

2007/08 Budget



Focus in 2007/08

- Focussing on the Future
- Long term strategic focus and alignment to Strategic Financial Plan
- Organisational capacity to complete projects
- Major review of service standards

The 2007/08 Budget balances the City's long term commitment to:

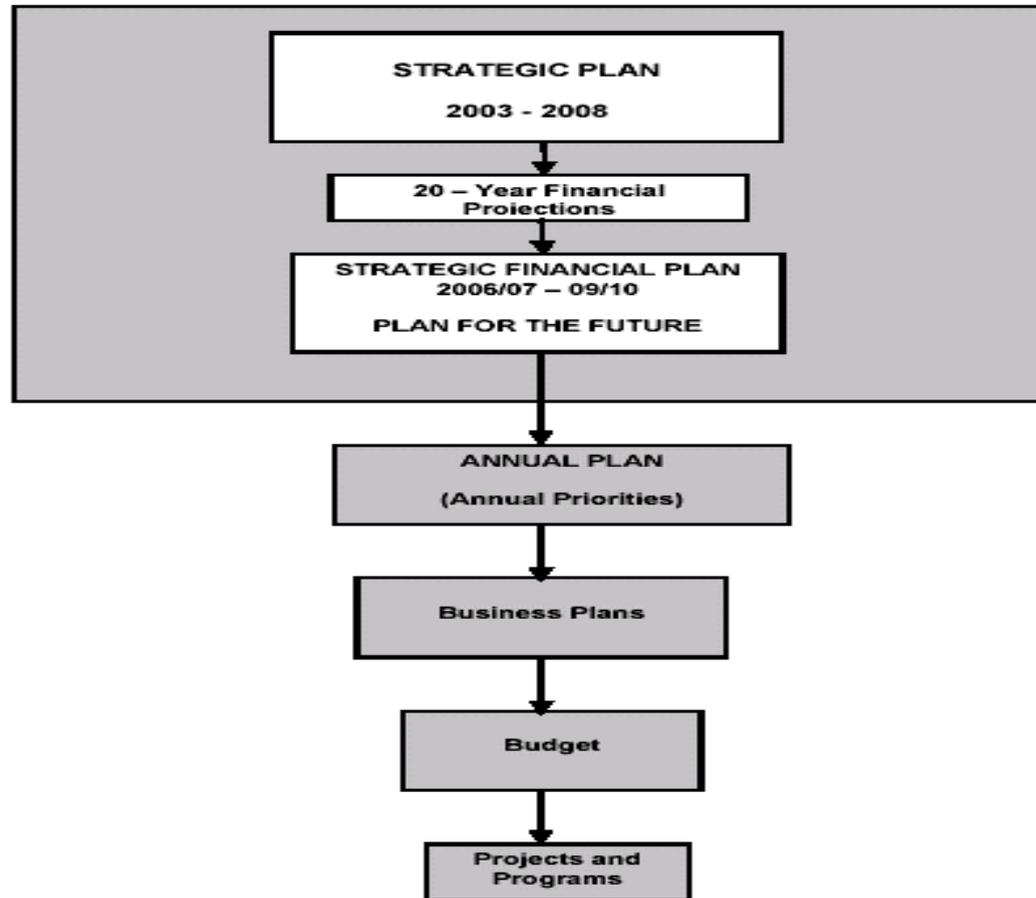
- Our community,
- The environment,
- The local economy, and
- Ongoing review of service provision





2007/08 Budget

DIAGRAM 1: PLANNING & BUDGET FRAMEWORK



Budget Process

- Continuous Analysis of 2006/07 Financial Performance
- Assess Financial Capacity, Sustainability, Assets and Reserves
- Set Budget Parameters
- Submission of Operational and Capital Proposals
- Initial Assessment of Proposals
 - Operations
 - Capital
 - Community need
 - Plans and Strategies

Budget Process cont'd

- Reference Strategic Financial Plan 2006/07 – 2009/10
- Initial Review of Service Delivery and Confirmation of Service Standards
- Critical Analysis of 2006/07 Annual Plan Performance
- Review Proposals for Capacity
 - Rating
 - Alternative Revenue Streams
 - Resources to implement and deploy
- Determine Potential Reductions
- Strategic Plan – Alignment

