

minutes

Strategic Financial Management Committee

MEETING HELD ON

MONDAY 2 DECEMBER 2013

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CITY OF JOONDALUP

MINUTES OF THE STRATEGIC FINANCIAL MANAGEMENT COMMITTEE MEETING HELD IN CONFERENCE ROOM 2, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON MONDAY 2 DECEMBER 2013.

ATTENDANCE

Committee Members:

Cr Geoff Amphlett, JP	<i>Presiding Member</i>	
Mayor Troy Pickard		
Cr Brian Corr		<i>to 7.29pm</i>
Cr John Chester	<i>Deputising for Cr Corr</i>	<i>from 7.29pm</i>
Cr Teresa Ritchie, JP	<i>Deputising for Cr Fishwick, JP</i>	
Cr Tom McLean, JP		
Cr Sam Thomas	<i>Deputy Presiding Member</i>	<i>to 6.46pm</i>

Observer:

Cr John Chester		<i>to 7.29pm</i>
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Officers:

Mr Garry Hunt	Chief Executive Officer	
Mr Mike Tidy	Director Corporate Services	<i>from 6.04pm</i>
Mr Nico Claassen	Director Infrastructure Services	
Mr Brad Sillence	Manager Governance	
Mr Blignault Olivier	Manager City Projects	
Mr Alan Ellingham	Senior Financial Analyst	<i>to 7.21pm</i>
Ms Gwen Boswell	Senior Projects Officer	
Mr John Byrne	Governance Coordinator	
Mrs Lesley Taylor	Governance Officer	

DECLARATION OF OPENING

The Presiding Member declared the meeting open at 6.02pm.

DECLARATIONS OF INTEREST

Nil.

APOLOGIES/LEAVE OF ABSENCE

Apologies:

Cr Russ Fishwick, JP.
Cr Christine Hamilton-Prime.

CONFIRMATION OF MINUTES

MINUTES OF THE STRATEGIC FINANCIAL MANAGEMENT COMMITTEE HELD 1 JULY 2013

MOVED Cr McLean, SECONDED Cr Thomas that the minutes of the meeting of the Strategic Financial Management Committee held on 1 July 2013 be confirmed as a true and correct record.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Amphlett, Mayor Pickard, Crs Corr, McLean, Ritchie and Thomas.

MINUTES OF THE SPECIAL STRATEGIC FINANCIAL MANAGEMENT COMMITTEE HELD 5 NOVEMBER 2013

MOVED Mayor Pickard, SECONDED Cr McLean that the minutes of the special meeting of the Strategic Financial Management Committee held on 5 November 2013 be confirmed as a true and correct record.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Amphlett, Mayor Pickard, Crs Corr, McLean, Ritchie and Thomas.

ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

Nil.

IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

In accordance with Clause 5.2 of the *City's Meeting Procedures Local Law 2013*, this meeting was not open to the public.

PETITIONS AND DEPUTATIONS

Nil.

Director Corporate Services entered the Room at 6.04pm.

REPORTS

ITEM 1 ADOPTION OF 2014 MEETING DATES - STRATEGIC FINANCIAL MANAGEMENT COMMITTEE

WARD	All
RESPONSIBLE DIRECTOR	Mr Jamie Parry Governance and Strategy
FILE NUMBER	51567, 101515
ATTACHMENT	Nil.
AUTHORITY / DISCRETION	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

PURPOSE

For the Strategic Financial Management Committee to consider the proposed schedule of committee meeting dates for 2014.

EXECUTIVE SUMMARY

In order to assist with forward planning for all Elected Members, management and staff, a schedule of meeting dates has been prepared for the Strategic Financial Management Committee, ensuring synergy between meeting dates and the flow of information and decision-making.

It is therefore recommended that the Strategic Financial Management Committee ADOPTS the meeting dates and times for the Strategic Financial Management Committee of the City of Joondalup to be held at the Joondalup Civic Centre, Boas Avenue, Joondalup.

