

**City of Joondalup
Revised Budget Rate Setting Statement 2021/22**

	Note	Dec YTD Amended Budget	Dec YTD Actual	Variance YTD \$	Amended Budget	Revised Budget	Variance to Budget \$	Variance %
OPERATING REVENUE								
General Rates	1	(99,997,776)	(99,940,048)	(57,728)	(99,997,776)	(99,943,014)	(54,762)	(0%)
Specified Area Rates		(704,527)	(708,248)	3,721	(704,527)	(708,248)	3,721	1%
Grants and Subsidies	2	(1,797,005)	(1,849,149)	52,144	(3,444,624)	(3,683,872)	239,248	7%
Contributions and Reimbursements	3	(508,732)	(552,532)	43,800	(1,108,156)	(1,215,173)	107,017	10%
Profit on Asset Disposals	4	(5,105)	(904,471)	899,366	(1,402,947)	(932,770)	(470,177)	(34%)
Fees and Charges	5	(32,900,737)	(32,619,987)	(280,750)	(41,552,470)	(41,513,332)	(39,138)	(0%)
Interest Earnings	6	(397,344)	(447,003)	49,659	(666,527)	(741,099)	74,573	11%
Other Revenue/Income	7	(181,582)	(295,726)	114,144	(363,164)	(449,902)	86,738	24%
Total Operating Revenue		(136,492,808)	(137,317,164)	824,356	(149,240,191)	(149,187,410)	(52,780)	(0%)
OPERATING EXPENSES								
Employee Costs	8	34,136,851	31,988,018	2,148,833	66,183,322	64,833,289	1,350,033	2%
Materials and Contracts	9	26,305,920	23,421,125	2,884,795	69,361,501	69,145,463	216,038	0%
Utilities (gas, electricity, water etc.)	10	3,047,797	2,756,835	290,962	6,133,858	5,956,419	177,439	3%
Depreciation of Non-Current Assets	11	15,988,915	15,770,872	218,043	31,927,323	31,447,158	480,165	2%
Loss on Asset Disposals		118,815	41,058	77,757	202,273	202,650	(377)	(0%)
Interest Expenses		146,182	149,553	(3,371)	323,391	326,832	(3,441)	(1%)
Insurance Expenses	12	1,616,817	1,514,452	102,365	1,628,739	1,523,561	105,178	6%
Total Operating Expenses		81,361,297	75,641,913	5,719,384	175,760,407	173,435,372	2,325,035	1%
(SURPLUS)/DEFICIT FROM OPERATIONS		(55,131,511)	(61,675,251)	6,543,740	26,520,216	24,247,962	2,272,255	9%
NON-CASH MOVEMENTS								
Depreciation on Assets		(15,988,915)	(15,770,872)	(218,043)	(31,927,323)	(31,447,158)	(480,165)	(2%)
Loss on Disposals		(118,815)	(41,058)	(77,757)	(202,273)	(202,650)	377	0%
Profit on Disposals		5,105	904,471	(899,366)	1,402,947	932,770	470,177	100%
Other Non-Current Items		(100,000)	(121,533)	21,533	(100,000)	(100,000)	-	0%
OPERATIONS' CASH (SURPLUS)/DEFICIT		(71,334,136)	(76,704,243)	5,370,107	(4,306,433)	(6,569,076)	2,262,644	53%
CAPITAL REVENUE								
Capital Grants and Subsidies	13	(4,458,115)	(7,111,985)	2,653,870	(15,134,123)	(13,635,393)	(1,498,730)	(10%)
Capital Contributions	14	(18,185)	(284,786)	266,601	(233,807)	(506,041)	272,234	100%
Equity Distribution - TPRC		(833,334)	(833,333)	(1)	(1,666,667)	(1,666,667)	-	0%
Other non-operating revenue	15	-	(111,691)	111,691	-	(111,691)	111,691	100%
Total Capital Revenue		(5,309,634)	(8,341,795)	3,032,161	(17,034,597)	(15,919,792)	(1,114,805)	(7%)
CAPITAL EXPENDITURE								
Capital Projects	16	1,881,814	678,308	1,203,506	3,129,943	2,759,553	370,390	12%
Capital Works	17	20,673,457	14,955,431	5,718,026	54,135,505	43,530,270	10,605,235	20%
Motor Vehicle Replacements	18	1,572,841	340,360	1,232,481	2,819,841	3,096,536	(276,695)	(10%)
Total Capital Expenditure		24,128,112	15,974,099	8,154,013	60,085,289	49,386,359	10,698,930	18%
CAPITAL (SURPLUS)/DEFICIT		18,818,479	7,632,304	11,186,174	43,050,692	33,466,567	9,584,125	22%
TOTAL OPERATING (SURPLUS)/DEFICIT		(52,515,658)	(69,071,939)	16,556,281	38,744,259	26,897,492	11,846,769	31%
FUNDING								
Proceeds from Disposals	19	(1,686,500)	(190,545)	(1,495,955)	(1,937,600)	(322,559)	(1,615,041)	(83%)
Surplus Carried Forward	20	(1,228,878)	(3,860,336)	2,631,458	(1,228,878)	(3,860,336)	2,631,458	100%
Loans		-	-	-	-	-	-	0%
Loans-Repayment of Principal		912,345	912,345	-	1,836,595	1,836,594	-	0%
Transfer from Trust Fund		-	-	-	(120,529)	(120,529)	-	0%
Transfer from Reserves	21	-	-	-	(47,811,278)	(44,121,706)	(3,689,572)	(8%)
Transfer to Reserves	22	-	-	-	13,232,784	15,237,387	(2,004,603)	(15%)
Transfer to Accumulated Surplus		-	-	-	-	-	-	0%
CLOSING FUNDS		(54,518,691)	(72,210,475)		2,715,352	(4,453,657)		

