

# **ADMINISTRATION AND FINANCE COMMITTEE MEETING**

## **BUSINESS PAPER**

**TUESDAY 8 SEPTEMBER 2009**

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## **ADMINISTRATION AND FINANCE COMMITTEE MEETING**

Notice is hereby given that a Administration and Finance Committee Meeting of the Council of the City of Randwick will be held in the Council Chamber, Town Hall, 90 Avoca Street, Randwick, on Tuesday, 8 September 2009 at 6:00pm.

Committee Members: The Mayor, B Notley-Smith, Andrews, Belleli, Bowen, Hughes (Chairperson), Matson, Matthews, Nash (Deputy Chairperson), Procopiadis, Seng, Smith, Stevenson, Tracey, White and Woodsmith.

Quorum: Eight (8) members.

NOTE: At the Extraordinary Meeting held on 28 September 2004, the Council resolved that the Administration and Finance Committee be constituted as a committee with full delegation to determine matters on the agenda.

### **Apologies/Granting of Leave of Absences**

### **Confirmation of the Minutes**

Administration and Finance Committee Meeting - 11 August 2009

### **Declarations of Pecuniary and Non-Pecuniary Interests**

### **Address of Committee by Members of the Public**

### **Urgent Business**

### **Administration Reports**

Nil

### **Finance Reports**

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### **Closed Session**

Nil

### **Notices of Rescission Motions**

Nil

.....  
Ray Brownlee  
**GENERAL MANAGER**



## Finance Report No. F18/09



**Subject:** Monthly Financial Report as at 31 July 2009  
**Folder No:** F2009/00340  
**Author:** Mitchel Woods, Senior Management Accountant

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### Introduction

Section 202 of *Local Government (General) Regulation 2005* requires that the responsible accounting officer of a council must:

- a) establish and maintain a system of budgetary control that will enable the council's actual income and expenditure to be monitored each month and to be compared with the estimate of the council's income and expenditure, and
- b) if any instance arises where the actual income or expenditure of the council is materially different from its estimated income or expenditure, report the instance to the next meeting of the council.

### Issues

This report provides the financial results of Council as at 31 July 2009. Attachment 1 summarises Council's Financial Performance and its Source and Application of Funds. It also summarises the operating result for each of Council's principal activities. Attachment 2 details the financial position of Council as at 31 July 2009.

### Relationship to City Plan

The relationship with the City Plan is as follows:

Outcome 1: Leadership in Sustainability.  
Direction 1c: Long term financial viability is achieved.

### Financial impact statement

There is no direct financial impact for this matter.

### Conclusion

Council's Director Governance & Financial Services as the responsible accounting officer, advises that the projected financial position is satisfactory.

### Recommendation

That the monthly financial reports as at 31 July 2009 be noted.

### Attachment/s:

1. Income Statements, Source and Application of Funds for the period ended 31 July 2009
2. Balance Sheet as at 31 July 2009