BACKGROUND

The Strategic Financial Management Committee was established at the Ordinary Council meeting held on 2 November 2004 (CJ249-11/04 refers). The purpose of the committee is to:

- Promote and advocate sound financial management within the City and provide advice to the Council on strategic financial management issues

- In particular advise Council on:
 - How funding can be achieved for any major capital works project before the Council makes a commitment to a project
 - Levels of service delivery – determine:
 - Which services to be provided
 - Standards of service. Such standard will be determined with reference to:
 - best industry practice standards where applicable
 - internally agreed standards which will be determined with reference to local community expectations
 - Preparation of the Strategic Financial Plan with high priority being given to ensure that the Plan is achievable in the long term
 - Consideration of public submissions to the Strategic Financial Plan
 - Final acceptance of the Strategic Financial Plan
- Policy development and review of policies with financial implications for the City.

At its meeting held on 19 November 2013 (CJ208-11/13 refers), Council adopted the meeting dates for its Strategy and Briefing sessions, and Ordinary Council meetings.

The schedule of Council meeting dates was based on the format used for the last five years; a monthly meeting format with Strategy Sessions held on the first Tuesday of each month; Briefing Sessions held on the second Tuesday and Council meetings on the third Tuesday.

This enables committee meetings to be scheduled on the Monday, Tuesday or Wednesday of weeks one, two and three so as to minimise potential conflicts with other Council activities and provide a 'meeting-free' week in the fourth week of each month.

DETAILS

The Strategic Financial Management Committee is required to meet at specific times during the year in order to ensure coordination with corporate and financial planning processes. The committee will also be required to meet from time to time on an as-required basis, to consider project based issues, such as the City's land disposal program.

The dates recommended in this Report reflect those specific dates when the committee will be required to meet, to consider the reviews of the *20 Year Strategic Financial Management Plan* and its *Guiding Principles*.

Issues and options considered

The Strategic Financial Management Committee can either:

- adopt the meeting dates as proposed in this Report
or
- amend the meeting dates.

Legislation / Strategic Community Plan / policy implications

Legislation *Local Government Act 1995.
Local Government (Administration) Regulations 1996.
Meeting Procedures Local Law 2013.*

Strategic Community Plan

Key theme Governance and Leadership.

Objective Corporate capacity.

Strategic initiative Not applicable.

Policy Not applicable.

Risk management considerations

Should forward planning of committee meetings not be identified, then there is a risk for meetings to be held on an ad-hoc basis; lacking coordination with other key meetings and corporate planning processes.

Financial/budget implications

Not applicable.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

Not applicable.

COMMENT

The dates recommended in this Report reflect those specific dates when the Committee will be required to meet, to consider the reviews of the *20 Year Strategic Financial Management Plan* and its *Guiding Principles*. It is acknowledged that the committee will also be required to meet from time to time on an as-required basis, to consider project based issues, such as the City's land disposal program.

VOTING REQUIREMENTS

Simple Majority.

MOVED Cr McLean, SECONDED Cr Thomas that the Strategic Financial Management Committee ADOPTS the following meeting dates and times for the Strategic Financial Management Committee of the City of Joondalup to be held at the Joondalup Civic Centre, Boas Avenue, Joondalup:

Strategic Financial Management Committee To be held in Conference Room 2
6.00pm on Monday, 9 June 2014
6.00pm on Monday, 13 October 2014

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Amphlett, Mayor Pickard, Crs Corr, McLean, Ritchie and Thomas.

ITEM 2 DRAFT 20 YEAR STRATEGIC FINANCIAL PLAN 2013-14 TO 2032-33

WARD	All
RESPONSIBLE DIRECTOR	Mr Mike Tidy Corporate Services
FILE NUMBER	103243
ATTACHMENT	Attachment 1 <i>Draft 20 Year Strategic Financial Plan 2013-14 to 2032-33</i>
AUTHORITY / DISCRETION	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

PURPOSE

For Council to adopt the *Draft 20 Year Strategic Financial Plan 2013-14 to 2032-33*.

