

**City of Joondalup
Revised Budget Rate Setting Statement 2020/21**

	Note	Dec YTD Budget	Dec YTD Actual	Variance YTD \$	Adopted Budget	Revised Budget	Variance to Budget \$	Variance %
OPERATING REVENUE								
General Rates	1	(98,012,275)	(98,299,518)	(287,243)	(98,078,155)	(98,299,519)	(221,364)	(0%)
Specified Area Rates		(705,776)	(712,913)	(7,137)	(705,776)	(712,913)	(7,137)	(1%)
Grants and Subsidies	2	(2,820,800)	(1,455,695)	1,365,106	(5,880,449)	(4,361,214)	1,519,235	26%
Contributions and Reimbursements		(569,440)	(493,210)	76,230	(1,070,156)	(1,101,411)	(31,255)	(3%)
Profit on Asset Disposals	3	(40,473)	(1,216,401)	(1,175,928)	(98,529)	(1,272,356)	(1,173,827)	(100%)
Fees and Charges	4	(31,180,661)	(31,968,424)	(787,763)	(40,020,382)	(39,753,128)	267,254	1%
Interest Earnings	5	(575,966)	(952,178)	(376,212)	(1,105,049)	(1,448,715)	(343,665)	(31%)
Other Revenue/Income	6	(371,891)	(400,938)	(29,047)	(551,191)	(581,584)	(30,393)	(6%)
Total Operating Revenue		(134,277,282)	(135,499,277)	(1,221,994)	(147,509,687)	(147,530,839)	(21,152)	(0%)
OPERATING EXPENSES								
Employee Costs	7	33,224,074	30,935,883	(2,288,191)	64,094,975	63,237,543	(857,432)	1%
Materials and Contracts	8	25,726,925	22,025,077	(3,701,848)	52,096,994	53,472,769	1,375,775	(3%)
Utilities (gas, electricity, water etc.)	9	3,041,051	2,773,577	(267,474)	6,114,625	6,023,862	(90,763)	1%
Depreciation of Non-Current Assets	10	16,164,977	15,484,254	(680,723)	32,308,300	32,879,000	570,700	(2%)
Loss on Asset Disposals		71,657	70,373	(1,284)	282,114	270,581	(11,533)	4%
Interest Expenses		179,691	179,959	268	384,877	385,405	527	(0%)
Insurance Expenses		1,419,329	1,449,579	30,250	1,430,948	1,458,177	27,229	(2%)
Total Operating Expenses		79,827,704	72,918,702	(6,909,002)	156,712,832	157,727,338	1,014,503	(1%)
(SURPLUS)/DEFICIT FROM OPERATIONS		(54,449,578)	(62,580,575)	(8,130,996)	9,203,145	10,196,498	993,351	(11%)
NON-CASH MOVEMENTS								
Depreciation on Assets		(16,164,977)	(15,484,254)	680,723	(32,308,300)	(32,879,000)	(570,700)	(2%)
Loss on Disposals		(71,657)	(70,373)	1,284	(282,114)	(270,581)	11,533	4%
Profit on Disposals		40,473	1,216,401	1,175,928	98,529	1,272,356	1,173,827	100%
Other Non-Current Items		(100,000)	1,960	101,960	(100,000)	(100,000)	-	0%
OPERATIONS' CASH (SURPLUS)/DEFICIT		(70,745,739)	(76,916,841)	(6,171,101)	(23,388,740)	(21,780,727)	1,608,011	7%
CAPITAL REVENUE								
Capital Grants and Subsidies	11	(4,417,870)	(5,212,632)	(794,762)	(9,972,598)	(10,407,861)	(435,263)	(4%)
Capital Contributions	12	(730,000)	(683,560)	46,440	(730,000)	(1,254,745)	(524,745)	(72%)
Equity Distribution - TPRC		-	-	-	(500,000)	(500,000)	-	0%
Other non-operating revenue	13	-	(170,589)	(170,589)	-	(170,589)	(170,589)	(100%)
Total Capital Revenue		(5,147,870)	(6,066,781)	(918,911)	(11,202,598)	(12,333,195)	(1,130,597)	(10%)
CAPITAL EXPENDITURE								
Capital Projects	14	1,302,002	1,041,921	(260,081)	1,752,599	2,216,412	463,813	(26%)
Capital Works	15	15,926,293	13,375,652	(2,550,641)	44,091,770	42,711,775	(1,379,995)	3%
Motor Vehicle Replacements	16	724,500	577,343	(147,157)	2,567,500	2,467,156	(100,344)	4%
Total Capital Expenditure		17,952,795	14,994,916	(2,957,879)	48,411,869	47,395,342	(1,016,526)	2%
CAPITAL (SURPLUS)/DEFICIT		12,804,925	8,928,135	(3,876,790)	37,209,271	35,062,147	(2,147,123)	6%
TOTAL OPERATING (SURPLUS)/DEFICIT FUNDING		(57,940,814)	(67,988,706)	(10,047,891)	13,820,531	13,281,420	(539,112)	4%
FUNDING								
Proceeds from Disposals	17	(122,500)	(1,683,276)	(1,560,776)	(1,851,050)	(2,029,485)	(178,435)	(10%)
Surplus Carried Forward	18	(17,321,507)	(19,608,893)	(2,287,386)	(17,321,507)	(19,608,893)	(2,287,386)	(13%)
Loans		-	-	-	-	-	-	0%
Loans-Repayment of Principal		1,262,300	1,262,300	-	2,445,660	2,445,660	-	0%
Transfer from Trust Fund	19	-	-	-	(297,158)	(95,588)	201,570	68%
Transfer from Reserves	20	-	-	-	(26,602,761)	(31,109,519)	(4,506,758)	(17%)
Transfer to Reserves	21	-	-	-	24,795,823	37,062,476	12,266,653	(49%)
Transfer to Accumulated Surplus		-	-	-	-	-	-	0%
CLOSING FUNDS		(74,122,521)	(88,018,575)	(13,896,053)	(5,010,462)	(53,929)	4,956,532	99%

