

BUDGET 2009 - 2010



Statue of Bibbulmun Yorga woman and her dog
Location: Neil Hawkins Park
Artist: Ron Corbett

Focus in 2009/10

- 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 2009/10 Budget balances the City's long term commitment to:

- Leadership and governance
- The natural environment
- Economic prosperity and growth
- The built environment
- Community wellbeing

The Economic Environment

- Investment returns have fallen from an average 7% to an average 3.5%, a \$2.0m loss of revenue
- Expected falls in revenue from Development and Building applications
- Declining revenue from recyclables
- Utility charges up 25%
- Landfill Levy up 300%

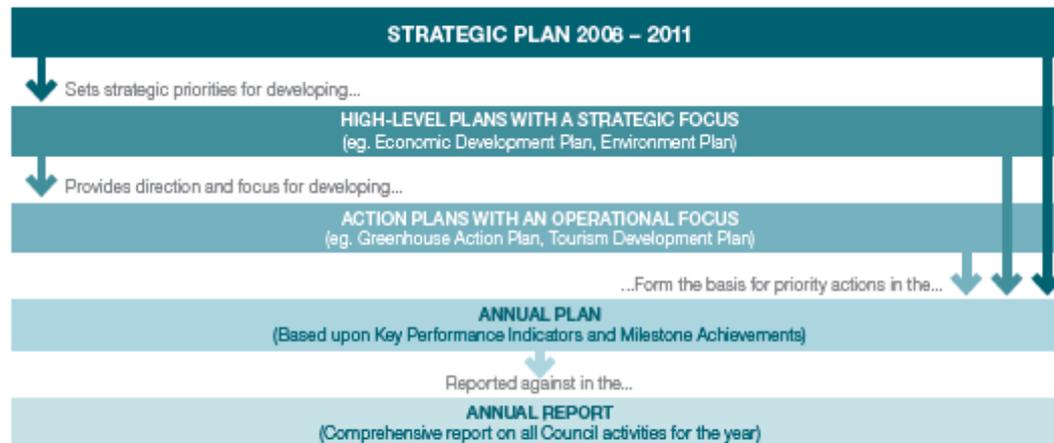
Budget Process

- Continuous Analysis of 2008/09 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

