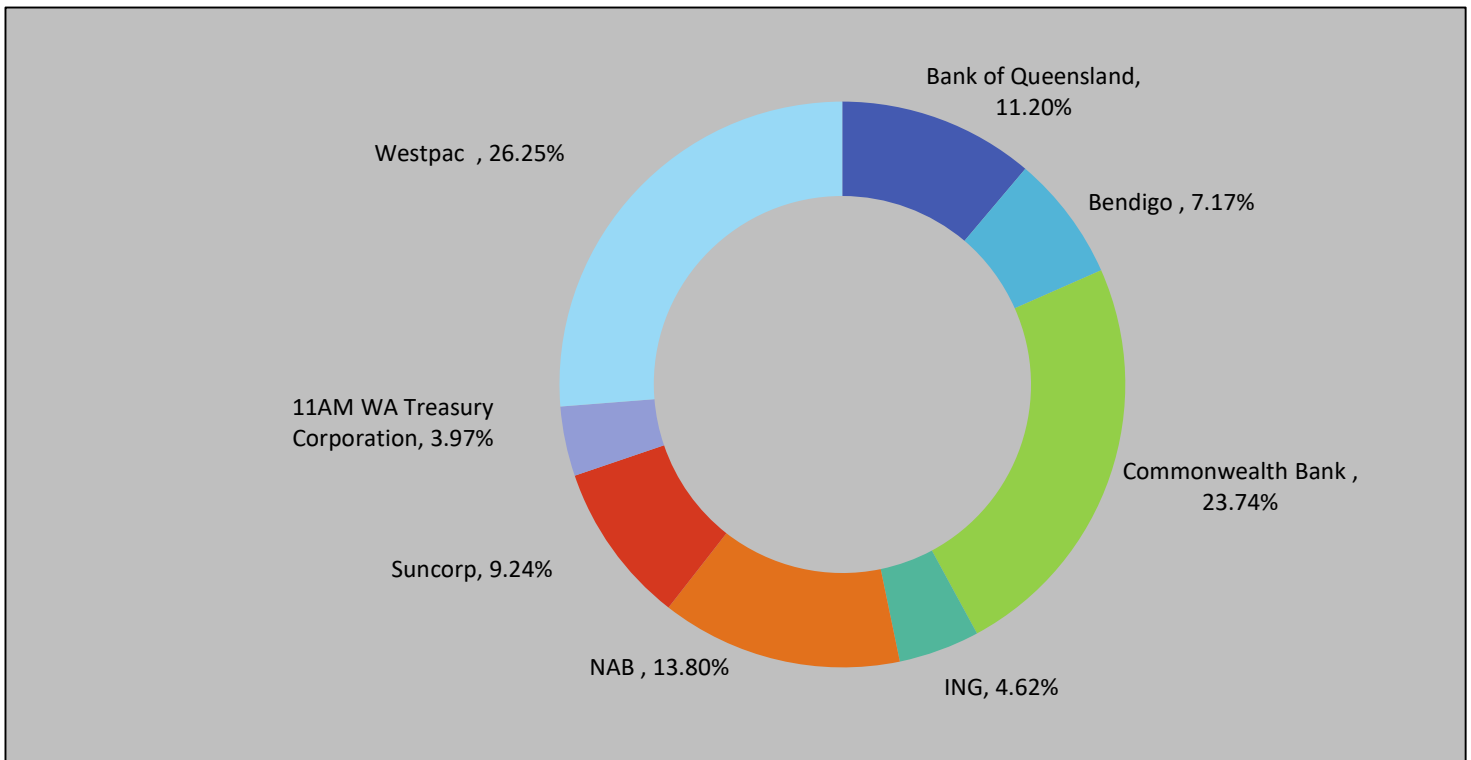


	Notes	Budget	YTD Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates		(104,599,384)	(104,349,384)	(104,351,095)	1,711	0%
Specified Area Rates		(727,440)	(727,440)	(727,439)	(1)	(0)%
Grants and Subsidies		(1,606,172)	(22,462)	(23,443)	981	4%
Contributions Reimbursements and Donations	1	(1,428,862)	(150,738)	(115,876)	(34,862)	(23)%
Profit on Asset Disposals		(1,436,831)	-	-	-	0%
Fees and Charges	2	(42,474,492)	(23,511,508)	(24,147,640)	636,132	3%
Interest Earnings	3	(1,252,345)	(82,031)	(148,378)	66,347	81%
Other Revenue/Income	4	(362,000)	-	(1,524)	1,524	100%
Total Operating Revenue		(153,887,526)	(128,843,563)	(129,515,395)	671,832	1%
OPERATING EXPENSES						
Employee Costs	5	68,399,625	6,166,078	5,902,799	263,279	4%
Materials and Contracts	6	56,458,392	4,138,852	2,926,131	1,212,721	29%
Utilities (gas, electricity, water etc.)	7	5,949,026	476,795	427,327	49,468	10%
Depreciation & Amortisation of Non-Current Assets	8	32,132,620	2,700,584	2,457,215	243,369	9%
Loss on Asset Disposals		94,759	-	-	-	0%
Interest Expenses		327,150	28,966	28,913	53	0%
Insurance Expenses	9	1,666,704	824,764	786,226	38,538	5%
Total Operating Expenses		165,028,276	14,336,039	12,528,611	1,807,428	13%
(SURPLUS)/DEFICIT FROM OPERATIONS		11,140,750	(114,507,524)	(116,986,784)	2,479,260	100%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(32,132,620)	(2,700,584)	(2,457,215)	(243,369)	(9)%