**F18/09**



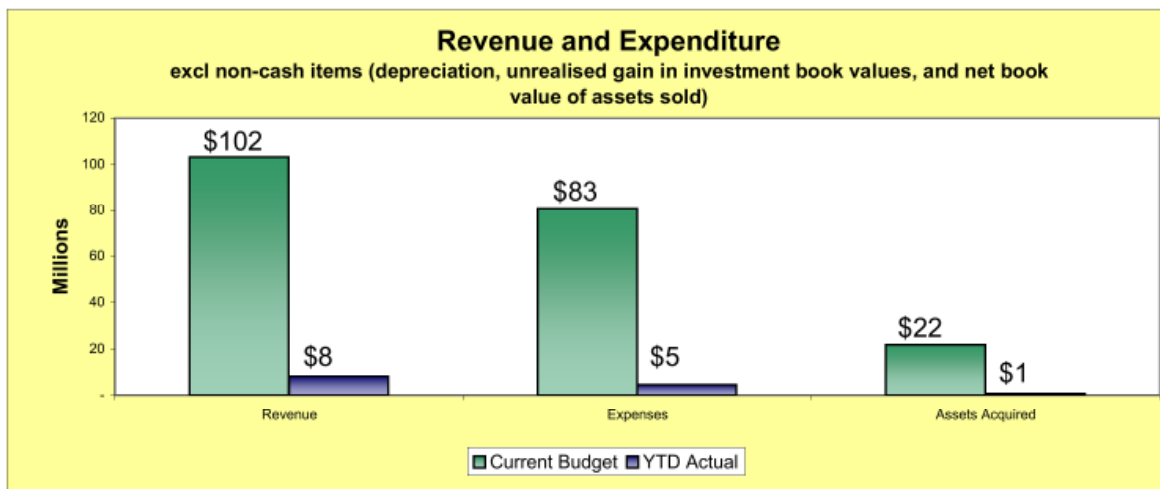
## INCOME STATEMENT

for the financial year as at 31 JULY 2009

<b>% OF YEAR EXPIRED AT 31 July 2009</b>	<b>8.33%</b>
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actual (\$'000s)	% of Budget Spent/Earned
<b>EXPENSES FROM CONTINUING OPERATIONS</b>				
Employee Costs	43,374	43,374	2,367	5.46%
Borrowing Costs	1	1	-	0.00%
Materials & Contracts	26,554	26,554	1,754	6.60%
Depreciation & Amortisation	16,682	16,682	1,676	10.04%
Other Operating Expenses	10,484	10,484	476	4.54%
Internal Charges	-	-	-	N/A
<b>Total Expenses from Continuing Operations</b>	<b>97,095</b>	<b>97,095</b>	<b>6,272</b>	<b>6.46%</b>
<b>REVENUE FROM CONTINUING OPERATIONS</b>				
Rates & Annual Charges	74,353	74,353	6,229	8.38%
User Charges & Fees	10,973	10,973	1,156	10.54%
Interest	1,517	1,517	364	23.98%
Other Operating Revenue	7,290	7,290	312	4.28%
Operating Grants and Contributions	5,890	5,890	206	3.50%
Capital Grants & Contributions	3,039	3,039	300	9.88%
Gain/(Loss) on Disposal of Assets	578	578	1	0.23%
<b>Total Revenue from Continuing Operations</b>	<b>103,641</b>	<b>103,641</b>	<b>8,569</b>	<b>8.27%</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>6,546</b>	<b>6,546</b>	<b>2,297</b>	

<b>FUNDING STATEMENT</b>				
<b>SOURCE OF FUNDS</b>				
Surplus (Deficit) from Operations - Accrual	6,546	6,546	2,297	35.09%
<b>Add Back Non-Funded Transactions Included in Operations above</b>				
- Depreciation	16,682	16,682	1,676	10.04%
- Sales of Assets (Book Value)	-	-	29	N/A
- Transfer from Internal Reserves	1,899	1,899	18	0.96%
- Transfer from External Reserves	27,005	27,005	773	2.86%
- Unrealised (Gain)/Loss on Market Value of Investments	-	-	(258)	N/A
<b>Net Funds Available</b>	<b>52,132</b>	<b>52,132</b>	<b>4,535</b>	<b>8.70%</b>
<b>APPLICATION OF FUNDS</b>				
Assets Acquired	21,846	21,846	631	2.89%
Transfer to Internal Reserves	3,489	3,489	223	6.40%
Transfer to External Reserves	26,796	26,796	2,423	9.04%
<b>Total Funds Applied</b>	<b>52,130</b>	<b>52,130</b>	<b>3,277</b>	<b>6.29%</b>
<b>Total Funds Surplus/(Deficit)</b>	<b>1</b>	<b>1</b>	<b>1,258</b>	



