

ITEM 11 PRELIMINARY AND PRE-AUDIT FINANCIALS - 30 JUNE 2022

This report presents the preliminary pre-audit financial results for the year ended 30 June 2022. This result will change for the external valuation of CivicRisk and has the potential to change through the external audit process. Revaluation of asset classes that did not have comprehensive revaluation during the period is still being considered and is likely to be required due to significant price variation. Council's largest asset classes, Transport and Stormwater, were revalued on 31 March 2022 so should not require further consideration. Any revaluation on 31 July 2022, for other asset classes, will not impact the Income Statement.

The preliminary Financial Statements show a surplus Operating Result [pre capital] of \$15M, a surplus Operating Result of \$60.4M and a favourable Funds Result of \$9.1M.

The financial results for June 2022 compared to budget vary significantly across the three budget key performance indicators. The Operating Result [pre-capital] is a favourable variance of \$23.3M, the Funds Available from Operations is unfavourable by \$2.2M and the Funds Result is favourable by \$2.6M.

The Statement of Financial Position at the end of the period indicates that there is enough cash to support external restrictions.

The capital expenditure of \$89.7M is lower than the revised annual Capital Works Program of \$97.5M (\$7.8M favourable). This variance reflects the result after \$2.0M was transferred from capital to operating as some works did not meet Council's accounting practice for capitalisation. Inclusive of the works transferred to operational expenditure the overall capital works expenditure was \$91.7M or 94% of budget.

RECOMMENDATION

- 1 The pre-audit financials be received and noted.

REPORT AUTHORISATIONS

Report of: Brian Jenkins, Chief Financial Officer

Authorised by: Renee Campbell, Director Corporate Services - Connected + Engaged City

ATTACHMENTS

- 1 Financial Statements – June 2022
- 2 Capital Project Report - June 2022

BACKGROUND

This report presents the Financial Performance of the organisation for June 2022. The below table provides a summary of the organisation's overall financial results for the year.

FORECAST POSITION	Original Budget	Revised Budget	YTD Forecast	YTD Actual	Variation
	\$M	\$M	\$M	\$M	\$M
KEY MOVEMENTS	1-Jul	30-Jun	30-Jun	30-Jun	
Operating Revenue	281.9	293.4	293.4	300.7	7.3
Operating Costs	(291.1)	(301.7)	(301.7)	(285.7)	16.0
Operating Result [Pre Capital]	(9.2)	(8.3)	(8.3)	15.0	23.3
Capital Grants & Contributions	32.1	38.4	38.4	45.4	7.0
Operating Result	22.9	30.1	30.1	60.4	30.3
Funds Available from Operations	59.1	71.4	71.4	69.2	(2.2)
Capital Works	107.1	97.5	97.5	89.7	7.8
Contributed Assets	8.4	8.4	8.4	14.9	(6.5)
Transfer to Restricted Cash	1.9	2.8	2.8	2.8	-
Borrowings Repaid	5.5	5.5	5.5	5.5	(0.0)
Funded from:					
- Operational Funds	59.1	71.4	71.4	69.2	(2.2)
- Other Funding	54.6	49.2	49.2	52.8	3.6
Total Funds Surplus/(Deficit)	(9.1)	6.4	6.4	9.1	2.6

BUDGET PERFORMANCE

The June 2022 Operating Result [pre-capital] surplus of \$15.0M is a favourable variance of \$23.3M compared to the budget deficit of \$8.3M. The preliminary pre-audit financial results have been impacted by several year-end variations relating to valuation and reclassification that do not impact Council's funds, including:

- Revaluation of waste facility provision \$11.6M (F)
- Revaluation of employee entitlements \$6.8M (F)
- Revaluation of Kembla Terraces \$0.8M (F)
- Revaluation of worker's compensation provision \$2.3M (U)
- Reclassification of prior year works in progress to operational \$0.7M (U)

The Operating Result of \$60.4M is a favourable variance of \$30.3M compared to budget. This includes the net variation in the Operating Result plus a higher level of contributed assets (\$5.3M) and other capital grants and contributions (\$1.7M).

