

AGENDA

Special Council Meeting City of Joondalup

NOTICE IS HEREBY GIVEN THAT A
**SPECIAL MEETING OF THE COUNCIL
OF THE CITY OF JOONDALUP**
WILL BE HELD IN THE COUNCIL CHAMBER, JOONDALUP CIVIC CENTRE,
BOAS AVENUE, JOONDALUP

MEETING DATE



ON TUESDAY 22 JULY 2008
commencing at 7.00 pm

Public Question Time

PUBLIC QUESTION TIME



Members of the public are requested to lodge questions in writing by close of business on Monday 21 July 2008. Answers to those questions received within that timeframe will, where practicable, be provided in hard copy form at the Special Council meeting.

Please Note: Section 7(4)(b) of the Local Government (Administration) Regulations 1996 states that a Council at a special meeting is not required to answer a question that does not relate to the purpose of the meeting. It is requested that only questions that relate to items on the agenda be asked.)



GARRY HUNT
Chief Executive Officer
18 July 2008



City of
Joondalup

www.joondalup.wa.gov.au

PROCEDURES FOR PUBLIC QUESTION TIME

The following procedures for the conduct of Public Question Time were adopted at the Council meeting held on 18 December 2007:

Questions asked verbally

- 1 Members of the public are invited to ask questions at Council Meetings.
- 2 Questions asked at an ordinary Council meeting can relate to matters that affect the operations of the City of Joondalup. Questions asked at a Special Meeting of the Council must relate to the purpose for which the meeting has been called.
- 3 A register will be provided for those persons wanting to ask questions to enter their name. Persons will be requested to come forward in the order in which they are registered, and to give their name and address.
- 4 Public question time will be limited to two minutes per member of the public, with a limit of two questions per member of the public.
- 5 Statements are not to precede the asking of a question during public question time. Statements should be made during public statement time.
- 6 Members of the public are encouraged to keep their questions brief to enable everyone who desires to ask a question to have the opportunity to do so.
- 7 Public question time will be limited to the legislative minimum of fifteen minutes and may be extended in intervals of up to ten minutes by resolution of the Council, but the total time allocated for public questions to be asked and responses to be given is not to exceed thirty five (35) minutes in total. Public question time is declared closed following the expiration of the allocated time period, or earlier than such time where there are no further questions.
- 8 Questions are to be directed to the Presiding Member and should be asked politely in good faith and are not to be framed in such a way as to reflect adversely or be defamatory on a particular Elected Member or City employee. The Presiding Member shall decide to:
 - Accept or reject any question and his/her decision is final;
 - Nominate a member of the Council and/or City employee to respond to the question;
 - Take a question on notice. In this case a written response will be provided as soon as possible, and included in the agenda of the next Council meeting.
- 9 Where an elected member is of the opinion that a member of the public is:
 - asking a question at a Council meeting, that is not relevant to the operations of the City of Joondalup;
 - making a statement during public question time;they may bring it to the attention of the meeting.

- 10 Questions and any response will be summarised and included in the minutes of the Council meeting.
- 11 It is not intended that question time should be used as a means to obtain information that would not be made available if it was sought from the City's records under Section 5.94 of the Local Government Act 1995 or the Freedom of Information (FOI) Act 1992. Where the response to a question(s) would require a substantial commitment of the City's resources, the Chief Executive Officer (CEO) will determine that it is an unreasonable impost upon the City and refuse to provide it. The CEO will advise the member of the public that the information may be sought in accordance with the FOI Act 1992.

Questions in Writing

- 1 Members of the public may submit questions to the City in writing.
- 2 Questions submitted to an ordinary Council meeting can relate to matters that affect the operations of the City of Joondalup. Questions submitted to a Special Meeting of the Council must relate to the purpose for which the meeting has been called.
- 3 The City will accept a maximum of 5 written questions per member of the public. To ensure equality and consistency, each part of a multi-part question will be treated as a question in its own right.
- 4 Questions lodged by 9.00 am on the day immediately prior to the scheduled Council meeting will be responded to, where possible, at the Council meeting. These questions, and their responses, will be distributed to Elected Members and made available to the public in written form at the meeting.
- 5 The Presiding Member shall decide to accept or reject any written question and his/her decision is final. Where there is any concern about a question being offensive, defamatory or the like, the Mayor will make a determination in relation to the question. Questions determined as offensive, defamatory or the like will not be published. Where the Presiding Member rules questions to be out of order, an announcement to this effect will be made at the meeting, including the reason(s) for the decision.
- 6 The Presiding Member may rule questions out of order where they are substantially the same as questions previously submitted and responded to.
- 7 Written questions unable to be responded to at the Council meeting will be taken on notice. In this case, a written response will be provided as soon as possible and included on the agenda of the next Council meeting.
- 8 A person who submits written questions may also ask questions at a Council meeting and questions asked verbally may be different to those submitted in writing.
- 9 Questions and any response will be summarised and included in the minutes of the Council meeting.

- 10 It is not intended that question time should be used as a means to obtain information that would not be made available if it was sought from the City's records under Section 5.94 of the Local Government Act 1995 or the Freedom of Information (FOI) Act 1992. Where the response to a question(s) would require a substantial commitment of the City's resources, the Chief Executive Officer (CEO) will determine that it is an unreasonable impost upon the City and refuse to provide it. The CEO will advise the member of the public that the information may be sought in accordance with the FOI Act 1992.

DISCLAIMER

Responses to questions not submitted in writing are provided in good faith and as such, should not be relied upon as being either complete or comprehensive.

PROCEDURES FOR PUBLIC STATEMENT TIME

The following procedures for the conduct of Public Statement Time were adopted at the Council meeting held on 18 December 2007:

- 1 Members of the public are invited to make statements, either verbally or in writing, at Council meetings.
- 2 Statements made at an ordinary Council meeting must relate to matters that affect the operations of the City of Joondalup. Statements made at a Special Meeting of the Council must relate to the purpose for which the meeting has been called.
- 3 A register will be provided for those persons wanting to make a statement to enter their name. Persons will be requested to come forward in the order in which they are registered, and to give their name and address.
- 4 Public statement time will be limited to two minutes per member of the public.
- 5 Members of the public are encouraged to keep their statements brief to enable everyone who desires to make a statement to have the opportunity to do so.
- 6 Public statement time will be limited to a maximum of 15 minutes. Public statement time is declared closed following the 15 minute allocated time period, or earlier than such time where there are no further statements.
- 7 Statements are to be directed to the Presiding Member and are to be made politely in good faith and are not to be framed in such a way as to reflect adversely or be defamatory on a particular Elected Member or City employee.
- 8 Where an Elected Member is of the opinion that a member of the public is making a statement at a Council meeting, that is not relevant to the operations of the City of Joondalup, they may bring it to the attention of the Presiding Member who will make a ruling.
- 9 A member of the public attending a Council meeting may present a written statement rather than making the Statement verbally if he or she so wishes.
- 10 Statements will be summarised and included in the minutes of the Council meeting.

