number of projects progressing ahead of schedule including Prince Regent Park Irrigation Upgrades (\$50,653), Beachside Park Irrigation Upgrades (\$44,778), Whitfords West Park Irrigation Renewal (\$34,605) and Tree Planting Program (\$32,419). In addition, an unfavourable variance arose from Fairway / Carnaby Park Irrigation Consolidation (\$32,191) which was complete over budget. This is partially offset by a favourable timing variance for the Park Amenity Renewal Program \$23,523 and Burns Beach Park Irrigation Upgrades \$20,697 which is complete awaiting payment of final invoices.
- g) Favourable timing variances exist for works at Percy Doyle Reserve for the Tennis Clubrooms Refurbishment \$303,150 which is complete and Power Upgrade \$219,403 which is 36% complete. In addition, a favourable timing variance arose for Joondalup Administration Building Upgrade \$423,920 which has been delayed awaiting outcome of a building rationalisation review.
- h) This favourable timing variance is mainly due to the Streetscape Renewal Program \$146,529 which has been rescheduled for planting in April 2019 and will be re-phased at Mid-Year review. This offset by unfavourable timing variances for Leafy City Program (\$14,587) and City Centre Renewal Program (\$8,687).
- i) Favourable timing variances arose for the Bushland Reserve Fencing Renewal Program \$75,491 which has been delayed due to contractor availability and Wetlands Renewal Program \$36,132 which is 26% complete. This is partially offset by an number of smaller unfavourable variances across the program including Natural Areas Asset Renewal Program (\$21,340).
- j) Parks Equipment Program favourable timing variances exist for the Shade Structure Program \$111,249 which is complete awaiting payment of final invoices and the Park Asset Replacement Program \$32,521 which is 18% complete. This is offset by unfavourable variances for completed projects Tom Simpson Park Playspace Renewal (\$37,607) and MacDonald Park Playspace Renewal (\$33,367) which were carried forward from the previous financial year.

Favourable Variance

Unfavourable Variance

- k) Parking Facilities Program favourable variance is mainly due to City Centre Carpark P4 Renewal \$122,748 which is complete awaiting payment of final invoices.
- l) This favourable timing variance is mainly due to Burns Beach Road / Joondalup Drive Roundabout \$383,909 which is being delivered by Main Roads WA in conjunction with Wanneroo Road works and has been delayed to 2019/2020.
- m) An unfavourable timing variance of (\$119,045) arose for Stormwater Drainage works at Heritage Precinct Development (formerly Parin Pioneer Park Development) under the Parks Development Program, which successfully obtained State grant funding in December 2018, and will be adjusted at the Mid Year Review. In addition, Timberlane Park Drainage Outlet Upgrades (\$115,843) was completed ahead of schedule and funding for Periwinkle Park Catchment Upgrades (\$62,988) was carried forward from the previous financial year. This is offset by a favourable variance for Northshore Avenue Sump Renewal Works \$279,019 which is 10% complete. A number of minor variances occur across other projects within the program

20. Vehicle and Plant Replacements

\$464,600

This favourable variance for Fleet and Plant purchases includes timing variances for four vans, two plant items and one truck (\$442,000) which are progressing. Orders totalling \$733,400 have been placed and are scheduled for delivery in the coming months.

21. Proceeds from Disposal

\$242,273

This favourable timing variance arose from Fleet and Plant disposals which includes \$103,015 for items replaced in the previous financial year.

22. Opening Funds

\$3,893,522

Variations in the actual results for 2017-18 compared to the budget estimate gave rise to a favourable variance of \$3,893,522 in opening funds. Adjustment to opening funds will be reflected in the Mid Year Budget Review.

Favourable Variance
Unfavourable Variance

23. Closing Funds
\$9,162,429

	June 2018	January 2019
Current Assets		
Cash and Investments	\$100,085,669	\$147,257,605
Rates Outstanding, Sundry Debtors and Other Receivables	\$3,026,090	\$17,183,493
Accrued Income	\$1,208,522	\$1,476,367
Prepayments	\$687,023	\$305,579
Inventories	\$188,284	\$177,743
Total Current Assets	\$105,195,588	\$166,400,787
Current Liabilities		
Trade Creditors	\$4,522,569	\$656,199
Sundry Payables	\$610,874	\$10,620,599
Accrued Expenses	\$5,116,012	\$3,619,227
Other Payables	\$2,305,685	-
Borrowings	\$3,201,862	\$1,412,222
Provision for Annual Leave	\$4,497,672	\$4,155,188
Provision for Long Service Leave	\$5,855,900	\$5,884,388
Provision for Workers Compensation Insurance	\$2,503,467	\$3,498,581
Provision for Sick Leave	\$1,006,450	\$990,090
Other Provisions	\$196,914	\$189,077
Total Current Liabilities	\$29,817,405	\$31,025,569
Net Current Assets	\$75,378,183	\$135,375,218
Add back: Borrowings	\$3,201,862	\$1,412,222
Less: Cash Backed Reserves	\$74,151,621	\$74,151,621
Closing Funds – Surplus/(Deficit)	\$4,428,425	\$62,635,819

Favourable Variance
Unfavourable Variance