The Funds Available from Operations indicates an unfavourable variation of \$2.2M. This result reflects the net expenditure of Council's operational funds by excluding non-cash variations and transfers to and from Restricted Assets and adding in the cash payment of Employee Entitlements that had an unfavourable variation of \$0.7M. This result best represents the operational budget variations that impact our funding position and current financial capacity.

At the end of June \$91.7M was expended through the Capital Works Program compared to a budget of \$97.5M. \$2M of that expenditure was transferred to Operating costs at the end of the year as it did not meet Council's accounting practice for capitalisation. The \$7.8M variance in expenditure included \$3.0M of funded projects that will be completed in 2022-2023, resulting in a net Capital Budget positive impact on Council's Funds Result of \$4.8M.

The Total Funds result for the year ended 30 June 2022 was \$2.6M favourable, reflecting the favourable \$4.8M Capital Budget result offset by an unfavourable Funds from Operations of \$2.2M.

FINANCIAL POSITION

Cash, Investments & Available Funds

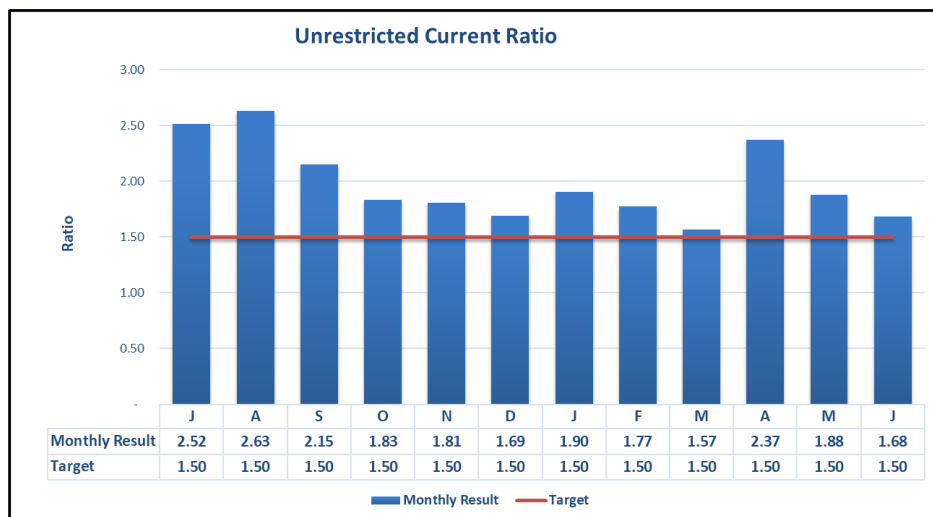
Council's cash and investments decreased during June 2022 to holdings of \$162.7M compared to \$179.9M at the end of May 2022. A significant portion of these funds are subject to restriction meaning they can only be utilised for specific purposes. As a result, Council's true available cash position is more accurately depicted by considering available funds that are uncommitted and not subject to restriction.

CASH, INVESTMENTS & AVAILABLE FUNDS				
	Actual 2020/21	Original Budget 2021/22	Mar QR 2021/22	Actuals YTD June 2022
	\$M	\$M	\$M	\$M
Total Cash and Investments	170.9	105.4	147.8	162.7
Less Restrictions:				
External	78.1	59.9	72.2	75.3
Internal	70.7	41.7	53.8	62.9
CivicRisk Investment	3.2			3.2
Total Restrictions	152.0	101.6	126.0	141.4
Available Cash	18.9	3.8	21.8	21.2
Adjusted for :				
Payables	(26.6)	(26.2)	(27.1)	(27.4)
Receivables	21.9	24.5	25.8	24.7
Other	9.3	10.9	6.8	13.7
Net Payables & Receivables	4.5	9.2	5.5	11.0
Available Funds	23.4	13.0	27.3	32.3

External restrictions are funds that must be spent for a specific purpose and cannot be used by Council for general operations. Internal restrictions are funds that Council has determined will be used for a specific future purpose, although Council may vary that use by resolution of Council. Further details on the internal and external restrictions can be found in the Cash Flow Statement (Attachment 1).

