

## Budget 2006/07

**25<sup>th</sup> July 2006**

# 2006/2007 BUDGET

## Focus in 2006/07

- Focussing on the Future
- Long term strategic focus and alignment to Strategic Financial Plan
- Organisational capacity to complete projects

## 2006/2007 BUDGET

The 2006/07 Budget balances the City's long term commitment to:

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

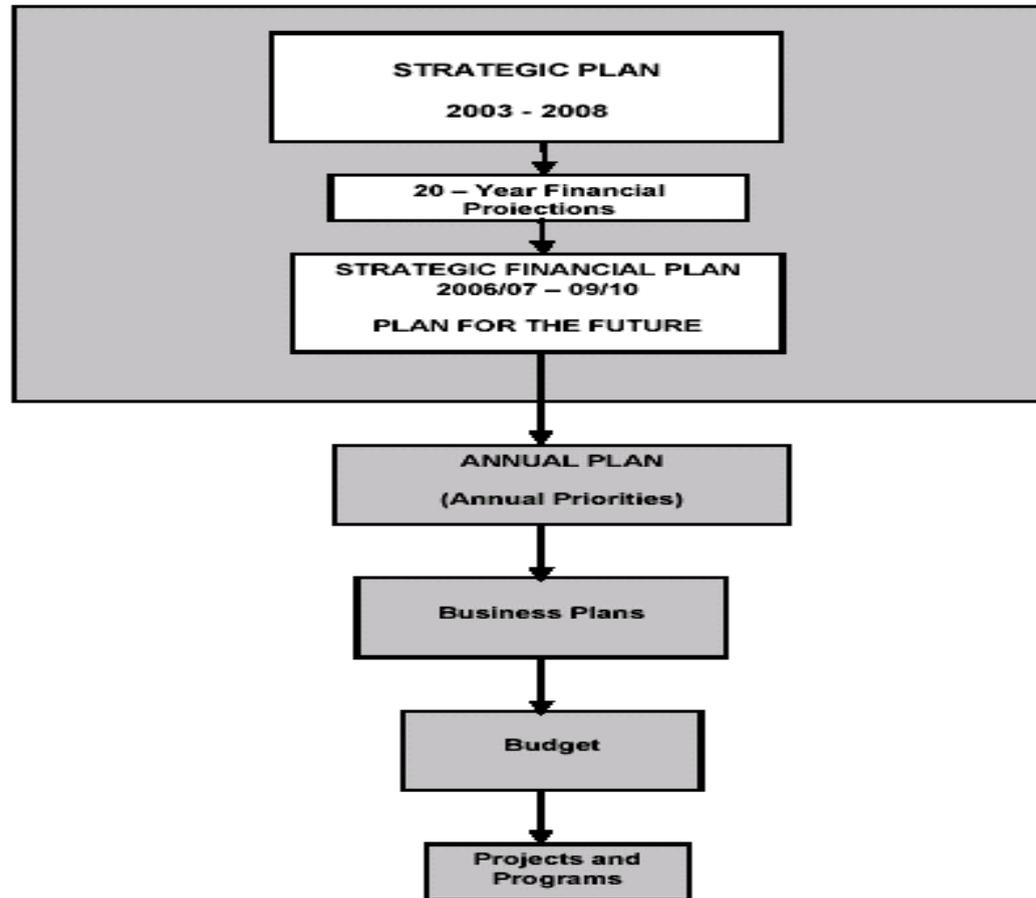


# 2006/2007 BUDGET



# 2006/2007 BUDGET

DIAGRAM 1: PLANNING & BUDGET FRAMEWORK



# 2006/2007 BUDGET

## Budget Process

- Financial Performance Analysis 2005/06 (quarterly)
- Assessment of Financial Capacity and Sustainability
- Call for Bids – Operations
- Assess Bids
  - Operations
  - Community Need
- Prepare Strategic Financial Plan 2006/07 – 2009/10  
(Strategic Financial Management Committee Meetings)

