

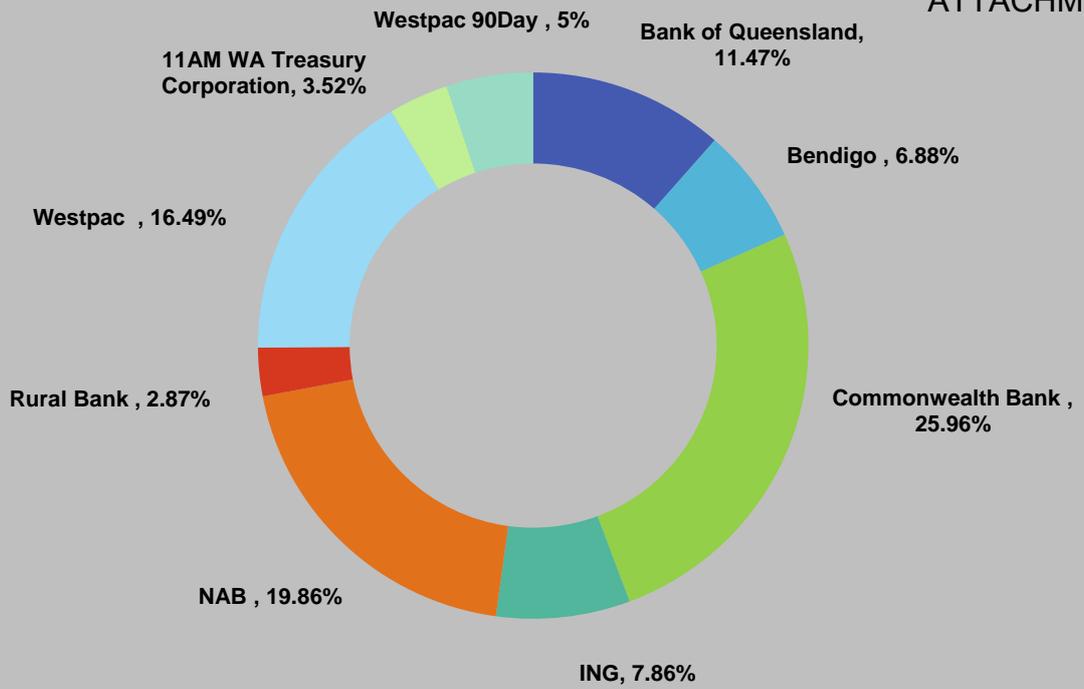
	Notes	Revised Budget	YTD Revised Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates	1	(98,299,517)	(98,299,518)	(98,547,097)	247,579	0%
Specified Area Rates		(712,913)	(712,913)	(713,830)	917	0%
Grants and Subsidies	2	(4,361,215)	(2,375,495)	(2,255,698)	(119,797)	(5)%
Contributions Reimbursements and Donations		(1,101,411)	(876,890)	(848,167)	(28,723)	(3)%
Profit on Asset Disposals	3	(1,272,356)	(1,272,164)	(2,211,746)	939,582	74%
Fees and Charges	4	(39,753,128)	(37,001,444)	(37,298,600)	297,156	1%
Interest Earnings		(1,448,715)	(1,319,673)	(1,350,283)	30,610	2%
Other Revenue/Income	5	(581,584)	(491,944)	(531,450)	39,506	8%
Total Operating Revenue		(147,530,839)	(142,350,040)	(143,756,871)	1,406,831	1%
OPERATING EXPENSES						
Employee Costs	6	63,237,543	52,928,759	49,995,708	2,933,051	6%
Materials and Contracts	7	53,502,769	40,843,393	36,645,133	4,198,260	10%
Utilities (gas, electricity, water etc.)	8	6,023,862	4,930,612	4,681,564	249,048	5%
Depreciation & Amortisation of Non-Current Assets	9	32,879,000	25,721,658	25,564,110	157,548	1%
Loss on Asset Disposals	10	270,581	191,531	73,210	118,321	62%
Interest Expenses		385,405	312,724	315,770	(3,046)	(1)%
Insurance Expenses		1,458,177	1,454,280	1,454,125	155	0%
Total Operating Expenses		157,757,337	126,382,957	118,729,620	7,653,337	6%
(SURPLUS)/DEFICIT FROM OPERATIONS		10,226,498	(15,967,083)	(25,027,251)	9,060,168	57%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(32,879,000)	(25,721,658)	(25,564,110)	(157,548)	(1)%
Loss on Asset Disposal		(270,581)	(191,531)	(73,210)	(118,321)	(62)%
Profit on Asset Disposals		1,272,356	1,272,164	2,211,746	(939,582)	(74)%
Other Non-Current items						
Movement in Non-current Items	11	(100,000)	-	5,062	(5,062)	(100)%
OPERATING CASH (SURPLUS)/DEFICIT		(21,750,727)	(40,608,108)	(48,447,763)	7,839,655	19%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	12	(11,417,861)	(7,947,624)	(9,058,411)	1,110,787	14%
Capital Contributions	13	(1,254,745)	(804,745)	(1,045,374)	240,629	30%
Equity Distribution - TPRC		(500,000)	-	-	-	0%
Other Non-Operating Revenue	14	(170,589)	(170,589)	(235,358)	64,769	38%
Total Non-Operating Revenue		(13,343,195)	(8,922,958)	(10,339,143)	1,416,185	9%
CAPITAL EXPENDITURE						
Capital Projects	15	2,216,411	1,979,273	1,439,353	539,920	27%
Capital Works	16	43,721,775	26,377,615	21,505,490	4,872,125	18%
Vehicle and Plant Replacements	17	2,467,156	1,885,156	1,439,060	446,096	24%
Total Capital Expenditure		48,405,341	30,242,043	24,383,903	5,858,141	19%
CAPITAL (SURPLUS)/DEFICIT		35,062,145	21,319,085	14,044,760	7,274,325	34%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		13,311,419	(19,289,023)	(34,403,003)	15,113,980	78%
FUNDING						
Proceeds from Disposal	18	(2,029,485)	(2,016,548)	(1,856,185)	(160,363)	(8)%
Loans - New Borrowings		-	-	-	-	0%
Loans - Repayment of Principal		2,445,660	2,117,863	2,117,863	-	0%
Transfer from Trust		(95,588)	-	-	-	0%
Transfer from Reserve		(31,109,519)	-	-	-	0%
Transfer to Reserve		37,062,477	-	-	-	0%
Opening Funds		(19,608,893)	(19,608,893)	(19,608,893)	-	0%
CLOSING FUNDS	19	(23,929)	(38,796,601)	(53,750,218)	14,953,617	39%