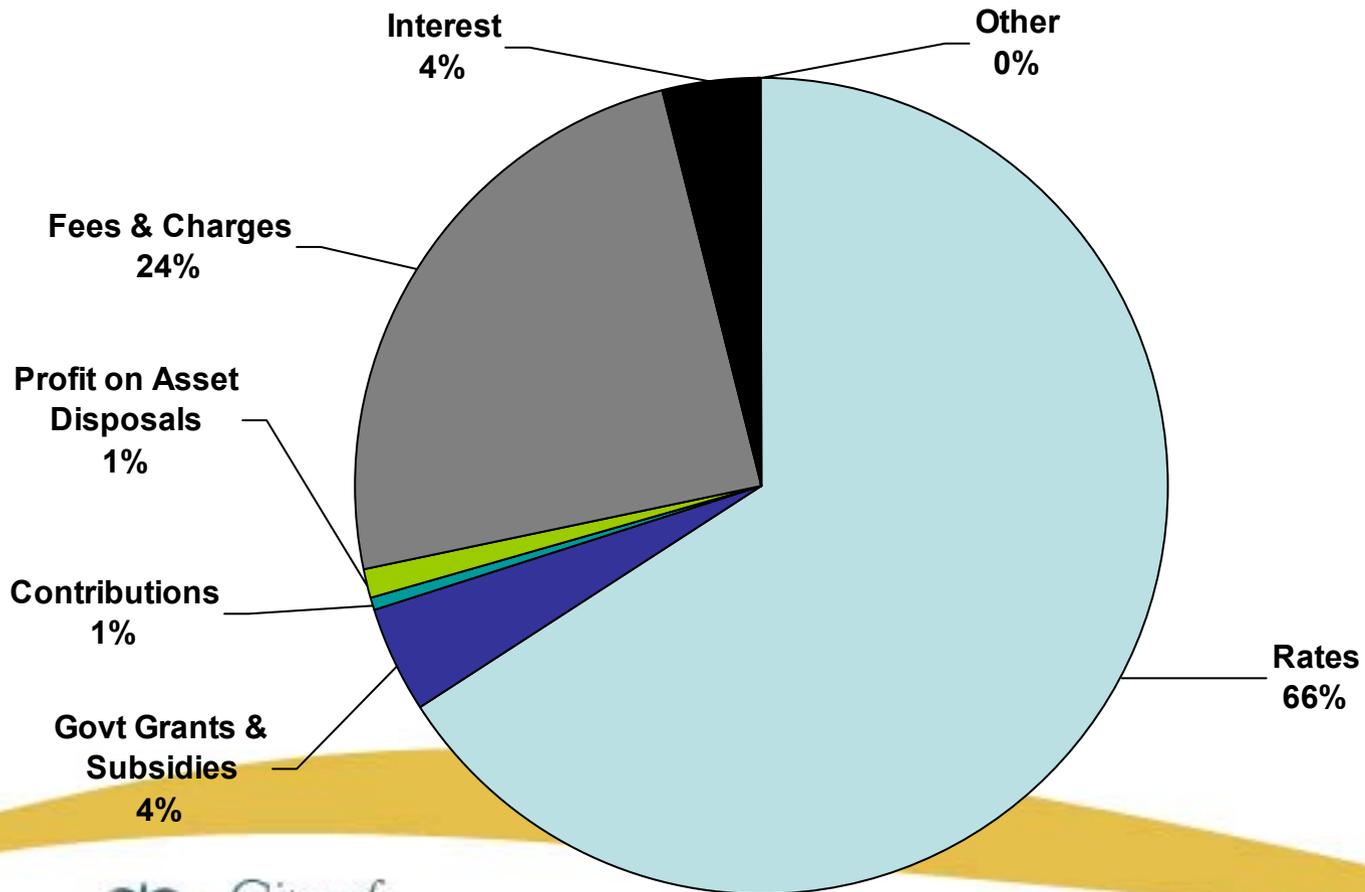
Budget Process cont'd

- Executive Analysis
- Strategic Financial Plan Alignment
- Elected Member Workshops (4 during May and June 2007)

The Big Picture

2007/08 Budget

Operating Revenue \$85,581 (000's)