The level of cash and investments in Council's available funds position is above the Financial Strategy target range of 3.5% to 5.5% of operational revenue (pre-capital). The increase in cash and investments is in line with anticipated cash flows.

The Unrestricted Current Ratio measures the Council's liquidity position or ability to meet short term obligations as they fall due. The below graph reflects Council's performance against the Local Government benchmark of greater than 1.5 times.



Prior months have been adjusted in the above table to reflect variation in the treatment of prepaid rates.

Borrowings

Council continues to have financial strength in its low level of borrowing. Council’s Financial Strategy includes provision for additional borrowing in the future and Council will consider borrowing opportunities from time to time to bring forward the completion of capital projects where immediate funding is not available.

The Debt Service Cover Ratio measures the availability of operating cash to service debt including interest, principal and lease payments. Council’s Debt Service Cover Ratio as at 30 June exceeds the Local Government benchmark of greater than two times.

Provisions

Provisions represent the Council’s obligation to make future payments as a result of past events. Provisions are revalued each financial year with any movements recognised through profit and loss. The value of provisions has reduced from \$98.7M in 2020-2021 to \$84.3M in 2021-2022. This movement predominately relates to the revaluation of the waste facility provisions and employee leave entitlements.

The provision for the remediation of Council’s waste facility is calculated based on the forecast costs to rehabilitate the site. The reduction in the provision of \$11.6M reflects the increase of average discount rates from 0.85% in 2020-2021 to 3.32% in 2021-2022.

Employee leave entitlements reflect the current value of the future payments, which are discounted based on published long term government bond rates. The overall decrease in the provision of \$5.2M is impacted by valuation changes including discount rates (-\$7.2M), offset by the impact of movement in the leave balances of employees (+\$1.8M) and an increase in the superannuation contribution percentage from 10% to 10.5% (+\$0.2M) As a result of these factors, the movement within the provision was \$6.8M lower than anticipated.

The workers’ compensation provision is valued by an external actuary. As at 30 June 2022, the value of the provision increased by \$2.6M. The main increase relates to the claims in the accident year ending June 2018 and also the accident year ending June 2021. The 2020-2021 accident year, in particular, is showing payments to date that are steeper than for previous accident years and so indicates 2021 could be a relatively heavy cost accident year.

Infrastructure, Property, Plant & Equipment

The Statement of Financial Position shows that \$3.24B of assets (written down value) are controlled and managed by Council for the community as at 30 June 2022. This reflects council’s recent comprehensive revaluation on transport and stormwater assets which led to an increase in carrying values of these asset classes by \$208M and \$317M respectively.

Asset contributions of \$14.9M were recognised during 2021-2022. These contributed assets are mainly the result of development activities.

Valuation for Council’s investment property as at 30 June 2022 increased by \$1.0M.

PLANNING AND POLICY IMPACT

This report relates to the commitments of Council as contained within the Strategic Management Plans.

This report contributes to the delivery of Our Wollongong Our Future 2032 Goal 4 “We are a connected and engaged community”. It specifically delivers on the following:

Community Strategic Plan 2032	Delivery Program 2022-2026	Operational Plan 2022-2023
Strategy	Service	Operational Plan Actions
4.8 Council’s resources are managed effectively to ensure long term financial sustainability.	Financial Services	Review Financial Strategy to include goals and actions aimed to improve financial capacity to respond to increased service demands.

CONCLUSION

The financial results for June 2022 compared to budget vary across the three budget key performance indicators.