INVESTMENT SUMMARY

April-21



ATTACHMENT 2

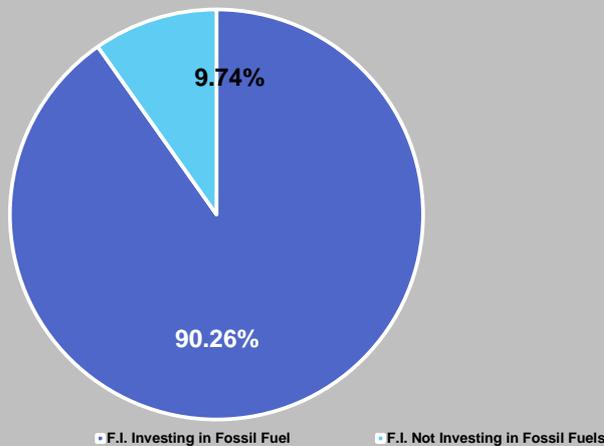


Municipal Funds	\$80,282,498	YTD Return	0.85%
Reserve Funds	<u>\$76,752,502</u>	Benchmark	0.60%
	<u>\$157,035,000</u>	RBA Rate	0.10%

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



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

NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 30 APRIL 2021

1. Rates \$247,579

A favourable variance arose mainly due to additional Interim Rates \$247,430.

2. Grants and Subsidies (\$119,797)

This unfavourable variance mainly arose due to timing of the Fire Mitigation Grant (\$117,000), Beach Cleaning and Sand Drift (\$75,000) and Joondalup Festival (\$45,000) which was cancelled. This was partially offset by a favourable timing variance from Smart Cities & Suburbs Grant received for Yellagonga Wetlands \$83,958.