**NOTES TO AND FORMING PART OF THE REVISED BUDGET
STATEMENT FOR THE 2020-21 FINANCIAL YEAR**

NOTES TO AND FORMING PART OF THE REVISED 2020-21 BUDGET STATEMENT

1. Rates

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$98,078,155	\$98,299,519	\$221,364

This increase arising predominantly from Interim Rates being higher than estimated in the budget.

2. Grants and Subsidies

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$5,880,449	\$4,361,214	(\$1,519,235)

The net decrease in Grants and Subsidies predominantly arose due to advance receipt in the previous financial year of part of the City's 2020-21 General Purpose Grant funding (\$1,769,059), partially offset by the Fire Mitigation Grant (\$186,023) which was not part of the original budget.

3. Profit on Asset Disposals

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$98,529	\$1,272,356	\$1,173,827

An increase in the City of Joondalup's share in the gains on disposal of developed residential land by Tamala Park Regional Council (TPRC) \$1,002,039 which was not part of the original budget.

4. Interest Earnings

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$1,105,049	\$1,448,715	\$343,665

This favourable variance mainly arose from Interest from Other Financial Institutions \$308,647 mainly due to additional funds available to invest compared to original estimates.

5. Other Revenue/Income

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$551,191	\$581,584	\$30,393

This favourable variance arose predominately from additional insurance rebates \$24,273.

6. Fees and Charges

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$40,020,382	\$39,753,128	(\$267,254)

The net increase in Fees and Charges is made up of the following major variations:

Increases

a) Sports and Recreation Fees	1,008,887
b) Building and Development Fees	259,664
c) Refuse Charges	130,171

Decreases

d) Fines and Penalties	(928,300)
e) Parking Fees	(524,811)
f) Other Fees and Charges	<u>(212,865)</u>
	<u>(\$267,253)</u>

- a) Higher than estimated revenue arose predominately from Craigie Leisure Centre having experienced a better than expected recovery in 2020-21 following the onset of the COVID-19 pandemic. Increase included Learn to Swim Program \$554,044, membership fees \$382,237, Admission Fees \$82,818 and Court Sport Revenue \$69,621. This was partially offset by a decrease in Personal Training \$78,305.
- b) Higher volumes for Building Permits \$110,000 and Development Application Fees \$100,000 submitted due primarily to government stimulus measures introduced to assist with economic recovery from the pandemic disruptions.
- c) Higher than estimated revenue arose from Additional Service Charges for New 240 General Waste Bins \$62,260 and Waste Refuse Service Charge \$51,931.
- d) Lower than estimated revenue Parking Infringements (\$793,000) arose due to reduced patronage and patrols attributable to the ongoing impacts of the pandemic.
- e) Lower than estimated patronage and therefore revenue from Multi Storey Car Park (\$210,000), On Street Parking (\$151,000) and Off Street Parking (\$139,000) attributable to the impact of the pandemic.

