

# Budget 2005 / 06

City of Joondalup

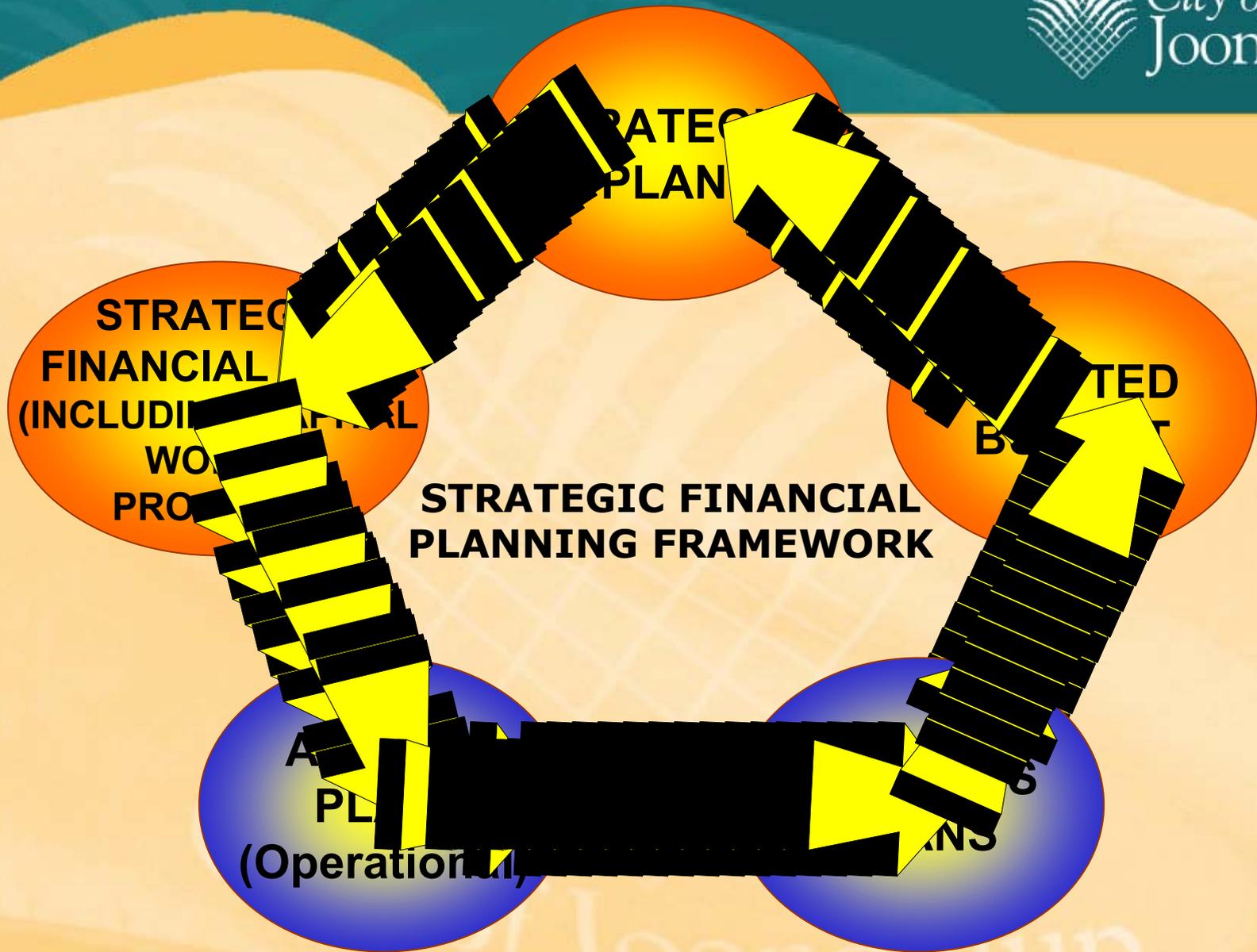
# Focus in 2005/06

- Real costs of infrastructure
- Creating realistic expectations
- Financial capacity of the organisation
- Consolidation
- Financial responsibility

The 2005/06 Budget balances the City's long term commitment to:

- Our community,
- The local economy, and
- The environment





# Budget Process

- Financial Performance Analysis 2004/05
- Review of Principal Activities Plan 2004/05 – 2008/09
- Assessment of Financial Capacity and Sustainability
- Call for Bids – Operations
- Assess Bids
  - Operations
  - Community Need
  - Past Principal Activities Plans
- Prepare Strategic Financial Plan 2005/06 – 2008/09 (Strategic Financial Management Committee Meetings)

## **Budget Process**

- Assess/Analyse Rating Capacity
- Initial Review of Service Delivery
- Critical Analysis of Annual Plan Performance
- Review all Bids for Capacity
  - Rating
  - Resources to implement and deploy
  - Analysis of 2004/05 performance

# Budget Process

- Determine Potential Reductions
- Strategic Plan Alignment
- Executive Analysis
- Strategic Financial Plan – Strategy Session