WOLLONGONG CITY COUNCIL					
1 July 2021 to 30/06/2022					
	Original Budget \$'000	Current Budget \$'000	YTD Budget \$'000	Actual YTD \$'000	Variance \$'000
Income Statement					
Income From Continuing Operations					
Revenue:					
Rates and Annual Charges	215,858	216,932	216,932	216,919	(13)
User Charges and Fees	31,493	27,683	27,683	29,517	1,834
Interest and Investment Revenues	3,167	1,205	1,205	264	(941)
Other Revenues	5,737	5,010	5,010	6,169	1,159
Rental Income	6,326	5,639	5,639	5,447	(192)
Grants & Contributions provided for Operating Purposes	19,325	36,073	36,073	41,824	5,751
Grants & Contributions provided for Capital Purposes	32,091	38,424	38,424	45,403	6,978
Profit/Loss on Disposal of Assets	0	878	878	573	(305)
Total Income from Continuing Operations	313,998	331,845	331,845	346,117	14,272
Expenses From Continuing Operations					
Employee Costs	144,255	146,262	146,262	142,048	4,214
Borrowing Costs	1,954	432	432	437	(5)
Materials & Services	83,426	92,315	92,315	74,730	17,586
Other Expenses	18,447	20,116	20,116	20,988	(872)
Depreciation, Amortisation + Impairment	64,652	64,021	64,021	65,330	(1,309)
Labour Internal Charges	(19,309)	(19,083)	(19,083)	(15,972)	(3,110)
Non-Labour Internal Charges	(2,339)	(2,339)	(2,339)	(1,831)	(508)
Total Expenses From Continuing Operations	291,087	301,724	301,724	285,729	15,995
Operating Result	22,911	30,121	30,121	60,388	30,267
Operating Result [pre capital]	(9,180)	(8,304)	(8,304)	14,985	23,289
Funding Statement					
Net Operating Result for the Year	22,911	30,121	30,121	60,388	30,267
Add back :					
- Non-cash Operating Transactions	82,509	79,972	79,972	64,930	(15,042)
- Restricted cash used for operations	15,807	30,669	30,669	25,165	(5,504)
- Income transferred to Restricted Cash	(48,130)	(54,837)	(54,837)	(66,017)	(11,180)
- Payment of Right of Use Leases	0	(399)	(399)	(427)	(28)
- Payment of Accrued Leave Entitlements	(14,018)	(14,099)	(14,099)	(14,822)	(723)
Funds Available from Operations	59,079	71,426	71,426	69,217	(2,209)
Advances (made by) / repaid to Council	0	0	0	0	0
Borrowings repaid	(5,482)	(5,482)	(5,482)	(5,497)	(15)
Operational Funds Available for Capital Budget	53,597	65,944	65,944	63,720	(2,224)
CAPITAL BUDGET					
Assets Acquired	(107,093)	(97,523)	(97,523)	(89,734)	7,789
Contributed Assets	(8,358)	(8,358)	(8,358)	(14,883)	(6,525)
Transfers to Restricted Cash	(1,854)	(2,779)	(2,779)	(2,779)	0
Funded From :-					
- Operational Funds	53,597	65,944	65,944	63,720	(2,224)
- Sale of Assets	1,854	2,779	2,779	2,161	(618)
- Internally Restricted Cash	8,675	5,285	5,285	5,359	73
- Borrowings	0	0	0	0	0
- Capital Grants	20,069	17,717	17,717	16,292	(1,425)
- Developer Contributions (Section 94)	13,035	12,671	12,671	12,236	(435)
- Other Externally Restricted Cash	0	0	0	335	335
- Other Capital Contributions	10,958	10,698	10,698	16,377	5,678
TOTAL FUNDS SURPLUS / (DEFICIT)	(9,118)	6,435	6,435	9,083	2,648

WOLLONGONG CITY COUNCIL		
as at 30/06/2022		
	YTD Actual 2021/22 \$'000	Actual 2020/21 \$'000
Statement of Financial Position		
Current Assets		
Cash Assets	34,118	52,320
Investment Securities	88,158	103,334
Receivables	24,656	21,859
Inventories	461	463
Current Contract Assets	9,711	4,707
Other	6,881	6,682
Assets classified as held for sale	65	111
Total Current Assets	164,050	189,477
Non-Current Assets		
Non Current Cash Assets	37,200	12,000
Non Current Investment Securities	3,199	3,199
Non-Current Inventories	5,972	5,972
Property, Plant and Equipment	3,240,444	2,665,790
Investment Properties	5,600	4,600
Intangible Assets	76	152
Right-Of-Use Assets	1,094	1,471
Total Non-Current Assets	3,293,585	2,693,184
TOTAL ASSETS	3,457,634	2,882,661
Current Liabilities		
Current Payables	27,377	26,627
Current Contract Liabilities	5,204	8,177
Current Lease Liabilities	403	377
Current Provisions payable < 12 months	16,005	14,015
Current Provisions payable > 12 months	39,591	45,373
Current Interest Bearing Liabilities	3,569	5,497
Total Current Liabilities	92,150	100,067
Non-Current Liabilities		
Non Current Payables	0	0
Non Current Interest Bearing Liabilities	3,374	6,942
N/C Lease Liabilities	788	1,194
Non Current Provisions	28,671	39,314
Total Non-Current Liabilities	32,832	47,451
TOTAL LIABILITIES	124,982	147,518
NET ASSETS	3,332,652	2,735,143
Equity		
Accumulated Surplus	1,441,624	1,375,293
Asset Revaluation Reserve	1,754,826	1,216,676
Restricted Assets	136,203	143,174
TOTAL EQUITY	3,332,652	2,735,143

