

minutes

Special Meeting of Council

MEETING HELD ON

TUESDAY, 6 JULY 2010

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CITY OF JOONDALUP

MINUTES OF SPECIAL MEETING OF THE COUNCIL HELD IN THE COUNCIL CHAMBER,
JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP, ON TUESDAY, 6 JULY 2010

DECLARATION OF OPENING

The Mayor declared the meeting open at 1832 hrs.

ANNOUNCEMENT OF VISITORS

Nil.

ATTENDANCES

Mayor:

TROY PICKARD

Councillors

Cr KERRY HOLLYWOOD	North Ward – <i>Deputy Mayor</i>
Cr TOM MCLEAN	North Ward
Cr PHILIPPA TAYLOR	North-Central Ward
Cr TRONA YOUNG	North-Central Ward
Cr LIAM GOBBERT	Central Ward
Cr GEOFF AMPHLETT	Central Ward
Cr MIKE NORMAN	South-West Ward
Cr JOHN CHESTER	South-East Ward
Cr BRIAN CORR	South-East Ward
Cr RUSS FISHWICK	South Ward

Officers:

MR GARRY HUNT	Chief Executive Officer
MR JAMIE PARRY	Director Governance and Strategy
MRS DALE PAGE	Director Planning and Development
MR MIKE TIDY	Director Corporate Services
MR TIM HALLS	Acting Director Infrastructure Services
MR SAID HAFEZ	Manager Financial Services
MR MICHAEL EYRE	Acting Manager Governance and Marketing
MR TIM HEGNEY	Governance Coordinator
MRS LESLEY TAYLOR	Administrative Secretary
MRS BRENDA LOCHEAD	Administrative Secretary
MS ANNETTE MORRISSEY	Media Advisor

There were three members of the Public and one member of the Press in attendance.

PUBLIC QUESTION TIME

The following questions were submitted verbally at the Council meeting:

Mrs M Macdonald, Mullaloo:

Re: Rate Increase and Draft Budget

Q1 What part of the 7.9% increase in rates is equivalent to the \$2 million for Ocean Reef Marina?

A1 Mayor Pickard advised that any proposed rate increase covers the entirety and is not catered to apply to any specific item, therefore a percentage increase in the rates cannot be designated to a particular project.

The CEO advised that a 1% increase in rates amounted to \$694,000. The City has received \$100,000 from the State Government and has budgeted to receive another \$600,000 during this current financial year.

Q2 Given that the \$2 million would represent or be equivalent to a proportion of 3%, how does the City justify moving forward and spending \$2.2 million when there has been no Business Plan presented to the Council as yet?

A2 Mayor Pickard stated that the City went to the broader Joondalup community for public comment on the Ocean Reef Marina Concept Number 7, which was overwhelmingly endorsed by 96% of 11,728 submissions received. The funding that was allocated last financial year and the funding which was allocated this financial year will continue to progress the Ocean Reef Project. The next stage, endorsed last year, is to prepare the appropriate documentation to allow a business case to be prepared and relevant issues pertaining to the business plan. Effectively the funds in this year's budget will help to progress the business plan to move forward.

Mr M Sideris, Mullaloo:

Re: Rate Increase and Draft Budget

Q1 On page 10 of the attachments to the agenda there is an indication that expenses started at \$109,400,000 and ended up at \$116,300,000, with \$131,800,000 being proposed. Can the City advise where I can see details that explain that budget blow out and what the \$138 million is comprised of?

A1 Mayor Pickard stated that the \$116,000,000 referred to the 2009/2010 budget, whereas the \$131,800,000 refers to the 2010/2011 budget.

Q2 How many Elected Members have been provided with the Budget details?

A2 Mayor Pickard said that all Elected Members had been invited and most have participated in a series of workshops that were held. All the information has been presented to them and they were provided with an opportunity to meet with the appropriate officers.

PUBLIC STATEMENT TIME

Nil.

APOLOGIES AND LEAVE OF ABSENCE

Apology – Cr Christine Hamilton-Prime

Leave of Absence previously approved

Cr Liam Gobbert	19 June 2010 – 10 July 2010 inclusive
Cr Fiona Diaz	5 – 15 July 2010 inclusive
Cr Geoff Amphlett	12 – 16 July 2010 inclusive
Cr Russ Fishwick	19 – 24 July 2010 inclusive
Cr Kerry Hollywood	19 – 26 July 2010 inclusive

DECLARATIONS OF INTEREST

Nil.

IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY SIT BEHIND CLOSED DOORS

Nil.

ITEMS OF BUSINESS

JSC05-07/10 PROPOSAL FOR LEVYING DIFFERENTIAL RATES FOR THE 2010/11 FINANCIAL YEAR

WARD:	All
RESPONSIBLE DIRECTOR:	Mr Mike Tidy Corporate Services
FILE NUMBER:	48084 100160
ATTACHMENTS:	Nil.

PURPOSE

For Council to consider submissions in response to its advertised proposal for applying differential rates for the 2010/11 financial year.

EXECUTIVE SUMMARY

At its special meeting held on 8 June 2010, Council resolved (JSC02-06/10) to apply differential rates for the 2010/11 Draft Budget and to advertise seeking public submissions in relation to the proposed differential rates and minimum payments.

It further resolved that a report be presented to Council to consider any submissions received before the adoption of the 2010/11 Draft Budget.

The advertising period for any submissions in relation to the proposed differential rates and minimum payments closed on Thursday, 1 July 2010. No submissions have been received.

It is recommended that Council proceeds to apply differential rates for rating in the 2010/11 Financial Year in accordance with Section 6.33 of the Local Government Act 1995 and that the differential rates and minimum payments advertised be used in the 2010/11 Draft Budget.

BACKGROUND

At its meeting held on 8 June 2010 Council considered the reasons and basis of the proposed differential rates for the 2010/11 Financial Year.

Differential rating was introduced in 2008/09. The 2010/11 differentials propose an increase of 7.9% for residential, commercial and industrial rates with corresponding increases for minimum payments.

A higher differential rate applies to vacant commercial and industrial property to induce property owners to develop their vacant land.

DETAILS

In accordance with the provisions of Section 6.36 of the Local Government Act 1995, the City advertised its intention to apply differential rating in the 2010/11 financial year and the differential rates it proposed to apply.

The City placed its advertisements in The West Australian on Thursday, 10 June 2010 and in a subsequent edition of the local newspaper as well as on notice boards and the City's website.

The period of advertising was 21 days during which Council invited submissions in relation to the proposed differential rates. The closing day for public submissions was Thursday, 1 July 2010. No submissions have been received.