- f) Lower than estimated revenue from Parking Fines Enforcement Registry Charges (\$110,000), Rates Administration Fees (\$47,621) and lower Property Rental Income (\$58,081).

7. Employee Costs

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$64,094,975	\$63,237,543	(\$857,432)

The net decrease in Employee Costs is made up of the following major variations:

Decreases

a) Salaries and Wages	(859,578)
b) Employment Cost Allocations and Recovery	(134,035)
c) Other Employment Costs	(100,144)

Increases

d) Agency Employees	<u>236,325</u>
	<u>(\$857,432)</u>

- a) This net decrease arose for Salaries and Wages in various areas mainly due to the timing of recruitment for vacant positions including positions currently being reviewed.
- b) Capital Labour Recoveries increased by \$134,035 compared to budget estimates.
- c) This decrease is predominantly due to a decrease in Staff Training (\$48,731), Conferences and Seminars (\$34,687) and Study Assistance & Professional Development (\$24,991).
- d) This increase is due primarily to the utilisation of Agency Employees to cover vacant positions in some operational areas.

8. Materials and Contracts

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$52,096,994	\$53,472,769	\$1,375,775

The net increase in Materials and Contracts is made up of the following major variations:

Increases

a) External Service Expenses	878,900
b) Professional Fees and Costs	581,179
c) Administration	248,181
d) Other Materials	191,955
e) Furniture, Equipment and Artworks	181,065
f) Waste Management Services	152,621

Other 13,811

Decreases

g) Books and Publications	(272,501)
h) Computing	(265,238)
i) Accommodation & Property	(103,613)
j) Charges and Recoveries	(72,938)
k) Members Costs	(55,003)
Other	(102,644)
	<u>\$1,375,775</u>

- a) The increase is attributed to External Contractors & Services \$972,396 which was mainly due to amounts brought forward from 2019/20.
- b) Increase in professional fees mainly attributed to amounts brought forward from 2019/20 for consultancy \$682,861.
- c) Increase mainly attributed to other sundry expenditure \$244,168 brought forward from 2019/20.
- d) Increase attributed to Building Minor Works \$280,000 brought forward from 2019/20.
- e) Increase arose mainly due to an increase in Minor Plant & Equipment Purchases \$70,039, an increase in Computer & Communications Equipment Purchases \$66,454 and an increase in Hire of Equipment \$38,988.
- f) Increase is mainly due to increase in tonnages for General Waste \$380,288, Bulk Green \$244,710, Bulk Hard \$202,165 and partially offset by reduction in recycling (\$658,883) mainly due to reduced processing fees following the Cleanaway recycling facility fire and the City temporarily engaging alternative facilities.
- g) Decrease arose due to a change of accounting treatment effective at 30 June 2020, with library acquisitions now reclassified as capital expenditure, namely Library Stock (\$200,043) and Newspapers & Periodicals (\$50,226). (Refer Note 13b).
- h) Decrease mainly arose from reduction in Software Maintenance (\$141,072) and software subscriptions partially offset by additional services added for Data Communication Link CCTV \$42,830.
- i) Decrease mainly due to reduced general waste tonnages and therefore reduced refuse removal charges (\$39,545), reduced Rental and Outgoings due to the Blender Gallery lease terminated at the end of 2019-20 (\$13,800).
- j) This decrease is attributed to an increase in internal labour applied to capital works resulting in increased overhead recoveries (\$79,573).
- k) Decrease arose due reduced training opportunities in respect of Elected Members Conference and Training \$39,600, owing to travel restrictions in place due to the pandemic.

9. Utilities

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$6,114,625	\$6,023,862	\$90,763

This comprises a net decrease in electricity costs of \$98,034 based on current usage and charges for Buildings (\$98,888) and Roads (\$37,663). This is partly offset by an increase in costs pertaining to Parks (\$35,345).