# 2006/2007 BUDGET

## Budget Process cont'd

- 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 2005/06 performance

# 2006/2007 BUDGET

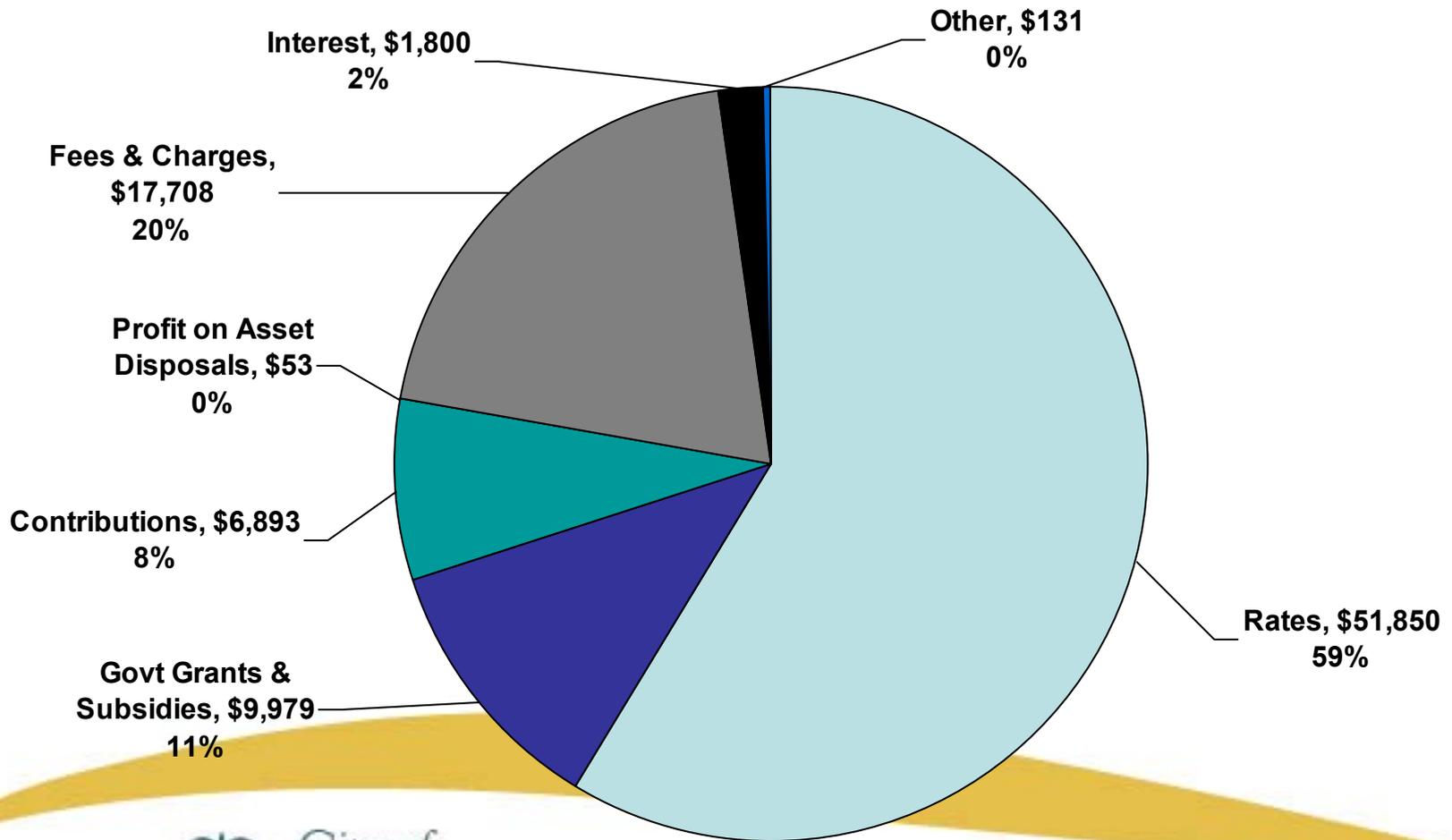
## Budget Process cont'd

- Determine Potential Reductions
- Strategic Plan Alignment
- Executive Analysis
- Strategic Financial Plan Alignment