Issues and options considered:

The City is required under Section 6.36 of the Local Government Act 1995 to consider any submissions received in relation to the proposed differential rates. The Council may resolve to set the rates in the dollar for the 2010/11 Draft Budget as advertised or may set alternative rates in the dollar after considering the submissions received.

Legislation/Strategic Plan/Policy Implications

Legislation

Section 6.33 of the Local Government Act 1995 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 Local Government Act 1995 requires that if the City intends to apply differential rating it must give local public notice of its intention to do so and invite submissions in relation to the proposed differential rates and minimum payments, within 21 days of the date of the notice. The City is then required to consider any submissions received before making a final resolution in relation to the setting of the rates in the dollar and the adoption of the budget.

Strategic Plan

Key Focus Area: Leadership in Governance

- Objective:**
- 1.3 To lead and manage the City effectively.
 - 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.

Key Focus Area: Economic Prosperity and Growth

- Objective:**
- 3.1 To encourage the development of the Joondalup CBD.
 - 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.

Policy Not Applicable.

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 between different categories of property. There are no total net budget implications from applying differential rating. The City could derive exactly the same total revenue by applying a general rate to all categories of property.

Regional Significance:

Not Applicable.

Sustainability Implications:

Applying differential rating is important to ensure an equitable distribution of rates across all sectors of the community. Having a reasonable rate increase is considered prudent and in the best interests of the long term financial sustainability of the City of Joondalup. The proposed rate increase approximates that included in the 20 Year Strategic Financial Plan.

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 1995. No submissions have been received.

COMMENT

The proposal to apply differential rates has been well canvassed both within Council and with an invitation to the public to make submissions. No submissions have been received and it is recommended that Council apply differential rates for the 2010/11 financial year and that the differential rates and minimum payments advertised be used in the 2010/11 Draft Budget.

VOTING REQUIREMENTS

Simple Majority

MOVED Mayor Pickard, SECONDED Cr Mclean that Council APPLIES differential rates for rating in the 2010/11 Financial Year in accordance with Section 6.33 of the Local Government Act 1995 and that the differential rates and minimum payments that be used in the 2010/11 Budget be as follows:

	Rate in \$	Minimum Payment
<u>General Rate - GRV</u>		\$
Residential Improved	0.060676	659
Residential Not Improved	0.060676	659
Commercial Improved	0.071509	672
Commercial Not Improved	0.121351	672
Industrial Improved	0.067254	672
Industrial Not Improved	0.121351	672
<u>General Rate - UV</u>		
Residential	0.007113	659
Rural	0.007079	659

The Motion was Put and

CARRIED (11/0)

In favour of the Motion: Mayor Pickard, Crs Amphlett, Chester, Corr, Fishwick, Gobbert, Hollywood, McLean, Norman, Taylor and Young

JSC06-07/10 2010/11 DRAFT BUDGET**WARD:** All**RESPONSIBLE DIRECTOR:** Mr Mike Tidy
Corporate Services**FILE NUMBER:** 10060**ATTACHMENTS:** Appendix 1 City of Joondalup 2010/11 Draft Budget comprising:

Executive Report
Attachment 1a (grey) 2010/11 Operating Statement by Nature or Type
Attachment 1b (grey) 2010/11 Operating Statement by Program
Attachment 2 (grey) 2010/11 Statement of Cash Flows
Attachment 3 (grey) 2010/11 Rate Setting Statement
Attachment 4 (grey) 2010/11 Statement of Rating Information
Attachment 5 (blue) Notes to and Forming Part of the Budget
Attachment 6 (yellow) 2010/11 Capital Expenditure
Attachment 7 (pink) 2010/11 Motor Vehicle and Plant Replacement Program
Attachment 8 (white) 2010/11 Schedule of Fees and Charges
Attachment 9 (white) Business Unit Services Matrix

PURPOSE

The purpose of this report is to present the 2010/11 Draft Budget to Council for adoption.

EXECUTIVE SUMMARY

The process of preparing the 2010/11 Draft Budget commenced in December 2009. It encompassed detailed budget calculation and preparation, Executive Review and Elected Member Workshops.

The 2010/11 Draft Budget has been developed within a strategic financial planning framework after due consideration of Council priorities and the allocation of appropriate resources to these priorities.

The Annual Budget is part of, and is driven by a longer term strategic planning framework. The process for the development of the 2010/11 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 2011 forming Appendix 1 to Report JSC06-07/10, incorporating:

- 1 *Budget Statements.*
- 2 *Rates.*
- 3 *Emergency Services Levy.*
- 4 *Domestic Refuse Charges.*
- 5 *Private Swimming Pool Inspection Fees.*
- 6 *Early Payment Incentives.*
- 7 *Payment Options.*

- 8 *Late Payment Interest.*
- 9 *Emergency Services Levy Interest Charge.*
- 10 *Instalment and Payment Arrangement Administration Fees and Interest Charges.*
- 11 *Capital Works Program.*
- 12 *Changes to Reserve Funds.*
- 13 *Transfers from Reserves.*
- 14 *Transfers to Reserves.*
- 15 *Fees and Charges.*
- 16 *Loan Borrowings.*

BACKGROUND

The 2010/11 Budget process has been in progress since late 2009. The contents of the Budget have been refined over this period after presentations, analysis and review by the Chief Executive Officer, senior staff, workshops and consultation with Elected Members.

The 2010/11 Draft Budget has been formulated within a longer term financial planning framework. Long term financial sustainability requires continuing commitment and the 2010/11 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

Development of the 2010/11 Draft Budget

The City of Joondalup's 2010/11 Draft Budget comes on the back of a very difficult 2009/10 Budget and financial year. In 2009/10, in recognition of the difficult economic conditions, Council increased residential rates by a very modest 3%. Such low increases are, however, not sustainable and has presented some challenges for the 2010/11 Draft Budget.

In developing the 2010/11 Draft Budget the City was mindful of the impact of rate increases on the long term financial sustainability of the City. The 20 Year Strategic Financial Plan identified the need for a rate increase that would enable the City to provide for the services, facilities and works its residents have come to expect and to achieve the strategic goals and objectives the City and the community have set for them.

The Budget process has been conducted over many months and has involved extensive analytical and review stages as summarised below:

- Continuous Analysis of 2009/10 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 and align to Strategic Plan 2008-2011.
- Initial Review of Service Delivery and Confirmation of Service Standards.
- Critical Analysis of 2009/10 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 April and May 2010).

The integrated planning framework is depicted in the following diagram:



Operating Budget

The 2009/10 Budget required significant cuts to expenditures. Operational expenditure in particular bore a significant portion of this burden. This proved difficult to sustain during the 2009/10 financial year and it was necessary to readjust the budget during the 2009/10 Budget Mid Year Review to accommodate some of the cuts that had proven to be too severe.