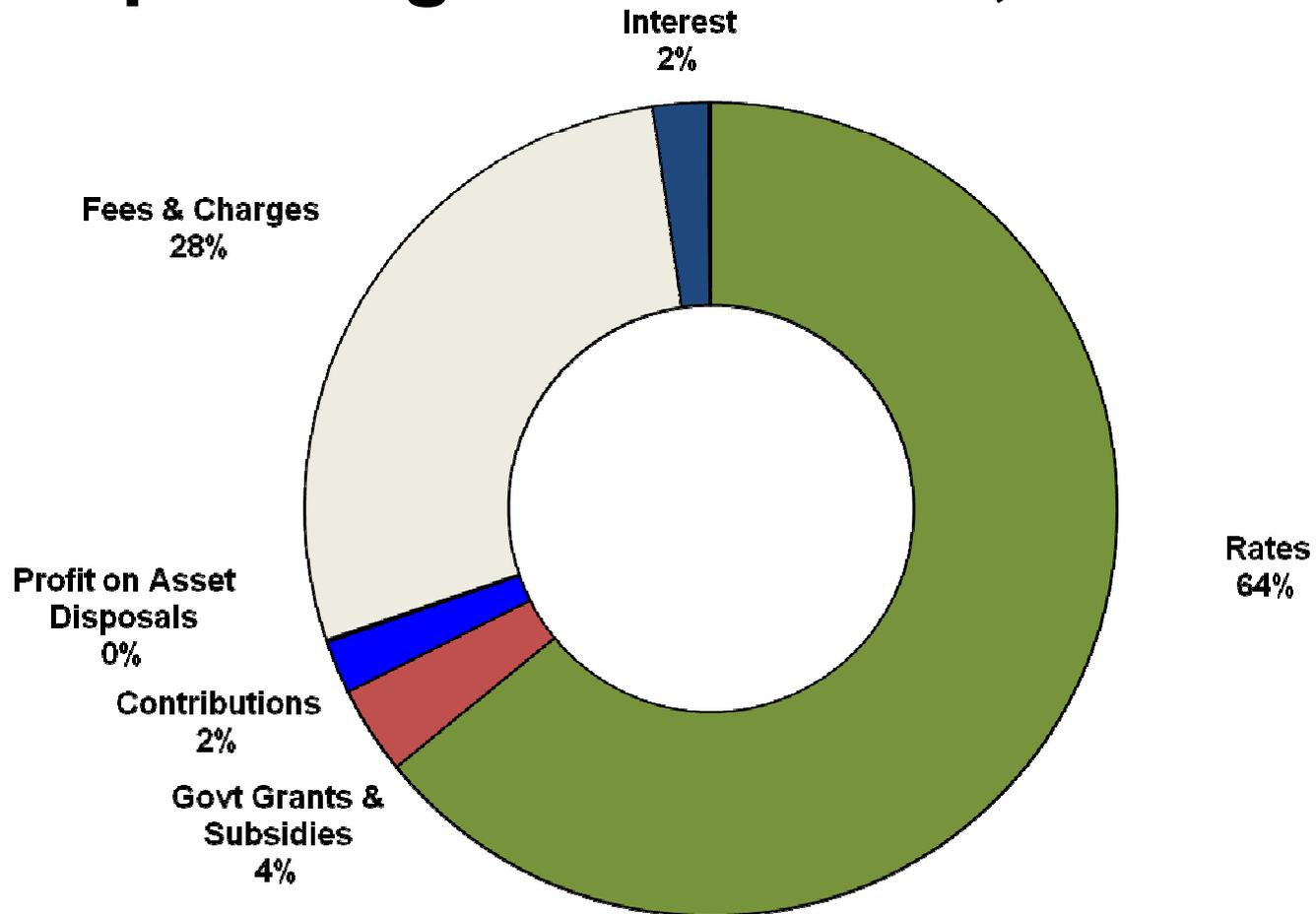
- Reference and align to Strategic Plan 2008 – 2011
- Initial Review of Service Delivery and Confirmation of Service Standards
- Critical Analysis of 2008/09 Annual Plan Performance
- Review Proposals for Capacity
 - Rating
 - Alternative Revenue Streams
 - Resources to implement and deploy
- Determine Potential Reductions
- Executive Analysis
- Strategic Financial Plan Alignment
- Elected Member Workshops (during February, March, April and May 2009)

The integrated planning framework is depicted in the following diagram:



The Big Picture

Operating Revenue \$99,434 (000's)