# The Big Picture

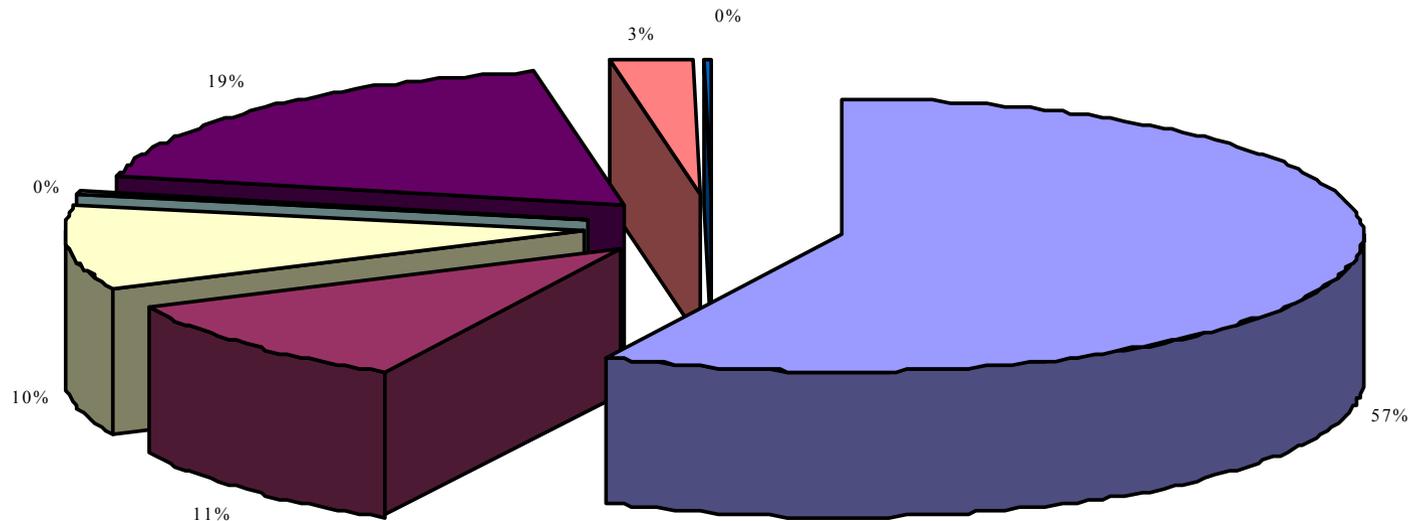
City of Joondalup

# Total Expenditure

- Our total budgeted expenditure for 2005/06 will be \$118 million.
- In addition to our ongoing maintenance programs, we will spend:
  - \$15.1m on Council projects
  - \$17.7m on Capital Works
  - \$2.0m on Capital Proposals

# Operating Income

- Rates
- Government Grants & Subsidies
- Contributions & Reimbursements & Donations
- Profit on Asset Disposal
- Fees & Charges
- Interest Earnings
- Other Revenue



# Rates

- This year the average increase will be 4.75%
- Triennial Revaluation

# Rate Increases for the City

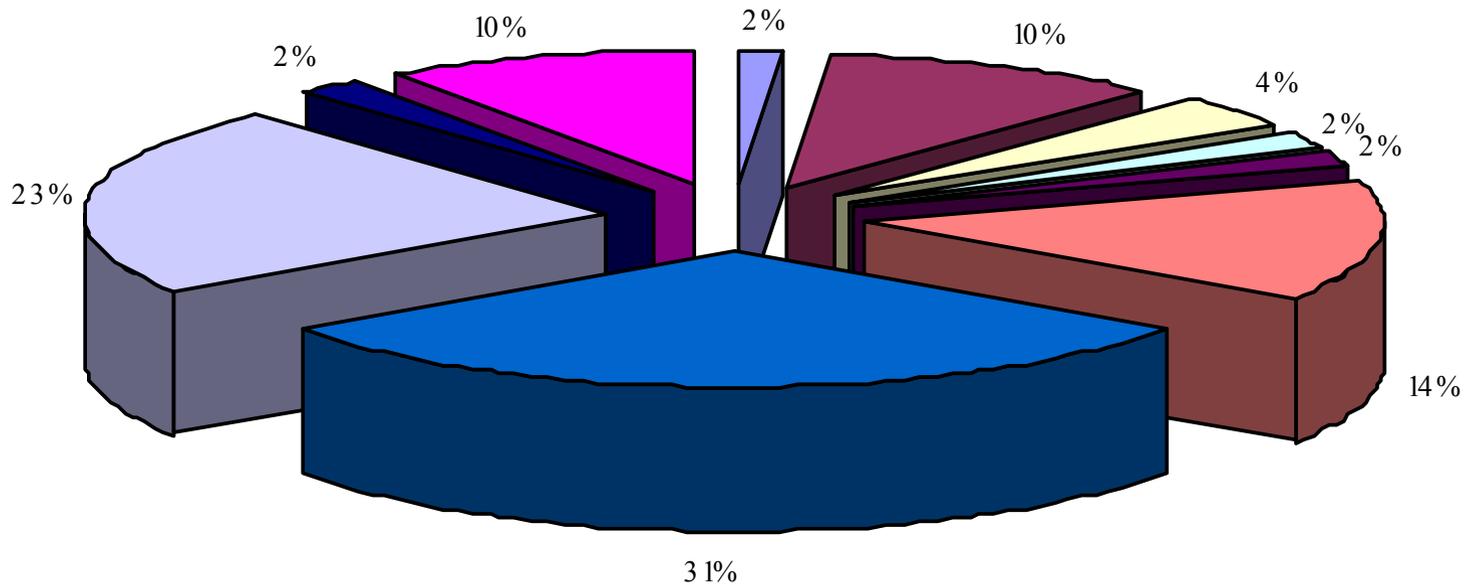
Year	Rates
1998/99	0.00%
1999/00	0.00%
2000/01	3.00%
2001/02	0.00%
2002/03	3.50%
2003/04	4.00%
2004/05	4.50%
2005/06	4.75%