**NOTES TO AND FORMING PART OF THE REVISED BUDGET
STATEMENT FOR THE 2021-22 FINANCIAL YEAR**

NOTES TO AND FORMING PART OF THE REVISED 2021-22 BUDGET STATEMENT

1. Rates

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Decrease) / Increase
\$99,997,776	\$99,943,014	(\$54,762)

This decrease arose predominantly due to adjustment to Gross Rental Values (GRV) for Residential properties \$66,144.

2. Grants and Subsidies

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Decrease) / Increase
\$3,444,624	\$3,683,872	\$239,248

The net increase in Grants and Subsidies predominantly arose from additional income for Fire Mitigation Grant Works \$168,718 which was not part of the original budget. Additional increases arose from Department of Local Government Sport and Cultural Industries funding for the Joondalup Festival \$30,000 and the Department of Transport funding for Coastal Monitoring \$24,908

3. Contributions and Reimbursements

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Decrease) / Increase
\$1,108,156	\$1,215,173	\$107,017

The net increase in Contributions and Reimbursements arose mainly due to Joondalup Festival Security Costs from the Department of Transport \$50,000 and Sale of Recyclable Materials MRF \$56,770.

4. Profit on Asset Disposals

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Decrease) / Increase
\$1,402,947	\$932,770	(\$470,177)

The decrease in the Profit on Asset Disposals arose following the decision at Major Projects and Finance Committee in July 2021 to discontinue the sale of Blackwattle Parade Padbury (\$1,334,559), partially offset by an increase in City of Joondalup's share in the gains on the disposal of developed residential land by Tamala Park Regional Council (TPRC) \$860,271 which was not part of the original budget.

5. Fees and Charges

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Decrease) / Increase
\$41,552,470	\$41,513,332	(\$39,138)

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

Increases

a) Sports and Recreation Fees	337,890
b) Refuse Charges	235,570
c) Parking Fees	128,000
d) Building and Development Fees	85,637
e) Inspection and Control fees	60,555
Other	41,646

Decreases

f) Fines and Penalties	(711,490)
g) Other Fees and Charges	(144,154)
h) Licenses and Registrations	(72,792)
	<u>(\$39,138)</u>