# The Big Picture

# 2006/2007 BUDGET

## Operating Income \$88,414 (000's)



## Rates

- This year the proposed increase will be 5.2%
  - For the rate in the \$ for both GRV and UV rated properties
  - For the minimum for both GRV and UV
- Specified area rates will be as per expenditure requirements for those areas

# 2006/2007 BUDGET

## 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%
2006/07	5.20%

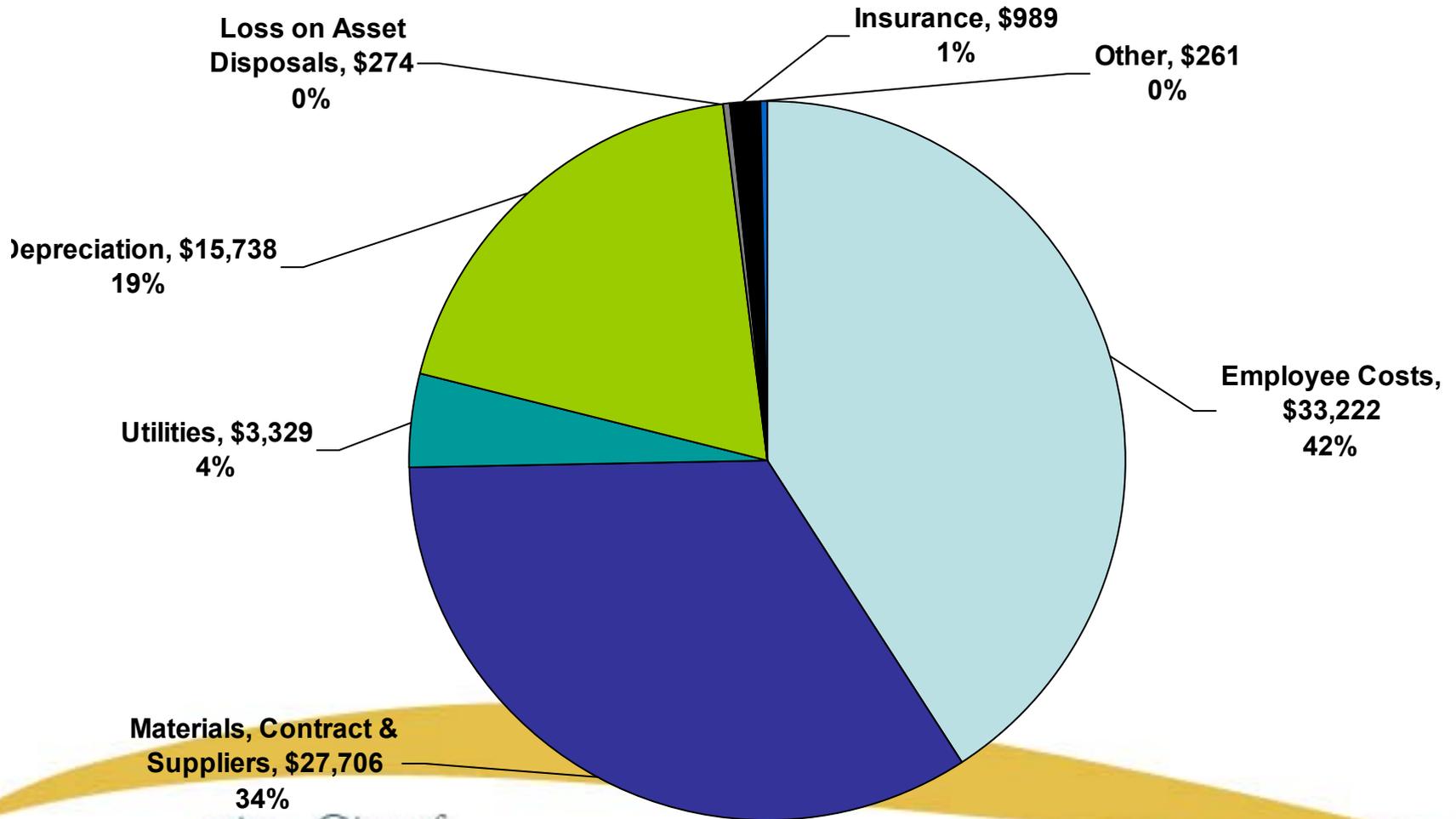
# 2006/2007 BUDGET

## Total Expenditure

- Our total budgeted expenditure (operating & capital) for 2006/07 will be \$115 million.
- Of the \$33.4m in capital expenditure, we will spend:
  - \$15.5m on Road, Reserves & Parks Expenditure
  - \$14.8m on Other Capital Expenditure