CODE OF CONDUCT

The Code recognises these ethical values and professional behaviours that support the principles of:

Respect for persons - this principle requires that we treat other people as individuals with rights that should be honoured and defended, and should empower them to claim their rights if they are unable to do so for themselves. It is our respect for the rights of others that qualifies us as members of a community, not simply as individuals with rights, but also with duties and responsibilities to other persons.

Justice - this principle requires that we treat people fairly, without discrimination, and with rules that apply equally to all. Justice ensures that opportunities and social benefits are shared equally among individuals, and with equitable outcomes for disadvantaged groups.

Beneficence - this principle requires that we should do good, and not harm, to others. It also requires that the strong have a duty of care to the weak, dependent and vulnerable. Beneficence expresses the requirement that we should do for others what we would like to do for ourselves.

** Any queries on the agenda, please contact Council Support Services on 9400 4369.*

CITY OF JOONDALUP

Notice is hereby given that a Special Meeting of the Council will be held in the Council Chamber, Joondalup Civic Centre, Boas Avenue, Joondalup on **TUESDAY 22 JULY 2008** commencing at **7.00 pm**.

GARRY HUNT
Chief Executive Officer
18 July 2008

Joondalup
Western Australia

AGENDA

1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

2 PUBLIC QUESTION TIME

(Please Note: Section 7(4)(b) of the Local Government (Administration) Regulations 1996 states that a Council at a special meeting is not required to answer a question that does not relate to the purpose of the meeting. It is requested that only questions that relate to items on the agenda be asked.)

3 PUBLIC STATEMENT TIME

Statements made at a Special Meeting of the Council must relate to the purpose for which the meeting has been called.

4 APOLOGIES AND LEAVE OF ABSENCE

Apologies:

Cr Michele John
Cr Kerry Hollywood

Leave of Absence previously approved

| | |
|--------------------|-------------------------------------|
| Cr Russ Fishwick | 1 September 2008 to 19 October 2008 |
| Mayor Troy Pickard | 29 July 2008 |
| Cr Michele John | 20 July 2008 to 30 July 2008 |

5 ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION

6 DECLARATIONS OF INTEREST

Disclosure of Financial Interest

A declaration under this section requires that the nature of the interest must be disclosed. Consequently a member who has made a declaration must not preside, participate in, or be present during any discussion or decision-making procedure relating to the matter the subject of the declaration. An employee is required to disclose their financial interest and if required to do so by the Council must disclose the extent of the interest. Employees are required to disclose their financial interests where they are required to present verbal or written reports to the Council. Employees are able to continue to provide advice to the Council in the decision making process if they have disclosed their interest.

| | |
|---------------------------|---|
| Name/Position | Mr Garry Hunt |
| Item No/Subject | JSC4-07/08 - Minutes of the Chief Executive Officer Performance Review Committee Meeting held on 16 July 2008 |
| Nature of interest | Financial |
| Extent of Interest | Mr Hunt holds the position of Chief Executive Officer |

Disclosure of interest affecting impartiality

Elected members and staff are required under the Code of Conduct, in addition to declaring any financial interest, to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making process. The Elected member/employee is also encouraged to disclose the nature of the interest.

| | |
|---------------------------|---|
| Name/Position | Mr Mike Tidy |
| Item No/Subject | JSC4-07/08 - Minutes of the Chief Executive Officer Performance Review Committee Meeting held on 16 July 2008 |
| Nature of interest | Interest that may affect impartiality |
| Extent of Interest | Due to the nature of Mr Tidy's relationship with the Chief Executive Officer |

7 ITEMS OF BUSINESS

| | | |
|------------|---|----------------|
| JCS2-07/08 | PROPOSAL FOR LEVYING DIFFERENTIAL RATES FOR THE 2008/09 FINANCIAL YEAR – [48084, 66610] | Page 3 |
| JSC3-07/08 | 2008/09 DRAFT BUDGET – [66610] | Page 7 |
| JSC4-07/08 | MINUTES OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE MEETING HELD ON 16 JULY 2008 – [51567] | Page 22 |

8 CLOSURE

JCS2-07/08 PROPOSAL FOR LEVYING DIFFERENTIAL RATES FOR THE 2008/09 FINANCIAL YEAR – [48084, 66610]

WARD: All

**RESPONSIBLE
DIRECTOR:** Mr Mike Tidy
Corporate Services

PURPOSE

For Council to consider submissions in response to its advertised proposal for applying differential rates for the 2008/09 Financial Year.

EXECUTIVE SUMMARY

At its meeting on 24 June 2008 Council resolved (JSC01-06/08) to advertise and seek public submissions in relation to the proposal to apply differential rates and minimums for the 2008/08 Financial Year. It further resolved to request a report to be presented to a Special Meeting of Council to consider any submissions received and to consider adoption of the Budget for the 2008/09 Financial year.

The advertising period for submissions in relation to the proposed differential rates and minimums closed on Thursday 17 July 2008. One (1) submission was received supporting the proposal.

It is recommended that Council proceed to apply differential rates for rating in the 2008/09 Financial Year in accordance with section 6.33 of the Local Government Act 1995 and that the differential rates and minimums advertised be used in the 2008/09 Budget.

BACKGROUND

The report (JSC01-06/08) at Council's meeting on 24 June 2008 set out the reasons and basis for proposing to apply differential rates for the 2008/09 Financial Year. There are two principal reasons.

Firstly the proposal for applying differential rates is to counteract the effect of the revaluation of rateable property, applicable for the 2008/09 financial year, without which the increase in rates on residential property would have been far greater than the increase on commercial and industrial property. The differential rate maintains the 2007/08 proportions of rate revenue derived from each of the residential, commercial and industrial property categories.