- a) Higher than estimated revenue arose predominately from Craigie Leisure Centre having experienced a better than expected recovery throughout the pandemic. Increase included membership fees \$212,716 and Learn to Swim Program \$94,330. Other variances were spread over a number of areas.
- b) Higher than estimated revenue from Waste Refuse Service Charge \$223,920 which includes 852 additional bins.
- c) Higher than estimated patronage and therefore revenue from On Street Parking increased by \$128,000.
- d) Higher volumes for Land Purchase Enquiries \$55,637.
- e) Higher than estimated revenue from Swimming Pool Inspection Fees \$72,555.
- f) Lower than estimated revenue from Parking Fines Enforcement Registry Charges (\$581,690) and Suburban Parking Infringements (\$130,000) due to fewer infringements issued across the zones. This was predominantly due to reduced staffing levels with recruitment and training occurring in the first six months of the financial year.
- g) This decrease is predominantly due to a decrease in Fines Enforcement Registry Charges (\$156,500) due to fewer infringements issued across the zones.
- h) Lower than estimated revenue from Licenses and Registrations mainly due to Dog Registration Fees (\$40,000).

6. Interest Earnings

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Decrease) / Increase
\$666,527	\$741,099	\$74,573

This favourable variance mainly arose from Interest from Other Financial Institutions \$88,076 mainly due to an increase in the budgeted interest rate from 0.35% to 0.40%.

7. Other Revenue/Income

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Decrease) / Increase
\$363,164	\$449,902	\$86,738

This favourable variance arose predominately from additional insurance rebates received \$88,825.

8. Employee Costs

Adopted Budget 2021-22	Revised Budget 2021-22	Variance Decrease / (Increase)
\$66,183,322	\$64,833,289	\$1,350,033

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

Decreases

a) Salaries and Wages	1,464,517
b) Other Employment Costs	133,369
c) Employment Cost Allocations and Recovery	109,110

Increases

d) Agency Employees	(356,963)
	<u>\$1,350,033</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) This decrease is due to Other Employee costs (\$234,839), partially offset by an increase in Fringe Benefits Tax \$44,539.

c) Standard Labour Recoveries for Capital Works increased by (\$109,110).

d) This increase is due primarily to the use of Agency Employees to cover vacant positions.

9. Materials and Contracts

Adopted Budget 2021-22	Revised Budget 2021-22	Variance Decrease / (Increase)
\$69,361,501	\$69,145,463	\$216,038

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

Increases

a) External Services Expenses	(637,808)
b) Professional Fees & Costs	(436,913)
c) Furniture, Equipment and Artworks	(390,945)
d) Accommodation & Property	(138,470)
e) Other Materials	(84,912)
Other	(46,846)

Decreases

f) Waste Management Services	1,581,616
g) Computing	133,260
h) Contributions & Donations	86,680
i) Public Relations, Advertising and Promotions	64,532
Other	<u>85,844</u>
	<u>\$216,038</u>

- a) Increase arose mainly due to a rise in External Contractors and Services \$634,419 inclusive of Parks \$333,333, Roads \$233,670, Craigie Leisure Centre \$165,077, Natural Areas \$135,566, Buildings \$76,285, Rangers Parking and Community Safety \$50,000 offset by Application Services (\$203,885) and Waste Management Services (\$77,959). This increase in External Contractors and Services is partially offset by a reduction in Public Entertainment and Excursions (\$50,050) mainly at Craigie Leisure Centre.
- b) The increase in Professional fees arose mainly due to Consultancy \$479,423 predominantly from funds carried forward from 2020/21 \$230,139. Increases included Concept design and economic evaluation-Multi Storey Car Park \$150,000, Preparation of Local Heritage Survey \$57,010, and Sorrento Surf Life Saving Club Proposed Redevelopment \$50,000. This was partially offset by Research (\$30,000). The balance is spread across a number of areas.
- c) Furniture, Equipment and Artworks increased predominately due to Plant and Equipment Maintenance & Repair at Craigie Leisure Centre \$102,726, Computer and Communications Minor Equipment Purchases \$101,210 mainly for Rangers Parking and Community Safety, Hire of Equipment \$89,328 including Valentine's Day Concert \$40,042 and Joondalup Festival \$39,771 and Plant & Equipment Purchase Minor \$69,646 mainly Waste Management Services.
- d) The increase in Accommodation & Property was mainly attributed to Security at Craigie Leisure Centre \$85,290, Council Rates (CoJ Properties) \$34,814 and security at Cultural Services events \$34,670.

