

# City of Joondalup

Financial Activity Statement for the  
Period Ended 31 March 2010

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**City of Joondalup**  
**Financial Activity Statement**  
for the period ended 31 March 2010

	Notes	Adopted Budget	YTD Adopted Budget	YTD Actual	YTD Variance \$	YTD Variance %
<b>OPERATING REVENUE</b>						
Rates		(63,695,321)	(63,680,321)	(64,088,247)	407,926	1%
Grants and Subsidies	1	(3,485,875)	(2,668,224)	(2,048,971)	(619,253)	(23)%
Contributions Reimbursements and Donations	2	(2,093,364)	(1,739,423)	(1,410,756)	(328,666)	(19)%
Profit on Asset Disposals		(98,335)	(98,335)	(72,775)	(25,560)	(26)%
Fees and Charges	3	(27,767,095)	(24,958,387)	(25,027,858)	69,470	0%
Investment Earnings	4	(2,193,760)	(1,669,017)	(2,851,080)	1,182,063	71%
Other Revenue/Income		(100,000)	(75,000)	(59,397)	(15,603)	(21)%
<b>Total Operating Revenue</b>		<b>(99,433,749)</b>	<b>(94,888,706)</b>	<b>(95,559,084)</b>	<b>670,378</b>	<b>1%</b>
<b>OPERATING EXPENSES</b>						
Employee Costs		41,641,592	31,538,171	31,190,619	347,551	1%
Materials and Contracts	5	39,052,324	29,174,432	26,890,514	2,283,918	8%
Utilities (gas, electricity, water etc.)	6	4,052,858	3,041,706	2,622,259	419,447	14%
Depreciation of Non-Current Assets	7	17,042,401	12,803,655	15,792,716	(2,989,061)	(23)%
Loss on Asset Disposal	13	107,515	107,515	54,631	52,884	49%
Interest Expenses	8	448,077	299,461	166,018	133,443	45%
Insurance Expenses	9	1,147,444	1,132,542	1,195,007	(62,465)	(6)%
Other Expenses		-	-	1,282	(1,282)	(100)%
<b>Total Operating Expenses</b>		<b>103,492,211</b>	<b>78,097,481</b>	<b>77,913,046</b>	<b>184,435</b>	<b>0%</b>
<b>(SURPLUS)/DEFICIT FROM OPERATIONS</b>		<b>4,058,462</b>	<b>(16,791,225)</b>	<b>(17,646,038)</b>	<b>854,813</b>	<b>5%</b>
<b>OPERATING NON-CASH ADJUSTMENTS</b>						
Depreciation on Assets	7	(17,042,401)	(12,803,655)	(15,792,716)	2,989,061	23%
Loss on Asset Disposal		(107,515)	(107,515)	(54,631)	(52,884)	(49)%
Profit on Asset Disposals		98,335	98,335	72,775	25,560	(26)%
<b>OPERATING CASH (SURPLUS)/DEFICIT</b>		<b>(12,993,118)</b>	<b>(29,604,060)</b>	<b>(33,420,609)</b>	<b>3,816,549</b>	<b>13%</b>
<b>NON-OPERATING REVENUE</b>						
Capital Grants and Subsidies	10	(12,888,838)	(11,533,429)	(5,687,001)	(5,846,428)	(51)%
Capital Contributions	11	(425,000)	(425,000)	(18,788)	(406,212)	(96)%
Acquired Infrastructure Assets		(4,880,000)	-	-	-	-
<b>Total Non-Operating Revenue</b>		<b>(18,193,838)</b>	<b>(11,958,429)</b>	<b>(5,705,789)</b>	<b>(6,252,640)</b>	<b>(52)%</b>
<b>CAPITAL EXPENDITURE</b>						
Capital Projects	12	8,762,441	6,994,596	6,296,715	697,881	10%
Capital Works	13	30,036,541	24,342,338	14,051,520	10,290,818	42%
Motor Vehicle Replacements	14	1,326,000	1,326,000	514,828	811,172	61%
Loan Repayment Principal	8	1,152,466	591,621	482,358	109,262	18%
Equity Investments		-	-	23,206	(23,206)	(100)%
<b>Total Capital Expenditure</b>		<b>41,277,448</b>	<b>33,254,555</b>	<b>21,368,628</b>	<b>11,885,927</b>	<b>36%</b>
<b>CAPITAL (SURPLUS)/DEFICIT</b>		<b>23,083,610</b>	<b>21,296,126</b>	<b>15,662,838</b>	<b>5,633,287</b>	<b>26%</b>
<b>(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL</b>		<b>10,090,492</b>	<b>(8,307,935)</b>	<b>(17,757,771)</b>	<b>9,449,836</b>	<b>114%</b>
<b>FUNDING</b>						
Proceeds from Disposal	14	(423,500)	(423,500)	(310,194)	(113,306)	(27)%
Loan Funds	8	(5,685,000)	(5,685,000)	-	(5,685,000)	-
Transfer from Reserve		(10,460,013)	-	-	-	-
Transfer to Reserve		2,055,415	-	-	-	-
Transfer to Accumulated Surplus		4,880,000	-	-	-	-
Opening Funds		(550,328)	(550,328)	(1,538,743)	988,415	180%
<b>CLOSING FUNDS</b>	15	<b>(92,934)</b>	<b>(14,966,763)</b>	<b>(19,606,708)</b>	<b>4,639,945</b>	<b>31%</b>