Loss on Asset Disposal		(94,759)	-	-	-	0%
Profit on Asset Disposals		1,436,831	-	-	-	0%
Movement in Non-current Items		(100,000)	(50,000)	(50,057)	57	0%
OPERATING CASH (SURPLUS)/DEFICIT		(19,749,798)	(117,258,107)	(119,494,056)	2,235,948	100%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	10	(9,300,320)	-	(300,000)	300,000	100%
Capital Contributions		(1,800,000)	-	-	-	0%
Equity Distribution - TPRC		(1,333,333)	-	-	-	0%
Other Non-Operating (GST Reimb TPRC Land Sales)	11	-	-	(104,476)	104,476	100%
Total Non-Operating Revenue		(12,433,653)	-	(404,476)	404,476	100%
CAPITAL EXPENDITURE						
Capital Projects	12	2,327,883	59,969	36,468	23,501	39%
Capital Works	13	48,207,162	772,812	984,285	(211,473)	(27)%
Vehicle and Plant Replacements		3,305,165	-	-	-	0%
Total Capital Expenditure		53,840,210	832,781	1,020,753	(187,972)	(23)%
CAPITAL (SURPLUS)/DEFICIT		41,406,557	832,781	616,277	216,504	26%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		21,656,759	(116,425,326)	(118,877,779)	2,452,452	100%
FUNDING						
Proceeds from Disposal		(1,916,500)	-	-	-	0%
Loans - Repayment of Principal		909,513	224,962	224,962	-	0%
Payments of Principal Portion of Lease Liability		388,066	-	-	-	0%
Transfer from Trust		(115,172)	-	-	-	0%
Transfer from Reserve		(37,460,158)	-	-	-	0%
Transfer to Reserve		16,587,120	-	-	-	0%
Opening Funds	14	(53,549)	(53,549)	-	(53,549)	(100)%
CLOSING FUNDS	15	(3,921)	(116,253,913)	(118,652,817)	2,398,903	100%