In 2010/11, building on the improving economic environment, the City needs to rebuild its operating capacity to ensure it has the resources to deliver the services, facilities, works and projects that the community expects and to ensure that its infrastructure and other assets are adequately maintained. This has meant appropriate increases in employee costs to fill positions left vacant during 2009/10 and to ensure there is adequate coverage during staff leave, much of which was curtailed during 2009/10. There are also increases in materials and contracts as maintenance and operations, which were kept to a bare minimum or curtailed during 2009/10, are restored to the levels that are necessary to ensure long term sustainability.

For 2010/11 the City also has to contend with another significant round of increased Government fees and charges. Power and water charges will result in significantly increased utility costs for 2010/11. The full year effect of the significant increase in the landfill levy that only applied for six months of 2009/10 will greatly contribute to the increase in materials and contract costs and in turn the refuse charge that will need to be applied in 2010/11.

On the revenue side, other than rates and refuse charges, the most significant increase is in investment revenue. This initially felt the full effect of the global financial crisis at the beginning of 2009/10 but has recovered well particularly in the last six months. This position is expected to be sustained during 2010/11 but will not achieve the level of returns of pre-global financial crisis times.

Notwithstanding that the City will rebuild its operating capacity during 2010/11, this is based on the resources required to deliver the 2010/11 Budget and the services, facilities, works and projects it includes. There will be little or no capacity to undertake unbudgeted or unplanned works or services during 2010/11.

Capital Budget

This Budget provides for a large capital works and projects program of \$38.8m including:

- \$6.3m in major projects for the Seacrest Sports facility, Forrest Park Sports Facility, upgrades to Fleur Freame Pavilion and a new Community Centre at Gibson Park.
- \$7.6m of road construction works in Connolly Drive, Moore Drive and Burns Beach Road.
- \$2.0m to advance the Ocean Reef Marina Project to the next phase including a comprehensive business plan.
- \$2.2m to complete various streetscape and landscaping works in Joondalup City Centre, Burns Beach Road and at other locations in the City.
- \$7.7m for various road works including:
 - Road Preservation and resurfacing along Whitfords Avenue, Duffy Terrace, Northshore Drive, Constellation Drive, Trappers Drive and many other local roads across the City.
 - Local traffic treatments in Timberlane Drive, Edgewater Drive, Treetop Avenue, Mermaid Way, Seacrest Drive and Dorchester Avenue.
 - Blackspot projects for Marmion Avenue/Hepburn Avenue, Joondalup Drive/Shenton Avenue, Marmion Avenue/Hodges Drive, Marmion Avenue/Seacrest Drive and Oceanside Promenade, Mullaloo.
- \$2.2m in other building works, facility upgrades and mini-makeovers.
- \$1.9m for parks equipment, playground equipment, shelters and barbecues.
- \$1.0m for parks reticulation refurbishments in accordance with the Landscape Master Plans or asset preservation plans.
- \$1.5m on maintenance and capital for natural areas management of dedicated bushland areas, bushland in developed parks and foreshores.

(For details refer to the Budget papers – Appendix 1)

Reserves Budget

In the process of preparing the 2010/11 Draft Budget, a number of issues have been identified with the City's existing reserve accounts. A number of reserve accounts have similar and/or overlapping purposes and others have titles that do not clearly describe their nature or intent. This situation has developed over time as the circumstances for which reserves were originally created have changed and new reserves have been created.

The current situation creates confusion about the correct use and application of various reserves and it is proposed, as part of the 2010/11 Budget, to make some changes to the existing reserve accounts. The proposed changes are to simplify names and purposes and will not result in any material change to the value of reserves or the overall coverage of the purposes to which reserve funds can be applied.

There are six issues with the current reserve accounts that are proposed to be addressed:

1 Merge the Asset Replacement Reserve with the Strategic Asset Management Reserve.

The Asset Replacement Reserve was created in 1986/87 to assist with financing various essential assets including a works operations centre. The reserve balance estimated to the end of June 2010 is \$3,040,784.

The Strategic Asset Management Reserve was created in 2004/05 for the purposes of funding the maintenance, refurbishment, replacement and disposal of assets in the most effective manner, at the required level of service for future and present requirements. Its balance is estimated to be \$15,757,753 at the end of June 2010.

The purposes of the two reserves both deal with providing for the funding of the development of assets. On a number of occasions when considering the use of reserve funds to provide for assets it has been difficult to ascertain a clear distinction between the reserves and either could apply. There is a clear overlap. It is therefore proposed to merge the two reserves and simplify the purpose of the merged reserve.

It is proposed that the merged reserve will:

- retain the name "Strategic Asset Management Reserve".
- have a purpose "to fund the acquisition and development of new and renewal of existing City infrastructure and building assets".
- have an estimated combined balance of \$18,798,537 at the end of June 2010.

2 Merge the Community Facilities Reserve and the Currambine/Kinross Community Centre Reserve.

The Community Facilities Reserve was created in 2004/05 for the purpose of funding the construction, development and maintenance of community facilities. The reserve was established with funds previously carried forward related to the construction of the Currambine Community Facility Project. The reserve balance estimated to the end of June 2010 is \$360,374.

The Currambine/Kinross Community Centre Reserve was established in 2007/08 with the proceeds from the disposal of a parcel of land owned by the City in Kinross and is to be used for the development of a community centre in the area. The reserve balance estimated to the end of June 2010 is \$582,408.

The original intent of the money first transferred to the Community Facilities Reserve was for a Currambine Community Facility. This suggests that there is some logic to merging this reserve with the Currambine/Kinross Community Centre Reserve which was specifically set up for the purpose of funding a Currambine/Kinross Community Centre.

It is proposed that the merged reserve will:

- retain the name "Currambine/Kinross Community Centre Reserve".
- have a purpose "to fund the development of a Community Centre in the Currambine/Kinross community area".
- have an estimated balance of \$942,782 at the end of June 2010.

3 Discontinue the Library Literacy Reserve.

This Reserve was created in 2003/04 and is funded with the proceeds of sale of surplus library books, to be used for the development of future literacy programs held at the Libraries. The reserve balance estimated to the end of June 2010 is \$16,853.

The turnover from book sales, and then in turn literacy programs is very small and does not really warrant the maintenance of a reserve fund for this purpose. There is no reason why book sales could not be retained as revenue to the libraries and the literacy programs funded directly as part of the libraries' normal operating activities.

4 Change the Name and Purpose of the Domestic Cart Refuse Collection Reserve.

This reserve was created in 1990/91 originally to provide for additional plant and equipment used specifically for the provision of the domestic cart refuse collection service. The reserve balance estimated to the end of June 2010 is \$2,862,200.