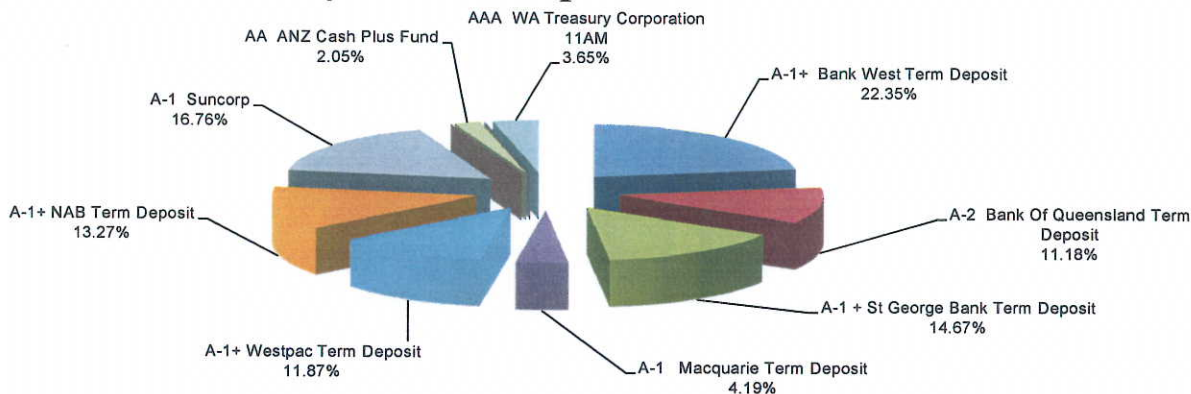


# Investment Summary

CITY OF JOONDALUP  
March-10

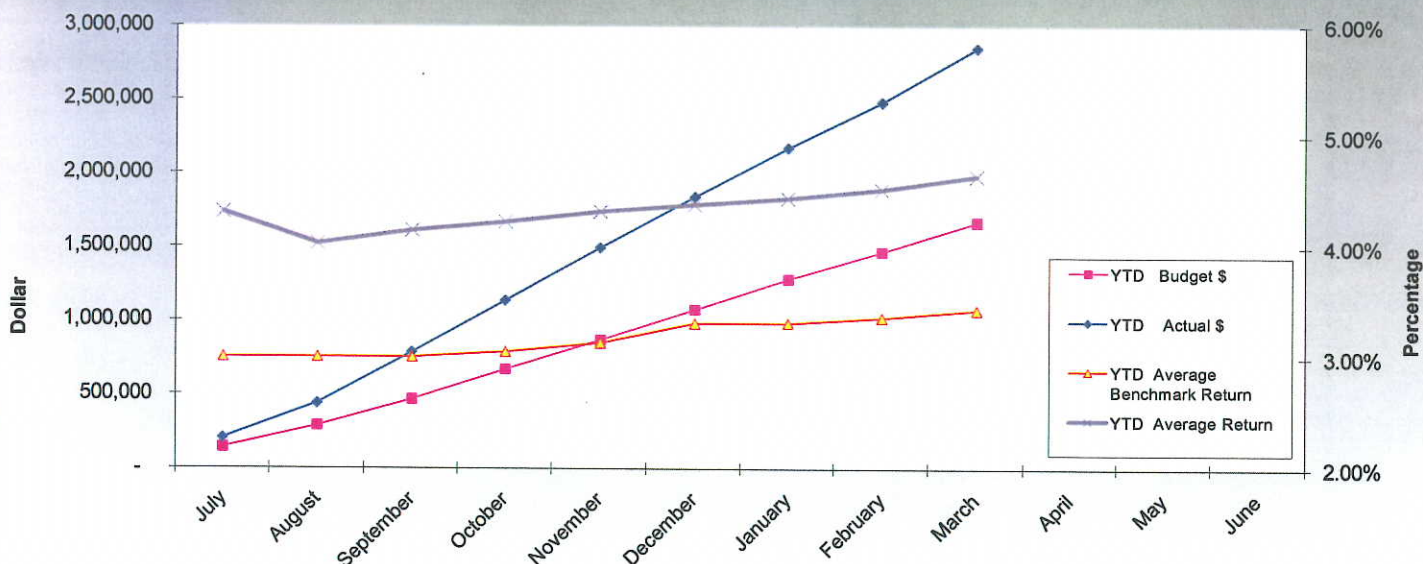
Investment Account	MTD Return	YTD Return	Value \$	% of Portfolio	Policy Limit
A-1+ Bank West Term Deposit	5.38%	4.83%	\$ 16,000,000	22.35%	20%
A-2 Bank Of Queensland Term Deposit	5.84%	4.98%	\$ 8,000,000	11.18%	10%
A-1 + St George Bank Term Deposit	5.78%	4.67%	\$ 10,500,000	14.67%	20%
A-1 Macquarie Term Deposit	6.15%	4.94%	\$ 3,000,000	4.19%	15%
A-1+ Westpac Term Deposit	5.44%	4.47%	\$ 8,500,000	11.87%	20%
A-1+ NAB Term Deposit	5.55%	4.50%	\$ 9,500,000	13.27%	20%
A-1 Suncorp	6.00%	5.16%	\$ 12,000,000	16.76%	15%
A-1+ ANZ Term Deposit	0.00%	4.44%	\$ -	0.00%	20%
AA ANZ Cash Plus Fund	8.05%	4.19%	\$ 1,466,524	2.05%	20%
AA- LGFS Out Performance	0.00%	3.76%	\$ -0	0.00%	20%
AAA WA Treasury Corporation 11AM	3.99%	3.42%	\$ 2,615,000	3.65%	20%
<b>Total Investment Portfolio</b>	<b>5.65%</b>	<b>4.64%</b>	<b>71,581,524</b>	<b>100.00%</b>	
<b>Municipal Funds</b>			<b>39,960,164</b>		
<b>Reserve Funds</b>			<b>40,007,138</b>		
			<b>79,967,302</b>		

## City of Joondalup - Investment Balances



Month	MTD Budget \$	MTD Actual \$	YTD Budget \$	YTD Actual \$	YTD Average Benchmark Return	YTD Average Return
July	139,355	201,882	139,355	201,882	3.00%	4.31%
August	147,347	234,301	286,702	436,183	3.00%	4.03%