Secondly a higher differential rate is proposed to be applied to vacant commercial and industrial property. This is to act as an inducement to property owners to develop vacant commercial and industrial property.

DETAILS

In accordance with the provisions of Section 6.36 of the Act the City advertised its intention to apply differential rating and the differentials it proposed to apply by local public notice for a minimum 21 days and invited submissions in relation to the proposed differentials. The City placed advertisements in the West Australian on Thursday 26 June 2008 and in subsequent editions of the local newspapers as well as on notice boards and the website. The day for closing of public submissions was Thursday 17 July 2008. One (1) submission was received.

Issues and options considered:

The City is required under Section 6.36 of the Local Government Act to consider any submissions received and may make a final resolution in relation to the setting of the rates in the dollar which may be the rates in the dollar as advertised or alternative rates in the dollar. The rates in the dollar advertised represent an overall 5% increase in rates and would generate sufficient rate revenue to balance the Draft Budget for the 2008/09 Financial Year.

Link to Strategic Plan:

Key Focus Area Leadership in Governance

1.3 OBJECTIVE: To lead and manage the City effectively.

STRATEGIES

1.3.2 The City maintains a long-term Strategic Financial Plan which is reviewed regularly.

1.3.3 The City develops and implements a wide variety of Plans which benefit the community socially, economically and environmentally.

OUTCOME

The City provides effective local leadership.

Key Focus Area Economic Prosperity and Growth

3.1 OBJECTIVE: To encourage the development of the Joondalup CBD.

STRATEGIES

3.1.2 The City facilitates opportunities for development in the CBD through promotion, the provision of information, the identification of suitable opportunities for development and the implementation of supportive planning provisions, including the development and implementation of a new Structure Plan for the CBD (see Strategy 5.1.2).

3.1.4 The City attracts and grows office-based professional service industries within the CBD.

OUTCOME

The Joondalup CBD's position as an employment and activity hub is enhanced.

Legislation – Statutory Provisions:

The Local Government Act 1995 Section 6.33 sets out the provisions in relation to differential rating and enables the City to apply separate rates in the dollar for different categories of properties based on zoning, land use and whether they are improved or unimproved.

Section 6.36 of the Act requires that if the City is going to apply differential rating it must advertise the differentials it intends to apply with local public notice for a minimum 21 days and invite submissions in relation to the proposed differentials. The City is then required to consider any submissions received and may make a final resolution in relation to the setting of the rates in the dollar and the adoption of the budget.

Risk Management considerations:

Provided the statutory provisions are complied with there are no risk management issues for applying a differential rate.

Financial/Budget Implications:

The application of differential rating is apportioning the total rate revenue derived between different categories of property. There are no budget implications from just applying differential rating. The City could derive exactly the same total revenue by applying a general rate to all categories of property. The intention with proposing a differential rate however is to maintain for 2008/09 the same proportion of rate revenue derived from each property category of residential, commercial and industrial as was the case in 2007/08.

Policy implications:

Not applicable.

Regional Significance:

Not applicable

Sustainability implications:

Maintaining the previous approach of a general rate across all categories of property would result in an increase in the proportion of rate revenue derived from residential property. In the long term this is not sustainable.

Consultation:

The proposed differential rates have been advertised and submissions invited in accordance with the requirements of Section 6.36 of the Local Government Act. One (1) submission has been received supporting the proposed differential rates.

COMMENT

The proposal to apply differential rates as been well canvassed both within Council and with an invitation to the public to make submissions. As there has only been one (1) submission and it was in support of the proposal it is recommended that Council apply differential rates for the 2008/09 Financial Year and that the differential rates and minimums advertised be used in the 2008/09 Budget.

ATTACHMENTS

Not applicable.

VOTING REQUIREMENTS

Simple majority.

RECOMMENDATION

That Council APPLIES differential rates for rating in the 2008/09 Financial Year in accordance with section 6.33 of the Local Government Act 1995 and that the differential rates and minimums that be used in the 2008/09 Budget be as follows;

| | Rate in \$ | Minimum Payment |
|--------------------------------|-----------------|-----------------|
| General Rate - GRV | | \$ |
| Residential Vacant | 0.054596 | 593 |
| Residential Improved | 0.054596 | 593 |
| Commercial Improved | 0.063117 | 593 |
| Commercial Not Improved | 0.109192 | 593 |
| Industrial Improved | 0.059362 | 593 |
| Industrial Not Improved | 0.109192 | 593 |
| General Rate - UV | | |
| Residential | 0.00640 | 593 |
| Rural | 0.00637 | 593 |

JSC3-07/08 2008/09 DRAFT BUDGET – [66610]

WARD: All

RESPONSIBLE DIRECTOR: Mr Mike Tidy
Corporate Services

PURPOSE

The purpose of this report is to present the 2008/09 Draft Budget to Council for adoption.

EXECUTIVE SUMMARY

The process of preparing the 2008/09 budget commenced in January 2008. It encompassed detailed budget calculation and preparation, Executive review and Elected Member workshops.

The 2008/09 draft budget has been developed within a strategic financial planning framework based on leadership by the Council, the determination of Council priorities, and the allocation of resources to these priorities.

The Annual Budget forms part of and is driven by a longer-term strategic planning framework. The process for the development of the 2008/09 draft budget has incorporated clear links to Council's long-term objectives.

It is recommended that Council, BY AN ABSOLUTE MAJORITY, ADOPTS the annual budget for the City of Joondalup for the year ending 30 June 2009, incorporating:

- 1 *Budget Statements;*
- 2 *Rates;*
- 3 *Emergency Services Levy;*
- 4 *Domestic Refuse Charges;*
- 5 *Private Swimming Pool Inspection Fees;*
- 6 *Discount and Early Payment Incentives;*
- 7 *Payment Options;*
- 8 *Late Payment Interest;*
- 9 *Emergency Services Levy Interest Charge;*
- 10 *Instalment and Arrangements Administration Fees & Interest Charges;*
- 11 *2008/09 Capital Works Program;*
- 12 *Transfers from Reserves;*
- 13 *Transfers to Reserves;*
- 14 *Creation of a New Reserve;*
- 15 *Fees and Charges;*
- 16 *Loan Borrowings;*
- 17 *Business Unit Services Matrix.*

BACKGROUND

The 2008/09 budget process has been in progress since early 2008. The contents of the budget have been refined over this period after presentations, analysis and review by the Chief Executive Officer and senior staff and workshops and consultation with Elected Members.