The City already has a "Vehicle, Plant and Equipment Reserve" that provides for plant and equipment purchase which includes that used for refuse collection. Having a similar purpose for the Domestic Cart Refuse Collection Reserve is duplication and unnecessary. More recently, the reserve has been used to manage the increase in refuse charges as a result of the commencement of the Resource Recovery Facility and this is its current real purpose.

It is proposed that the reserve will:

- be renamed "Waste Management Reserve".
- have a purpose "to fund and support waste management including but not limited to refuse collection, waste management initiatives and programs, infrastructure and buildings and legal expenses associated with waste management but excluding vehicles, plant and equipment".

5 Change the Name of the Joondalup City Centre Public Parking Reserve.

This reserve was created in 1995/96 to accumulate funds received from developers within the Joondalup central business district in lieu of providing car parking to be used to fund future car parking requirements. The reserve balance estimated to the end of June 2010 is \$446,512.

The reserve holds cash in lieu funds but its name does not clearly describe this. This is inconsistent with other City reserves that hold cash in lieu funds that do incorporate this into the name of the reserve. The reserve also has "Joondalup" as part of the name which is superfluous. In terms of its purpose the Joondalup Central Business District is a very narrowly defined area. With a new City Centre Structure Plan and a broader defined City Centre it would be appropriate to amend the purpose to cover the City Centre.

It is proposed that the reserve will:

- be renamed "Cash in Lieu of City Centre Parking Reserve"
- have its purpose amended to "hold funds received from developers as cash in lieu of providing car parking for developments within the Joondalup City Centre to be used to fund future car parking requirements".

6 Change the Name of the Cultural Facility Reserve.

This reserve was created in 2000/01 to assist with the design and development of a regional performing arts facility in the Joondalup City Centre. It was renamed in 2005/06 to its current name to because it was felt that best reflected the intent of the project for a multi-purpose cultural facility. The reserve balance estimated to the end of June 2010 is \$916,520.

It has been felt in recent times that the very narrow description adopted in 2005/06 does not adequately describe the project. Following a recommendation from the Strategic Financial Management Committee Council at its June 2010 meeting (CJ103-06/10) resolved to refer to the project as the Joondalup Performing Arts and Cultural Facility.

It is proposed that the reserve will:

- be renamed "Joondalup Performing Arts and Cultural Facility Reserve".

The City will transfer the following amounts to and from various reserves during 2010/11:

- Transfer to the Parking Facility Reserve \$1.0m, being surplus funds generated from paid parking operations.
- Transfer to the Strategic Asset Management Reserve \$1.2m to fund the future acquisition and development of new and the renewal of existing City infrastructure and building assets.
- Transfer to various reserves \$1.8m in interest that is expected to be earned from the investment of reserve funds during 2010/11.
- Transfer from the Parking Facility Reserve \$0.4m to fund the implementation of an electronic infringement system, the operations of the Cat Bus service for 2010/11, and the provision of alfresco planter boxes within the City Centre.
- Transfer from the Waste Management Reserve \$0.9m to cushion the impact of increasing refuse disposal costs.
- Transfer from the Joondalup Performing Arts and Cultural Facility Reserve an amount of \$150k to undertake scoping for this development.
- Transfer from the Specified Area Rating - Harbour Rise Reserve \$12k to complete works specific to the Specified Area in Harbour Rise.
- Transfer from the Ocean Reef Marina Reserve \$150k to partly fund the continuation of the Marina Project.
- Transfer from the Town Planning Scheme (Revoked) Reserve \$114k to complete works in the old Scheme No 10 area of Kingsley and Woodvale.
- Transfer from the Strategic Asset Management Reserve \$0.7m to fund the City's contribution towards the Padbury Community Centre project, the balance being funded by Grant.
- Transfer from the Capital Works Carried Forward Reserve \$11.6m to provide for 2009/10 uncompleted works to be undertaken in 2010/11.

Loan Borrowings

The City proposes to borrow \$2,924,100 in 2010/11. The loan borrowings will fund the City's matching contribution for the Commonwealth Governments grant it has received under the Regional and Local Community Infrastructure Program. The grant and loan funds will finance major projects for the Seacrest Sports facility, Forrest Park Sports Facility and an upgrade to Fleur Freame Pavilion.

Rate and Refuse Charge Increases

Differential rating is proposed to be applied in the 2010/11 financial year. Differential rates have been proposed for residential improved and non improved, commercial and industrial improved and non improved. The proposed differential rate for non improved commercial and industrial is twice the lowest differential rate. The intent of this differential is to encourage the development of vacant commercial and industrial land.

The proposed differential rates provide for an increase of 7.9% across all of the differentials. The corresponding minimum payments are proposed to be increased by the same percentages. These increases come on the back of difficult economic circumstances experienced in 2009/10 when the residential rate increase was only 3.0%. The 2010/11 proposed rate increase recognises that while low rate increases such as that in 2009/10 may be necessary to address short term situations in the long term this is not sustainable. The proposed rate increase aligns with City's 20 Year Strategic Financial Plan and will assist the City to meet its long term strategic objectives. With a 7.9% rate increase, and based on an average gross rental value of \$15,269, the average residential rates (excluding refuse charge) within the City will be \$926.

The City's domestic refuse charge is proposed to increase to \$277 in 2010/11. This is a modest increase of 4.6%. The major contributor to this is the State Governments increase in the landfill levy. This increase became effective halfway through 2009/10, however in 2010/11 it will apply for the full year. The City is using some funds from its Waste Management Reserve to help contain the impact of refuse cost increases.

Issues and options considered:

The process for the development of the Annual Budget 2010/11 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;
- The establishment of financial parameters for the 2010/11 financial year including consideration of rating income, grants income and other income, and likely demands on expenditure.

Legislation/Strategic Plan/Policy Implications

Legislation

The accompanying Budget for 2010/11 has been prepared in accordance with the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards.

Strategic Plan

Key Focus Area: Leadership and Governance

Objective: 1.3 To lead and manage the City effectively.

Policy Not Applicable.

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 implications beyond the budget period. Financial planning through the 20 Year Strategic Financial Plan helps mitigate the long term risks.

Financial/Budget Implications:

These are detailed in the budget papers.

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 objectives as set out in the Strategic Plan.

Consultation:

The Draft Budget 2010/11 contains the collective input from a wide variety of 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.

The proposed differential rates for the 2010/11 year have been advertised for public comment for 21 days.

It is proposed that a series of 'budget briefing forums' be held for key stakeholders, community associations and the business community on the 2010/11 budget upon adoption.