September	178,130	347,508	464,832	783,691	3.00%	4.15%
October	204,283	349,767	669,115	1,133,458	3.05%	4.22%
November	200,066	359,509	869,181	1,492,967	3.13%	4.32%
December	206,381	346,355	1,075,562	1,839,322	3.31%	4.38%
January	206,091	333,175	1,281,653	2,172,497	3.31%	4.44%
February	186,558	308,064	1,468,211	2,480,561	3.36%	4.52%
March	200,806	369,059	1,669,017	2,849,621	3.43%	4.64%

### Return on Investments





**NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT  
FOR THE PERIOD ENDED ON 31 MARCH 2010**

**1. Grants and Subsidies**

	YTD Adopted Budget	YTD Actual	Variance
a) State General Purpose - WALGGC	\$2,215k	\$1,675k	(\$540k)
b) Other State & Commonwealth Grants & Subsidies	\$453k	\$374k	(\$79k)
	<u>\$2,668k</u>	<u>\$2,049k</u>	<u>(\$619k)</u>

a) The State Local Government Assistance Grant first payment was received in the previous financial year.

b) A Community Safety Video Surveillance grant (\$38k) provided in the budget will not be received. This is offset by reduced expenditure for the purpose (see 5 c) below)

The City received \$29k this financial year for the final instalment of the Eco Business grant, which was budgeted to be received in the previous year. Grants that are yet to be received include the Joondalup Festival (\$35k) and the Holiday Program at the Craigie Leisure Centre (\$24k).