- e) The increase in Other Materials was attributed to External Material Contract Purchases \$77,766 including Building Maintenance Works \$59,586 and Roads \$31,135, partially offset by Parks (\$43,360). The balances of variances are spread across a number of areas.
- f) Tipping Fees General Waste reduced by (\$1,505,927) which was mainly due to the gate fee rate being reduced. Processing for the Recycling and Government Levy decreased by (\$432,621). This was partially offset by an increase in Collection Bulk Green Waste \$141,190, Collection Bulk Hard Waste \$91,030 and Processing Domestic Green Waste \$67,555.
- g) The decrease in Computer Software Subscriptions (\$140,317) was mainly due to the monthly Customer Relationship Management software subscription deferred from December start date to June. A further decrease occurred Computer Software Maintenance (\$53,427) which was offset by the increase in Computer Software Licences \$58,143.
- h) City's reduction in Contributions & Donations mainly arose from a decrease in Donations as the Joondalup Sporting Achievement Grants and Club Recreation funding having ceased (\$62,000).
- i) The decrease in Public Relations, Advertising and Promotions was mainly attributed to a decrease in General Advertising (\$22,709). The balance being spread across a number of areas.

10. Utilities

Adopted Budget 2021-22	Revised Budget 2021-22	Variance Decrease / (Increase)
\$6,133,858	\$5,956,419	\$177,439

This comprises a net decrease in electricity costs of (\$181,666) based on current usage and charges for Buildings (\$94,015) and Parks (\$74,337).

11. Depreciation

Adopted Budget 2021-22	Revised Budget 2021-22	Variance Decrease / (Increase)
\$31,927,323	\$31,447,158	\$480,165

This comprises a net decrease in Depreciation Roads Infrastructure (\$752,016), Impairment/Write off of assets (\$225,994), Depreciation Bridges, Overpass and Underpass Infrastructure (\$82,055) and Depreciation Drainage Infrastructure (\$66,893). This was partially offset by an increase in Depreciation Footpaths Infrastructure \$305,151, Depreciation Computer & Communications Hardware \$191,995, Depreciation Car Parking Infrastructure \$76,610 and Depreciation Other Infrastructure \$54,910.

12. Insurance Expenses

Adopted Budget 2021-22	Revised Budget 2021-22	Variance Decrease / (Increase)
\$1,628,739	\$1,523,561	\$105,178

This net decrease resulted in due to lower than expected insurance expenses (\$105,178) including Industrial Special Risk (\$61,217) and Public Liability (\$41,199).

13. Capital Grants and Subsidies

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Decrease) / Increase
\$15,134,123	\$13,635,393	(\$1,498,730)

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

Increases

a) Commonwealth Grants – Capital Other	548,753
b) Other Grants and Subsidies - Capital Other	139,120
Other	60,114

Decreases

c) State Government Grants-Capital - MRRG Grant Roads	(1,724,400)
d) Commonwealth Grants and Subsidies - Capital Black Spot	(291,720)
e) State Government Grants-Capital Other	(198,997)
Other	(31,600)
	<u>(\$1,498,730)</u>

a) This increase arose from Local Roads and Community Infrastructure phase 2 adjustments based on actuals received from 2020-21.

b) This increase mainly arose from PDP2272 Parin Pioneer Park with additional funding expected to be received from Lotterywest.

c) This decrease arose mainly from RDC2027 Joondalup Dr/Hodges Dr Intersection Upgrade 1,222,400 due to the grant being carried forward into 2022-23, RDC2024 Shenton Ave \$350,471, RDC2025 Whitfords Ave/ Gibson \$200,000 and RDC2025 Whitfords Ave Kingsley \$60,000, which was partially offset by additional claims expected for RDC2020 Warwick Rd – Erindale (\$128,320).

d) The decrease was mainly due to a reduction in income for SBS2037 Marmion/McWhae with the variance expected to be received in 2022-23.

- e) This decrease mainly resulted from BCW2650 Sorrento Football Club \$800,000 expected to be received in 2022-23. This was partially offset by additional income expected for SBS2092 Marmion Ave and Forrest Rd Intersection (\$308,000) and SBS2093 Ocean Reef Rd and Gwendoline Dr (\$278,000) which are state election commitments and construction will be completed in 2021-22.