WOLLONGONG CITY COUNCIL		
CASH FLOW STATEMENT		
as at 30/06/2022		
	YTD Actual 2021/22 \$ '000	Actual 2020/21 \$ '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts:		
Rates & Annual Charges	228,434	214,468
User Charges & Fees	32,212	30,198
Interest & Interest Received	(1,299)	2,269
Grants & Contributions	80,157	58,978
Bonds, deposits and retention amounts received	446	755
Other	10,213	24,061
Payments:		
Employee Benefits & On-costs	(131,494)	(125,163)
Materials & Contracts	(87,034)	(87,653)
Borrowing Costs	(442)	(691)
Bonds, deposits and retention amounts refunded	-	(2,637)
Other	(14,892)	(20,275)
Net Cash provided (or used in) Operating Activities	116,301	94,309
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts:		
Sale of Investments	54,491	56,040
Sale of Infrastructure, Property, Plant & Equipment	2,161	1,531
Payments:		
Purchase of Infrastructure, Property, Plant & Equipment	(120,183)	(78,658)
Net Cash provided (or used in) Investing Activities	(128,622)	(90,832)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments:		
Repayment of Borrowings & Advances	(5,497)	(5,260)
Repayment of Finance Lease Liabilities	(379)	(348)
Net Cash Flow provided (used in) Financing Activities	(5,876)	(5,608)
Net Increase/(Decrease) in Cash & Cash Equivalents	(18,196)	(2,131)
plus: Cash & Cash Equivalents - beginning of year	52,320	56,051
plus: Investments on hand - end of year	128,557	118,533
Cash & Cash Equivalents and Investments - year to date	162,676	172,453

WOLLONGONG CITY COUNCIL		
CASH FLOW STATEMENT		
as at 30/06/2022		
	YTD Actual 2021/22 \$ '000	Actual 2020/21 \$ '000
Total Cash & Cash Equivalents and Investments - year to date	162,676	172,453
Attributable to:		
External Restrictions (refer below)	75,565	78,088
Internal Restrictions (refer below)	63,340	70,676
Unrestricted	23,771	23,689
	162,676	172,453
External Restrictions		
Developer Contributions	40,067	38,719
RMS Contributions	205	115
Specific Purpose Unexpended Grants	8,578	9,687
Special Rates Levy Wollongong Mall	407	282
Special Rates Levy Wollongong City Centre	88	59
Local Infrastructure Renewal Scheme	-	277
Unexpended Loans	907	965
Domestic Waste Management	7,604	10,746
Private Subsidies	5,727	5,420
Housing Affordability	9,604	9,640
Stormwater Management Service Charge	2,378	2,178
Total External Restrictions	75,565	78,088
Internal Restrictions		
Property Investment Fund	9,388	9,388
Strategic Projects	35,416	46,558
Sports Priority Program	671	943
Car Parking Strategy	1,189	1,051
MacCabe Park Development	1,740	1,590
Darcy Wentworth Park	171	171
Garbage Disposal Facility	5,831	3,415
West Dapto Development Additional Rates	8,281	6,951
Southern Phone Natural Areas	173	173
Lake Illawarra Estuary Management Fund	480	436
Total Internal Restrictions	63,340	70,676

Manager Project Delivery Division Commentary on 2021-2022 End of Financial Year Capital Budget Report

On 28 June 2021, Council approved a Capital budget for 2021-2022 of \$107.093M which is adjusted each month to reflect progress across the various programs. By the end of June 2022, the approved Capital Budget has been decreased to \$97.523M as a result of multiple funding and council revenue budget adjustments throughout the year which have been reported in prior months. Council achieved expenditure at the end of June 2022 of \$91.515M which was 94% of the final adjusted budget.