**2. Contributions, Reimbursements & Donations**

	YTD Adopted Budget	YTD Actual	Variance
a) Insurance Reimbursements	-	\$178k	\$178k
b) Legal Fees Recoverable	\$626k	\$84k	(\$542k)
c) Sale of Recyclable Materials - MRF	\$722k	\$582k	(\$140k)
d) Miscellaneous Reimbursements	\$30k	\$230k	\$200k
e) Utility Charge	\$63k	\$132k	\$69k
f) Reinstatement of Works	\$105k	\$19k	(\$86k)
Other Contributions, Reimbursements & Donations - not material	\$193k	\$186k	(\$7k)
	<u>\$1,739k</u>	<u>\$1,411k</u>	<u>(\$328k)</u>

a) Insurance Reimbursements received include a Workers Compensation Claims Experience Bonus \$66k and a contribution adjustment of \$54k for the 2008/2009 year. An amount of \$39k was also received in settlement of a claim for an Isuzu Dual Cab vehicle previously written off after an accident.

b) This variance relates to the litigation arising from the weed spraying contractual dispute (\$500k) and lower legal fees for the collection of outstanding Rates (\$42k).

c) The Sale of Recyclable Materials is expected to fall short of the total budget due to prevailing market conditions (\$140k).



- d) This variance mainly reflects an unbudgeted contribution of \$100k from Main Roads WA for maintenance on Marmion Avenue Median, between Beach Road and Ocean Reef Road and unbudgeted Diesel Fuel Tax Rebate of \$71k received to date. The remaining balance consists of a number of minor variances in different areas.
- e) This variance represents recovery of utility charges from Telecommunication Towers \$27k and other tenanted City buildings \$42k as provided under existing property agreements.
- f) Actual Reinstatement of Works normally conducted on behalf of utility providers is below the level anticipated in the budget.

### 3. Fees & Charges

	YTD Adopted Budget	YTD Actual	Variance
a) Waste Management Refuse Charges	\$15,411k	\$14,947k	(\$464k)
b) Building & Development Fees	\$1,367k	\$1,575k	\$207k
c) Cat Registrations	\$206k	-	(\$206k)
d) Sports & Recreation Fees	\$4,276k	\$4,468k	\$192k
e) Property Rental & Outgoings	\$318k	\$464k	\$146k
f) Fines Enforcement Registry Charges	\$30k	\$198k	\$168k
Other Fees & Charges	\$3,350k	\$3,376k	\$26k
	<u>\$24,958k</u>	<u>\$25,028k</u>	<u>\$69k</u>

- a) The shortfall in Refuse Charges occurred due to Council's decision to reduce the fee by \$10 following the deferral in the Landfill Levy.
- b) Building and Development Fees are above budget, in particular for Building Licenses \$133k, Development Application Fees \$40k and Land Purchase Enquiries \$23k.
- c) The Joint Standing Committee on Delegated Legislation disallowed the City's proposed Cat Local Law.
- d) Sports & Recreation Fees include \$68k Admission Fees and \$115k Learn to Swim program resulting mainly from increases in the overall level of participation across core service areas.
- e) The increase in Property Rental Income reflects mainly classification adjustments with corresponding reduction in Other Revenue.
- f) Fines Enforcement Registry Charges are higher from previous year's lodgements being received in the current year partially offset by higher fees incurred. (see 5 a) below)



#### 4. Investment Earnings

Investment income exceeded the budget by \$1,182k as at the reporting date. This is caused by larger volume of funds invested due to lower capital expenditure and higher market interest rates than the rate predicted the budget.