COMMENT

A rigorous approach has been applied to the preparation of the 2010/11 Draft Budget recognising the long term strategic financial planning framework and the linkages to Council's long term objectives. In relation to the development of the 20 Year Strategic Financial Plan and the Annual Budget, Council has applied 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.
- Provision of accurate and timely disclosure of financial information.

In the 2010/11 budget process Council has taken a rigorous cost benefit approach to the provision of services, capital works and projects.

VOTING REQUIREMENTS

Absolute Majority

MOVED Mayor Pickard, SECONDED Cr Hollywood that Council:

1 ADOPTS the annual budget for the City of Joondalup for the year ending 30 June 2011 forming Appendix 1 to JSC06-07/10, comprising:

- (a) Executive Report;
- (b) 2010/11 Income Statement by Nature or Type - Attachment 1a (grey);
- (c) 2010/11 Income Statement by Program - Attachment 1b (grey);
- (d) 2010/11 Budget Statement of Cash Flows - Attachment 2 (grey);
- (e) 2010/11 Budget Rate Setting Statement - Attachment 3 (grey);
- (f) 2010/11 Budget Rating Statement - Attachment 4 (grey);
- (g) Notes to and Forming Part of the Budget - Attachment 5 (blue);
- (h) 2010/11 Capital Expenditure - Attachment 6 (yellow);
- (i) 2010/11 Vehicle and Plant Capital Expenditure - Attachment 7 (pink);
- (j) 2010/11 Schedule of Fees and Charges - Attachment 8 (white);
- (k) Business Unit Services Matrix - Attachment 9 (white);

2 Rates:

2.1 In accordance with the provisions of Sections 6.32, 6.33 and 6.35 of the Local Government Act 1995 IMPOSES Differential Rates and Minimum Payments for the 2010/11 Financial Year in accordance with the following tables:

2.1.1 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 Improved	0.060676	659
Residential Non Improved	0.060676	659
Commercial Improved	0.071509	672
Commercial Non Improved	0.121351	672
Industrial Improved	0.067254	672
Industrial Non Improved	0.121351	672

2.1.2 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	0.007113	659
Rural	0.007079	659

- 2.2 In accordance with the provisions of Sections 6.32 and 6.37 of the Local Government Act 1995, IMPOSES Specified Area Rates for the 2010/11 Financial Year in accordance with the following tables:**

Specified Area	Gross Rental Value Rates (rate in dollar)	Purpose
Harbour Rise (2.2.1)	0.47411	Maintaining enhanced landscaping which will be applied during 2010/11
Iluka (2.2.2)	0.16513	Maintaining enhanced landscaping which will be applied during 2010/11
Woodvale Waters (2.2.3)	1.39932	Maintaining enhanced landscaping which will be applied during 2010/11

2.2.1 Harbour Rise Specified Rate area comprises the area bounded by:

- 2.2.1.1 Going along Whitfords Avenue from the corner of Seychelles Lane and following the shared boundaries of Whitfords Avenue with lots 9009 Martinique Mews, lots 470-478, 413-414, lot 397, lots 331-333, crossing Barbados Turn and continuing north with shared boundaries of Curacao Lane and lots 337-334, 378, 377, 403, 402, 376-367, and lot 9009 Angove Drive;**
- 2.2.1.2 North-east along the boundary of lot 9009 Angove Drive, across Mallorca Avenue and following the boundaries of lot 251 & 250 where they meet Angove Drive;**
- 2.2.1.3 Following the shared boundaries of Ewing Drive with lots 250, 249, 409, 410, 247, 245-240, 411 and 408 and then across Ewing Drive along 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;**
- 2.2.1.4 Along the boundary that lot 198 Marbella Drive shares with lot 171 and 172 Waterford Drive, across Marbella Drive and continuing along the rear boundaries of strata lots 1 and 2 (lot 197) to strata lots 1 and 2 (lot 190) Algarve Way, along the boundary that lot 184 Tobago Rise shares with lot 181 Waterford Drive, across Tobago Rise and then along the boundary between lot 1 The Corniche and lots 182 and 183 Waterford Drive, 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 and 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. Along the boundary of lot 164 Lukin Road that is shared with Hepburn Ave and continuing along Hepburn Ave along the south-eastern boundaries of Leeward Park;**

2.2.1.5 Continuing along the shared boundaries of Hepburn Avenue with lot 170 Amalfi Drive, lots 492-503 Seychelles Lane and Lot 909 Martinique Mews;

2.2.2 Iluka Specified Rate area comprises the area bounded by Shenton Avenue, Marmion Avenue, Burns Beach Road and the Foreshore Reserve;

2.2.3 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 and 157 Streeton Parade and lot 12240 Phillips-Fox Terrace, for the purposes of maintaining enhanced landscaping which will be applied during 2010/11;

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 2010/11 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 Payments ESL CHARGES BY PROPERTY USE			
		Residential and Vacant Land		Commercial, Industrial and Miscellaneous	
		Minimum	Maximum	Minimum	Maximum
1	0.0145	\$50	\$260	\$50	\$150,000

4 Domestic Refuse Charges:

In accordance with the provisions of Part IV of the Health Act 1911 (as amended) and Section 67 under Division 3, Part 6 of the Waste Avoidance and Resource Recovery Act 2007, IMPOSES the following domestic refuse charges for the 2010/11 financial year:

(a) Per existing unit serviced	\$277.00
(b) Each Additional Service	\$277.00
Collection from within the property boundary	\$52.00
New Refuse Service - Purchase and delivery of bin	\$61.79 (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 2010/11 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:

6.1 Full payment of all current and arrears of rates including specified area rates, emergency services levy, domestic refuse 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:

6.1.1 Major Prizes:

Volkswagen Golf Wagon to the value of \$29,310 (including on-road costs);

Hyundai i30 Hatch to the value of \$28,623 (including on-road costs);

6.1.2 Naming Rights Prize Package Sponsors (valued at over \$5,000 each):

Ace Scooters;

Westpac Banking Corporation (Westpac);

Westfield Whitford City;

Quality Resort, Sorrento Beach;

6.1.3 Other Prize Sponsors:

The Great Escape;

West Perth Falcons Football Club;

Joondalup Resort;

The Good Guys, Joondalup;

Balneaire Seaside Resort, Albany;

City of Joondalup Leisure Centres, Craigie;

Parlour Beautique Day Spa;

WA Symphony Orchestra;

White Salt, Sorrento;

Pavilion Restaurant, West Coast Institute of Training

Carine Cycles

Venues West Arena Joondalup

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):

7.1 One Instalment:

7.1.1 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

7.1.2 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;

7.2 Two Instalments:

7.2.1 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;

7.2.2 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 first instalment;

7.3 Four Instalments:

7.3.1 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;

7.3.2 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:

7.3.2.1 second instalment 63 days after due date of first instalment;

7.3.2.2 third instalment 63 days after due date of second instalment;

7.3.2.3 fourth instalment 63 days after due date of third instalment;

8 Late Payment Interest

In accordance with the provisions of Sections 6.13 and 6.51 of the Local Government Act 1995, IMPOSES interest on all current and arrears of rates (including Specified Area rates), current and arrears of domestic refuse charges, current and arrears of private swimming pool inspection fees (including GST) 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 as the case may be and continues until the instalment is fully paid. Excluded are deferred rates, instalment current amounts not yet due under the two or four payment instalment option, registered pensioner portions and current government pensioner rebate amounts. Interest is calculated daily on the outstanding balance and is debited to the account monthly in arrears.