The 2008/09 draft budget has been formulated within a longer-term financial planning framework. Long term financial sustainability requires a continuous commitment and the 2008/09 draft budget represents another step in that commitment. Financial parameters have been established and projected, based on agreed assumptions. Emphasis has been placed on ensuring the budget is driven by a long term, strategic planning framework.

DETAILS

The City of Joondalup's 2008/09 draft budget is a balanced budget and sets the foundation for the City to continue a measured and stable growth.

The budget process is conducted over a number of months and involves extensive analytical and review stages as summarised below:

- Continuous Analysis of 2007/08 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
- Reference Strategic Plan 2008-2011
- Initial Review of Service Delivery and Confirmation of Service Standards
- Critical Analysis of 2007/08 Annual Plan Performance
- Review Proposals for Capacity
 - Rating
 - Alternative Revenue Streams
 - Resources to implement and deploy
- Determine Potential Reductions
- Strategic Plan – Alignment
- Executive Analysis
- Strategic Financial Plan Alignment
- Elected Member Workshops (during May and June 2008)

The integrated planning framework is depicted in the following diagram:



Capital

This Budget provides for a large capital works and projects programme of \$35.8m including:

- \$5.7m of road construction works in Woodlake Retreat, Connolly Drive and Burns Beach Road
- \$6.2m for Road Preservation and Resurfacing, Local Road Traffic Management and Blackspot Projects
- \$2.2m for the upgrade of West Coast Drive streetscape from Beach Road to the Plaza
- \$2.9m to enable commencement of the construction of a 50 metre pool at Craigie Leisure Centre if Council decides to proceed
- \$1.5m to complete implementation of paid parking in the Joondalup CBD and construct a new carpark
- \$1.1m for Ocean Reef Marina Project Master Plan
- \$3.2m for Vehicle and Plant replacement
- \$2.8m for City Buildings
- \$569k for Foreshores and Natural Areas

(For full details refer to the budget papers – Appendix 1)

Reserves

The City will transfer the following amounts to and from various reserves during the budget year:

- Transfer from the Asset Replacement Reserve \$660k for the completion of the depot facility,
- Transfer from the Community Facilities Reserve \$102k for replacement of community buildings furniture,
- Transfer from the Community Facilities Kingsley Reserve \$258k to construct an additional room at the Kingsley Clubrooms for use by seniors,

- Transfer to a new reserve established for the purpose of holding surplus funds generated from paid parking operations estimated to be \$320k in 2008/09,
- Transfer to Domestic Cart – Refuse Collection Reserve a net \$1.3m after allowing \$400k to cover an additional contribution to the Materials Recovery Facility,
- Transfer from the Leisure Centres Capital Replacement Reserve an amount of \$1.65m for the commencement of construction of a 50m pool at Craigie Leisure Centre,
- Transfer from the Ocean Reef Boat Launching Facility Reserve (to be renamed the Ocean Reef Marina Project Reserve) an amount of \$135k for part funding of Project Master Plan on the Ocean Reef Boat Harbour project,
- Transfer from the Cultural Facility Reserve an amount of \$170k to undertake landscaping works to the site,
- Transfer from the three plant reserves (to be amalgamated into a single reserve) \$948k for plant replacement.
- Transfer from the Rate Revaluation Reserve \$418k for the cost of the rate revaluation that is effective for the 2008/09 financial year,
- \$1.8m transferred to the Strategic Asset Management Reserve from the proceeds of land sales to provide for future asset management,
- \$4.7m transferred from the Capital Works Reserve to provide for 2007/08 uncompleted works to be undertaken in 2008/09,
- \$283k transferred from the Town Planning Scheme No 10 (Revoked) Reserve to be applied to works and facilities in the Town Planning Scheme No 10 area of Kingsley and Woodvale,
- All reserve funds will be credited with all of the interest earned from their investment.

Rate and Rubbish Charge Increase

A revaluation of all rateable property applies for the 2008/09 financial year. A revaluation is undertaken every three years. The revaluation has resulted in a significant increase in the valuations used to calculate rates. Overall the average increase for all Gross Residential Valued (GRV) properties is in the order of 49%. The increases for vacant residential land are in the order of 100%. More significantly the increase for GRV valued improved residential property is 46% while the increase for improved commercial and industrial property is between 28% and 32%. The impact of the difference in valuation increases between residential and commercial/industrial would result in a shift in the relative amount of rate revenue derived from each in 2008/09 compared to 2007/08. The contribution from residential would increase and the contribution from commercial/industrial decrease if Council were to apply a uniform rate in the dollar for all property types as it has done in recent times. Council has proposed therefore to apply differential rating to maintain the relativity in the amount of rate revenue derived from residential and commercial/industrial respectively.

In addition to the above differential a further differential has been applied to vacant commercial and industrial land. The proposed rate for vacant commercial and industrial is twice the lowest differential rate in the dollar. The basis for this differential is to encourage the development of vacant commercial and industrial land.

As a result of proposing to apply differential rates for residential, commercial, industrial and vacant commercial and industrial property and given that all rateable property has been revalued for 2008/09 there will be no consistency in rate increases between individual rateable properties. Bearing this in mind it is proposed that Council set rates in the dollar that will increase rates overall by 5.0%. This is in line with the Local Government Cost Index (LGCI) to the last quarter in March and is considered necessary if the City is to make headway in achieving financial sustainability. The LGCI incorporates a component of the general construction index and is considered more reflective of the true cost pressures on local government. With a 5.0% rate increase the average residential rates (excluding refuse charge) within the City would be \$831.

The City's rubbish charges are proposed to increase to \$240 in 2008/09. Although a significant increase this includes provision for a transfer to the Domestic Cart – Refuse Collection Reserve. This will help provide a buffer against what are expected to be significant increases in waste disposal costs over the next few years. Over the long term the more that can be diverted from landfill, the more sustainable will be the approach.

The City of Joondalup's 2008/09 annual budget is a balanced budget and sets the foundation for the City to continue measured and stable growth.