#### 5. Materials and Contracts

	YTD Adopted Budget	YTD Actual	Variance
a) Professional Fees and Costs	\$1,098k	\$1,326k	(\$228k)
b) Public Relations, Advertising & Prom	\$797k	\$571k	\$226k
c) Contributions & Donations	\$1,555k	\$916k	\$639k
d) Furniture, Equipment and Artworks	\$1,421k	\$1,045k	\$376k
e) External Service Expenses	\$12,501k	\$12,130k	\$371k
f) Service Charges from Other Councils	\$5,807k	\$5,642k	\$165k
g) Other Materials	\$1,311k	\$962k	\$349k
h) Travel, Vehicles & Plant	\$1,147k	\$980k	\$167k
Other Variances	\$3,537k	\$3,318k	\$219k
	<u>\$29,174k</u>	<u>\$26,890k</u>	<u>\$2,284k</u>

- a) Legal Expenses are (\$355k) over budget mainly as a result of the ongoing weed spraying litigation that the City is dealing with.

Lodgement Fees are (\$138k) over budget caused by lodgements for Fines Enforcement of prior year's unpaid parking infringements. The additional fee is offset by higher revenue received, (see 3 f) above).

Consultancy expenditure is \$231k below budget. This includes several feasibility studies that are currently under review, such as the Percy Doyle and Edgewater Quarry Master Plans \$93k, Sump soil and plant analysis \$49k, Website Development \$35k and Central Walk project \$20k.

Rates Recovery Legal Fees are \$43k lower than budget due to fewer legal recovery actions.

- b) Under expenditure for General Advertising expenses \$113k includes savings of approximately \$37k in press and corporate advertising and the advertising charges for the Joondalup Festival and other recent events that are still to be received.

Promotion expenditure amounting to \$58k, primarily related to Economic & Environmental Promotions currently in the planning phase, is yet to be incurred. Catering \$33k and Signage \$12k are also running below budget.

- c) Contributions to sports clubs are \$430k below budget. The key variance relates to the Arena Community Sports and Recreation Association that is not progressing as anticipated \$229k, of which the second stage payment of \$170k is expected to be deferred to the 2010/11 financial year. The remaining variance of \$201k is for floodlighting at various Clubs that despite construction delays will be completed by



June. Contributions to date for the Warwick Leisure Centre are also \$41k below budget.

Payments for Prizes & Trophies and other Sponsorships are below budget due to a timing difference - \$101k.

The Grant Disbursements for Community Safety Video Surveillance \$38k will not occur this financial year (see 1 b) above).

- d) Purchases of Computer & Communications Equipment are \$150k below budget, due to a combination of lower unit prices obtained and delayed deliveries, which will be realigned at the Mid Year Budget Review.

Computer & Communications Equipment Maintenance & Repairs arise only on a demand and are \$47k below budget.

Other variances include \$48k for servicing and installation of Ticket Machines for which invoices are yet to be received, \$35k for hire of equipment for the Joondalup Festival and \$26 for the purchase of Waste Bins.

There are also savings of \$21k related to the implementation of the Cat Local Law that is now discontinued.

- e) External Services expenses are \$371k below budget. This includes Tipping Fees of \$333k, partly due to the deferral of the increase in Landfill Levy compared to the adopted budget.

Programme Activities are \$96k below budget including \$30k for Community Development caused by the loss of funding for Youth Services and \$30k for the Jinan Delegation taking place in May.

External Contractors includes \$195k for turf maintenance, which is nearing completion and the irrigation maintenance work that is due to commence in the coming months.

Expenditure for Building maintenance and facility improvements are significantly above budget (\$526) relating to services that are essential to the operations of the City's buildings and have been highlighted in the Mid Year Budget Review.

Other variances are mainly due to timing difference, including Environmental Development Cities for Climate Protection \$76k for carbon offsets, cleaning at the Leisure Centre \$37k, Management Fees for the Warwick Leisure Centre \$30k, Graffiti Removal \$37k, Software Application Services \$48k and Recreation Services' Midweek Lifeguard Contract \$28k.

- f) City of Wanneroo charges for rubbish collection are currently below budget \$139k, caused by billing delays.

The appointment of the Yellagonga ICM Project Officer later than budgeted has generated a saving of \$26k.





- g) Material Purchases are below budget in Operation Services \$170k, caused mainly by delays in finalising supplier contracts for drainage \$50k and the rescheduling of maintenance work for roads, bridges, footpaths and verges, \$70k.