Rates

- This year the proposed increase is 6.35% in
 - the rate in the \$ for both GRV and UV rated properties
 - the minimum for both GRV and UV
- Specified area rates will be as per expenditure requirements for those areas

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Rate Increases for the City

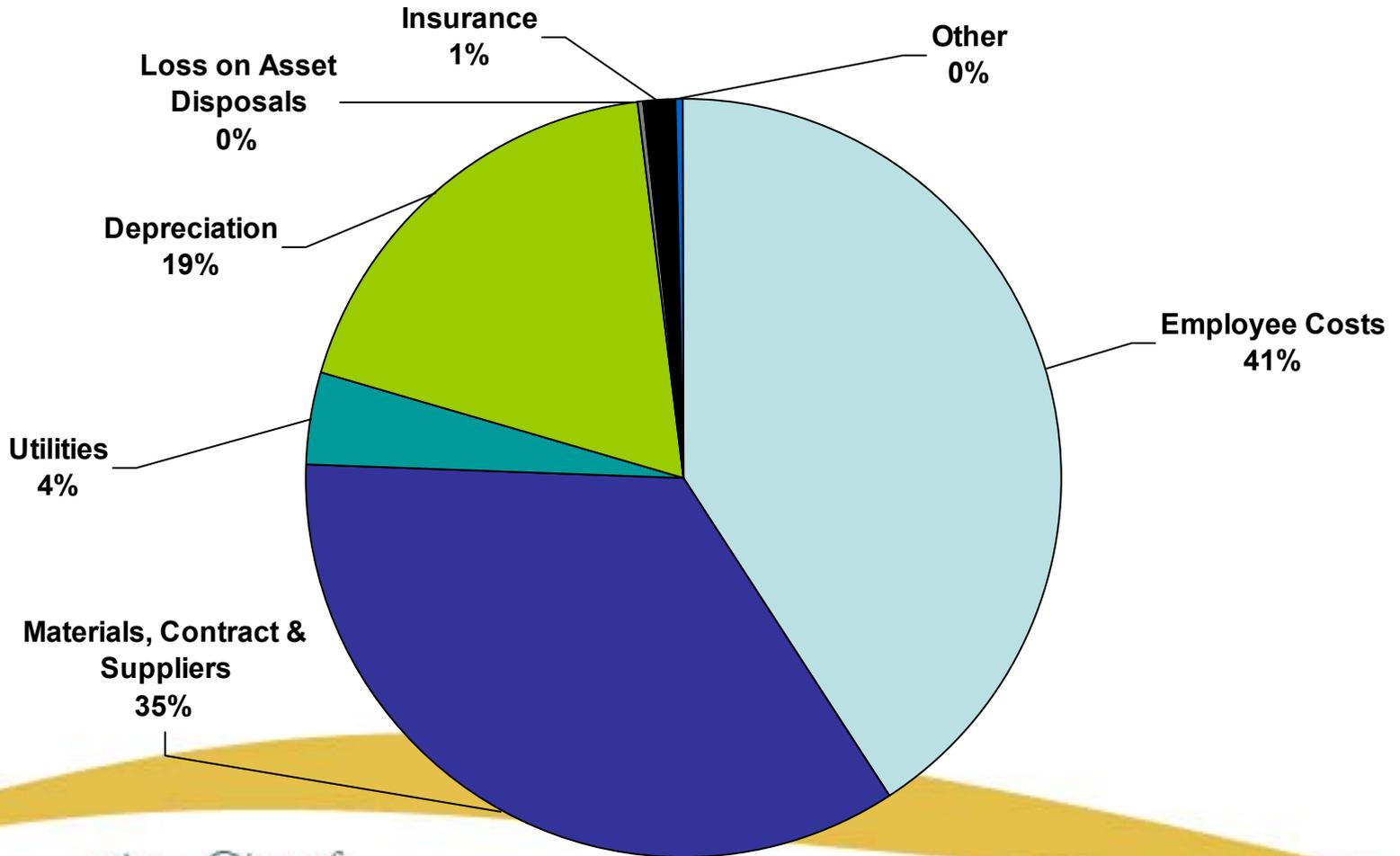
Year	Rates
1998/99	0.00%
1999/00	0.00%
2000/01	3.00%
2001/02	0.00%
2002/03	3.50%
2003/04	4.00%
2004/05	4.50%
2005/06	4.75%
2006/07	5.20%
2007/08	6.35%