Issues and options considered:

The process for the development of the Annual Budget 2008/09 has involved:

- The identification of longer term directions for financial management of income and expenditure following a rigorous analysis and consideration of Council's current financial position, and
- The establishment of financial parameters for the 2008/09 financial year including consideration of rating income, grants income and other income, and likely demands on expenditure.

Link to Strategic Plan:

Key Focus Area: Leadership and Governance

1.3 Objective: To lead and manage the City effectively

Legislation – Statutory Provisions:

The accompanying Budget for 2008/09 has been prepared in accordance with the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards.

Risk Management considerations:

When setting the Annual Budget the City is exposed to financial risk over the long term if little regard is given to both revenue and expenditure issues beyond the budget period.

Financial/Budget Implications:

Detailed in Budget Papers.

Policy implications:

Not applicable.

Regional Significance:

Not applicable.

Sustainability implications:

The Council has as a key financial objective, the long-term financial sustainability of the City of Joondalup in order to give it the capacity to achieve its key corporate objectives as specified in the Strategic Plan. The Strategic Plan 2008-2011 has set the parameters for the Annual Budget and has been developed to ensure that current operating trends, including the rate of growth for each revenue and expenditure item, are sustainable.

Maintaining financial sustainability is important in order to avoid the impact on the local community of disruptive spending cuts or sudden and excessive rate increases, and to ensure fairness in rating between current and future ratepayers.

Consultation:

The draft Budget 2008/09 contains the collective input from a wide variety sources derived over the course of the previous twelve months as well as the City's long-term plans. Many of these involved considerable community and stakeholder consultation.

Post budget adoption it is also proposed that a series of 'budget briefing forums' be held for key stakeholders, community associations and the business community on the 2008/09 budget.

COMMENT

A rigorous approach has been applied to the preparation of the 2008/09 budget within a long-term strategic financial planning framework with linkages to Council's long-term objectives. In relation to the development of the Strategic Financial Plan and the Annual Budget, Council has complied with the following principles:

- Improving and managing financial risks relating to debt, assets and liabilities;
- Provision of reasonable stability in the level of rate burden;
- Consideration of the financial impacts of Council decisions on future generations; and
- Provision of accurate and timely disclosure of financial information.

In the 2008/09 budget process Council has taken a business-like and sustainable approach to the development of services and capital works and projects.

ATTACHMENTS

Appendix 1 – City of Joondalup Draft 2008/09 Budget comprising;

- Executive Report
- Attachment 1 (grey) 2008/09 Operating Statement by Programme
- Attachment 2 (grey) 2008/09 Statement of Cash Flows
- Attachment 3 (grey) 2008/09 Rate Setting Statement
- Attachment 4 (grey) 2008/09 Statement of Rating Information
- Attachment 5 (blue) Notes to and Forming Part of the Budget
- Attachment 6 (yellow) 2008/09 Capital Expenditure
- Attachment 7 (pink) 2008/09 Motor Vehicle and Plant Replacement Program
- Attachment 8 (white) 2008/09 Schedule of Fees & Charges
- Attachment 9 (white) Business Unit Services Matrix

VOTING REQUIREMENTS

Absolute Majority

RECOMMENDATION

That Council BY AN ABSOLUTE MAJORITY:

- 1 ADOPTS the annual budget for the City of Joondalup for the year ending 30 June 2009 as per Appendix 1 to JSC3-07/08, comprising:**
 - (a) Executive Report**
 - (b) 2008/09 Operating Statement by Programme - Attachment 1 (grey)**
 - (c) 2008/09 Statement of Cash Flows - Attachment 2 (grey)**
 - (d) 2008/09 Rate Setting Statement - Attachment 3 (grey)**
 - (e) 2008/09 Statement of Rating Information - Attachment 4 (grey)**
 - (f) Notes to and Forming Part of the Budget - Attachment 5 (blue)**
 - (g) 2008/09 Capital Program - Attachment 6 (yellow)**
 - (h) 2008/09 Motor Vehicle and Plant Replacement Program - Attachment 7 (pink)**
 - (i) 2008/09 Schedule of Fees & Charges - Attachment 8 (white)**
 - (j) Business Unit Services Matrix - Attachment 9 (white)**

- 2 Rates:**
 - (a) In accordance with the provisions of Sections 6.32 and 6.35 of the Local Government Act 1995 IMPOSES General Rates and Minimum Rates for the 2008/09 Financial Year in accordance with the following tables:**

(i) Gross Rental Valued Properties

On each Residential, Commercial and Industrial Lot or other piece of rateable land as follows:

| Rating Zones | Gross Rental Value Rates (rate in dollar) | Minimum Payment (\$) |
|--------------------------|--|-------------------------|
| Residential Not Improved | 0.054596 | 593 |
| Residential Improved | 0.054596 | 593 |
| Commercial Improved | 0.063117 | 593 |
| Commercial Not Improved | 0.109192 | 593 |
| Industrial Improved | 0.059362 | 593 |
| Industrial Not Improved | 0.109192 | 593 |

(ii) Unimproved Valued Properties

On each Residential and Rural Lot or other piece of rateable land as follows:

| Rating Zones | Unimproved Value Rates (rate in dollar) | Minimum Payment (\$) |
|--------------|--|-------------------------|
| Residential | 0.00640 | 593 |
| Rural | 0.00637 | 593 |

- (b) In accordance with the provisions of Section 6.32 and Section 6.37 of the Local Government Act 1995 IMPOSES Specified Area Rates for the 2008/09 Financial Year in accordance with the following tables:

| Specified Area | Gross Rental Value Rates (rate in dollar) | Purpose |
|---------------------|--|---|
| Harbour Rise (1) | 0.30757 | Maintaining enhanced landscaping which will be applied during 2008/09 |
| Iluka (2) | 0.15661 | Maintaining enhanced landscaping which will be applied during 2008/09 |
| Woodvale Waters (3) | 1.92845 | Maintaining enhanced landscaping which will be applied during 2008/09 |

(1) Harbour Rise Specified Rate area comprises the area bounded by:

- Going north along Whitfords Avenue and following the boundaries of Whitfords Avenue where this meets lots 331-333, 337-334, 378, 377, 403, 402, 376-367 and lot 9009, then
- Along the boundary of lot 9009 where it meets Angove Drive, across Mallorca Avenue and following the boundaries of lot 251 & 250 where they meet Angove Drive, then
- Following the front boundaries of lots 250,249,409,410,247,245-240,411 Ewing Drive, following the rear boundary of strata lots 1 & 2 (lot 408) Marbella Drive to where it meets Ewing Drive and then across Ewing Drive up the boundary that strata lot 1 (lot 201) Ewing Drive shares with lot 650 Ewing Drive and along the rear boundaries of strata lot 1 (lot 201) Ewing Drive and lots 200-198 Marbella Drive, then
- Along the boundary that lot 198 Marbella Drive shares with lot 171 & 172 Waterford Drive, across Marbella Drive and continuing along the rear boundaries of strata lots 1 & 2 (lot 197) to strata lots 1 & 2 (lot 190) Algarve Way, down the boundary that lot 184 Tobago Rise shares with lot 181 Waterford Drive, across Tobago Rise and the rear boundary of lot 1 The Corniche, continuing along the rear boundaries of lots 75-66 The Corniche and lots 142-149 The Corniche. Along the rear boundary of lot 150 The Corniche until the boundary between lot 204 & lot 166 Lukin Road is reached. Along the boundary between lots 204 & 166 Lukin Road, along the front boundaries of lots 166-164 Lukin Road. Down the boundary of lot 164 Lukin Road where it meets Hepburn Ave and continue along Hepburn Ave along the rear boundaries of Leeward Park until Amalfi Drive is reached, then
- Along Amalfi Drive on the left hand side boundary of Leeward Park and the front boundaries of lots 13-17 Amalfi Drive, across Antigua Road and along the front boundaries of lots 140-138, continuing left around the roundabout at Azzuro Crescent and left into Tenerife Boulevard. Along the front boundaries of lots 289-282 Tenerife Boulevard across Azores Way and across the front boundaries of lots 328-331.

(2) Iluka Specified Rate area comprises the area bounded by:

- Shenton Avenue, Marmion Avenue, Burns Beach Road and the Foreshore Reserve.

(3) Woodvale Waters Specified Rate area comprises the area bounded by:

- Timberlane Drive and Yellagonga Regional Park with street addresses of Grey-Smith Gardens, Phillips Fox Terrace, Buvelot Place, Wakelin Close, Conder Place, Streeton Parade, Withers Grove, Olsen Court, Heysen Crest, Fullwood Walk except for lots 156 & 157 Streeton Parade & lot 12240 Phillips-Fox Terrace, for the purposes of maintaining enhanced landscaping which will be applied during 2008/09.

3 Emergency Services Levy

In accordance with the provisions of Sections 36B and 36L of the Fire and Emergency Services Legislation (Emergency Services Levy) Amendment Act 2002, IMPOSES the 2008/09 Emergency Services Levy Rates and Minimum and Maximum Payments on Residential, Vacant Land, Commercial, Industrial and Miscellaneous lots as follows:

| ESL CATEGORY | ESL Rate (rate in \$) | Minimum and Maximum ESL CHARGES BY PROPERTY USE | | | |
|--------------|-----------------------|---|---------|--|-----------|
| | | Residential and Vacant Land | | Commercial, Industrial and Miscellaneous | |
| | | Minimum | Maximum | Minimum | Maximum |
| 1 | 0.0117 | \$40 | \$215 | \$40 | \$125,000 |

4 Domestic Refuse Charges:

In accordance with the provisions of Part IV of the Health Act 1911 (as amended), IMPOSES the following domestic refuse charges for the 2008/09 financial year:

| | |
|---|----------------------------|
| (a) Per existing unit serviced | \$240.00 |
| (b) Additional Service | \$240.00 |
| (c) Collection from within the property boundary | \$50.00 |
| (d) New Refuse Service - Purchase and delivery of bin | \$50.60 (inclusive of GST) |

5 Private Swimming Pool Inspection Fees:

In accordance with the provisions of the Local Government (Miscellaneous Provisions) Act 1960, Section 245A (8), IMPOSES for the 2008/09 financial year, a Private Swimming Pool Inspection Fee of \$13.75 (inclusive of GST) for each property where there is located a private swimming pool.

6 Early Payment Incentives:

In accordance with the provisions of Section 6.46 of the Local Government Act 1995, OFFERS the following early payment incentives for the payment of rates and charges:

Full payment of all current and arrears of rates including specified area rates, emergency services levy, domestic refuse charge, security charge and private swimming pool inspection fees (inclusive of GST) within 28 days of the issue date on the annual rate notice, for eligibility to enter the early incentive draw with the following prizes:

Major Prizes:

- Toyota Prius i-Tech Hybrid to the value of \$52,195 (including on-road costs)
- Honda Civic Hybrid to the value of \$36,932 (including on-road costs)

- **Anaconda Family Pack to the value of \$3,865**
- **Westpac Cash Pack to the value of \$3,779**
- **Ace Scooter Lifestyle Pack to the value of \$3,586**
- **The Good Guys Pamper Pack to the value of \$3,447**
- **Four (4) Lakeside Joondalup Shopping City \$1,000 cash prizes**

7 Payment Options:

In accordance with the provisions of Section 6.45 of the Local Government Act 1995, OFFERS the following payment options for the payment of rates (including specified area rates), emergency services levy, domestic refuse charge and private swimming pool inspection fees (inclusive of GST):

- **One Instalment**

Either:

Payment in full (including all arrears) within 28 days of the issue date of the annual rate notice to be eligible to enter the rates incentive scheme for prizes.

Or:

Payment in full within 35 days of the issue date of the annual rate notice and no entitlement to enter the rates incentive scheme for prizes.

- **Two Instalments**

The first instalment of 50% of the total current rates (including specified area rates), emergency services levy, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) and instalment charge, plus the total outstanding arrears payable within 35 days of date of issue of the annual rate notice.

The second instalment of 50% of the total current rates (including specified area rates), emergency services levy, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) and instalment charge, payable 63 days after the due date of 1st instalment.

- **Four Instalments**

The first instalment of 25% of the total current rates (including specified area rate), emergency services levy, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) and instalment charge, plus the total outstanding arrears payable within 35 days of date of issue of the annual rate notice.