The major reasons for reduction in the size of the budget and related capital expenditure have been documented in prior monthly financial reports to Council but can be summarised as follows:

- Impacts of the COVID-19 pandemic on the availability and capacity of:
 - Council staff to scope, design, procure and construct capital projects due to enforced lockdowns, work from home, isolations and other COVID-19 restrictions.
 - Professional consultancies and construction contractors to carry out work for Council to assist with capital projects.
 - Various Government Authorities and Utilities to review and approve various aspects of capital project design approvals.
 - Various suppliers of construction materials to supply required materials, fleet, plant and equipment for capital projects.
- Record levels of rainfall in the Illawarra since November 2021 severely interrupting and delaying construction projects.
- Higher than normal levels of vacancies amongst professional staff (engineers, designers, asset managers etc) due to record low levels of unemployment and external competition for experienced professional staff to deliver stimulus funded projects nationally.

Program	Final Expenditure vs Budget - Commentary on Significant Variations
Traffic Facilities	The supply of equipment for the Cordeaux Road speed humps project was delivered ahead of schedule resulting in over expenditure against phased budget. Stage 3 of the Corrimal CBD streetscape upgrade signals installation exceeded budget due to a number of reasons including night work to reduce impacts on businesses, COVID-19 impacts on crew availability, weather delays and delays due to external contractors.
Public transport Facilities	Two new bus stop projects rephased in previous months based on advice from Contractors were able to complete by end of June resulting in expenditure exceeding the rephased budget.
Roadworks	Out of a large program, several major road pavement reconstruction and road resurfacing projects were not fully completed by June 30 due to a combination of wet weather and COVID-19 restrictions.
Bridges, Boardwalks and Jetties	Fisherman's Beach access ramp project was delayed allowing access for commercial fishermen until May, then the successful contractor was unable to commence work until July 2022 due to competing projects resulting in underspend for this project by 30 June.
West Dapto Infrastructure Expansion	Wongawilli Road upgrade project programs was adversely affected by wet weather, COVID-19 and contractor availability during the last quarter of 2021-2022.
Footpaths	The Cringila Community Park footpath reconstruction and upgrade was accelerated from 2023-2024 to enhance access and safety for the operations of the Mountain Bike trails. Stage 1 of this project was commenced in June and will be completed in July 2022. Out of the remaining large program of works, several footpath projects were completed over the estimated budget due to significant impacts of wet weather.