INVESTMENT SUMMARY

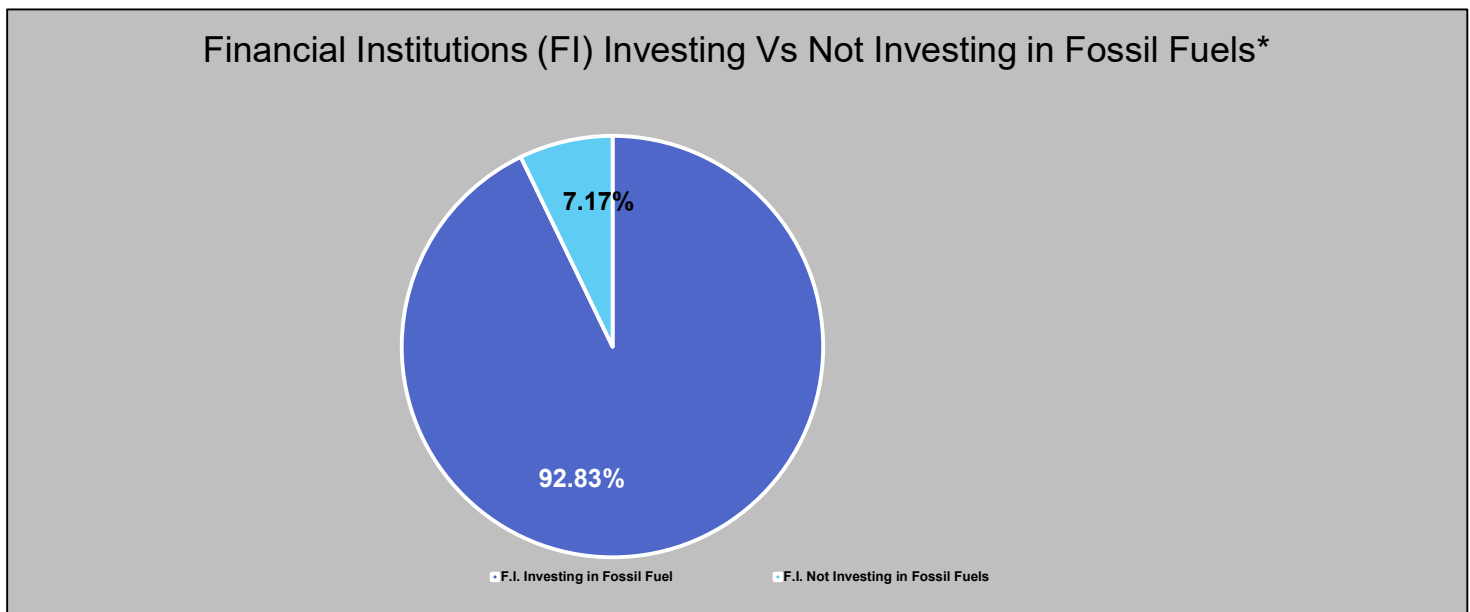
July-22



Municipal Funds	\$33,900,421	YTD Return	1.26%
Reserve Funds	<u>\$108,965,162</u>	Benchmark	0.85%
	<u>\$142,865,583</u>	RBA Rate	1.35%

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



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

NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 31 JULY 2022 (Subject to end of year finalisation)

1. Contributions Reimbursements and Donations (\$34,862)

This unfavourable variance mainly occurred due to the timing of revenue arising from the Container Deposit Scheme (\$54,275).

2. Fees and Charges \$636,132

	YTD Budget	YTD Actual	Variance
a) Inspection and Control Fees	\$16,083	\$954,991	\$938,908
b) Sports and Recreation Fees	\$576,058	\$658,165	\$82,107
c) Refuse Charges	\$22,228,955	\$21,959,456	(\$269,499)
d) Parking Fees	\$324,642	\$258,991	(\$65,651)
Other Fees & Charges	\$365,770	\$316,037	(\$49,733)
	<u>\$23,511,508</u>	<u>\$24,147,640</u>	<u>\$636,132</u>

a) A favourable variance mainly arose on Swimming Pool Inspection Fees \$953,373 with the budget phased into August in error. This will reflect correctly in the following month.

b) Favourable variance mainly arose from Membership Fees \$52,500.

c) An unfavourable timing variance mainly arose due to Waste Refuse Service Charges (\$294,761) mainly due to budget phasing of estimated additional services. This will be corrected for the following month.

d) This unfavourable variance was mainly due to Off Street Parking Fees (\$41,996).