Total Expenditure

- Our total budgeted expenditure (operating & capital) for 2007/08 will be \$130 million.
- Of the \$42.2m in capital expenditure, we will spend:
 - \$23.9m on Works for Roads, Reserves & Parks
 - \$15.3m on Capital projects
 - \$ 2.5m on Vehicle and Plant Replacement
 - \$ 0.6m on Repayment of Loan Principal

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Operating Expenditure \$87,526 (000's)



Budget Highlights

Major Road Construction

- \$10.8m for a major road construction program to link in with the Freeway extensions:
 - Burns Beach Rd and
 - Connolly Dr Kinross



Joondalup Works Depot

- \$6.2m to construct new City Works Depot
 - Lease with Water Corporation concluded
 - Site cleanup contract let and underway
 - Depot construction contract about to be let for construction commencement in August 2007 and substantial completion in June 2008



Craigie Leisure Centre 50 metre Pool

- \$3.0m to commence possible construction of a 50m pool
 - An indicative study has been completed



- The development of conceptual drawings and feasibility study of the proposal is proceeding
- Funding is based on reserve funds of \$1.5m and loan borrowings of \$1.5m

Paid Parking in Joondalup CBD

- \$2.5m for the possible implementation of fee paid parking
 - A new Parking Strategy is currently being considered by the City
 - A proposal is being developed to implement paid parking in the CBD
 - Construction of a new carpark at Lawley Crt has recently been completed with proposals for more parking in the CBD in train



Community use Buildings, Facilities, Playground Equipment

- \$450k in additional funding in the 2007/08 year
 - This is in addition to funding that would normally be provided
 - Is to be used to address immediate major maintenance needs of ageing Community Facilities



Environmental & Natural Areas Initiatives

- \$743k for a range of programmes and initiatives
 - A programme to encourage the development of alternative verge treatments
 - International Council for Local Environmental Initiatives water and biodiversity projects
 - The next level of the Cities for Climate Protection Programme
 - Craigie Bushland Fauna Reserve feasibility study



Environmental & Natural Areas Initiatives

- \$743k for a range of programmes and initiatives cont'd
 - The development of a Master Landscape Plan for the City
 - Works to implement Foreshore Study recommendations
 - Fencing of natural areas



Capital Works Program

- \$1.03m - Major Roads Construction (in addition to the Freeway related works)
 - \$4.30m - Road Preservation
 - \$1.36m - Traffic Management
- 
- \$0.87m - Major Building Works (in addition to additional Community facilities works)
 - \$4.23m - Footpaths, Dry & Reticulated Parks, Foreshore, Sporting Facilities, Stormwater Drainage, Street Lighting

Operating Program Highlights

- \$58k – Small Business Centre Funding
- \$161k – Economic Development Strategy
- \$125k - TravelSmart
- \$89k - ThinkLearn Project
- \$129k – Asset Management Strategy
- \$225K – Implementation of dog waste disposal receptacles and bags at parks



Reserve Funds

- \$9.2m Transferred to Reserves
 - \$5.0m to Strategic Asset Management Reserve
 - \$526k to Currambine/Kinross Community Centre Reserve
 - \$2.0m to Domestic Cart – Refuse Collection Reserve
 - \$145k to Rate Revaluation Reserve
 - \$1.6m Interest Earnings

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Reserve Funds

- \$14.6m Transferred from Reserves
 - \$6.2m for Depot Construction
 - \$232k for Furniture and Community Facilities
 - \$259k for Construction of a Room for use by Seniors at Kingsley Clubrooms
 - \$1.5m for Possible Commencement of Construction of 50m Pool at Craigie Leisure Centre
 - \$152k towards Ocean Reef Master Plan
 - \$170k for Landscaping Cultural Facility Site
 - \$5.8m to complete 2006/07 carried forward works
 - \$250k for Community Facilities and Works in the TPS No 10 area of Kingsley and Woodvale

To Summarise

The 2007/08 Budget is focussed on the future, with a long term strategic focus, alignment to the Strategic Financial Plan but recognising the organisational capacity to complete projects and the need to maintain service standards