Litter Collection \$33k and Building Assets Minor Works \$89k are also below budget.

- h) Travel, Vehicles & Plant running cost variance is mainly in Fuel costs \$201k due to lower oil and petrol prices compared to budget, partially offset by an increase in Servicing and Repair costs being (\$47k) over budget.

## 6. Utilities

	YTD Adopted Budget	YTD Actual	Variance
a) Electricity	\$2,895k	\$2,466k	\$429k
Water and Gas - not material	\$147k	\$157k	(\$10k)
	<u>\$3,042k</u>	<u>\$2,623k</u>	<u>\$419k</u>

- a) The original budget allowed for a significant increase in electricity costs, which appears to be overstated, however tariffs are to increase by 7.5% from April.

## 7. Depreciation of Non-Current Assets

Depreciation on Buildings (\$2,789k) was recalculated after an upward revaluation of the City's buildings at the end of the previous financial year.

Other areas where depreciation has increased are due to capitalisation of new assets including software and computers (\$72k), and plant and vehicles (\$130k).

## 8. Interest Expenses & Loan Repayment Principle

Savings in interest resulted from deferring the budgeted borrowings to fund the Aquatic Facilities' upgrade and the West Coast Drive project. The loans are expected to be drawn down later this financial year.

## 9. Insurance Expenses

The variance reflects increased premiums for Industrial Special Risk (\$56k), based on higher property values following the building revaluation and the premium for Motor Vehicle and Plant (\$22k).



## 10. Capital Grants and Subsidies

	YTD Adopted Budget	YTD Actual	Variance
a) Seacrest Community Sport Facility	\$2,609k	-	(\$2,609k)
b) Video Surveillance Systems	\$250k	\$60k	(\$190k)
c) Kingsley Memorial Clubrooms	-	\$200k	\$200k
d) Major Road Construction Program	\$4,638k	\$2,193k	(\$2,445k)
e) Traffic Management	\$1,104k	\$341k	(\$763k)
f) Road Preservation and Resurfacing Program	\$2,910k	\$2,821k	(\$89k)
g) Other	\$22k	\$72k	\$50k
	<u>\$11,533k</u>	<u>\$5,687k</u>	<u>(\$5,846k)</u>

a) The City received (\$1,305k) representing 50% of the Seacrest Community Sports Facility grant in June 2009. This project has now been split into three separate new components and the balance of the grant (\$1,304k) is expected to be received later this year.

b) The budgeted grant for the video surveillance system at Tom Simpson Park was actually received late in the previous financial year (\$100k). An application for the remaining grant of CCTV system has been submitted

The City also received a grant of \$60k this year after the installation of CCTV in the CBD last financial year.

c) The City received a \$200k grant from Department of Sport and Recreation for the Kingsley Memorial Clubrooms following the acquittal of expenditure incurred in the previous financial year.

d) This variance in Traffic Management relates to Connolly Drive between Burns Beach Road and McNaughton Crescent (\$750k), which is now forecast to be completed by December 2010. Main Roads WA has agreed for the City to recoup \$500k in May and the final \$250k will be received in 2010/11 upon completion of the project.

The landscaping work for Burns Beach Road East project is also below budget (\$1,060k) and is subject to plants being available later this year.

Moore Drive / Connolly Drive project (\$635k) is due to commence in June 2010 and the grant claims are dependant on progress of works.

e) State Black Spot funding claims are behind budget and are subject to the progression of various projects, including Whitfords / Endeavour Traffic Signals (\$80k), Craigie Drive (\$144k), Duffy Terrace (\$156k), Canham Way (\$54k) and Gradient Way (\$42k).

Ocean Reef Drive - Craigie Drive Roundabout has now been completed and its associated grant (\$270k) will be claimed in April.



- f) This variance includes final claims for Marmion Avenue, which are (\$135k) below budget due to changes in specifications advised by Main Roads WA.
- g) An unbudgeted Coastal Protection grant of \$50k was received to assist in funding the reconstruction of the Burns Beach Groyne.