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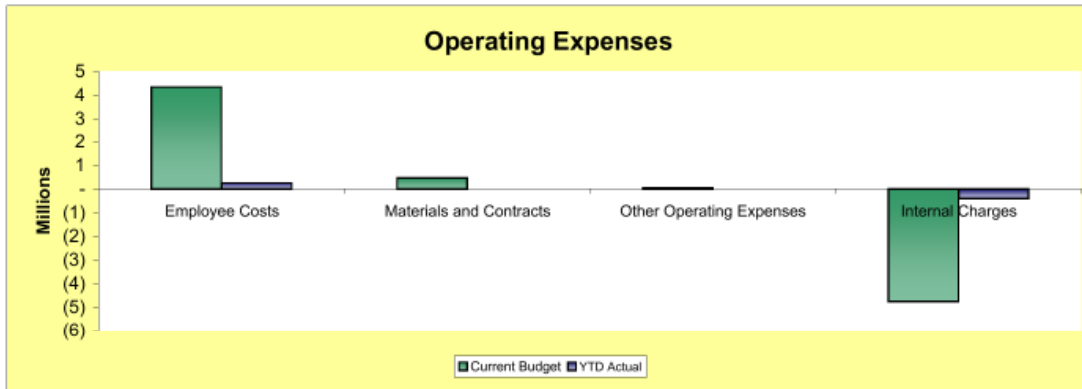


## OFFICE OF THE GENERAL MANAGER INCOME STATEMENT

for the financial year as at 31 JULY 2009

% OF YEAR EXPIRED AT 31 July 2009	8.33%
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actual (\$'000s)	% of Budget Spent/Earned
<b>EXPENSES FROM CONTINUING OPERATIONS</b>				
Employee Costs	4,342	4,342	262	6.04%
Materials and Contracts	467	467	7	1.54%
Other Operating Expenses	60	60	2	2.86%
Internal Charges	(4,744)	(4,744)	(395)	8.33%
<b>Total Expenses from Continuing Operations</b>	<b>125</b>	<b>125</b>	<b>(124)</b>	<b>-99.38%</b>
<b>REVENUE FROM CONTINUING OPERATIONS</b>				
Operating Grants & Contributions	20	20	27	133.05%
<b>Total Revenue from Continuing Operations</b>	<b>20</b>	<b>20</b>	<b>27</b>	<b>133.05%</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>(105)</b>	<b>(105)</b>	<b>151</b>	
<b>CAPITAL PURCHASES (NOT INCLUDED IN COSTS ABOVE)</b>				
<b>CAPITAL PURCHASES</b>				
<b>Total Capital Purchases</b>	-	-	-	



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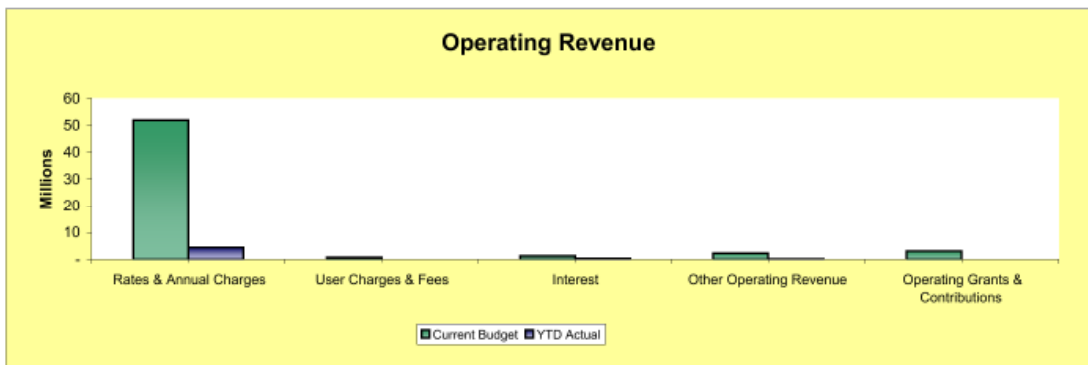
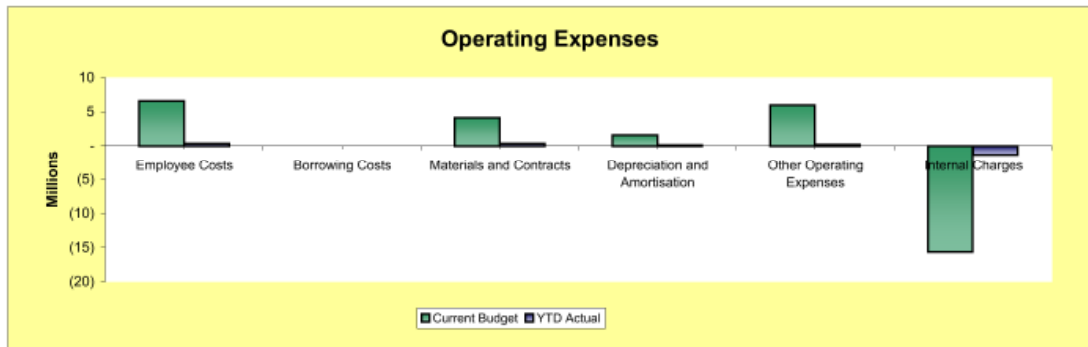
## GOVERNANCE & FINANCIAL SERVICES INCOME STATEMENT