3. Profit on Asset Disposal \$939,582

This favourable timing variance mainly arose due to sale of land at Tamala Park \$928,860.

4. Fees and Charges \$297,156

	YTD Budget	YTD Actual	Variance
a) Building and Development	\$1,647,438	\$2,035,154	\$387,716
b) Sports and Recreation Fees	\$7,470,738	\$7,396,346	(\$74,392)
Other Fees & Charges	\$27,883,268	\$27,867,101	(\$16,168)
	<u>\$37,001,444</u>	<u>\$37,298,601</u>	<u>\$297,156</u>

a) Favourable variance arose from Development Application Fees \$159,824, Building Permits \$137,905 and Land Purchase Enquiries \$54,913.

b) Unfavourable variance arose in relation to Admission Fees \$87,410 predominantly from Craigie Leisure Centre, following the recent lockdown due to COVID-19.

5. Other Revenue/Income \$39,506

This favourable timing variance mainly arose due from Illuminated Bus Shelter Revenue \$40,951.

6. Employee Costs \$2,933,051

	YTD Budget	YTD Actual	Variance
a) Salaries and Wages	\$51,193,988	\$48,612,400	\$2,581,588
b) Other Employment Costs	\$1,734,771	\$1,383,308	\$351,463
	<u>\$52,928,759</u>	<u>\$49,995,708</u>	<u>\$2,933,051</u>

- a) Favourable timing variances for Salaries and Wages arose from vacancies in various areas.
- b) Favourable timing variances arose from Staff Training \$142,433, Conferences and Seminars \$99,626.

7. Materials and Contracts

\$4,198,260

	YTD Budget	YTD Actual	Variance
a) External Service Expenses	\$11,608,486	\$10,272,179	\$1,336,307
b) Other Materials	\$1,906,414	\$1,493,395	\$413,018
c) Public Relations, Advertising & Promotions	\$962,888	\$588,313	\$374,574
d) Professional Fees & Costs	\$1,664,803	\$1,266,959	\$397,844
e) Furniture, Equipment and Artworks	\$2,175,643	\$1,869,658	\$305,985
f) Travel, Vehicles & Plant	\$1,408,876	\$1,121,177	\$287,699
g) Waste Management Services	\$14,484,588	\$14,258,717	\$225,871
h) Contributions & Donations	\$1,108,004	\$916,611	\$191,393
i) Administration	\$899,616	\$690,735	\$208,881
j) Telephones and Communication	\$669,142	\$516,045	\$153,097
k) Accommodation & Property	\$796,362	\$690,429	\$105,933
l) Charges and Recoveries	(\$63,966)	(\$145,473)	\$81,506
Other Materials & Contracts	\$3,218,067	\$3,101,918	\$116,152
	<u>\$40,838,923</u>	<u>\$36,640,663</u>	<u>\$4,198,260</u>

- a) Favourable timing variances arose mainly from External Contractors and Services \$1,039,229, including Parks \$365,922, Natural Areas \$313,445, Waste Management Services \$135,842 and Cultural Services \$112,641. In addition, Programme Activities also reflected a favourable timing variance of \$248,039. The balances of variances are spread across a number of areas.
- b) This favourable timing variance arose mainly due to External Material Purchases Contract \$408,171 predominately in relation to Parks \$231,819 and Roads \$111,465. The balances of variances are spread across a number of areas.
- c) Favourable variance arose mainly from General Advertising \$116,282, Promotions \$76,108 and Catering \$88,065. The balances of variances are spread across a number of areas.
- d) Favourable variance arose from Consultancy \$142,104, Legal Expenses Recoverable \$88,118 and Lodgement Fees \$89,481. The balances of variances are spread across a number of areas.
- e) A favourable variance arose mainly from Hire of Equipment \$108,520, Plant & Equipment Maintenance & Repair \$84,050 and Computer & Communications Equipment Purchases-Minor \$70,259. The balances of variances are spread across a number of areas.
- f) This favourable variance arose mainly from Fuel \$187,187 due to a reduction in price compared to estimates, Vehicle Servicing Costs \$31,244 and Tyres & Tubes \$26,075. The balances of variances are spread across a number of areas.