EXECUTIVE SUMMARY

The *20 Year Strategic Financial Plan* is required to be updated on an annual basis to ensure consistency with all other city plans and strategies.

The *20 Year Strategic Financial Plan* is prepared using a set of *Guiding Principles* (Section 4), which includes six key ratios. There is a maximum possible achievement of 120 ratios (six per year x 20 years). The projections for the updated *Draft 20 Year Strategic Financial Plan 2013-14 to 2032-33* are that 99 key ratios out of 120 would be achieved; this is 13 higher than the previous plan.

The *20 Year Strategic Financial Plan* for the period 2011-12 to 2030-31 was adopted by Council at its meeting held on 20 November 2012 (CJ244-11/12 refers). The key changes in the current update are as follows:

- Use of revised *Guiding Principles* adopted by Council at its meeting held on 16 July 2013 (CJ141-07/13 refers). Analysis of ratios is simplified.
- Rates Volume Growth has higher projections than the previously adopted plan. A more detailed analysis has been undertaken, for example estimated 8,000 additional dwellings.
- Refuse Charges and Waste Management Costs now separately identified.
- Major Projects – updates to projects where there have been revisions available.

There have been some challenges in the update of the projections, notably with 2014-15 and 2015-16. To achieve a balanced budget for those years the estimated Capital Expenditure had to be reduced, with \$4 million reduced from 2014-15 and \$500,000 from 2015-16. The projects that need to be amended will be reviewed as part of the forthcoming update of the *Five Year Capital Works Program*.

It is therefore recommended that Council ADOPTS the 20 Year Strategic Financial Plan 2013-14 to 2032-33 as at Attachment 1 to this Report.

BACKGROUND

Guiding Principles and annual update of 20 Year Strategic Financial Plan

There are *Guiding Principles* to help with the development of the Draft *20 Year Strategic Financial Plan*. These are reviewed annually. The last set adopted by Council at its meeting held on 16 July 2013 (CJ141-07/13 refers) are shown in Appendix 1 of Attachment 1. The *Guiding Principles* require the City to update the Draft *20 Year Strategic Financial Plan* on an annual basis and to have the updated projections presented to Council in the second quarter of each financial year.

Key Ratios

There are six *Guiding Principles* that the Draft *20 Year Strategic Financial Plan* aims to achieve, these are referred to throughout the report. The six guiding principles are:

Ref	Guiding Principle	Details
1	Net Municipal Closing Funds	<ul style="list-style-type: none"> o Balanced budget (Net Municipal Funds) continues to be a key requirement. o Flexible use of reserves and disposal proceeds (for example Tamala Park) can be used to help shortfalls in municipal funds, although these have to be paid back to the required reserve at some point in future (with interest).
2	Operating Surplus Ratio	<ul style="list-style-type: none"> o This is the key ratio for evaluation of operating results, and indeed the most important ratio overall. o Operating Surplus ratio is calculated as Operating Surplus as a % of own source revenue. Operating Surplus is the difference between Operating Income and Operating Expenses (including Depreciation). o A desired ratio for Operating Surplus is between 2% and 8%, as a five year average.
3	Rates % Increase	<ul style="list-style-type: none"> o Rates % Increases capped at no more than 5% of the overall rates revenue.
4	Asset Sustainability Ratio	<ul style="list-style-type: none"> o Is the clearest ratio to evaluate asset management. o Asset Sustainability compares the amount of expenditure on replacement capital projects versus depreciation. o The ratio is an indicator of whether the City is spending adequate amounts on its replacement program. o The target for Asset Sustainability Ratio, as per the Department Local Government and Communities (DLGC) guidelines, is between 90% and 110%.

Ref	Guiding Principle	Details
5	Debt Service Coverage Ratio	<ul style="list-style-type: none"> ○ This is the key ratio to evaluate treasury management. ○ Used by Western Australian Treasury Corporation (WATC) to help evaluate requests for loans. ○ The ratio is the calculation of how much operating cash flow (that is excluding depreciation) covers the cost of loan repayments (principal and interest). ○ The target for Debt Service Coverage Ratio is to that the ratio does not fall less than five for five years or more.
6	Growth in Revenue versus Growth in Expenses	<ul style="list-style-type: none"> ○ Growth in Revenue versus Growth in Expenses has been a key indicator for the City and continues to be. ○ The Target is for the % growth in revenue to be greater than the % growth in expenses.