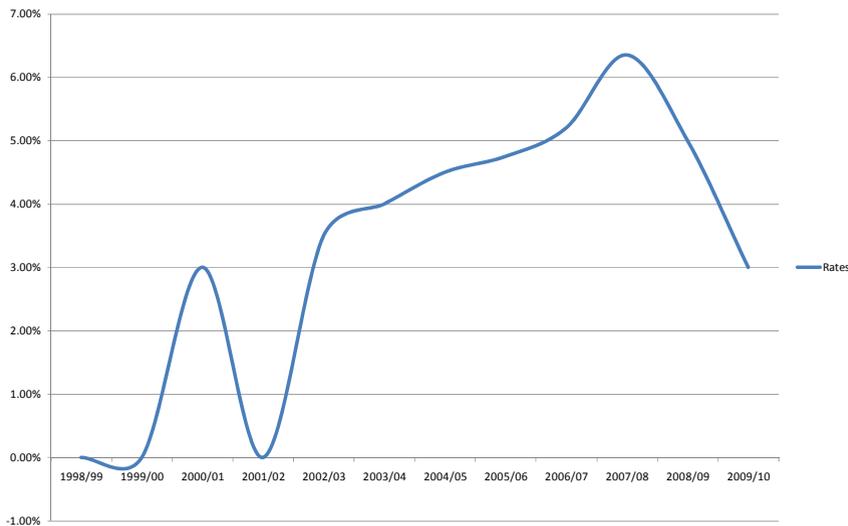
Rates

- This year the proposed increase is
 - 3% in rates for both Residential improved and not improved
 - 3% for the Residential minimum payment
 - 5% for Commercial and Industrial both improved and not improved
 - 5% for the Commercial and Industrial minimum payment
- Specified area rates will be as per expenditure requirements for those areas