The second, third and fourth instalments, each of 25% of the total current rates (including specified area rates), emergency services levy, domestic refuse charge, private swimming pool inspection fees (inclusive of GST) and instalment charge, payable as follows:-

- 2nd instalment 63 days after due date of 1st instalment
- 3rd instalment 63 days after due date of 2nd instalment
- 4th instalment 63 days after due date of 3rd instalment

8 Late Payment Interest

In accordance with the provisions of Section 6.13 and 6.51 of the Local Government Act 1995, IMPOSES interest on all current and arrears of general rates (including Specified Area rates), current and arrears of domestic refuse charges, current and arrears of private swimming pool inspection fees (including GST) and arrears of security charges at a rate of 11% per annum, calculated on a simple interest basis on arrears amounts which remain unpaid and current amounts which remain unpaid after 35 days from the issue date of the original rate notice, or the due date of the instalment and continues until the instalment is paid. Excluded are deferred rates, instalment current amounts not yet due under the two or four-payment option, registered pensioner portions and current government pensioner rebate amounts. Interest is calculated daily on the outstanding balance and is debited to the account once a month.

9 Emergency Services Levy Interest Charge

In accordance with the provisions of Section 36S of the Fire and Emergency Services Authority of Western Australia Act 1998, IMPOSES interest on all current and arrears amounts of emergency services levy at a rate of 11.00% per annum, calculated on a simple interest basis on amounts which remain unpaid after 35 days from the issue date of the original rate notice, or the due date of the instalment and continues until instalment is paid. Excluded are instalment current amounts not yet due under the two of four-payment option, registered pensioner portions and current government pensioner rebate amounts. Interest is calculated daily on the outstanding balance and is debited to the account once a month.

10 Instalment and Payment Arrangement Administration Fees & Interest Charges:

(a) In accordance with the provisions of Section 6.45 of the Local Government Act 1995, for the 2008/09 financial year, IMPOSES the following administration fees and interest charges for payment of rates (including specified area rates), domestic refuse charge and private swimming pool inspection fees (inclusive of GST):

(i) Two Instalment Option

An administration fee of \$11.00 (inclusive of GST) for instalment two, together with an interest charge of 5.5% per annum, calculated on a simple interest basis on:

- 50% of the total current general rate, specified area rate (where applicable), emergency services levy, domestic refuse charge and private swimming pool inspection fees (inclusive of GST) calculated 35 days from the date of issue of the annual rate notice to 63 days after the due date of the first instalment.

(ii) Four Instalment Option

An administration fee of \$11.00 (inclusive of GST) for each of the second, third and fourth instalments, together with an interest charge of 5.5% per annum, calculated on a simple interest basis on:

- 75% of the total current general rate, specified area rate (where applicable), emergency service levy, domestic refuse charge and private swimming pool inspection fees (inclusive of GST) calculated 35 days from the date of issue of the annual rate notice to 63 days after the due date of the first instalment;
- 50% of the total current general rate, specified area rate (where applicable), emergency service levy, domestic refuse charge and private swimming pool inspection fees (inclusive of GST) calculated from the due date of the second instalment to the due date of the third instalment; and
- 25% of the total current general rate, specified area rate (where applicable), emergency service levy, domestic refuse charge and private swimming pool inspection fees (inclusive of GST) calculated from the due date of the third instalment to the due date of the fourth instalment.

(iii) Special Payment Arrangements

Special monthly or fortnightly arrangements are available (by direct debit from a bank account only) for those ratepayers who may be unable to pay in full or according to the instalment plans offered. An administration fee of \$33.00 (inclusive of GST) is charged on each payment arrangement and penalty interest of 11.00% pa is applied (from the 36th day after the issue of the annual rate notice) to the outstanding balance until the account is paid in full.

- (b) In accordance with the provisions of Section 6.49 of the Local Government Act 1995, **AUTHORISES** the Chief Executive Officer to enter into special payment arrangements with ratepayers for the payment of general rates, specified area rates (where applicable), emergency services levy, domestic refuse charges (inclusive of GST where applicable) and private swimming pool inspection fees (inclusive of GST) during the 2008/09 financial year.
- 11 **ADOPTS** the Five Year Capital Works Program with the 2008/09 program incorporated into the 2008/09 Budget and set out in the budget papers in Attachment 6 (yellow attachment);
- 12 **As part of the 2008/09 Budget AMENDS** the existing reserve funds as follows:
- (a) **Changing** the name of the current reserve “Ocean Reef Boat Launching Facility Reserve” to “Ocean Reef Marina Project Reserve” and change the purpose to “The planning, development and management of the Ocean Reef Marina Project”.

(b) Consolidating the current reserves “Heavy Vehicles Replacement Reserve”, “Light Vehicles Replacement Reserve” and “Plant Replacement Reserve” into a single reserve named “Vehicle, Plant and Equipment Reserve” with the purpose to be “To assist in managing the funding of vehicle, plant and equipment purchases”.

13 As part of the 2008/09 Budget AUTHORIZES the establishment of a new reserve named the “Parking Facility Reserve” for the purpose of “To hold the surpluses from paid parking in the Joondalup City Centre to be applied in the development and provision of facilities and services, both parking and non parking, in the Joondalup City Centre”;

14 As part of the 2008/09 Budget AUTHORIZES the following transfers from Reserves:

| Reserve | Amount | Purpose |
|---|-------------|--|
| Asset Replacement | \$660,000 | Complete construction of the Works Operation Centre |
| Community Facilities | \$102,100 | Replacement of community buildings furniture |
| Community Facilities Kingsley | \$257,814 | Construct an additional room at the Kingsley Clubrooms for use by seniors |
| Domestic Cart – Refuse Collection Reserve | \$400,000 | Additional contribution to the Materials Recovery Facility |
| Vehicle, Plant and Equipment Reserve | \$948,500 | Vehicle, Plant and Equipment |
| Leisure Centres Capital Replacement | \$1,650,000 | Possible commencement of construction of a 50m pool at Craigie Leisure Centre |
| Ocean Reef Marina Project | \$134,741 | Project Master Plan on the Ocean Reef Boat Harbour project |
| Cultural Facility | \$170,000 | Undertake landscaping works to the site |
| Rate Revaluation | \$417,751 | Fund revaluation applicable in 2008/09 |
| Capital Works Carried Forward | \$4,661,086 | 2007/08 uncompleted works to be undertaken in 2008/09 |
| Town Planning Scheme No 10 (Revoked) | \$283,284 | Works and facilities in the Town Planning Scheme No 10 area of Kingsley and Woodvale |