Other Ratios

There are four other ratios not listed above that the Department of Local Government and Communities (DLGC) requires to be produced. As outlined in the July 2013 review of the Guiding Principles, the other four ratios provide very little to the City in guiding the long-term plan and are not considered primary ratios. The other ratios required by the DLGC, are:

- Own Source Revenue Coverage Ratio
- Current Ratio
- Asset Consumption
- Asset Renewal.

Previous Plan

The proposed plan covers the years 2013-14 to 2032-33 and is referred to as the Draft *20 Year Strategic Financial Plan*. The previous plan will also be referred to in this document. The previous plan covers the years 2011-12 to 2030-31 and was adopted by Council at its meeting held on 20 November 2012 (CJ244-11/12 refers).

Changes highlighted in yellow (Attachment 1)

The changes to the previous plan resulting in the Draft *20 Year Strategic Financial Plan* 2013-14 to 2032-33 are highlighted in yellow in Attachment 1.

DETAILS

Disclaimer

Readers of the *20 Year Strategic Financial Plan* should note that the document is used predominately as a planning tool. As such it is based on many assumptions and includes several projects and proposals that in some cases:

- have been approved by Council and are in progress
- have been considered by Council but are yet to receive final approval
- have only been considered by Elected Members at a strategic level
- have only been considered by officers
- are operational in nature and based on the continued provision of services and maintenance of City assets and infrastructure in accordance with management and other plans.

Any of the assumptions and any of the projects or proposals not already approved could prove to be inaccurate both as to likely requirement, timing and financial estimates or may not come to pass at all. They have, however, been included based on the best available information and knowledge to hand at this time in relation to likely requirement, timing and financial estimates. Adoption of the *20 Year Strategic Financial Plan* by Council does not constitute a commitment or agreement to any of the projects or proposals that have not already been approved or the financial estimates and projections.

How the 20 Year Strategic Financial Plan is produced

There are five sets of assumptions used to build up the Draft *20 Year Strategic Financial Plan*, as summarised below. These assumptions are explained in more detail in Section 6 of Attachment 1.

- 1 External Environment
 - Demographics.
 - Economic indicators.
- 2 Operating Income and Expenses
 - Baseline analysis. Budget 2013-14 is used as the baseline.
 - Escalation factors (that is % increases) are then applied to each item from a variety of sources.
 - Volume changes based on approved projects and planned projects. Where information is available from a feasibility study (for example Joondalup Performing Arts and Cultural Facility) or a decision by Council, then this information is used.
- 3 Capital Expenditure
 - *Capital Works Program 2013-14 to 2017-18* is embedded into the Draft *20 Year Strategic Financial Plan*.
 - Forecast for each of the programs from 2018-29 to 2032-33 have been made.
 - Other 'business as usual' capital programs (I.T., Fleet, and Parking) have been forecast.
 - Major Projects – based on feasibility studies or council papers.
- 4 Capital Disposals
 - Sale of land such as Tamala Park.

- 5 Funding. Each program or project has been separately assessed, to identify whether the project is funded by either:
- municipal funds
 - specific reserves
 - Strategic Asset Management Reserve
 - disposal proceeds (for example Grove Child Care / Dorchester Hall)
 - borrowings.

The projected key ratios have been reviewed with consideration given to changes that are required to achieve a balanced budget and achievement of as many of the key ratios as possible.

