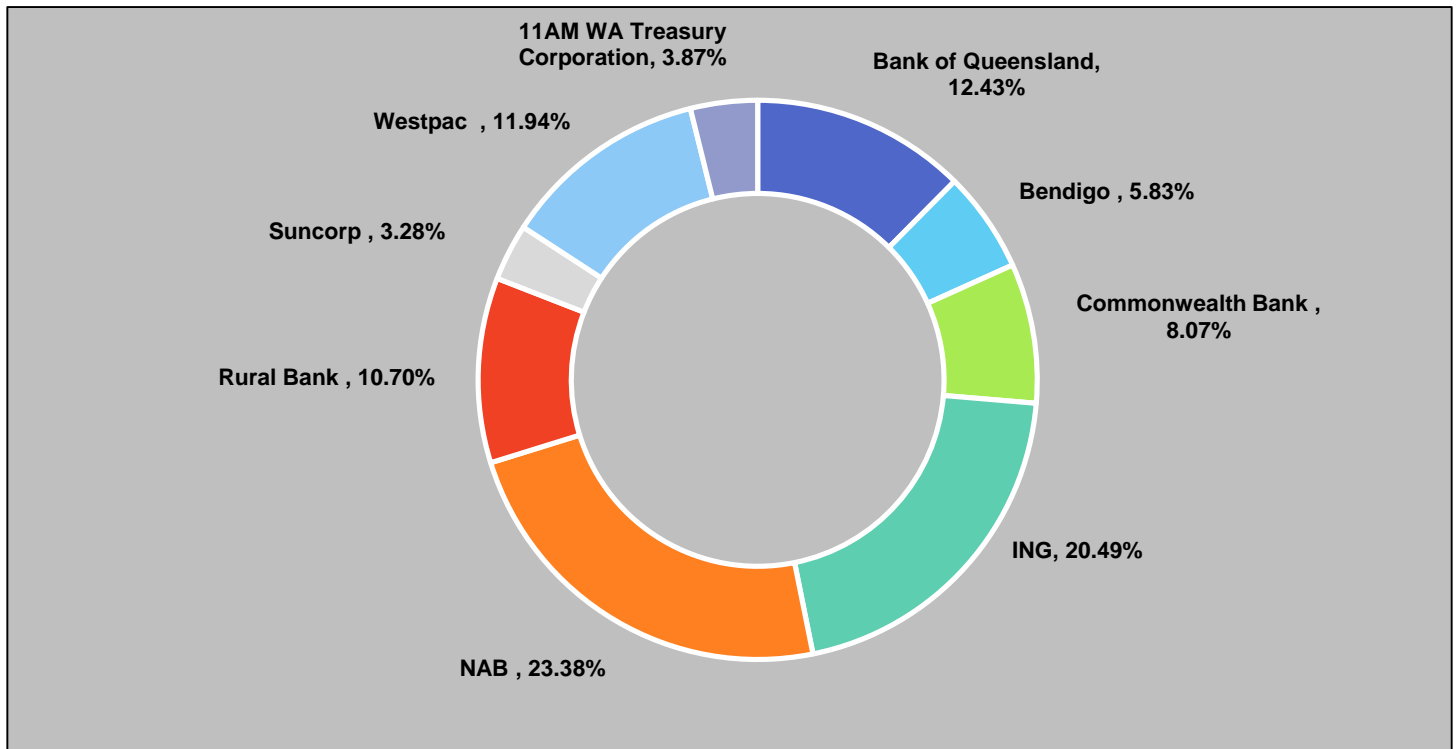


	Notes	Adopted Budget	YTD Adopted Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates		(98,078,154)	(97,829,198)	(97,810,922)	(18,276)	(0)%
Specified Area Rates		(705,776)	(705,776)	(705,774)	(2)	(0)%
Grants and Subsidies	1	(5,880,450)	(1,000)	(6,000)	5,000	100%
Contributions Reimbursements and Donations	2	(1,070,156)	(79,720)	(60,460)	(19,260)	(24)%
Profit on Asset Disposals		(98,529)	-	-	-	0%
Fees and Charges	3	(40,020,382)	(22,931,684)	(22,868,068)	(63,616)	(0)%
Interest Earnings	4	(1,105,049)	(89,023)	(144,878)	55,855	63%
Other Revenue/Income	5	(551,191)	(96,296)	(108,479)	12,184	13%
Total Operating Revenue		(147,509,687)	(121,732,696)	(121,704,581)	(28,115)	0%
OPERATING EXPENSES						
Employee Costs	6	64,094,975	6,231,123	5,946,806	284,317	5%
Materials and Contracts	7	52,096,994	4,080,866	3,309,649	771,217	19%
Utilities (gas, electricity, water etc.)	8	6,114,625	507,463	452,660	54,803	11%
Depreciation & Amortisation of Non-Current Assets	9	32,308,300	2,672,657	2,589,738	82,919	3%
Loss on Asset Disposals		282,114	-	-	-	0%
Interest Expenses		384,877	31,247	31,110	137	0%
Insurance Expenses		1,430,948	830,360	846,477	(16,117)	(2)%
Total Operating Expenses		156,712,833	14,353,716	13,176,440	1,177,276	8%
(SURPLUS)/DEFICIT FROM OPERATIONS		9,203,147	(107,378,978)	(108,528,141)	1,149,161	1%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(32,308,300)	(2,672,657)	(2,589,738)	(82,919)	(3)%
Loss on Asset Disposal		(282,114)	-	-	-	0%
Profit on Asset Disposals		98,529	-	-	-	0%
Other Non-Current items		-	-	-	-	-
Movement in Non-current Items	10	(100,000)	(100,000)	(160,679)	60,679	61%
OPERATING CASH (SURPLUS)/DEFICIT		(23,388,738)	(110,151,635)	(111,278,558)	1,126,921	1%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	11	(9,972,599)	-	(1,500)	1,500	100%
Capital Contributions	12	(730,000)	-	(2,818)	2,818	100%
Equity Distribution - TPRC		(500,000)	-	-	-	0%
Other Non-Operating Revenue	13	-	-	(3,138)	3,138	100%
Total Non-Operating Revenue		(11,202,599)	-	(7,456)	7,456	100%
CAPITAL EXPENDITURE						
Capital Projects	14	1,752,599	85,461	338,989	(253,528)	(297)%
Capital Works	15	44,091,770	539,500	621,410	(81,910)	(15)%
Vehicle and Plant Replacements	16	2,567,500	-	6,995	(6,995)	(100)%
Total Capital Expenditure		48,411,869	624,961	967,394	(342,433)	(55)%
CAPITAL (SURPLUS)/DEFICIT		37,209,269	624,961	959,938	(334,977)	(54)%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		13,820,528	(109,526,677)	(110,318,620)	791,944	1%