- g) This favourable variance arose mainly from Recycling Processing & Govt Levy \$217,626. The balances of variances are spread across a number of areas.
- h) Favourable timing variance arose from Grants & Contributions Made \$120,248, and Sponsorship \$50,724. The balances of variances are spread across a number of areas.
- i) Favourable timing variance arose mainly from Printing \$98,478, Photography and Video Production \$35,811 and Stationery \$36,317. The balances of variances are spread across a number of areas.
- j) This favourable variance arose mainly from Postage, Courier and Freight Services \$61,170 and Mobile Phones, Pagers, Radios \$55,419. The balances of variances are spread across a number of areas.
- k) This favourable variance arose mainly from Refuse Removal Charges \$78,353. The balances of variances are spread across a number of areas.
- l) A favourable variance arose mainly from savings in Vehicle Running Expenses \$148,105, partially offset by Fleet and Plant Capital Recovery (\$84,236). The balances of variances are spread across a number of areas.

8. Utilities

\$249,048

Favourable timing variances arose mainly from Electricity costs for Buildings \$120,487, Parks \$41,620 and Roads \$61,993.

9. Depreciation & Amortisation of Non-Current Assets

\$157,548

Favourable variances arose for Depreciation Roads Infrastructure \$80,079 and Depreciation Buildings \$43,601. The balances of variances are spread across a number of areas.

10. Loss on Asset Disposals

\$118,321

Favourable variance mainly arose due to Loss on Asset Disposal for Fleet and Plant \$122,061.

11. Movement in Non-Current Items

(\$5,062)

This timing variance arose in respect of a decrease in Non-current Long Service Leave Liability.

12. Capital Grants and Subsidies

\$1,110,787

	YTD Budget	YTD Actual	Variance
a) Commonwealth Grants – Capital Roads to Recovery	\$1,532,000	\$1,142,711	(\$389,289)
b) Commonwealth Grants – Capital Other	\$1,344,664	\$3,801,704	\$2,457,040
c) Other Grants and Subsidies – Capital Other	\$148,293	\$302,293	\$154,000
d) State Government Grants – Capital MRRG Road Grants	\$3,042,681	\$2,442,224	(\$600,457)
e) State Government Grants – Capital Other	-	\$100,160	\$100,160
f) State Government Grants – Capital Black Spot	\$353,721	\$235,054	(\$118,667)
g) Commonwealth Grant-Capital Blackspot	\$984,000	\$492,000	(\$492,000)
State Government Grants-Capital-Direct Grant Roads	\$542,265	\$542,265	-
	<u>\$7,947,624</u>	<u>\$9,058,411</u>	<u>\$1,110,787</u>

- a) This unfavourable variance predominately related to the timing of the 3rd quarterly payment on a number of projects including; RPR3070 Scaphella Ave - Meridian (\$132,562), RPR3071 Scaphella Ave - Charonia \$71,000, RPR3106 Lilburne Rd (\$53,187), RPR3104 Kingsley/Dalmain (\$52,000), RPR3105 Kingsley/Creaney (\$40,000), RPR3108 Doveridge Drv (\$31,946), RPR3103 Meridian Drv (\$31,000) and RPR3091 Whitfords Angove (\$30,724) due to the timing of project construction.
- b) This favourable variance arose from Income received earlier than expected from Local Roads and Communities Infrastructure Grant (LRCI) phase two \$2,540,849. This is offset by unfavourable variances valuing (\$130,809) for Local Roads and Communities Infrastructure Grant (LRCI) phase one for; FNM2085 Craigie OS Bushland \$72,802, RDC2003, FNM2093 Lady Evelyn Park (\$15,000), FNM2080 Mullaloo Coastal Fencing Renewal (\$14,836) and FNM2051 Coastal & Foreshore Fencing Renewal (\$8,863).
- c) This favourable variance mainly arose due to STL2057 Timberlane Park Floodlighting \$160,000 which has been received earlier than expected.
- d) This unfavourable variance arose mainly due to the timing of the 2nd 40% payment for RDC2020 W3661 Warwick Rd - Erindale (\$360,000) which is expected to be received in June, RPR3125 Hepburn Ave - Goollelal (\$101,847), RPR3123 Hepburn Ave - Allenswood (\$89,151) and RPR3124 Hepburn Ave - Barridale (\$63,642) which was completed under budget.
- e) Favourable variance due to the final payment for PEP2707 Whitfords Nodes Park Health & Wellbeing Hub \$100,160.