Explanation of the Content

The table below provides a summary view of the content:

Table 1 – Explanation of the Draft *20 Year Strategic Financial Plan*

Summary	Reference	Pages	Details
Introduction	Sections 1 to 3	3 to 8	Introductory sections, explaining the purpose of the Draft <i>20 Year Strategic Financial Plan</i> , executive summary and description of the City of Joondalup.
Strategy	Sections 4 to 5	9 to 11	These two sections explain the strategy used to prepare the projections. Includes: <ul style="list-style-type: none"> • Summary of the guiding principles, adopted by Council in July 2013. • <i>Asset Management Policy and Five Year Capital Works Program</i>.
Assumptions	Section 6	12 to 19	This section provides details of the five sets of assumptions used to build up the projections: <ul style="list-style-type: none"> • External environment. • Operating income and expenses. • Capital Expenditure. • Capital Proceeds. • Funding.
Impacts Key Ratios and Funding	Sections 7 to 9	20 to 36	These three sections explain the ratio projections and the supporting schedules.
Risk and Sensitivity	Sections 10 to 11	37 to 41	Analysis of risk and scenario analysis.
Guiding Principles	Appendix 1	42 to 44	<i>20 Year Strategic Financial Plan - Guiding Principles</i> Statement as adopted by Council 16 July 2013.
Capital Projects	Appendix 2	45 to 47	List of all capital projects, and associated operating impacts.

Summary	Reference	Pages	Details
Financial Statements	Appendix 3 and Financial Statements FS1 to FS4	48 to 57	<p>The supporting Financial Statements to the Draft <i>20 Year Strategic Financial Plan</i>.</p> <p>The Financial Statements are:</p> <ul style="list-style-type: none"> • As per the DLG LTFP Framework and Guidelines (note Statement of Financial Position and Equity Statement have been combined as a single statement). • Similar statements required for the Budget and Annual Financial Statements, but in an abridged format. • Each followed by a table that explains each line.
Supporting Schedules	Supporting Schedules SS1 to SS6	58 to 68	Seven supporting schedules provide additional detail on calculations and projections.

Issues and options considered

Five Year Capital Works Program

The *Five Year Capital Works Program* is a rolling program of capital works that is updated on an annual basis. The adopted program for 2013-14 to 2017-18 has been used in the development of the Draft *20 Year Strategic Financial Plan*. Ideally all capital expenditure identified within the *Five Year Capital Works Program* would be included fully within the Draft *20 Year Strategic Financial Plan*. However, the Draft *20 Year Strategic Financial Plan* has a series of key ratios to achieve (for example balance the books), and for two of the five years, not all of the estimated capital expenditure was able to be included.

The following years were affected by this:

- 2014-15. \$4.5 million is excluded.
- 2015-16. \$500,000 is excluded.

Consideration was given to funding the expenditure using borrowings. However the *Five Year Capital Works Program* is mainstream expenditure and should be funded from operating cash flows. The upcoming update of the *Five Year Capital Works Program* will identify the projects and programs where the requirements will need to be reduced.

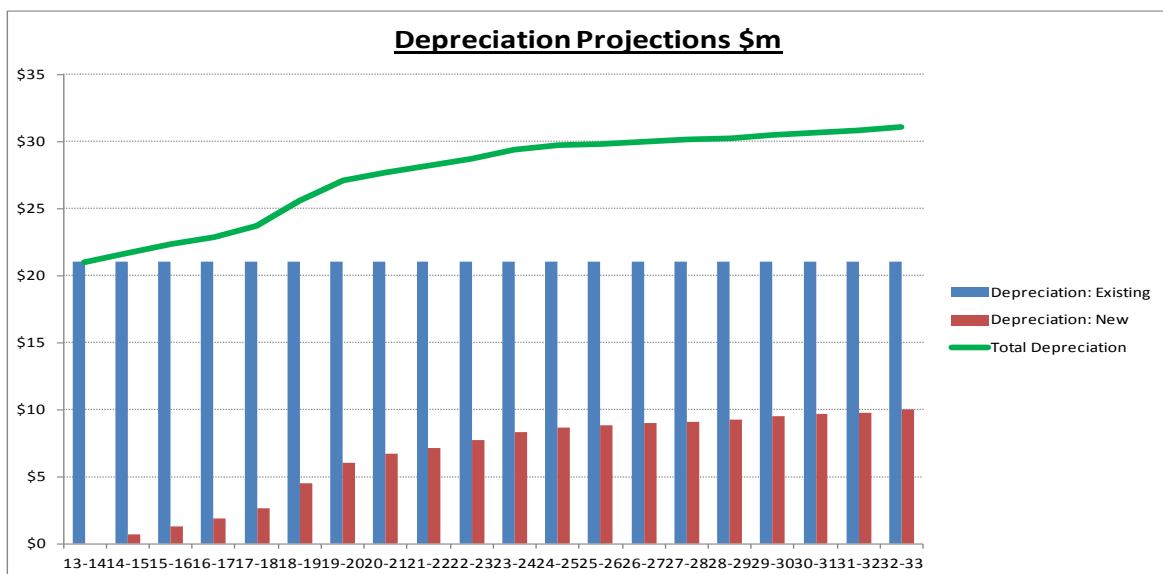
Baseline Operating Surplus / Mid Year Budget / Annual Budget Process