# Rate Increases of Other Councils

<b>Council</b>	<b>Rate Increase</b>	<b>Budget Adopted</b>
Cockburn	3%	Yes
Cottesloe	5%	Yes
Kalamunda	3.5%	Yes
Melville	3%	Yes
Serpentine/Jarrahdale	6%	Yes
South Perth	3.5%	Yes
Stirling	3.4%	Yes
Subiaco	3.8%	Yes
Vincent	3.36%	Yes
Armadale	5.5% - 6%	No
Bassendean	3%	No
Belmont	3.3%	No
Claremont	5%	No
Fremantle	2.8%	No
Gosnells	5.9%	No
Kwinana	7.5%	No
Mandurah	4%	No
Nedlands	5%	No

# Operating Expenditure

- General Purpose Funding
- Governance
- Law, Order & Public Safety
- Health
- Education & Welfare
- Community Amenities
- Recreation & Culture
- Transport
- Economic Services
- Other Property Services



# **Council Projects**

City of Joondalup

# Sorrento Beach Development

- \$1.8m for Stage 2 Works
  - Completion of grass and reticulation areas
  - Car park extension
  - Refurbishment of existing toilet block
  - Installation of shelters, lighting and BBQs



# Ocean Reef Boat Harbour Development

- \$950,000 for the development of a concept design and structure plan
- Important project for the region and the City must address and balance:
  - Community expectations
  - Environmental considerations,
  - Economic return on investment



# Cultural Facility

- \$750,000 for completion of the forward landscaping works in 2005/06
- Current concept design is being reviewed for appropriateness and affordability



# Craigie Leisure Centre

- Total Budget of \$10.3m for the redevelopment of the Craigie Leisure Centre
- \$3.25m allocated in 2005/06 to complete Stage 1 of the works



# Joondalup Works Depot

- Total Budget - \$11m
- \$6.5m allocated in 05/06



# Capital Works Program



- Total Budget of \$17.1m
  - Major Roads - \$1.55m
  - Road Preservation - \$3.4m
  - Traffic Management - \$2m
  - Major Building Works - \$1.2m
  - Footpaths, Dry Parks, Foreshore, Sporting Facilities, Stormwater Drainage, Street Lighting - \$2.95m
  - Carry forwards - \$6.6m

# Capital Work Program Highlights

- \$315,000 on Foreshore and Natural Areas
- \$267,555 on upgrading four parks from dry to reticulated
- \$400,000 including upgrade of reticulation systems at a number of parks
- \$369,000 for floodlighting Iluka Sports Complex

# Capital Works Program Highlights

- \$200,000 to investigate and improve parking facilities in the City Centre
- \$166,000 for upgrades to local road and pathway lighting
- \$405,000 for Stormwater Drainage including upgrades to existing outlets in Yellagonga Regional Park

# Proposals

City of Joondalup

# Community Wellbeing

- Libraries - \$193,000
- Midge Strategy - \$51,000
- Youth Services - \$79,000
- Public Participation - \$60,000

# Caring for the Environment

- Cities for Climate Protection - **\$15,000**
- Integrated Catchment Management Plan - **\$31,000**
- Yellagonga Environmental Centre (Feasibility Study) - **\$35,000**
- Waste Management Strategy - **\$25,000**

# Hybrid Vehicles

- Council will purchase two hybrid vehicles in 2005/06
  - Fuel savings
  - Environmental benefits

# City Development

- CBD Enhancement Project - \$65,000
- Shuttle Bus - \$65,000
- Central Area Parking - \$60,000
- Tourism Development Plan - \$46,000

# Organisational Development

- Two areas of significant risk have been identified and are addressed in the budget:
  - HR System
  - Records System
- Organisational Review
  - Funds available within normal operational expenditure to implement recommendations

# Strategic Asset Management Reserve

- Based on replacements alone we know we need \$3.5m per annum
- \$1.8m has been set aside in 05/06

# To Summarise

- The 2005/06 Budget is a balanced budget and sets the foundation for measured and stable growth