#### 11. Capital Contributions

	YTD Adopted Budget	YTD Actual	Variance
a) Ocean Reef Marina	\$375k	-	(\$375k)
b) Disability Access for Public Transport	\$50k	-	(\$50k)
Other Capital contributions - not material	-	\$19k	\$19k
	<u>\$425k</u>	<u>\$19k</u>	<u>(\$406k)</u>

- a) The Ocean Reef Marina contribution is not expected to be received in 2009/10.
- b) It had been determined that Disability Access for Public Transport is the responsibility of the State. Accordingly, the budgeted contribution will no longer be received.

#### 12. Capital Projects

	YTD Adopted Budget	YTD Actual	Variance
a) Aquatic Facilities Upgrade - CLC	\$4,476k	\$4,845k	(\$369k)
b) Ocean Reef Marina Development	\$562k	\$170k	\$392k
c) Video Surveillance Systems	\$250k	\$95k	\$155k
d) Joondalup City Centre Commercial Office Development	\$141k	\$24k	\$117k
e) Cultural Facility	\$161k	\$19k	\$142k
f) Vehicles & Plant	\$235k	-	\$235k
g) Library Management System	\$327k	\$214k	\$113k
h) Upgrade to Wanneroo MRF	-	\$195k	(\$195k)
Other Projects	\$843k	\$735k	\$108k
	<u>\$6,995k</u>	<u>\$6,297k</u>	<u>\$698k</u>

- a) The 50 meter pool at Craigie Leisure Centre is complete and within budget. The variance is due to the timing of contractor payments compared to budget phasing.
- b) Council endorsed the first phase of the Ocean Reef Marina project comprising its Structure Plan and Business Case in December 2009. The City is assessing the options to progress the work required and future expenditure will depend on the outcome of this assessment.
- c) The installation of a CCTV system at Sir James McCusker Park (\$150k) is not going ahead. An alternative Grant application has been submitted.
- d) & e) Initial concept plans for the Cultural Facility and the City Centre Commercial Office Development projects have been completed and future expenditure are subject to endorsement and progression of the plans.



- f) The Customer Response Unit Truck \$50k and the Turf Vacuum Machine & Vertidrain Machine \$85k were purchased in the 2008/09 financial year. The remaining \$100k is for two trucks that are not expected to be delivered before June.
- g) Equipment totalling \$49k is on order for the Library Management System which is forecast to be on budget for the year.
- h) Payment for improvements to the Materials Recovery Facility was originally intended to be paid in 2008/09. The City made a payment this financial year and will reflect the timing difference in the 2009/10 revised budget.

### 13. Capital Works

	YTD Adopted Budget	YTD Actual	Variance
a) Major Road Construction	\$6,543k	\$2,793k	\$3,750k
b) Traffic Management	\$3,032k	\$886k	\$2,146k
c) Streetscape Enhancement	\$4,524k	\$3,572k	\$952k
d) Road Preservation / Resurfacing	\$3,549k	\$3,041k	\$508k
e) Parks Play Equipment Program	\$1,486k	\$887k	\$599k
f) Major Building Capital Works Program	\$1,760k	\$1,304k	\$456k
g) Seacrest Community Sports Facility	\$1,305k	\$85k	\$1,220k
Other Works variances - not material	\$2,143k	\$1,484k	\$659k
	<u>\$24,342k</u>	<u>\$14,052k</u>	<u>\$10,290k</u>

- a) The Major Roads Construction Program variance includes the Moore Drive / Connolly Drive Dual Carriageway project \$2,118k that is currently in the design stage and undergoing traffic assessments.

Construction work on Connolly Drive between Burns Beach Road and McNaughton Crescent is complete apart from \$875k relating to the landscaping and footpath phase of the project due to be completed by December 2010.

The remaining variance comprises \$757k for landscaping on the Burns Beach Road East project, which is progressing according to the program for the supply of plants.

- b) The Traffic Management variance comprises Blackspot projects \$1,000k, Local Road Traffic Management \$959k and Local Road Enhancements \$187k. Blackspot projects that are currently in progress are:
- Craigie Drive, between Gradient Way and Barwon Road is still in the design stage \$236k
  - The design for Duffy Terrace, between Whitfords Avenue and Woodvale Drive has been approved by Main Roads and safety audits undertaken \$390k
  - Traffic Signals at Whitfords Avenue and Endeavour Road intersection are waiting for Western Power supply installation \$166k
  - Canham Way, Wanneroo Road to Cockman Road commenced in January and is currently at an advanced stage \$87k.