The most important guiding principle is the Operating Surplus. The annual mid-year budget review and the annual budget process need to focus on achieving the Operating Surplus Ratio.

New Expenditure versus Replacement Expenditure / Whole Life Costs

The Draft *20 Year Strategic Financial Plan* has further enhanced the identification of capital expenditure between Replacement and New. This is crucial to help understand the Asset Sustainability Ratio and to also ensure that the future operating costs of new expenditure are included. It is vital for Council to be aware that for all new one-off expenditure, there will be additional operating expenses and additional replacement costs.

The graph below illustrates the significant increase in Depreciation that is projected due to the new Capital expenditure.



It should also be noted that refurbishments or extensions will increase future operating expenses as well. For example, the Toilets / Change room at Forrest Park were extended to clubroom facilities during 2011-12 and increased operating expenses from \$12,000 per year to \$22,000 in 2012-13.

Net Assets

It is estimated that the net assets of the City would increase from \$842 million at June 2013 to \$1,244 million at June 2033, an increase of 47%. Although some of this increase is due to inflation, a large part of this is due to the increase in new infrastructure, expenditure of \$429 million, which far outstrips the reduction in assets of just \$42 million. The City should continue to evaluate the utilisation of assets and consider whether assets or infrastructure with low utilisation could be removed. There are some projects which reduce the number of buildings and consolidate the services into one building, for example Grove Child Care / Dorchester Hall / Warwick Hall. The City should continue to explore further opportunities to consolidate services from several locations into one or more locations, and to also consider whether other assets should be reduced.

Options / Scenario Analysis

The *20 Year Strategic Financial Plan – Guiding Principles* require three scenarios to be prepared as follows:

- 1 Scenario 1 (Baseline) - based on the business as it currently stands, including agreed commitments to future projects.
- 2 Scenario 2 (Maximum) - incorporating all new expenditure as proposed.
- 3 Scenario 3 – (Balanced) – a balanced budget that achieves the targets and is in accordance with the *Guiding Principles* (for example Operating Surplus Ratio target). This scenario will seek to include all new expenditure where possible, whilst ensuring the City complies with all other *Guiding Principles*.

Section 11 of the Draft *20 Year Strategic Financial Plan* summarises the three scenarios. The projections that are proposed to be adopted are based on Scenario 3, a balanced budget.

Legislation / Strategic Community Plan / policy implications

Legislation Section 5.56(1) of the *Local Government Act 1995* provides that: “A local government is to plan for the future of the district.”

Strategic Community Plan

Key theme Financial Sustainability.

Objective Effective management.

Strategic initiative Manage liabilities and assets through a planned, long-term approach.
Balance service levels for assets against long-term funding capacity.

Policy *20 Year Strategic Financial Plan – Guiding Principles.*

Risk management considerations

The plan is based on many assumptions. There is a risk that those assumptions could be wrong or may not come to pass, however, it is a planning tool and the City is not committed to anything in the plan by virtue of endorsing it. Periodic review and update of the plan will ensure that it remains a relevant and useful document to manage the City’s financial affairs into the future.