FUNDING						
Proceeds from Disposal	17	(1,851,050)	(22,000)	-	(22,000)	(100)%
Loans - New Borrowings		-	-	-	-	0%
Loans - Repayment of Principal		2,445,660	212,541	212,541	-	0%
Transfer from Trust		(297,158)	-	-	-	(100)%
Transfer from Reserve		(26,602,761)	-	-	-	(100)%
Transfer to Reserve		24,795,823	-	-	-	100%
Opening Funds	18	(17,321,507)	(17,321,507)	-	(17,321,507)	(100)%
CLOSING FUNDS	19	(5,010,465)	(126,657,643)	(110,106,079)	(16,551,563)	(13)%

INVESTMENT SUMMARY

July-20

ATTACHMENT 2

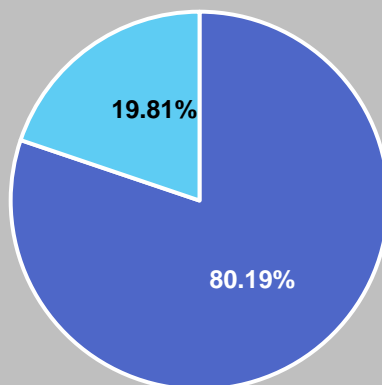


Municipal Funds	\$40,119,287	YTD Return	1.42%
Reserve Funds	\$81,915,713	Benchmark	0.75%
	<u>\$122,035,000</u>	RBA Rate	0.25%

Investment Policy Limits					
	LT Rating	Limit		LT Rating	Limit
Bank of Queensland	A-*	10%	NAB	AA-	25%
Bendigo	A-*	25%	Rural Bank	A-*	10%
Commonwealth Bank	AA-	10%	Suncorp	A+	15%
ING	A+	25%	Westpac	AA-	25%
			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

Financial Institutions (FI) Investing Vs Not Investing in Fossil Fuels*



■ F.I. Investing in Fossil Fuel ■ F.I. Not Investing in Fossil Fuels

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

NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 31 JULY 2020 (Subject to finalisation of 2019-20 End of Year)

1. Grants and Subsidies \$5,000

This favourable timing variance arose from the advance payment of Heathway grant in relation to Music in the Park.

2. Contributions and Donations (\$19,260)

This unfavourable timing variance arose mainly from Utility Charge (\$16,485). The balances of variances are spread across other areas.

3. Fees and Charges (\$63,616)

	YTD Budget	YTD Actual	Variance
a) Fines & Penalties	\$130,619	\$34,068	(\$96,551)
b) Parking Fees	\$325,578	\$262,905	(\$62,673)
c) Refuse Charges	\$20,611,758	\$20,732,018	\$120,260
Other Fees & Charges	\$1,863,729	\$1,839,076	(24,652)
	<u>\$22,931,684</u>	<u>\$22,868,068</u>	<u>(\$63,616)</u>

a) Unfavourable variances arose mainly from Parking Infringements (\$77,320).

b) Unfavourable variances arose from Multi Storey Car Park Parking Fees (\$29,140) and On-Street Parking Fees (\$20,845).

c) Favourable variances arose from Additional Service Charge for 240L General Waste Bin of \$88,507.

4. Interest Earnings \$55,855

A favourable timing variance arose from Interest on Investments.

5. Other Revenue / Income \$12,184

This favourable variance arose predominately from higher than anticipated insurance Contribution \$12,137 from the Local Government Insurance Scheme.