15 As part of the 2008/09 Budget AUTHORISES the following transfers to Reserves:

| Reserve | Amount | Purpose |
|--|--------------------|---|
| Domestic Cart – Refuse Collection | \$1,700,000 | Fund future significant increases in refuse disposal costs |
| Parking Facility | \$320,000 | to provide for the rate revaluation due in 2008/09 |
| Strategic Asset Management | \$1,800,000 | Provide for future asset management |
| Capital Works Carried Forward | \$203,323 | 2007/08 uncompleted works to be undertaken in 2009/10 |
| All reserves | \$2,030,713 | Interest earned on the investment of reserve funds |

16 As part of the 2008/09 Budget ADOPTS the Fees and Charges, as set out in Attachment 8 (white attachment) to Appendix 1, with those fees and charges being applicable from Monday 4 August 2008 except for the following which are effective immediately:

- (a) All refuse collection charges and charges for new or additional bins, and
- (b) All rates charges and fees including administration and instalment fees.

17 In accordance with the provisions of Section 6.20 of the Local Government Act 1995 and as part of the 2008/09 Budget AUTHORISES the following borrowings for the 2008/09 financial year, subject to the projects for which the borrowings are intended proceeding and, where the borrowings are intended as only part funding, further subject to the projects progressing to the point where loan funds are required:

- (a) \$1,260,000 for the possible commencement of construction of a 50m pool at Craigie Leisure Centre,
- (b) \$834,000 for the implementation of paid parking in the Joondalup CBD, and
- (c) \$700,000 for the construction of a new car park in the Joondalup City Centre.

Appendix 1 refers

To access this attachment on electronic document, click here: [Attach1agn220708.pdf](#)

Disclosure of Financial Interest

| | |
|---------------------------|---|
| Name/Position | Mr Garry Hunt |
| Item No/Subject | JSC4-07/08 - Minutes of the Chief Executive Officer Performance Review Committee Meeting held on 16 July 2008 |
| Nature of interest | Financial |
| Extent of Interest | Mr Hunt holds the position of Chief Executive Officer |

Disclosure of interest affecting impartiality

| | |
|---------------------------|---|
| Name/Position | Mr Mike Tidy |
| Item No/Subject | JSC4-07/08 - Minutes of the Chief Executive Officer Performance Review Committee Meeting held on 16 July 2008 |
| Nature of interest | Interest that may affect impartiality |
| Extent of Interest | Due to the nature of Mr Tidy's relationship with the Chief Executive Officer |

**JSC4-07/08 MINUTES OF THE CHIEF EXECUTIVE OFFICER
PERFORMANCE REVIEW COMMITTEE MEETING
HELD ON 16 JULY 2008 – [51567]**

WARD: All

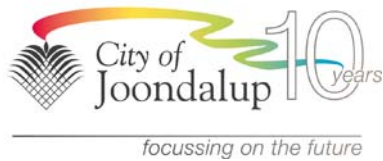
**RESPONSIBLE
DIRECTOR:** Mr Mike Tidy
Corporate Services

This report is Confidential – Not for Publication.

The report has been distributed to Elected Members under separate cover.

APPENDICES

| ITEM NO | TITLE | APPENDIX NO | STAMPED PAGE NO |
|------------|---|-------------|-----------------|
| JSC3-07/08 | 2008/09 Draft Budget | 2 | |
| | Appendix 1 – City of Joondalup Draft 2008/09 Budget comprising; | | |
| | - Executive Report | | 1 |
| | - Attachment 1 (grey) 2008/09 Operating Statement by Programme | | 13 |
| | - Attachment 2 (grey) 2008/09 Statement of Cash Flows | | 14 |
| | - Attachment 3 (grey) 2008/09 Rate Setting Statement | | 15 |
| | - Attachment 4 (grey) 2008/09 Statement of Rating Information | | 17 |
| | - Attachment 5 (blue) Notes to and Forming Part of the Budget | | 18 |
| | - Attachment 6 (yellow) 2008/09 Capital Expenditure | | 45 |
| | - Attachment 7 (pink) 2008/09 Motor Vehicle and Plant Replacement Program | | 50 |
| | - Attachment 8 (white) 2008/09 Schedule of Fees & Charges | | 52 |
| | - Attachment 9 (white) Business Unit Services Matrix | | 70 |



DECLARATION OF FINANCIAL INTEREST/INTEREST THAT MAY AFFECT IMPARTIALITY

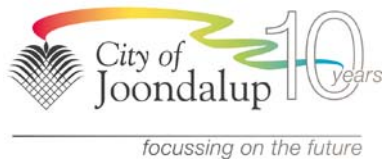
**To: CHIEF EXECUTIVE OFFICER
CITY OF JOONDALUP**

| | |
|-------------------------------|---|
| Name/ Position | |
| Meeting Date | |
| Item No/ Subject | |
| Nature of Interest | Financial Interest * Interest that may affect impartiality* <i>* Delete where not applicable</i> |
| Extent of Interest | |
| Signature | |
| Date | |

Section 5.65(1) of the Local Government Act 1995 states that:

“A member who has an interest in any matter to be discussed at a Council or Committee meeting that will be attended by that member must disclose the nature of the interest:

- (a) in a written notice given to the CEO before the meeting; or*
- (b) at the meeting immediately before the matter is discussed.*



**QUESTION TO BE ASKED AT
BRIEFING SESSION/COUNCIL MEETING**

| TITLE (Mr/Mrs/Ms/Dr) | FIRST NAME | SURNAME | ADDRESS |
|-------------------------|------------|---------|---------|
| | | | |

QUESTIONS

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Please submit this form at the meeting or:

- **post** to The Chief Executive Officer, City of Joondalup, P O Box 21, Joondalup WA 6919
- **email** to council.questions@joondalup.wa.gov.au

Please note that:

- Questions asked at a **Briefing Session** must relate to matters contained on the draft agenda.
- Questions asked at a **Council meeting** can relate to matters that affect the operations of the City of Joondalup.
- Questions asked at a **Special Meeting of the Council** must relate to the purpose for which the meeting has been called