Financial/Budget Implications:

The Draft *20 Year Strategic Financial Plan* represents projections and estimates, based on many assumptions and is a primary planning tool for the development of future budgets. Adoption of the Draft *20 Year Strategic Financial Plan*, however, does not constitute a commitment or agreement by the City to the projects and proposals it contains or the financial estimates and projections included in the Draft *20 Year Strategic Financial Plan*.

Regional Significance:

Not applicable.

Sustainability Implications:

The Draft *20 Year Strategic Financial Plan* represents the primary and key strategic financial planning document for the City and has a direct bearing on planning for the financial sustainability of the City.

Consultation:

The Draft *20 Year Strategic Financial Plan* has been prepared after extensive consultation with City Business Units and the Executive Leadership Team.

COMMENT

The Draft *20 Year Strategic Financial Plan 2013-14 to 2032-33*, as at Attachment 1, sets out a significant program of works and projects for the City of Joondalup over the next 20 years. These are in keeping with and represent the Joondalup 2022 vision for the City: “*A global City: bold, creative and prosperous*”.

Although the program is ambitious it is achievable with financial discipline and the Draft *20 Year Strategic Financial Plan* maps out how this can be done.

The Draft *20 Year Strategic Financial Plan 2013-14 to 2032-33* replaces the previous plan adopted in 2012.

Of the six key ratios identified within the *Guiding Principles*, 99 out of 120 are achieved; this is 13 higher than the previous plan. The major concern with the key ratios is the Asset Sustainability Ratio, the issues are as follows:

- The ratio falls below target in the first 11 years, it is only the last nine years that are estimated to be within tolerance.
- Ratio suggests that the City is not spending enough Capital Expenditure on replacement of existing assets and possibly spending too much expenditure on new assets in comparison.
- Ratio suggests that there is a backlog building up for replacement expenditure.
- There is more to do in this area in terms of the calculation itself and the impacts. Each asset class will be separately calculated.
- Prioritisation processes will be introduced as part of the *Five Year Capital Works Program* – this may identify that more expenditure should be spent on replacement as opposed to new, this would improve the ratio.
- 91% of the Capital Expenditure on major projects is within the first 10 years and it could be a consideration to amend the scheduling of major projects.
- Backlog may indicate that there is higher maintenance costs required to keep the assets in working order.

VOTING REQUIREMENTS

Simple Majority.

Cr Thomas left the room at 6.46pm and did not return.

OFFICER’S RECOMMENDATION:

That Council ADOPTS the *20 Year Strategic Financial Plan 2013-14 to 2032-33* as at Attachment 1 to this Report.

MOVED Cr Amphlett, **SECONDED** Cr McLean that the Strategic Financial Management Committee:

- 1 **NOTES** the *20 Year Strategic Financial Plan 2013-14 to 2032-33* as at Attachment 1 to this Report;
- 2 **REQUESTS** a further report be prepared for the Strategic Financial Management Committee in relation to options for the *20 Year Strategic Financial Plan, 2013-14 to 2032-33* including the principle drivers and philosophies of the plan and funding models for projects and services.

The Motion was Put and

CARRIED (5/0)

In favour of the Motion: Cr Amphlett, Mayor Pickard, Crs Corr, McLean and Ritchie.

Appendix 1 refers

To access this attachment on electronic document, click here: [Attach1agnSFMC021213.pdf](#)

Senior Financial Analyst left the room at 7.21pm.