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 the 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 an instalment and continues until the arrears is fully paid. Excluded are instalment current amounts not yet due under the two or four payment instalment option, registered pensioner portions and current government pensioner rebate amounts. Interest is calculated daily on the outstanding balance and is debited to the account monthly in arrears.

10 Instalment and Payment Arrangement Administration Fees and Interest Charges:

10.1 In accordance with the provisions of Section 6.45 of the Local Government Act 1995, for the 2010/11 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):

10.1.1 Two Instalment Option:

An administration fee of \$12.00 (inclusive of GST) for instalment two, together with an interest charge of 5.5% per annum, calculated on a simple interest basis of 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;

10.1.2 Four Instalment Option:

An administration fee of \$12.00 (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 of:

10.1.2.1 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;

10.1.2.2 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;

10.1.2.3 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;

10.1.3 Special Payment Arrangements:

Special fortnightly, monthly or bi-monthly payment arrangements can be made with the City for those ratepayers who may be unable to pay in full or according to the instalment plans offered. An administration fee of \$34.00 if paid by Direct Debit (bank account only) or \$52 if paid by another method, is charged on each special payment arrangement and penalty interest of 11.00% per annum, from and including the thirty sixth day from the issue of the rates notice, is applied to the outstanding balance until the account is paid in full;

10.2 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 2010/11 financial year;

11 ADOPTS the Five Year Capital Works Program with the 2010/11 program incorporated into the 2010/11 Budget and set out in the budget papers in Attachment 6 (yellow attachment);

12 MERGES, DISCONTINUES and AMENDS the name and/or purpose of the following reserve funds:

12.1 Merge the existing Asset Replacement Reserve with the Strategic Asset Management Reserve to create a single reserve with the name "Strategic Asset Management Reserve" and the purpose "to fund the acquisition and development of new and renewal of existing City infrastructure and building assets";

12.2 Merge the existing Community Facilities Reserve and the Currambine /Kinross Community Centre Reserve to create a single reserve with the name "Currambine/Kinross Community Centre Reserve" and the purpose "to fund the development of a Community Centre in the Currambine/Kinross community area";

12.3 Discontinue the Library Literacy Reserve;

- 12.4 Change the Name of the existing Domestic Cart Refuse Collection Reserve to “Waste Management Reserve” and the purpose “to fund and support waste management including but not limited to refuse collection, waste management initiatives and programs, infrastructure and buildings and legal expenses associated with waste management but excluding vehicles, plant and equipment”;
- 12.5 Change the Name of the existing Joondalup City Centre Public Parking Reserve to “Cash in Lieu of City Centre Parking Reserve” and the purpose “to hold funds received from developers as cash in lieu of providing car parking for developments within the Joondalup City Centre to be used to fund future car parking requirements”;
- 12.6 Change the Name of the existing Cultural Facility Reserve to “Joondalup Performing Arts and Cultural Facility Reserve”;
- 13 As part of the 2010/11 Budget AUTHORISES the following transfers from Reserves:

Reserve	Amount	Purpose
Waste Management	\$925,073	Cushion the impact of increasing refuse disposal costs
Ocean Reef Marina	\$150,033	To partly fund the continuation of the Marina Project
Joondalup Performing Arts and Cultural Facility	\$150,000	Undertake scoping for this development
Parking Facility	\$419,800	To fund the implementation of an electronic infringement system, the operations of the Cat Bus service for 2010/11 and the provision of alfresco planter boxes within the City Centre
Town Planning Scheme No 10 (Revoked)	\$113,974	To complete works in the old Scheme No 10 area in Kingsley and Woodvale
Specified Area Rating – Harbour Rise	\$12,104	To complete works specific to the Specified Area in Harbour Rise
Strategic Asset Management	\$700,000	To fund the City’s contribution towards the Padbury Community Centre project, the balance being funded by Grant
Capital Works Carried Forward	\$11,559,510	2009/10 uncompleted works to be undertaken in 2010/11

- 14 As part of the 2010/11 Budget AUTHORISES the following transfers to Reserves:

Reserve	Amount	Purpose
Parking Facility	\$959,950	Surplus paid parking funds to provide for future parking and other Joondalup City Centre works and services
Strategic Asset Management	\$1,200,000	To fund the future acquisition and development of new and the renewal of existing City infrastructure and building assets
All reserves	\$1,814,529	Interest earned on the investment of reserve funds

- 15 As part of the 2010/11 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 Wednesday, 7 July 2010;
- 16 In accordance with the provisions of Section 6.20 of the Local Government Act 1995 and as part of the 2010/11 Budget, **AUTHORISES** the following borrowings for the 2010/11 financial year, subject to where the borrowings are intended as only part funding, the projects progressing to the point where loan funds are required:
- 16.1 \$2,924,100 for the City's contribution to the Commonwealth Government Regional and Local Community Infrastructure Program grant projects for Seacrest Community Sports Facility, Forrest Park Changeroom and Toilet Block and Fleur Freame Pavilion.

AMENDMENT MOVED Cr Fishwick, **SECONDED** Cr Young that an additional Part be added to the Motion as follows:

"4.2 That the State Government be requested to amend the *Rates and Charges (Rebates and Deferrals) Act 1992* to include rubbish charges where this is imposed by local governments as a separate service fee so that eligible pensioners within the meaning of the Act are able to receive a discount;"

The Amendment was Put and

CARRIED (11/0)

In favour of the Amendment: Mayor Pickard, Crs Amphlett, Chester, Corr, Fishwick, Gobbert, Hollywood, McLean, Norman, Taylor and Young

The Original Motion as amended, being:

- 1 **ADOPTS** the annual budget for the City of Joondalup for the year ending 30 June 2011 forming Appendix 1 to JSC06-07/10, comprising:
- (a) Executive Report;
 - (b) 2010/11 Income Statement by Nature or Type - Attachment 1a (grey);
 - (c) 2010/11 Income Statement by Program - Attachment 1b (grey);
 - (d) 2010/11 Budget Statement of Cash Flows - Attachment 2 (grey);
 - (e) 2010/11 Budget Rate Setting Statement - Attachment 3 (grey);
 - (f) 2010/11 Budget Rating Statement - Attachment 4 (grey);
 - (g) Notes to and Forming Part of the Budget - Attachment 5 (blue);
 - (h) 2010/11 Capital Expenditure - Attachment 6 (yellow);
 - (i) 2010/11 Vehicle and Plant Capital Expenditure - Attachment 7 (pink);
 - (j) 2010/11 Schedule of Fees and Charges - Attachment 8 (white);
 - (k) Business Unit Services Matrix - Attachment 9 (white);
- 2 Rates:
- 2.1 In accordance with the provisions of Sections 6.32, 6.33 and 6.35 of the Local Government Act 1995 **IMPOSES** Differential Rates and Minimum Payments for the 2010/11 Financial Year in accordance with the following tables:

2.1.1 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 Improved	0.060676	659
Residential Non Improved	0.060676	659
Commercial Improved	0.071509	672
Commercial Non Improved	0.121351	672
Industrial Improved	0.067254	672
Industrial Non Improved	0.121351	672

2.1.2 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	0.007113	659
Rural	0.007079	659

2.2 In accordance with the provisions of Sections 6.32 and 6.37 of the Local Government Act 1995, IMPOSES Specified Area Rates for the 2010/11 Financial Year in accordance with the following tables:

Specified Area	Gross Rental Value Rates (rate in dollar)	Purpose
Harbour Rise (2.2.1)	0.47411	Maintaining enhanced landscaping which will be applied during 2010/11
Iluka (2.2.2)	0.16513	Maintaining enhanced landscaping which will be applied during 2010/11
Woodvale Waters (2.2.3)	1.39932	Maintaining enhanced landscaping which will be applied during 2010/11

2.2.1 Harbour Rise Specified Rate area comprises the area bounded by:

2.2.1.1 Going along Whitfords Avenue from the corner of Seychelles Lane and following the shared boundaries of Whitfords Avenue with lots 9009 Martinique Mews, lots 470-478, 413-414, lot 397, lots 331-333, crossing Barbados Turn and continuing north with shared boundaries of Curacao Lane and lots 337-334, 378, 377, 403, 402, 376-367, and lot 9009 Angove Drive;

2.2.1.2 North-east along the boundary of lot 9009 Angove Drive, across Mallorca Avenue and following the boundaries of lot 251 & 250 where they meet Angove Drive;

2.2.1.3 Following the shared boundaries of Ewing Drive with lots 250, 249, 409, 410, 247, 245-240, 411 and 408 and then across Ewing Drive along 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;

2.2.1.4 Along the boundary that lot 198 Marbella Drive shares with lot 171 and 172 Waterford Drive, across Marbella Drive and continuing along the rear boundaries of strata lots 1 and 2 (lot 197) to strata lots 1 and 2 (lot 190) Algarve Way, along the boundary that lot 184 Tobago Rise shares with lot 181 Waterford Drive, across Tobago Rise and then along the boundary between lot 1 The Corniche and lots 182 and 183 Waterford Drive, 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 and 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. Along the boundary of lot 164 Lukin Road that is shared with Hepburn Ave and continuing along Hepburn Ave along the south-eastern boundaries of Leeward Park;

2.2.1.5 Continuing along the shared boundaries of Hepburn Avenue with lot 170 Amalfi Drive, lots 492-503 Seychelles Lane and Lot 909 Martinique Mews;

2.2.2 Iluka Specified Rate area comprises the area bounded by Shenton Avenue, Marmion Avenue, Burns Beach Road and the Foreshore Reserve;

2.2.3 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 and 157 Streeton Parade and lot 12240 Phillips-Fox Terrace, for the purposes of maintaining enhanced landscaping which will be applied during 2010/11;

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 2010/11 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 Payments ESL CHARGES BY PROPERTY USE			
		Residential and Vacant Land		Commercial, Industrial and Miscellaneous	
		Minimum	Maximum	Minimum	Maximum
1	0.0145	\$50	\$260	\$50	\$150,000

4 Domestic Refuse Charges:

- 4.1 In accordance with the provisions of Part IV of the Health Act 1911 (as amended) and Section 67 under Division 3, Part 6 of the Waste Avoidance and Resource Recovery Act 2007, IMPOSES the following domestic refuse charges for the 2010/11 financial year:

(a) Per existing unit serviced	\$277.00
(b) Each Additional Service	\$277.00
Collection from within the property boundary	\$52.00
New Refuse Service - Purchase and delivery of bin	\$61.79 (inclusive of GST)

- 4.2 That the State Government be requested to amend the *Rates and Charges (Rebates and Deferrals) Act 1992* to include rubbish charges where this is imposed by local governments as a separate service fee so that eligible pensioners within the meaning of the Act are able to receive a discount;

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 2010/11 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:

- 6.1 Full payment of all current and arrears of rates including specified area rates, emergency services levy, domestic refuse 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:

6.1.1 Major Prizes:

Volkswagen Golf Wagon to the value of \$29,310 (including on-road costs);

Hyundai i30 Hatch to the value of \$28,623 (including on-road costs);

6.1.2 Naming Rights Prize Package Sponsors (valued at over \$5,000 each):

Ace Scooters;

Westpac Banking Corporation (Westpac);

Westfield Whitford City;

Quality Resort, Sorrento Beach;

6.1.3 Other Prize Sponsors:

The Great Escape;

West Perth Falcons Football Club;

Joondalup Resort;

The Good Guys, Joondalup;

Balneaire Seaside Resort, Albany;

City of Joondalup Leisure Centres, Craigie;

Parlour Beautique Day Spa;

WA Symphony Orchestra;

White Salt, Sorrento;

Pavilion Restaurant, West Coast Institute of Training

Carine Cycles

Venues West Arena Joondalup

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):

7.1 One Instalment:

7.1.1 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

7.1.2 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;

7.2 Two Instalments:

7.2.1 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;

7.2.2 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 first instalment;

7.3 Four Instalments:

7.3.1 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;

7.3.2 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:

7.3.2.1 second instalment 63 days after due date of first instalment;

7.3.2.2 third instalment 63 days after due date of second instalment;

7.3.2.3 fourth instalment 63 days after due date of third instalment;

8 Late Payment Interest

In accordance with the provisions of Sections 6.13 and 6.51 of the Local Government Act 1995, IMPOSES interest on all current and arrears of rates (including Specified Area rates), current and arrears of domestic refuse charges, current and arrears of private swimming pool inspection fees (including GST) 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 as the case may be and continues until the instalment is fully paid. Excluded are deferred rates, instalment current amounts not yet due under the two or four payment instalment option, registered pensioner portions and current government pensioner rebate amounts. Interest is calculated daily on the outstanding balance and is debited to the account monthly in arrears.