Program	Final Expenditure vs Budget - Commentary on Significant Variations
Cycle/Shared Paths	One project which was in the original program which had been rephased to 2022-2023 due to prolonged wet weather in January – May was completed in late June after several weeks of dry weather. Out of a large program, several shareway projects were completed over the estimated budget due to significant impacts of wet weather during construction.
Commercial Upgrades	Work on the project in lower Crown Street was delayed due to additional underground services/utilities issues along with additional measures undertaken to minimise impacts on business affected by the work, leading to a rephasing of expenditure across two financial years. Two jobs in Market Street were delayed due to unavailability of the paving contractor.
Car Parks New	The Cringila Hills Community Park Car Park - Stage 2 was introduced during 2021-2022 due to an increase in grant funding available to accelerate implementation of the master plan due to increased visitor numbers to this facility. This project was partially constructed during 2021-2022 and should be completed during 1 st quarter 2022-2023.
Car Parks Renew	Several carpark resurface/upgrade projects were not fully completed by 30 June due to delays associated with weather and contractor (asphalt and line marking) availability in late June. It is expected these will be completed in August 2022.
Floodplain Management	Several flood debris control project outsourced designs ran behind the project schedule resulting in lower expenditure when compared to allocated budget. The availability of specialised floodplain design resources in the market was limited due to the allocation of resources to the Northern NSW flood emergency in early 2022.
Stormwater Management	A large program of pipe relining projects was completed but several projects could not be completed by 30 June due to combination of wet weather and contractor availability. The emergency pipe culvert reconstruction project at Keira Mine Road (near Edmund Rice College) was not fully completed by June 30 due to wet weather resulting in underspend against allocated budget. Although significant work was completed on the Fraternity Club creek bank stabilisation, works were not fully expended by end of June due to wet weather in the months prior.
Cultural Centres (IPAC, Gallery, townhall)	A project for specialised storage of art works at Wollongong Town Hall was identified as capital in June resulting in an overspend against phased budget. An additional design cost for the IPAC fire safety upgrade were incurred in June causing an overspend against phased budget.
Administration Buildings	The unscheduled replacement of part of the HVAC system for the Council building at 81-83 Burelli Street (Corner Church and Burelli Streets) exceeded phased budget.
Community Buildings	Several construction projects were completed for less than the final budget and a number of projects were delayed resulting in an underspend against phased budget in this program area.
Tourist Park – Upgrade and Renewal	Project for supply and installation of three new tourist park cabins at Windang Tourist Park was not completed by 30 June due to delays (COVID-19 related) in supply of cabins from TAFE NSW.
Play Facilities	Three of the ten playground projects were not fully completed by 30 June due to wet weather delays and availability of playground materials and equipment resulting in under expenditure against phased budget.

Program	Final Expenditure vs Budget - Commentary on Significant Variations
Recreation Facilities	<p>An increased cost of the new Criterium Track at Lindsay Mayne Park, Unanderra, occurred arising from excavation and replacement of unsuitable subgrade material under the new road pavement during a period of extended wet weather.</p> <p>Underspend of the phased project budget for the Cringila Hills Mountain Bike Skills Park due to impacts of wet weather.</p>
Sporting Facilities	<p>Project for upgrade of Fred Finch Park netball courts upgrades was significantly impacted by prolonged wet weather throughout Jan to May resulting in a reduction of the phased budget. However, four weeks of improved weather in June enabled better than expected progress which resulted in costs above the adjusted 2021-2022 budget.</p>
Whytes Gully new cells	<p>Delays in completing design and approvals for several related projects to develop future landfill cell capacity resulted in an underspend against phased budget.</p>
Motor Vehicles	<p>Delays in overseas suppliers delivering replacement vehicles due the impact of COVID-19 restrictions on vehicle imports resulted in an underspend against phased budget.</p>
Major Plant (trucks, backhoes etc)	<p>Delays in suppliers delivering replacement items of major plant due the impact of COVID-19 on imports resulted in an underspend against phased budget.</p>
Contingency	<p>Funds remained in the Capital Budget Contingency on 30 June due to reduction in budgets from several Capital Budget Programs in preceding months due to combined impacts of COVID-19 and wet weather.</p>