3. Interest Earnings \$66,347

This favourable variance arose mainly due to higher than estimated Interest from Other Financial Institutions \$66,347, partly as a result of better interest rates than estimated and partly as a result of higher average volumes currently invested.

4. Other Revenue/Income \$1,524

This favourable variance arose mainly due to Illuminated Bus Shelter Revenue \$1,015.

5. Employee Costs \$263,279

	YTD Budget	YTD Actual	Variance
a) Salaries and Wages	\$5,327,422	\$5,127,055	\$200,367
b) Other Employment Costs	\$838,656	\$775,744	\$62,912
	<u>\$6,166,078</u>	<u>\$5,902,799</u>	<u>\$263,279</u>

- a) Favourable timing variances for Salaries and Wages arose from current vacancies in the organisation.
- b) Favourable variance arose mainly due to Agency Employees \$45,522 compared to estimates.

6. Materials and Contracts

\$1,212,721

	YTD Budget	YTD Actual	Variance
a) External Service Expenses	\$639,283	\$284,548	\$354,735
b) Computing	\$750,667	\$396,565	\$354,102
c) Waste Management Services	\$1,375,881	\$1,113,494	\$262,387
d) Books & Publications	\$122,210	\$25,071	\$97,139
e) Administration	\$121,756	\$30,905	\$90,851
f) Public Relations, Advertising and Promotions	\$66,179	(\$1,565)	\$67,744
g) Professional Fees & Costs	\$372,536	\$309,924	\$62,612
h) Contribution & Donations	\$146,092	\$88,453	\$57,639
Other Materials & Contracts	\$544,248	\$678,736	(\$134,488)
	<u>\$4,138,852</u>	<u>\$2,926,131</u>	<u>\$1,212,721</u>

- a) Favourable variances arose mainly from External Contractors and Services \$355,600, including Buildings \$108,312 and Roads \$56,419.
- b) This favourable variance mainly arose from Computer Software Subscriptions \$277,433 and Computer Software Maintenance \$74,932.
- c) A favourable variance arose mainly from Recycling and Govt Levy Processing \$105,624, Domestic Green Waste Processing \$85,131, General Waste Tipping Fees \$60,305 and Processing Bulk Hard Waste \$54,327. The balances of variances are spread across a number of areas.
- d) Favourable variance mainly arose due to timing of Subscriptions \$95,463 which includes \$76,500 for WALGA subscription services that was expected in July. The balances of variances are spread across a number of areas.
- e) This favourable variance mainly arose due to Printing \$37,825. The balances of variances are spread across a number of areas.
- f) Favourable variance arose mainly due to Promotions \$37,837. An unfavourable variance arises as a result of 2021-22 year end accruals reversals (\$27,800) that are subject to end-of-year finalisation. The balances of variances are spread across a number of areas.
- g) This favourable variance mainly arose from the timing of Licence Fees at Leisure Centre \$45,093. The balances of variances are spread across a number of areas.
- h) A favourable variance mainly arose due to Grant Disbursements \$22,462. The balances of variances are spread across a number of areas.

7. Utilities **\$49,468**

Favourable variance mainly arose due to the timing of electricity invoices on Buildings \$56,401 due to the change to a new contract with Synergy for the contestable sites.

8. Depreciation & Amortisation of Non-Current Assets **\$243,369**

Favourable variance mainly due to Depreciation for Drainage Infrastructure \$125,577 and Impairment of Assets \$102,362. The balances of variances are spread across a number of areas.