The Local Road Traffic Management projects comprising Cliff St; Poynter Dr; Dampier Ave; Lilburne Rd; Waterford Dr and Quilter Dr totalling \$469k are all in the design stage.

In Local Roads Enhancements, Kingsley Drive \$191k is currently in the design stage and quotes are being obtained from Western Power. The remaining projects are behind budget schedule.

- c) The variance includes budgeted projects on Joondalup Drive \$124k, Hodges Drive \$137k and Burns Beach Road \$390k. The tender has been awarded for Burns Beach Road and Hodges Drive and work has commenced, including hard scaping, irrigation and tree planting.

West Coast Drive project is mainly complete with work around Marmion Toilet Block still to be completed \$74k

The Entry Statements project \$197k is subject to Council approval.

Canham Way Street scaping \$50k is underway and the design scope for Central Walk Lighting is being determined \$40k.

- d) This variance includes work on Dorchester Avenue between Beach and Warwick Roads \$222k that is currently in the design stage, also Campbell Drive \$130k which is forecast to commence in May 2010.

Road Rehabilitation projects at Marmion Avenue are complete with savings to budget of \$130k, due to changes in the specification as advised by Main Roads WA.

- e) In the Parks Play Equipment Program work on the Iluka Beach Shelter \$115k is delayed awaiting State Planning permission and is expected to commence in May 2010.

Tennis court resurfacing and goal post replacements of \$130k will commence at the end of the summer period.

The Replacement Play Equipment program and Penistone Park are \$151k behind budget with orders placed totalling \$67k.

Revegetation of sumps \$49k is progressing with two thirds park and verge trees completed.

Quotes are being obtained for park lighting at Doncaster Park and Whitfords East Park \$25k.

Kilrenny Park has been delayed due to few issues with location, which have now been resolved and design work commenced in March \$21k.

- f) This variance includes \$390k for the Rectification of the Concrete Cancer on the Administration Building which is progressing behind schedule with current year's expenditure anticipated to be \$100k below budget.



A revised scope has been approved for the Replacement Chiller Compressors at the Civic Chambers \$148k and the project is progressing.

The Marmion Beach Public Toilet Block reconstruction, which compliment the streetscape enhancement of Westcoast Drive is (\$109k) over budget. The Federal RLCIP Grant will be reallocated to cover the deficit in the Mid Year Budget Review.

- g) This project has now been split into three separate new components. The design of the three new projects is currently being finalised and construction is expected to commence in July 2010.

#### **14. Motor Vehicle Replacement**

The Mitsubishi FM658HV Water Cart intended to be replaced by a new truck costing \$200k will instead be replaced by an existing surplus truck. However, there will be a need to purchase a new tank \$50k to fit on the replacement truck.

The City has raised orders for vehicles and fleet to be replaced totaling \$474k. The balance of the variance is mainly due lower prices incurred in replacing several vehicles with lower cost Hyundai Getz vehicles.



### 15. Closing Funds

	<b>Actual</b>
<b>Current Assets</b>	
Cash Assets	\$71,539k
Rates and Sundry Debtors	\$1,391k
GST Receivable	\$503k
Accrued Income	\$857k
Advances and Prepayments	\$468k
	<b>\$74,758k</b>
<b>Less: Current Liabilities</b>	
Creditors	(\$1,128k)
Provisions - Annual Leave	(\$2,758k)
Provisions - Other	(\$4,249k)
Accrued Expenses	(\$4,549k)
Borrowings	(\$469k)
Income in Advance	(\$1,346k)
GST Payable	(\$90k)
Other- Clearing	(\$83k)
	<b>(\$14,672k)</b>
<b>Net Current Assets</b>	<b>\$60,086k</b>
<b>Less: Restricted Assets</b>	<b>(\$40,258k)</b>
<b>Closing Funds - Surplus</b>	<b>\$19,828k</b>
<b>Non Current adjustments to closing funds</b>	
Less: Provision for LSL Non-current	(\$136k)
Less: Equity Investment MRF	(\$76k)
Less: Other Adjustments	(\$9k)
<b>Adjusted Closing Funds - Surplus</b>	<b>\$19,607k</b>