for the financial year as at 31 JULY 2009

<b>% OF YEAR EXPIRED AT 31 July 2009</b>	<b>8.33%</b>
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actual (\$'000s)	% of Budget Spent/Earned
<b>EXPENSES FROM CONTINUING OPERATIONS</b>				
Employee Costs	6,565	6,565	338	5.15%
Borrowing Costs	1	1	-	0.00%
Materials and Contracts	4,128	4,128	318	7.71%
Depreciation and Amortisation	1,552	1,552	118	7.57%
Other Operating Expenses	5,969	5,969	177	2.96%
Internal Charges	(15,690)	(15,690)	(1,308)	8.34%
<b>Total Expenses from Continuing Operations</b>	<b>2,525</b>	<b>2,525</b>	<b>(357)</b>	<b>-14.15%</b>
<b>REVENUE FROM CONTINUING OPERATIONS</b>				
Rates & Annual Charges	51,938	51,938	4,363	8.40%
User Charges & Fees	804	804	41	5.07%
Interest	1,223	1,223	340	27.78%
Other Operating Revenue	2,324	2,324	207	8.89%
Operating Grants & Contributions	3,003	3,003	-	0.00%
<b>Total Revenue from Continuing Operations</b>	<b>59,292</b>	<b>59,292</b>	<b>4,950</b>	<b>8.35%</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>56,767</b>	<b>56,767</b>	<b>5,307</b>	
<b>CAPITAL PURCHASES (NOT INCLUDED IN COSTS ABOVE)</b>				
<b>CAPITAL PURCHASES</b>				
<b>Total Capital Purchases</b>	<b>832</b>	<b>832</b>	<b>-</b>	<b>0.00%</b>
<i>Detail as following:</i>				
IT Equipment	832	832	-	0.00%

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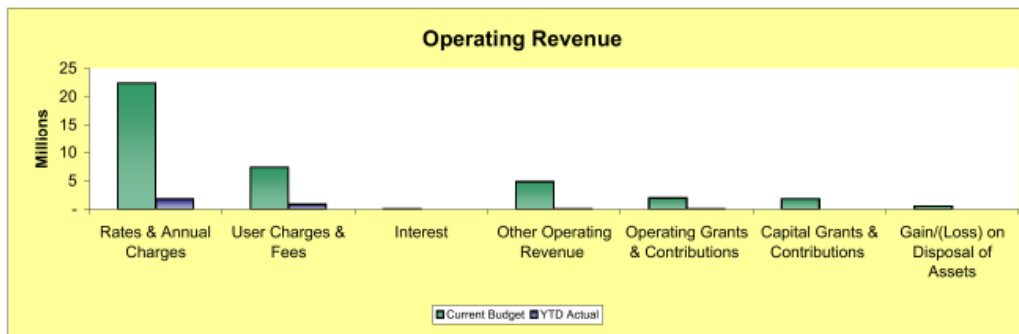
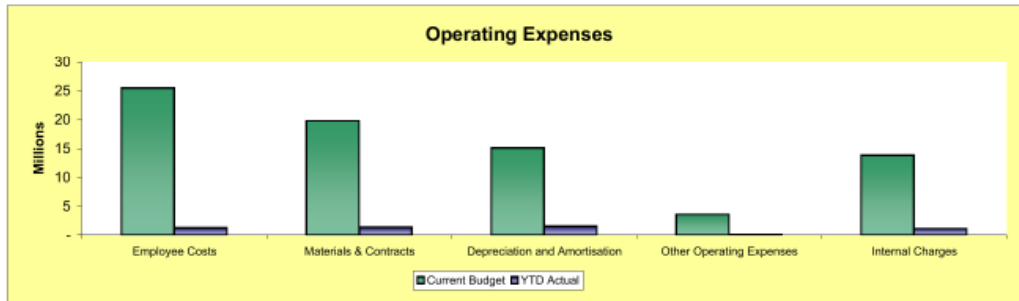