# 2006/2007 BUDGET

## Operating Expenditure \$81,519 (000's)



## Major Projects

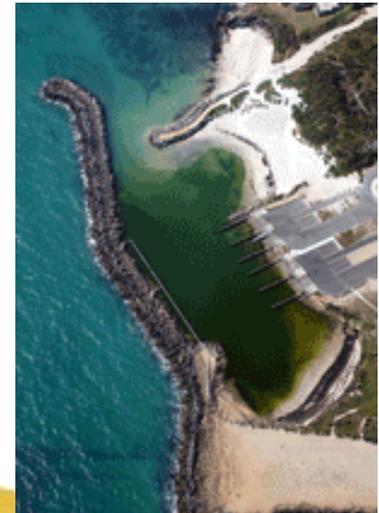
## Universal Recycling Service

- \$3.3m to introduce recycling to all Households from early 2007 including:
  - \$1.2m to upgrade Materials Recovery Facility
  - 240lt Recycle Bin to all Households
  - Refuse collection charges to increase from \$155 to \$185



## Ocean Reef Boat Harbour Development

- \$1.2m for the development of a project master plan
  - Includes \$700,000 Government Grant
- Major regional project for the City with significant:
  - Community impact and expectations
  - Environmental considerations,
  - Financial impacts for the City



## Joondalup Works Depot

- Proceeding with Proposal to Lease Water Corporation Site rather than purchase land saving \$6.0m on previous proposal
- \$5.0m New Proposal total Budget
- \$4.0m allocated in 06/07



## Parking Facility Lot 6 Lawley Crt

- \$1.7m to purchase carpark site representing:
  - A key component of addressing future carparking needs
  - A strategic property investment
- \$1.0m to construct an at grade carpark on purchased site





## Capital Works Program



# 2006/2007 BUDGET

## Total Budget of \$15.5m

- \$3.42m - Major Roads Construction
- \$4.58m - Road Preservation
- \$1.96m - Traffic Management
- \$1.80m - Major Building Works
- \$3.72m - Footpaths, Dry & Reticulated Parks, Foreshore, Sporting Facilities, Stormwater Drainage, Street Lighting

## Capital Work Program Highlights

- \$893,000 for Play Equipment, Shelters, Lighting and other facilities in parks and reserves
- \$215,120 on dry parks development
- \$400,000 for parking facilities in the City Centre
- \$575,500 for paths and coastal foreshore maintenance

# Operating Program Highlights

## Community Wellbeing

- Libraries - \$120,000
- Youth Services - \$147,000
- Midge Strategy - \$51,000

## Caring for the Environment

- Cities for Climate Protection - \$15,000
- Integrated Catchment Management Plan - \$79,000
- Travelsmart - \$117,000

## City Development

- Learning City Project - \$36,000
- Thinklearn Project - \$214,000 (\$193,000 Grant)
- Tourism Development Plan - \$85,000

## Reserve Funds

- \$5.6m Transferred to Reserves
  - \$3.9m to Strategic Asset Management Reserve
  - \$450,000 from Grant for Geothermal Bore returned to Leisure Centres Reserve
  - \$145,000 to Valuations Reserve
  - \$1.11m Interest Earnings

## Reserve Funds

- \$9.1m Transferred from Reserves
  - \$4.0m for Depot Construction
  - \$2.7m for Carpark site purchase and construction
  - \$1.49m for Universal Recycling Service
  - \$595,000 to complete purchase Cultural Site
  - \$190,000 to complete Craigie Leisure Centre Project
  - \$156,000 towards Ocean Reef Master Plan

## To Summarise

- The 2006/07 Budget is focussed on the future and lays the foundation for developing long term financial sustainability