14. Capital Contributions

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Decrease) / Increase
\$233,807	\$506,041	\$272,234

This increase arose predominantly from insurance contribution following the damage at Belrose Park Toilets \$148,258 and fire at Iluka Sports Complex \$121,137.

15. Other non-operating revenue

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Decrease) / Increase
\$-	\$111,691	\$111,691

This arose from unbudgeted GST refunds \$111,691 received from the ATO in respect of TPRC land sales undertaken.

16. Capital Projects

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Increase) / Decrease
\$3,129,943	\$2,759,554	\$370,390

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

Increases

a) Ocean Reef Marina	(59,407)
Other	(20,311)

Decreases

b) Network Infrastructure Upgrade Program	228,252
c) Yellagonga Wetlands – Smart Monitoring and Management	202,336
Other	19,520
	<u>\$370,390</u>

- a) Increase for Ocean Reef Marina is due to higher than estimated standard labour charge costs \$59,407.
- b) Costs for Network Infrastructure Upgrade Program are lower than estimated in the original budget (\$228,252) due to the amount carried forward from 2020-21 being higher than required.
- c) Costs for this project are lower than estimated in the original budget (\$202,336).

17. Capital Works

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Increase) / Decrease
\$54,135,505	\$43,530,274	\$10,605,231

The net decrease in capital works of \$10,625,231 is made up of the following variations:

Decreases

a) Major Projects Program (MPP)	4,524,667
b) Major Road Construction Program (RDC)	2,730,999
c) Streetscape Enhancement (SSE)	671,204
d) Major Building Capital Works Program (BCW)	652,978
e) Blackspot Projects (SBS)	580,000
f) Streetlighting Program (STL)	547,569
g) Parks Development Program (PDP)	408,067
h) Local Traffic Management (LTM)	405,342
i) Parking Facilities Program (PFP)	168,880
j) Road Preservation/Resurfacing Program (RPR)	156,364
Other	42,322

Increases

k) Parks Equipment Program (PEP)	(163,532)
l) Slab Path Replacement (FPR)	(119,629)
	<u>\$10,605,231</u>

- a) Major Projects program is experiencing a reduction at Mid-Year Review due to funds being carried forward into 2022-23 financial year including MPP2050 Craigie Leisure Centre Refurbishment \$2,257,318, MPP2058 Chichester Park Clubrooms \$1,246,235, MPP2077 Cafes/Kiosks/Restaurants Burns Beach \$439,000, MPP2034 Joondalup Admin Building \$149,222 and MPP2080 Burns Beach Coastal Node \$77,000. Other favourable variance arose from completed projects MPP2069 Percy Doyle Floodlighting 172,961 and MPP 2067 Percy Doyle Mildenhall \$134,864.
- b) Decreases in Major Road Construction Program arose due to projects carried forward into 2022-23 including RDC2027 Joondalup Dr/Hodges Dr \$2,250,000 and RDC2024 Shenton Ave Upgrade \$550,000.