**ITEM 3 CONFIDENTIAL - STATUS REPORT ON CITY
FREEHOLD PROPERTIES PROPOSED FOR
DISPOSAL**

WARD	All
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	63627, 101515
ATTACHMENT	Attachment 1 Location Plans - Lot 202 (20) Kanangra Crescent, Greenwood and Lot 745 (103) Caridean Street, Heathridge Attachment 2 Location Plan - Lot 977 (15) Burlos Court, Joondalup Attachment 3 Deposited Plan No. 76105 - Lots 700, 701 and 702 Burlos Court, Joondalup Attachment 4 Location Plans - Lot 23 (77) Gibson Avenue, Padbury and Lot 1001 (14) Camberwarra Drive, Craigie Attachment 5 Location Plans - Lots 642/643 (57/59) Marri Road, Duncraig and Lot 971 (52) Creaney Drive, Kingsley Attachment 6 Location Plan - Lot 549 (11) Moolanda Boulevard, Kingsley Attachment 7 Proposed Subdivision/ Amalgamation Plan – Lot 549 (11) Moolanda Boulevard, Kingsley Attachment 8 Location Plan – Reserve 43717 Lot 12223 (12) Blackwattle Parade, Padbury
AUTHORITY / DISCRETION	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

This Report is confidential in accordance with section 5.23(2)(h) of the *Local Government Act 1995*, which also permits the meeting to be closed to the public for business relating to the following:

The determination by the local government of a price for the sale or purchase of property by the local government.

Cr Corr left the meeting at 7.29pm and did not return. Cr Chester deputised for Cr Corr from this point.

MOVED Cr Amphlett, **SECONDED** Mayor Pickard that the Strategic Financial Management Committee:

- 1** NOTES the contents of the status report dated 2 December 2013 on the City's progress to date on the proposed disposal of eight City-owned freehold land sites and its proposed purchase of Reserve 43717, Lot 12223 (12) Blackwattle Parade, Padbury;
- 2** NOTES a further status report on the progress of the City's proposed disposal of eight freehold land sites will be submitted to a Strategic Financial Management Committee meeting at a date to be determined in 2014;
- 3** NOTES that detailed reports on the potential disposal of Lot 971 (52) Creaney Drive, Kingsley and the disposal of a portion of Lot 549 (11) Moolanda Boulevard, Kingsley will be submitted to a Strategic Financial Management Committee meeting at a date to be determined in 2014;
- 4** REQUESTS the progression of sale and appropriate actions for Lot 1001 (14) Camberwarra Drive, Craigie;
- 5** REQUESTS the refurbishment of Lot 159 (487L) Beach Road, Duncraig being listed for consideration in the 2014-15 Capital Works Program.

The Motion was Put and

CARRIED (5/0)

In favour of the Motion: Cr Amphlett, Mayor Pickard, Crs Chester, McLean and Ritchie.

**ITEM 4 CONFIDENTIAL - CITY OF JOONDALUP FREEHOLD
LAND - LOTS 200, 201 AND 202 KANANGRA
CRESCENT, GREENWOOD**

WARD	South-East Ward
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	63627, 101515
ATTACHMENT	Attachment 1 Location Plan of Lots 200, 201 and 202 Kanangra Crescent, Greenwood Attachment 2 Public Open Space (POS) in vicinity of City owned freehold lots in Kanangra Crescent, Greenwood Attachment 3 Photographs of Lots 200, 201 and 202
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

This Report is confidential in accordance with section 5.23(2)(h) of the *Local Government Act 1995*, which also permits the meeting to be closed to the public for business relating to the following:

The determination by the local government of a price for the sale or purchase of property by the local government.

MOVED Mayor Pickard, SECONDED Cr McLean that the Strategic Financial Management Committee:

- 1 NOTES the matters associated with the proposed disposal of Lot 202 (20) Kanangra Crescent, Greenwood as detailed in this Report;**
- 2 REQUESTS further investigations be undertaken regarding Lot 201 (22) and Lot 200 (24) Kanangra Crescent, Greenwood.**

The Motion was Put and

CARRIED (4/1)

In favour of the Motion: Cr Amphlett, Mayor Pickard, Crs McLean and Ritchie.

Against the Motion: Cr Chester.

URGENT BUSINESS

Nil.

MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

REQUESTS FOR REPORTS FOR FUTURE CONSIDERATION

Nil.

CLOSURE

There being no further business, the Presiding Member declared the meeting closed at 8.00pm; the following Committee Members being present at that time:

Cr Geoff Amphlett, JP
Mayor Troy Pickard
Cr John Chester
Cr Tom McLean, JP
Cr Teresa Ritchie, JP