CAPITAL PROJECT REPORT						
as at the period ended 30 June 2022						
ASSET CLASS PROGRAMME	\$'000		\$'000		\$'000	
	CURRENT BUDGET		ACTUALS		VARIATION	
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING
Roads And Related Assets						
Traffic Facilities	2,116	(941)	2,325	(848)	209	92
Public Transport Facilities	155	0	230	0	75	0
Roadworks	20,125	(5,410)	17,670	(4,283)	(2,455)	1,127
Bridges, Boardwalks and Jetties	1,072	(117)	961	(77)	(111)	40
TOTAL Roads And Related Assets	23,468	(6,468)	21,186	(5,208)	(2,282)	1,259
West Dapto						
West Dapto Infrastructure Expansion	6,939	(6,939)	6,881	(6,739)	(57)	200
TOTAL West Dapto	6,939	(6,939)	6,881	(6,739)	(57)	200
Footpaths And Cycleways						
Footpaths	7,810	(3,123)	8,128	(3,141)	318	(18)
Cycle/Shared Paths	4,389	(2,599)	4,563	(2,625)	174	(26)
Commercial Centre Upgrades - Footpaths and Cyclew	4,959	(879)	4,735	(812)	(224)	67
TOTAL Footpaths And Cycleways	17,159	(6,601)	17,426	(6,578)	267	23
Carparks						
Carpark Construction/Formalising	685	(450)	696	139	11	589
Carpark Reconstruction or Upgrading	1,762	(187)	1,718	(212)	(44)	(25)
TOTAL Carparks	2,447	(637)	2,414	(73)	(33)	564
Stormwater And Floodplain Management						
Floodplain Management	375	(40)	305	(89)	(70)	(49)
Stormwater Management	5,693	0	5,234	0	(459)	0
Stormwater Treatment Devices	11	0	10	0	(1)	0
TOTAL Stormwater And Floodplain M	6,079	(40)	5,549	(89)	(530)	(49)
Buildings						
Cultural Centres (IPAC, Gallery, Townhall)	800	0	938	0	138	0
Administration Buildings	1,145	0	1,376	0	231	0
Community Buildings	9,595	(1,932)	9,409	(2,117)	(186)	(185)
Public Facilities (Shelters, Toilets etc.)	590	(30)	577	(30)	(13)	0
TOTAL Buildings	12,130	(1,962)	12,300	(2,147)	170	(185)
Commercial Operations						
Tourist Park - Upgrades and Renewal	799	0	683	0	(116)	0
Crematorium/Cemetery - Upgrades and Renewal	136	0	124	0	(11)	0
Leisure Centres & RVGC	180	0	178	0	(2)	0
TOTAL Commercial Operations	1,115	0	985	0	(130)	0
Parks Gardens And Sportfields						
Play Facilities	1,345	(140)	1,266	(177)	(79)	(37)
Recreation Facilities	4,595	(3,442)	5,083	(3,399)	489	43
Sporting Facilities	3,628	(2,356)	3,997	(2,316)	369	40
TOTAL Parks Gardens And Sportfield	9,568	(5,938)	10,346	(5,893)	779	46

CAPITAL PROJECT REPORT						
as at the period ended 30 June 2022						
ASSET CLASS PROGRAMME	\$'000		\$'000		\$'000	
	CURRENT BUDGET		ACTUALS		VARIATION	
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING
Beaches And Pools						
Beach Facilities	60	0	54	0	(6)	(0)
Rock/Tidal Pools	150	0	142	0	(8)	0
Treated Water Pools	752	(32)	739	(32)	(13)	0
TOTAL Beaches And Pools	962	(32)	935	(32)	(27)	(0)
Natural Areas						
Natural Area Management and Rehabilitation	(0)	0	(0)	0	0	0
TOTAL Natural Areas	(0)	0	(0)	0	0	0
Waste Facilities						
Whytes Gully New Cells	1,215	(1,215)	1,186	(1,166)	(29)	49
TOTAL Waste Facilities	1,215	(1,215)	1,186	(1,166)	(29)	49
Fleet						
Motor Vehicles	1,830	(979)	939	0	(891)	979
TOTAL Fleet	1,830	(979)	939	0	(891)	979
Plant And Equipment						
Mobile Plant (trucks, backhoes etc.)	4,200	(905)	3,455	0	(745)	905
TOTAL Plant And Equipment	4,200	(905)	3,455	0	(745)	905
Information Technology						
Information Technology	735	0	723	0	(12)	0
TOTAL Information Technology	735	0	723	0	(12)	0
Library Books						
Library Books	1,283	0	1,289	0	6	0
TOTAL Library Books	1,283	0	1,289	0	6	0
Public Art						
Art Gallery Acquisitions	137	0	141	0	4	0
TOTAL Public Art	137	0	141	0	4	0
Land Acquisitions						
Land Acquisitions	5,874	(5,764)	5,758	(5,672)	(115)	91
TOTAL Land Acquisitions	5,874	(5,764)	5,758	(5,672)	(115)	91
Non-Project Allocations						
Capital Project Contingency	2,384	0	0	0	(2,384)	0
Capital Project Plan	0	0	1	0	1	0
TOTAL Non-Project Allocations	2,384	0	1	0	(2,382)	0
GRAND TOTAL	97,523	(37,480)	91,515	(33,597)	(6,008)	3,882