10. Capital Grants and Subsidies

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$9,972,598	\$10,407,861	\$435,263

The net increase in capital grants and subsidies is made up of the following major variations:

Increases

a) State Government Grants-Capital Other	354,000
b) Other Grants and Subsidies Capital	315,293
Other	23,584

Decreases

c) State Government – Metropolitan Regional Road Group Roads Grant	(161,614)
d) Black Spot State Capital Grants	<u>(96,000)</u>
	<u>\$435,263</u>

- a) This increase arose from funding received in 2020-21 from Better Bins Project that was previously expected to be received in the 2019-20 financial year.
- b) This increase mainly arose from increase in funding from the Department of Transport FPN2273 Whitfords Avenue Kingsley Western Australian Bike Network Pathways \$162,500 and STL2057 Timberlane Park Floodlighting \$160,000 from Community Sporting and Recreation Facilities Fund (CSRFF) grant funding. In addition a correction to grant funding allocation PFP2079 Beldon Primary School on-street parking, as per Note 10 d). This is partially offset from FPR2286 Ellendale Drive Shared Park with funds received in 2019/20 due to the early completion of the project (\$100,000).
- c) The decrease is primarily due to reduction in grant revenue recognised in respect of RDC2025 Whitfords Avenue-Gibson Avenue Intersection Upgrade (\$200,000) and RDC2026 Whitfords Avenue-Kingsley Drive Intersection Upgrade (\$60,000) to comply with the change in accounting standards where grants received during the year may no

longer be recognised as revenue to the extent remaining unspent at the end of the financial year. This is in addition to the timing of other grant claims, including the 2nd 40% and final claims which had been expected to be received in the previous financial year RDC2020 W3661 Warwick Road-Erindale Intersection Upgrade RDC2020 Warwick Road-Erindale Intersection Upgrade \$426,304, partially offset due to the final claims expected to be made in 2021/22 financial year for RDC2021 Whitfords Ave/Northshore Dr Roundabout (\$205,350), RDC2019 Burns Beach Rd/ Joondalup Dr Roundabout (\$146,310). In addition, RPR2491 Joondalup Drive North Bound-George Grey Pl to Petrol Station completed under budget reducing the level of grant funding by \$54,037.

- d) The decrease was due to the correction grant allocation type for PFP2079 Beldon Primary School On-Street Parking, as per Note 10 b).

11. Capital Contributions

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$730,000	\$1,254,745	\$524,745

This increase arose predominantly from insurance contribution following the vandalism at Belrose Park Toilets \$200,000 and fire at Iluka Sports Complex \$250,000. An additional \$116,000 contribution from the Ocean Ridge Junior Football Club for the Mirror Park Sports Lighting forms part of the variance.

12. Other non-operating revenue

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$-	\$170,589	\$170,589

This has arisen from unbudgeted GST refunds \$170,589 received from the ATO in respect of TPRC land sales undertaken.

13. Capital Projects

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$1,752,599	\$2,216,412	\$463,813

The net increase in Capital Projects is made up of the following major variations:

Increases

a) Yellagonga Wetlands-Smart Monitoring and Management	309,000
b) Library Stock	244,829

Decreases

c) Cafes/Restaurants/Kiosks	(58,916)
Other	(31,100)
	<u>\$463,813</u>

- a) This increase arose from unspent funds brought forward from the 2018-19 financial year in respect to Yellagonga Wetlands-Smart Monitoring and Management Project \$309,000.
- b) A change of accounting treatment arose for Library Stock acquisitions since the 2019-20 financial year, and which are now classified as capital expenditure \$244,829. (Refer Note 8g).
- c) Costs for this project are expected to be lower than estimated in the original budget.