- f) Unfavourable variances due to final payments for SBS2086 Ocean Reef Road (\$92,000) and SBS2089 Hepburn Avenue (\$26,667) not expected to be received until June.
- g) This unfavourable variance arose due to the timing on the 2nd 40% payment relating to SBS2090 Marmion Ave and Cambria (\$198,000) and SBS2037 Marmion/McWhae Intersection (\$294,000) with the funds now expected only in July 2021.

13. Capital Contributions

\$240,629

This favourable timing variance predominately arose in respect of the Works Operation Centre Extension \$168,182 and \$50,321 in relation to Iluka Sports Club Refurbishment following the recent fire. The balances of variances are spread across a number of areas.

14. Other Non-Operating Revenue

\$64,769

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

15. Capital Projects

\$539,920

This favourable timing variance arose due to progress of IT Disaster Recovery Facilities \$146,259, Network Infrastructure Upgrade Program \$53,423, Cafes/Restaurants/Kiosks \$80,133, Yellagonga Wetlands – Smart Monitoring and Management \$76,007 and Automation Accounts Payable \$54,390. The balances of variances are spread across a number of areas.

16. Capital Works

\$4,872,125

	No. Budgeted Projects	YTD Budget	YTD Actual	Variance	Key Variance
a) Major Road Construction Program (RDC)	8	\$2,697,255	\$1,021,410	\$1,675,845	RDC2021 - \$1,108,297 RDC2020 - \$383,519 RDC2024 - \$97,526
b) Road Preservation/Resurfacing Program (RPR)	105	\$6,474,574	\$5,646,169	\$828,405	RPR3160 - \$112,760 RPR3106 - \$110,277
c) Street Lighting Program (STL)	24	\$3,113,134	\$2,358,982	\$754,152	STL2003 - \$307,754 STL2057- \$119,752
d) Major Projects Program (MPP)	11	\$1,770,021	\$1,176,852	\$593,169	MPP2069 - \$372,865 MPP2058 - \$203,544
e) Stormwater Drainage (SWD)	14	\$582,410	\$330,799	\$251,611	SWD2190-\$118,240 SWD2226-\$99,609
f) Local Traffic Management (LTM)	14	\$741,842	\$512,996	\$225,846	LTM2179 - \$101,905 LTM2172-\$70,959
g) Foreshore Natural Area Program (FNM)	16	\$804,204	\$616,826	\$187,378	FNM2080-\$119,270
h) Major Building Capital Works Program (BCW)	22	\$2,433,433	\$2,263,989	\$169,444	BCW2646-\$196,316
i) Path Replacement Program (FPR)	37	\$1,334,724	\$1,178,281	\$156,443	FPR2252-\$78,526
j) New Path Program (FPN)	17	\$1,246,013	\$1,105,665	\$140,348	FPN2272-\$110,723
k) Parks Development Program (PDP)	43	\$1,825,116	\$1,745,007	\$80,109	PDP2335-\$87,411
l) Parking Facility Program (PFP)	9	\$361,535	\$285,893	\$75,642	PFP2074 \$41,832
m) Parks Equipment Program (PEP)	44	\$1,729,218	\$1,659,444	\$69,774	PEP2827 - \$54,938
n) Blackspot Program (SBS)	6	\$512,701	\$876,343	(\$363,642)	SBS2037-(\$395,507)
Other Programs	5	\$751,435	\$723,834	\$27,601	
	375	\$26,377,615	\$21,505,490	\$4,872,125	