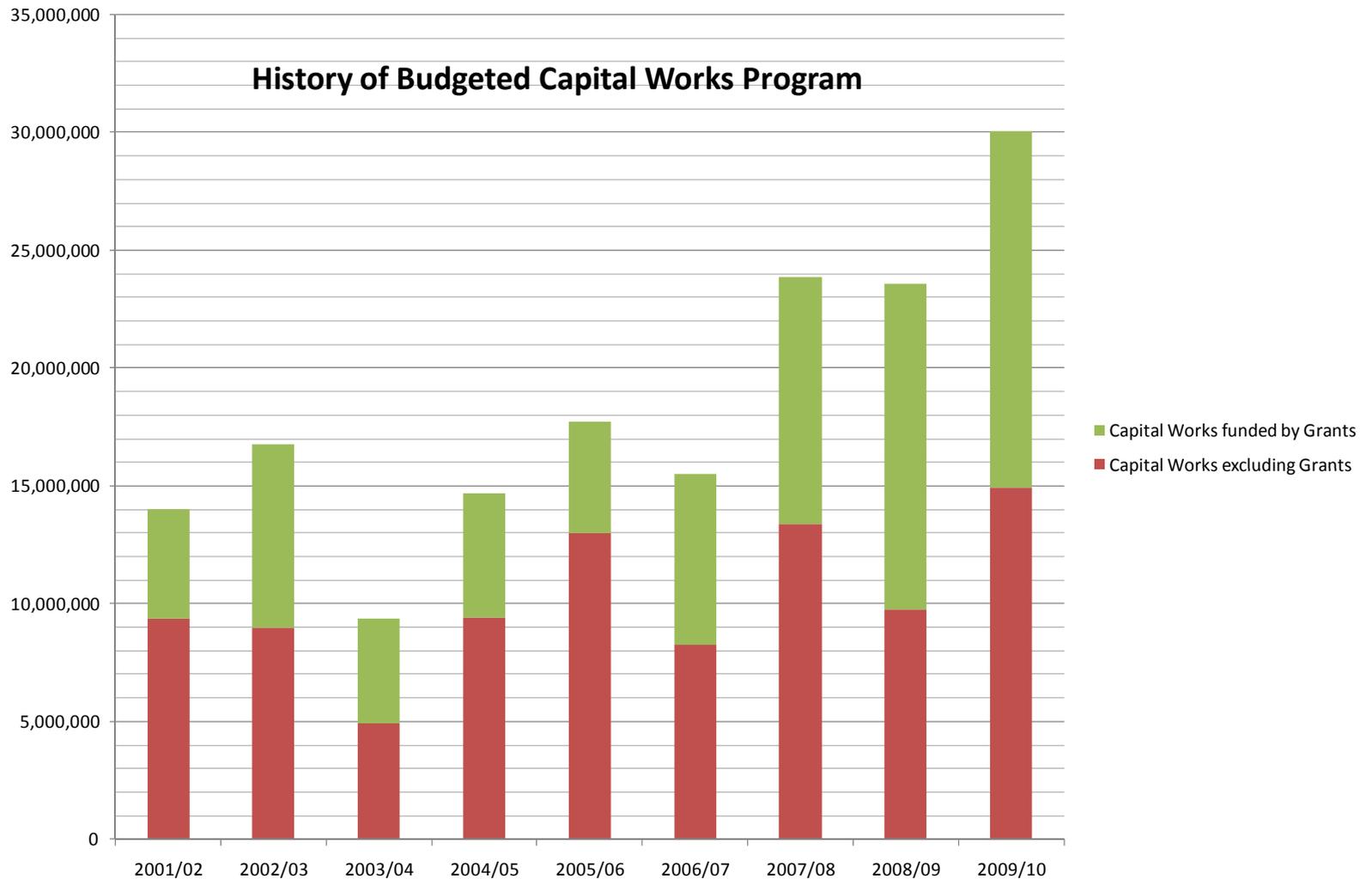
Residential Rate Increases for the City

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%
2008/09	5.00%
2009/10	3.00%

Residential Rate Increases



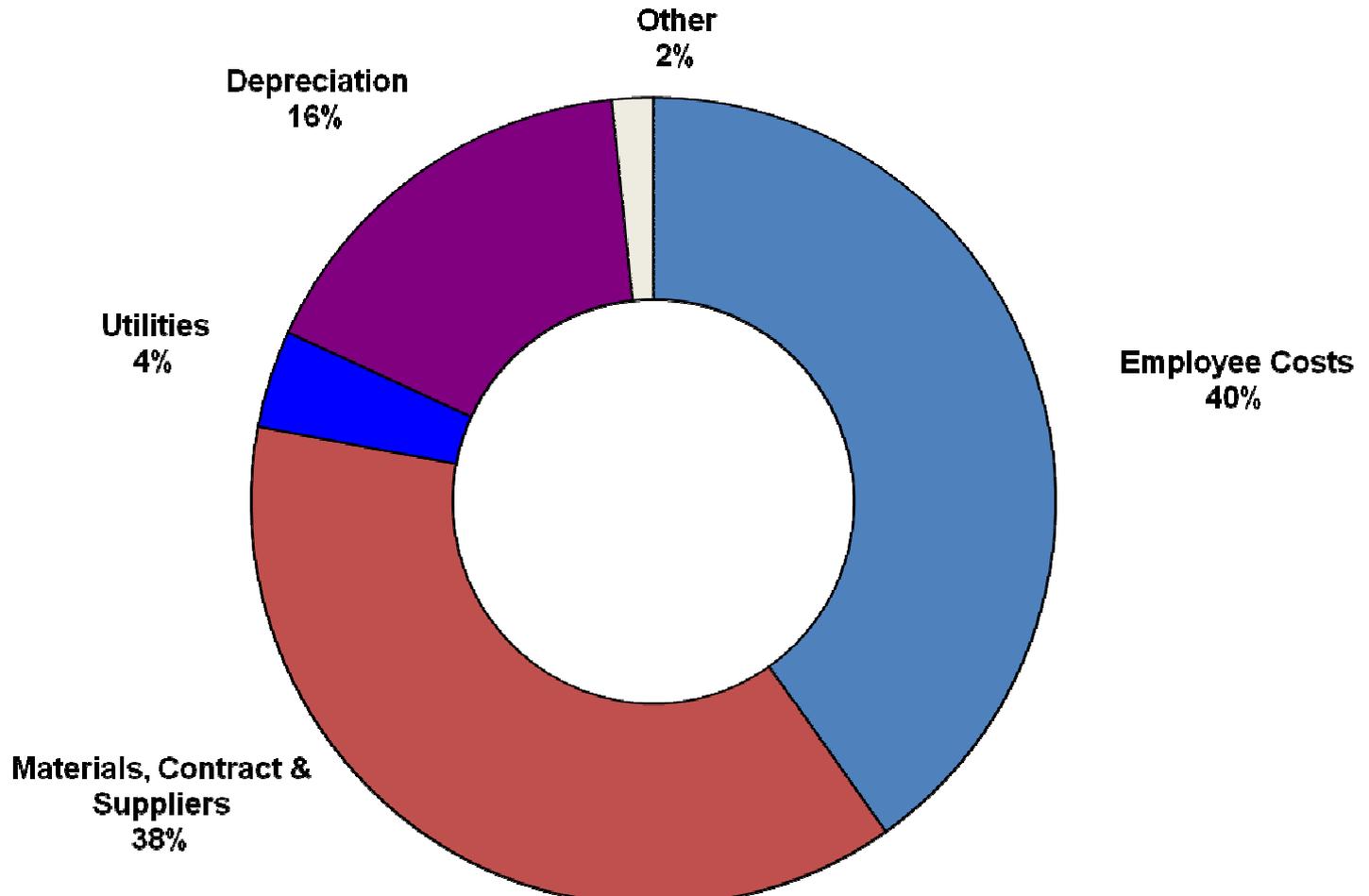
History of Budgeted Capital Works Program