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 the 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 an instalment and continues until the arrears is fully paid. Excluded are instalment current amounts not yet due under the two or four payment instalment option, registered pensioner portions and current government pensioner rebate amounts. Interest is calculated daily on the outstanding balance and is debited to the account monthly in arrears.

10 Instalment and Payment Arrangement Administration Fees and Interest Charges:

10.1 In accordance with the provisions of Section 6.45 of the Local Government Act 1995, for the 2010/11 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):

10.1.1 Two Instalment Option:

An administration fee of \$12.00 (inclusive of GST) for instalment two, together with an interest charge of 5.5% per annum, calculated on a simple interest basis of 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;

10.1.2 Four Instalment Option:

An administration fee of \$12.00 (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 of:

10.1.2.1 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;

10.1.2.2 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;

10.1.2.3 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;

10.1.3 Special Payment Arrangements:

Special fortnightly, monthly or bi-monthly payment arrangements can be made with the City for those ratepayers who may be unable to pay in full or according to the instalment plans offered. An administration fee of \$34.00 if paid by Direct Debit (bank account only) or \$52 if paid by another method, is charged on each special payment arrangement and penalty interest of 11.00% per annum, from and including the thirty sixth day from the issue of the rates notice, is applied to the outstanding balance until the account is paid in full;

10.2 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 2010/11 financial year;

- 11 **ADOPTS** the Five Year Capital Works Program with the 2010/11 program incorporated into the 2010/11 Budget and set out in the budget papers in Attachment 6 (yellow attachment);
- 12 **MERGES, DISCONTINUES** and **AMENDS** the name and/or purpose of the following reserve funds:
- 12.1 Merge the existing Asset Replacement Reserve with the Strategic Asset Management Reserve to create a single reserve with the name “Strategic Asset Management Reserve” and the purpose “to fund the acquisition and development of new and renewal of existing City infrastructure and building assets”;
- 12.2 Merge the existing Community Facilities Reserve and the Currambine /Kinross Community Centre Reserve to create a single reserve with the name “Currambine/Kinross Community Centre Reserve” and the purpose “to fund the development of a Community Centre in the Currambine/Kinross community area”;
- 12.3 Discontinue the Library Literacy Reserve;
- 12.4 Change the Name of the existing Domestic Cart Refuse Collection Reserve to “Waste Management Reserve” and the purpose “to fund and support waste management including but not limited to refuse collection, waste management initiatives and programs, infrastructure and buildings and legal expenses associated with waste management but excluding vehicles, plant and equipment”;
- 12.5 Change the Name of the existing Joondalup City Centre Public Parking Reserve to “Cash in Lieu of City Centre Parking Reserve” and the purpose “to hold funds received from developers as cash in lieu of providing car parking for developments within the Joondalup City Centre to be used to fund future car parking requirements”;
- 12.6 Change the Name of the existing Cultural Facility Reserve to “Joondalup Performing Arts and Cultural Facility Reserve”;
- 13 As part of the 2010/11 Budget **AUTHORISES** the following transfers from Reserves:

Reserve	Amount	Purpose
Waste Management	\$925,073	Cushion the impact of increasing refuse disposal costs
Ocean Reef Marina	\$150,033	To partly fund the continuation of the Marina Project
Joondalup Performing Arts and Cultural Facility	\$150,000	Undertake scoping for this development
Parking Facility	\$419,800	To fund the implementation of an electronic infringement system, the operations of the Cat Bus service for 2010/11 and the provision of alfresco planter boxes within the City Centre
Town Planning Scheme No 10 (Revoked)	\$113,974	To complete works in the old Scheme No 10 area in Kingsley and Woodvale
Specified Area Rating	\$12,104	To complete works specific to the

- Harbour Rise		Specified Area in Harbour Rise
Strategic Asset Management	\$700,000	To fund the City's contribution towards the Padbury Community Centre project, the balance being funded by Grant
Capital Works Carried Forward	\$11,559,510	2009/10 uncompleted works to be undertaken in 2010/11

14 As part of the 2010/11 Budget AUTHORIZES the following transfers to Reserves:

Reserve	Amount	Purpose
Parking Facility	\$959,950	Surplus paid parking funds to provide for future parking and other Joondalup City Centre works and services
Strategic Asset Management	\$1,200,000	To fund the future acquisition and development of new and the renewal of existing City infrastructure and building assets

All reserves	\$1,814,529	Interest earned on the investment of reserve funds
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15 As part of the 2010/11 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 Wednesday, 7 July 2010;

16 In accordance with the provisions of Section 6.20 of the Local Government Act 1995 and as part of the 2010/11 Budget, AUTHORIZES the following borrowings for the 2010/11 financial year, subject to where the borrowings are intended as only part funding, the projects progressing to the point where loan funds are required:

16.1 \$2,924,100 for the City's contribution to the Commonwealth Government Regional and Local Community Infrastructure Program grant projects for Seacrest Community Sports Facility, Forrest Park Changeroom and Toilet Block and Fleur Freame Pavilion.

During debate, Mayor Pickard requested that the following extract of a statement made by Cr Corr be recorded in the Minutes.

"My third concern relates to legal fees and the rehabilitation of sumps and I have to admit that I'm a little bit afraid to say much on this issue but it cost the City a lot of ratepayer's money. Council took the part of litigation against the advice of our lawyers Minter Ellison. Minter Ellison has raised issues about how the contract was handled by the City's staff and in the end it's the ratepayers who've spent a lot of money on this. I commend the City on how it presents the Capital Works Budget to Council for scrutiny, also the same for Fees and Charges but not the Operation Budget. There's been no real discussion or scrutiny. The Ocean Reef Marina Project is now costing millions. We need a business plan very soon. The cost of the sumps debacle I'll call it, worries me as we didn't accept the legal advice we paid for and then we litigate and lose."

was Put and

CARRIED (11/0)

In favour of the Motion: Mayor Pickard, Crs Amphlett, Chester, Corr, Fishwick, Gobbert, Hollywood, McLean, Norman, Taylor and Young

Appendix 1 refers

To access this attachment on electronic document, click here: [Attach1agn060710.pdf](#)

CLOSURE

There being no further business, the Mayor declared the Meeting closed at 1924 hrs; the following Elected Members being present at that time:

MAYOR T PICKARD
Cr K HOLLYWOOD
Cr T McLEAN
Cr P TAYLOR
Cr T YOUNG
Cr L GOBBERT
Cr G AMPHLETT
Cr J CHESTER
Cr B CORR
Cr M NORMAN
Cr R FISHWICK