14. Capital Works

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$44,901,770	\$42,711,775	\$1,379,995

The net decrease in capital works of \$1,665,995 is made up of the following variations:

Decreases

a) Major Projects Program (MPP)	3,276,236
b) Road Preservation/Resurfacing (RPR)	843,046
c) Major Road Construction Program (RDC)	507,333
d) Streetscape Enhancement (SSE)	251,884

Increases

e) Streetlighting Program (STL)	(1,898,045)
f) Parks Equipment Program (PEP)	(602,941)
g) Major Building Capital Works Program (BCW)	(435,096)
h) Path Programs (FPN & FPR)	(307,106)
i) Park Development Program(PDP)	(153,730)
j) Blackspot Projects (SBS)	(67,011)
k) Foreshore and Natural Area Mgt Program (FNM)	(56,248)

Other

	<u>21,673</u>
	<u>\$1,379,995</u>

- a) Major Projects program is experiencing a reduction at Mid-Year Review due to projects being carried forward into the 2021-22 financial year as construction is now not expected to commence this financial year, including MPP2006 Café/Kiosks/Restaurants \$588,000, MPP2013 Warwick Sports Centre \$693,602, MPP2021 Warwick Activities Centre \$950,000

and MPP2077 Burns Beach Cafes/Kiosks/Restaurants \$800,000 as well as MPP2034 Joondalup Admin Building Major Refurbishment \$915,741, partly offset by projects that had additional expenditure from funds brought forward from the previous financial year including MPP2072 Percy Doyle Utilities Upgrade (\$400,588), MPP2069 Percy Doyle Floodlighting Upgrades (\$148,521) and MPP2058 Chichester Park Clubrooms Redevelopment (\$100,000).

- b) The Road Preservation /Resurfacing Program has completed 52 projects with a total saving of \$880,046 to the program, which was partly offset by projects where additional expenditure was required.
- c) This decrease is predominantly due to RDC2019 Burns Beach Rd/ Joondalup Dr Roundabout with the project being completed in 2019/20 financial year causing a favourable variance at Mid-Year Review \$859,030 for which the final 20% grant claim will be received in 2021/22. Other variances include two multiyear projects RDC2025 Whitfords Ave/Gibson \$200,000 and RDC2026 Whitfords Ave/Kingsley \$60,000 which are both currently being designed and are still on track for completion in May 2022. These are partially offset by RDC2021 Whitfords Ave / Northshore Dr Roundabout which is increasing by (\$660,000) to accommodate additional carpark works approved by Council.
- d) This increase is mainly due to carry forward of unspent funds from 2019-20 in respect of SS2056 City Centre Streetscape Renewal Program \$228,057.
- e) The primary variance arises from STL2003 Joondalup City Centre Street Lighting (\$1,434,784) which is met from funds held in reserve from the previous financial year. In addition the inclusion of two projects STL2107 Mirror Park Sports Lighting (\$116,000) which is being fully funded by the Ocean Ridge Junior Football Club and STL2057 Timberlane Park Floodlighting (\$320,000) which has been brought forward from its original listing in 2022/23 in the current Five Year Capital Works Program, as grant funding from CSRFF \$160,000 is now available earlier than expected.
- f) This increase is mainly due to unspent funds brought forward from 2019-20 in respect of PEP2707 Whitfords Park Health & Wellbeing Hub (\$480,000) and PEP2776 Shade Structure Program (\$114,953).
- g) This increase arose mainly from Belrose Park Toilet Reinstatement (\$200,000) following vandalism that resulted in significant damage, and which is currently the subject of an insurance claim. In addition, an increase of (\$250,000) in respect of Iluka Sports Complex Restoration following a fire which is also subject to an insurance claim.
- h) This increase is due mainly to FPN2273 Whitfords Avenue Kingsley WABN Pathways (\$345,000), FPR2156 Shared Path Renewal & Resurfacing (\$135,398) and FPR2001 Path Replacement Program (\$97,255). These are partially offset by decreases in respect of FPR2286 Ellendale Drive Shared Path \$96,946 and FPN2240 Burns Beach to Mindarie Dual Use Path \$82,846.
- i) This increase is mainly due to PDP2118 Moolanda Park LMP (\$175,065) which was brought forward from 2019-20.
- j) This increase is mainly in respect of SBS2089 Hepburn Ave- Mitchell Fwy South Bound on Ramp which was brought forward from 2019-20.

- k) This increase is mainly due to FNM2054 Whitfords Nodes lookout stairway design (\$129,645) which was brought forward from 2019-20. The balance is spread across a number of projects.