- a) This favourable variance predominantly relates to RD2021 Whitfords Avenue/Northshore roundabout \$1,108,297 which is currently in progress. Other timing variances relate to projects currently in progress including RDC2020 Warwick Road/Erindale \$383,519 and RDC2024 Shenton Avenue \$97,526.
- b) Favourable variances across the program mainly relate to the 78 completed projects totalling \$644,867 and awaiting outstanding invoices. Other positive variances relate to projects currently in progress.
- c) This favourable variance predominantly relates to STL2003 Joondalup City Centre Lighting \$307,754, STL2057 Timberlane Park \$119,752 and STL2102 Greenwich Park \$60,475 which are all currently in progress.
- d) A favourable variance mainly arose due to timing of projects currently in progress including MPP2069 Percy Doyle – Floodlighting \$372,865, MPP2058 Chichester Park \$203,544 and MPP2072 Percy Doyle – Utilities \$148,767.
- e) A favourable timing variance mainly arose due to timing of projects currently in progress including SWD2190 Cliff Street Sump Beautification \$118,240, SWD2226 Whitfords East Park Sump Beautification \$99,609.
- f) Local Traffic Management variances mainly relates to LTM2179 Endeavour/Cook/Kebble – Pedestrian Upgrade \$101,905. In addition, a timing variance arose on LTM2172 Hepburn Allenswood \$70,959.
- g) This favourable variance predominantly relates to FNM2080 Mullaloo Coastal Fencing Renewal \$119,270 which is completed awaiting final invoices.
- h) Favourable variances mainly relate to timing of BCW2646 Belrose Park Toilets \$196,316 which is currently in progress.
- i) Path Replacement Program favourable timing variances occurred on FPR2252 Hepburn Ave-Glengarry to Walter \$78,526.
- j) Favourable timing variances occurred on FPN2272 Lane 3 to Cliff Street Pathway \$110,723 and FPN2225 Penistone Park connecting pathways \$96,578 which is completed. This is offset by an unfavourable timing variance on FPN2273 W3958 Whitfords Ave WABN Pathways (\$149,699) which is completed ahead of schedule and waiting for final invoices.
- k) This favourable timing variance occurred on PDP235 Irrigation Smart Controllers \$87,411.
- l) Parking Facilities Program favourable variance occurred on PFP2074 Key West Car Park \$41,832 with the project currently in progress.
- m) Favourable variance mainly arose due to PEP2827 Seacrest Park Fencing Renewal \$54,938 which is currently in progress. The balance is spread across a number of projects.
- n) The unfavourable variance in the Black Spot program mainly relates to the project progression of SBS2037 Marmion/McWhae (\$395,507).

17. Vehicle and Plant Replacements
\$446,096

A favourable variance arose mainly in relation to the timing of capital acquisition of three Trucks \$339,413 and one Amazone Verimower \$66,000. Orders totalling \$617,326 are currently awaiting delivery.

18. Proceeds from Disposal
(\$160,363)

An unfavourable variance arose mainly due to lower than expected proceeds received from the disposal of fleet (\$156,622).

19. Closing Funds
\$14,953,617

	June 2020	April 2021
Current Assets		
Cash and Investments	\$125,037,776	\$159,694,355
Rates Outstanding, Sundry Debtors and Other Receivables	\$5,559,755	\$5,374,919
Accrued Income	\$983,654	\$576,019
Prepayments	\$443,960	\$674,633
Inventories	\$135,252	\$146,801
Land Held for Resale	\$1,649,532	-
Total Current Assets	\$133,809,929	\$166,466,727
Current Liabilities		
Trade Creditors	\$4,934,820	\$1,174,831
Sundry Payables	\$555,119	\$4,223,345
Accrued Expenses	\$3,906,427	\$4,444,937
Other Payables	\$4,726,047	\$1,221,867
Borrowings	\$2,445,660	\$327,797
Lease Liability	\$362,194	\$50,815
Provision for Annual Leave	\$4,937,838	\$4,621,430
Provision for Long Service Leave	\$6,444,938	\$6,438,809
Provision for Purchased Leave	\$92,539	\$134,769
Provision for Workers Compensation Insurance	\$2,048,076	\$2,762,879
Provision for Sick Leave	\$1,114,783	\$1,088,616
Other Provisions	\$66,705	\$9,415
Total Current Liabilities	\$31,635,146	\$26,499,510
Net Current Assets	\$102,174,783	\$139,967,217
Add back: Borrowings	\$2,445,660	\$327,797
Add back: Lease Liabilities	\$362,194	\$50,815
Add back: Contract Liabilities for developer contributions	\$1,221,867	-
Less: Cash Backed Reserves	\$86,595,611	\$86,595,611
Closing Funds – Surplus/(Deficit)	\$19,608,893	\$53,750,218