Total Expenditure

- Our total budgeted expenditure (operating & capital) for 2009/10 will be \$145 million.
- Of the \$41.2m in capital expenditure, we will spend:
 - \$36.0m on Works for Roads, Reserves & Parks
 - \$ 2.8m on Capital projects
 - \$ 1.3m on Vehicle and Plant Replacement
 - \$ 1.1m on Repayment of Loan Principal (includes loans for Sorrento Foreshore Redevelopment , Craigie Leisure Centre and Paid Parking which is income generating)

Operating Expenditure \$103,492 (000's)



Budget Highlights

Major Road Construction

- \$7.8m for a major road construction program including:
 - Connolly Drive dual carriageway in Kinross
 - Moore Drive/Connolly Drive dual carriageway
 - Burns Beach Road
- \$8.0m for Road Preservation and Resurfacing, Local Road Traffic Management and Blackspot Projects



West Coast Drive Streetscape Enhancement

- \$3.3m for the upgrade of West Coast Drive from Beach Road to the Plaza Sorrento



Craigie Leisure Centre 50 metre Pool

- \$6.0m to complete construction of the 50m outdoor pool



City and Community use Buildings and Facilities

- \$4.9m in the 2009/10 financial year for buildings, building upgrades and enhancements to
 - Community Centres
 - Halls and Libraries
 - Clubrooms
 - Public Toilets



Environmental & Natural Areas

- \$509k capital expenditure for Foreshores and Natural Areas
- \$250k capital expenditure for Coastal stormwater drainage outfall upgrades to ensure they are more environmentally sensitive
- \$1,217m operating expenditure for Natural Areas Management
- \$198k operating expenditure for
 - Carbon Neutral Program
 - Yellagonga Integrated Catchment Management Project
 - Community Funding and Promotions for Environmental Initiatives
 - ICLEI



Ocean Reef Marina Project

- \$750k to advance the Ocean Reef Project with public consultation currently underway



Operating Program Highlights

- \$275k to implement the new Cat Local Law and manage the policing of cats
- \$264k for the 2009 Local Government Elections
- \$724k for Community Events including
 - Joondalup Festival
 - Valentines Concert
 - 3 Summer Concerts
 - Little Feet Festival
 - Sunset Markets
 - Joondalup Eisteddfod
 - Art Awards and Exhibition



Reserve Funds

- \$2.0m Transferred to Reserves
 - \$1.0m to Parking Facility Reserve
 - \$1.0m in interest earnings to various reserves
- \$10.5m Transferred from Reserves
 - \$1.1m to cushion the impact of the increase in rubbish charges
 - \$8.4m to complete 2009/10 carried forward works
 - \$950k for various other works

To Summarise

The City of Joondalup's **2009/10 Budget** is responsible and considered recognising the current economic climate and driven by;

the City's vision "A sustainable City that is committed to service delivery excellence and operates under the principles of good governance"

It needs to be recognised however that the response to the economic situation can only be a short term one and the City needs to recover its position in the medium term to ensure the City is positioned to fund the future needs of the community