Favourable Variance
Unfavourable Variance

6. Employee Costs **\$284,317**

	YTD Budget	YTD Actual	Variance
a) Salaries and Wages	\$5,449,743	\$5,238,839	\$210,904
b) Other Employment Costs	\$781,380	\$707,967	\$73,413
	<u>\$6,231,123</u>	<u>\$5,946,806</u>	<u>\$284,317</u>

- a) Favourable timing variances for Salaries and Wages arose from vacancies in various areas.
- b) Favourable timing variances arose from Staff Training \$18,866 and Labour Recovery Capital Works \$20,625. The balances of variances are spread across a number of areas.

7. Materials and Contracts **\$771,217**

	YTD Budget	YTD Actual	Variance
a) External Service Expenses	\$1,288,009	\$937,876	\$350,133
c) Waste Management Services	\$980,756	\$823,802	\$156,954
Other Materials & Contracts	\$1,812,101	\$1,547,971	\$264,130
	<u>\$4,080,866</u>	<u>\$3,309,649</u>	<u>\$771,217</u>

- a) Favourable timing variances arose mainly from External Contractors and Services \$321,308, including Buildings \$166,891 and Roads \$90,332. The balances of variances are spread across a number of areas.
- b) This favourable timing variance arose from Recycling Collection and Processing \$150,809. The balance of variances are spread across a number of areas.

8. Utilities **\$54,803**

Favourable timing variances arose from Electricity costs for Buildings \$29,112 and Parks \$23,622, partially offset by a unfavourable timing variance for Water (\$8,851).

9. Depreciation & Amortisation of Non-Current Assets **\$82,919**

2019/20 asset values are being finalised as part of the end of year audit. The effect of this has not yet impacted upon the 2020/21 depreciation figures. Favourable variances arose for Impairment/Write off of assets \$83,842 and Depreciation – Buildings, partially

Favourable Variance
Unfavourable Variance



offset by an unfavourable variance for Depreciation – Mobile and Other Plant (\$13,041). The balances of the variances are spread across a number of areas.

10. Movement in Non-Current Items

\$60,679

This timing variance arose in respect of an increase in Non-current Long Service Leave Liability.

11. Capital Grants and Subsidies

\$1,500

This favourable variance arose from an unbudgeted grant from the Western Australian Cricket Association for Juniper Park \$1,500 which relates to the 2019/2020 project.

12. Capital Contributions

\$2,818

This favourable variance arose from an unbudgeted contribution from the Western Australian Cricket Association for Cricket Infrastructure Renewal which relates to the 2019/2020 project.

13. Other non-operating revenue

\$3,138

This favourable timing variance predominately arose from GST reimbursements in respect of TPRC land sales undertaken.

14. Capital Projects

(\$253,528)

This unfavourable timing variance arose due to progress of Network Infrastructure Upgrade Program (\$283,406) with funds being carried forward from 2019/20 financial year now expended. Delays were experienced in the previous financial year due to the impact of COVID-19 on network equipment supply chains.

15. Capital Works

(\$81,910)

This unfavourable timing variance arose due to progress of Parks Development Program (\$59,489) with the largest variance being PDP2252 Tree Planting Program. The balance of variances are spread across a number of programs.

16. Vehicle and Plant Replacements

(\$6,995)

An unfavourable variance arose in relation to a Triton Ute (\$6,995) following a vehicle being written off and the vehicle replacement being part of an insurance claim.

Favourable Variance
Unfavourable Variance

17. Proceeds from Disposal**(\$22,000)**

This unfavourable timing variance arose from Fleet and Plant disposals with items due to be replaced later in the coming months.

18. Opening Funds**(\$17,321,507)**

The variation in the closing funds for the period ended 30 June 2020 is prior to 2019/20 end of year adjustments being processed. The final balance will be available after the Financial Statements for 2019-20 have been audited.

19. Closing Funds**(\$16,551,563)**

	June 2020 *	July 2020
Current Assets		
Cash and Investments		\$122,278,415
Rates Outstanding, Sundry Debtors and Other Receivables		\$134,496,201
Accrued Income		\$898,202
Prepayments		\$821,987
Inventories		\$163,583
Total Current Assets		\$258,658,388
Current Liabilities		
Trade Creditors		\$2,996,672
Sundry Payables		\$23,582,990
Accrued Expenses		\$3,303,777
Other Payables		-
Borrowings		\$2,233,118
Provision for Annual Leave		\$4,917,280
Provision for Long Service Leave		\$6,449,311
Provision for Workers Compensation Insurance		\$3,347,316
Provision for Sick Leave		\$1,123,585
Other Provisions		\$161,825
Total Current Liabilities		\$48,115,874
Net Current Assets		\$210,542,514
Add back: Borrowings		\$2,233,118
Less: Cash Backed Reserves		\$82,402,047
Less: Other Items (subject to finalisation of 2019-20 end of year)		\$20,267,506
Closing Funds – Surplus/(Deficit)		\$110,106,079

* Subject to finalisation of 2019-20 end of year

Favourable Variance
Unfavourable Variance