- c) Favourable variance arose due to projects carried forward into 2022-23 including SSE2057 Leafy City Program \$412,000 and SSE2058 Whitfords Ave \$259,203. Other favourable variance occurred on SSE2055 Streetscape Renewal \$300,000 which is transferred to SSE2056 City Centre Streetscape.
- d) Major Building Capital Works Program decrease mainly relates BCW2634 Duffy House \$90,231 and BCW2650 Sorrento Football Club Upgrade \$800,000 which are being carried forward into 2022-23. This was partially offset by Craigie LC Geothermal Bore (\$97,000) which was moved from the Major Projects Program and BCW2573 Air-conditioning Replacement Program (\$50,000) due to the emergency batteries at the Joondalup Admin Building and Multi Storey Carpark requiring replacement in the current financial year.
- e) Blackspot Projects is experiencing a reduction at Mid-Year Review due to funds being carried forward into 2022-23 including SBS2091 Marmion Ave and Coral St \$350,000, SBS2092 Marmion Ave and Forrest \$150,000 and SBS2093 Ocean Reef Rd and Gwendowline \$100,000 which are multi year projects.
- f) Decrease in Streetlighting Program arose due to STL2003 Joondalup City Centre being carried forward into 2022-23 \$80,000 and \$720,000 into 2023-24. Other favourable variances relate to STL2057 Timberlane Park Floodlighting \$64,063 which is transferred to Parks Equipment Program, STL2052 Lighting Infrastructure \$72,338. Unfavourable variance occurred mainly STL2092 MacDonalld Park Floodlighting Upgrade (\$252,417) due to quotes received coming in higher than expected.
- g) This decrease mainly relates to projects being carried forward into 2022-23 including PDP2282 Dog Exercise Park \$221,000 and PDP2272 Heritage Precinct \$89,000.
- h) LTM2153 Boas/McLarty Intersection \$434,176 of the Local Traffic Program is being carried forward to 2022-23.
- i) This favourable variance arose mainly due to PFP2066 Pinnaroo Point Park \$300,000 being carried forward into 2022-23. This was partially offset by an unfavourable variance on PFP2078 Readshaw Road (\$75,000) with a change in design required by the school and Department of Transport.
- j) Decrease in Road Preservation/Resurfacing Program relates to projects completed under budget.
- k) Increase in the Parks Equipment Program mainly relates to Timberlane Park Playing Field (\$64,063) which is being funded from STL2057 Timberlane Park.
- l) This unfavourable variance mainly relates to FPR2268 Marion Ave – Edinburgh (\$100,000) which requires additional budget to complete the project scope as the original budget did not include the whole portion of the path.

18. Motor Vehicle Replacements

Adopted Budget 2021-22	Revised Budget 2021-22	Variance (Increase) / Decrease
\$2,819,841	\$3,096,536	(\$276,695)

This increase predominately arose from additional vehicles within the Revised Budget and included three additional Isuzu D-Max Utes \$124,000, two Dual Cab Utility Utes \$100,000 as well as a Ford Ranger for \$32,000.

19. Proceeds from Disposals

Adopted Budget 2021-22	Revised Budget 2021-22	Variance Increase / (Decrease)
\$1,937,600	\$322,559	(\$1,615,041)

The decrease is mainly due to the decision at Major Projects and Finance Committee in July 2021 to discontinue the sale of Blackwattle Parade Padbury \$1,425,000 as well as a decrease in proceeds from disposal of Fleet and Plant \$190,041.

20. Surplus Carried Forward

Adopted Budget 2021-22	Revised Budget 2021-22	Variance Increase / (Decrease)
\$1,228,878	\$3,860,336	\$2,631,458

The revised budget has brought to account the actual surplus carried forward from the previous financial year as reported in the 2020-21 annual financial report (Council Minutes 21 December 2021 JSC05-12/21 refers).

21. Transfer from Reserves

Adopted Budget 2021-22	Revised Budget 2021-22	Variance Increase / (Decrease)
\$47,811,278	\$44,121,705	(\$3,689,572)

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

Increases

a) Capital Works Carried Forward	2,660,967
Other	1,683

Decreases

b) Strategic Asset Management	(5,514,222)
c) Asset Renewal Reserve	(829,180)
Other	<u>(8,820)</u>
	<u>(\$3,689,572)</u>

- 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.
- b) This decrease represents lower expenditure over a number of Asset Renewal Programs mainly the Major Projects Program (\$4,714,222) and the Street Lighting Program (\$800,000).
- c) This decrease represents lower expenditure over a number of renewal projects.

22. Transfer to Reserves

Adopted Budget 2021-22	Revised Budget 2021-22	Variance Increase / (Decrease)
\$13,232,784	\$15,237,587	(2,004,603)

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

Increases

a) Capital Works Carried Forward	(2,467,803)
b) Waste Management Reserve	(1,910,524)
Other	(46,678)

Decreases

c) Strategic Asset Management Reserve	1,425,000
d) Parking Facility Reserve	<u>995,402</u>
	<u>(\$2,004,603)</u>

- a) This increase is due to various capital works carried forward to the next financial year.
- b) This increase resulted from higher than expected operating surplus from Waste Management Services.
- c) The decrease arose due to the decision at Major Projects and Finance Committee in July 2021 to discontinue the sale of Blackwattle Parade Padbury.
- d) The decrease in the transfer to the reserve represents a lower anticipated operating surplus from parking operations.