15. Motor Vehicle Replacements

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$2,567,500	\$2,467,156	\$100,344

This increase predominately arose from additional safety requirement to an Isuzu D-MAX of \$74,410 due to additional safety requirements following a Worksafe improvement Notice. The vehicle is used to replace/install street signs. Modifications to the vehicle have included adjustments to platform and railing.

16. Proceeds from Disposals

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$1,851,050	\$2,029,485	\$178,435

The increase is due to additional proceeds expected from land sales \$74,835 and Fleet sales \$114,509.

17. Surplus Carried Forward

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$17,321,507	\$19,608,893	\$2,287,386

The revised budget has brought to account the actual surplus carried forward from the previous financial year as reported in the 2019-20 annual financial report (Council Minutes 22 December 2020 JSC09-12/20 refers).

18. Transfer from Trust

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase/ (Decrease)
\$297,158	\$95,588	\$201,570

The decrease from trust is due to the Burns Beach Dual Use Paths \$201,570 with these funds having already been drawn down in the 2019-20 financial year due to progress on the project differing from earlier estimates.

19. Transfer from Reserves

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$26,602,761	\$31,109,519	\$4,506,758

The increase in transfer from reserves is made up of the following variations:

Increases

- a) Capital Works Carried Forward 7,420,995

Decreases

- b) Strategic Asset Management (1,395,216)
 c) Asset Renewal Reserve (1,510,464)
 Other (8,557)
\$4,506,758

- a) Funds for incomplete Capital Works, Capital Projects, Fleet and Other Projects at the end of the previous financial year exceeded estimates resulting in the additional transfer from the reserve in the revised budget. This includes advance receipt of the Federal Assistance and Federal Roads Grants \$3,305,188 in the previous financial year that were transferred to reserve at 30 June 2020 and now drawn down in the revised budget.
- b) This decrease in the transfer from reserve is due to construction not estimated to commence and funds to be carried forward into 2021/22 for Warwick Activities Centre (\$900,000) and Cafes/Kiosks/Restaurants Burns Beach (\$800,000). An additional decrease results from funds retained in reserve for future works for Joondalup Admin Refurb (\$1,080,000). This is offset by increase in transfers from reserve of \$1,434,784 in relation to Joondalup City Centre Lighting representing reserve funds unspent in the previous financial year for this project.
- c) This decrease represents lower expenditure over a number of programs funded from the Asset Renewal Reserve.

20. Transfer to Reserves

Adopted Budget 2020-21	Revised Budget 2020-21	Variance Increase / (Decrease)
\$24,795,823	\$37,062,476	\$12,266,653

The increase in transfer to reserves is made up of the following variations:

Increases

a) Asset Renewal Reserve	11,400,000
b) Capital Works Carried Forward	1,013,650
c) Tamala Park Reserve	500,000
d) Waste Management Reserve	447,185
e) Percy Doyle Infrastructure Reserve Fund	85,000
f) Strategic Asset Reserve	74,835
Other	2,109

Decreases

g) Parking Facility Reserve	(1,055,204)
h) Interest on reserves	<u>(200,922)</u>
	<u>\$12,266,653</u>

- a) Additional transfer of \$11,400,000 into the Asset Renewal Reserve to make up for transfers withheld from the reserve in 2019-20 as part of contingency measures taken at the time due to the COVID-19 pandemic.
- b) This increase is due to various capital works carried forward to the next financial year.
- c) This increase is due to higher than estimated equity distributions from Tamala Park Regional Council at the end of 2019-20. Council resolved (CJ050-04/20) not to transfer any such funds received in 2019-20 into the reserve in 2019-20, to provide for COVID-19 related contingencies. These did not arise to the extent expected and the transfer represents the equity distribution that was put on hold in 2019-20.
- d) The increase in the transfer to the reserve represents a higher than anticipated operating surplus from waste management services.
- e) This reserve has been established as part of the mid-year review following council resolution to create this (Council Minutes 18 August 2020 CJ115-08/20). An amount of \$85,000 has been allocated as part of the mid-year review as resolved.
- f) Increase from higher than estimated net proceeds of surplus land sales identified.
- g) The decrease in the transfer to the reserve represents a lower anticipated operating surplus from parking operations due to reduced revenue.
- h) The decrease represents a lower than estimated interest rate.