9. Insurance Expenses **\$38,538**

Favourable variance mainly arose due to Public Liability Insurance premiums \$26,553 compared to budget estimates.

10. Capital Grants and Subsidies **\$300,000**

	YTD Budget	YTD Actual	Variance
a) State Government Grants – Capital - Other	-	\$300,000	\$300,000
	-	\$300,000	\$300,000

- a) Favourable variance relates to the unbudgeted State Urban Bike Trail Grant \$300,000. A council decision will be required to incorporate expenditure on this project within the 2022-23 budget.

11. Other Non-Operating Revenue **\$104,476**

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

12. Capital Projects **\$23,501**

This favourable variance arose mainly due to Library Stock \$15,748. The balances of variances are spread across a number of areas.

13. Capital Works

(\$211,473)

	No. Budgeted Projects	YTD Budget	YTD Actual	Variance	Key Variance
a) Streetscape Enhancement Program (SSE)	4	\$4,000	\$400,889	(\$396,889)	SSE2056 – (\$357,965)
b) Street lighting Program (STL)	12	\$6,666	\$77,339	(\$70,673)	STL2112 – (\$65,030)
c) Parks Development Program (PDP)	17	\$14,000	\$70,790	(\$56,790)	PDP2252 – (\$35,897)
d) Road Preservation/Resurfacing Program (RPR)	91	\$286,500	\$88,836	\$197,664	RPR3247 - \$60,000
e) Major Road Construction Program (RDC)	9	\$35,000	(\$55,275)	\$90,275	RDC2021 - \$38,812
Other Programs	130	\$426,646	\$401,706	\$24,940	
	264	\$772,812	\$984,285	(\$211,473)	

- a) An unfavourable variance mainly occurred on SSE2056 City Centre Streetscape Renewal Program (\$357,965) carried forward from 2021-22.
- b) Unfavourable variance mainly related to STL2112 Blue Mountain Drive (\$65,030) carried forward from 2021-22.
- c) An unfavourable variance occurred mainly due to PDP2252 Tree Planting Program (\$35,897) carried forward from 2021-22.
- d) Favourable timing variance mainly due to RPR3247 Country Club Boulevard \$60,000.
- e) An unfavourable variance mainly related to 2021-22 year end accrual reversals on RDC2020 Warwick Rd/Erindale Rd \$37,107 and RDC2021 Whitfords Ave/Northshore \$38,812 with works completed earlier than expected but invoices to offset the accrual in June not yet received.

14. Opening Funds
(\$53,549)

The variation in the closing funds for the period ended 30 June 2022 is prior to 2021-22 end of year finalisation being completed. The final balance will be available after the Financial Statements for 2021-22 have been audited.

15. Closing Funds
\$2,398,903

	June 2022*	July 2022
Current Assets		
Cash and Investments		\$143,968,484
Rates Outstanding, Sundry Debtors and Other Receivables		\$133,203,277
Accrued Income		\$418,874
Prepayments		\$308,899
Inventories		\$164,552
Total Current Assets		\$278,064,086
Current Liabilities		
Trade Creditors		\$2,913,425
Sundry Payables		\$28,512,792
Accrued Expenses		\$2,938,527
Other Payables		\$1,221,867
Borrowings		\$684,550
Lease Liability		\$432,190
Provision for Annual Leave		\$4,646,024
Provision for Long Service Leave		\$6,605,986
Provision for Purchased Leave		\$212,711
Provision for Workers Compensation Insurance		\$3,621,927
Provision for Sick Leave		\$985,300
Other Provisions		\$9,415
Total Current Liabilities		\$52,784,714

Net Current Assets		\$225,279,372
Add back: Borrowings		\$684,550
Add back: Lease Liabilities		\$432,190
Add back: Contract Liabilities for developer contributions		\$1,221,867
Less: Cash Backed Reserves		\$108,965,162
Closing Funds – Surplus/(Deficit)		\$118,652,817

* Subject to finalisation of 2021-22 end of year