CITY SERVICES  
INCOME STATEMENT  
for the financial year as at 31 JULY 2009

% OF YEAR EXPIRED AT 31 July 2009	8.33%
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actual (\$'000s)	% of Budget Spent/Earned
<b>EXPENSES FROM CONTINUING OPERATIONS</b>				
Employee Costs	25,483	25,483	1,291	5.07%
Materials & Contracts	19,791	19,791	1,363	6.89%
Depreciation and Amortisation	15,125	15,125	1,558	10.30%
Other Operating Expenses	3,611	3,611	120	3.32%
Internal Charges	13,852	13,852	1,153	8.32%
<b>Total Expenses from Continuing Operations</b>	<b>77,863</b>	<b>77,863</b>	<b>5,485</b>	<b>7.04%</b>
<b>REVENUE FROM CONTINUING OPERATIONS</b>				
Rates & Annual Charges	22,415	22,415	1,866	8.33%
User Charges & Fees	7,421	7,421	888	11.96%
Interest	97	97	8	7.86%
Other Operating Revenue	4,881	4,881	105	2.16%
Operating Grants & Contributions	1,972	1,972	110	5.60%
Capital Grants & Contributions	1,839	1,839	20	1.08%
Gain/(Loss) on Disposal of Assets	578	578	1	0.23%
<b>Total Revenue from Continuing Operations</b>	<b>39,203</b>	<b>39,203</b>	<b>2,998</b>	<b>7.65%</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>(38,660)</b>	<b>(38,660)</b>	<b>(2,486)</b>	

<b>CAPITAL PURCHASES (NOT INCLUDED IN COSTS ABOVE)</b>				
<b>Total Capital Purchases</b>	<b>21,014</b>	<b>21,014</b>	<b>502</b>	<b>2.39%</b>
<i>Detail as following:</i>				
Office Equipment, Furniture and Fittings	-	-	1	N/A
Library Resources	362	362	71	19.68%
Contaminated Site Management	2,395	2,395	9	0.39%
Vehicular Access	500	500	17	3.50%
Parks Construction Projects	7,678	7,678	154	2.01%
Roads Construction Projects	6,987	6,987	28	0.41%
Drainage Construction Projects	1,230	1,230	15	1.23%
Building Construction Projects	442	442	92	20.79%
Plant, Fleet & Equipment Purchases	1,419	1,419	114	8.04%



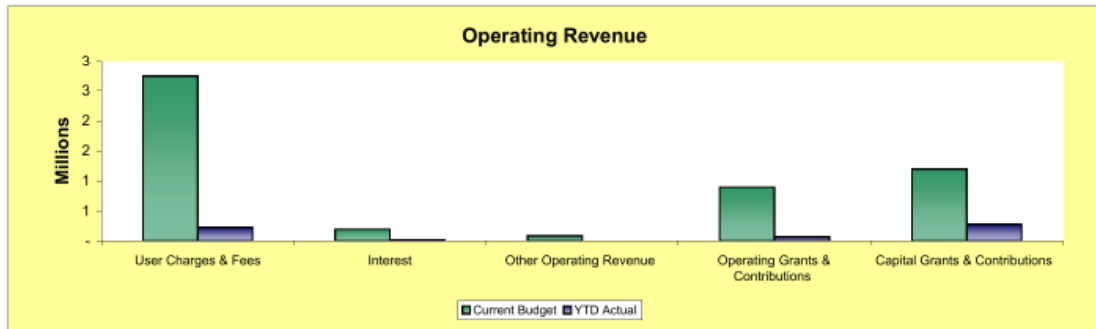
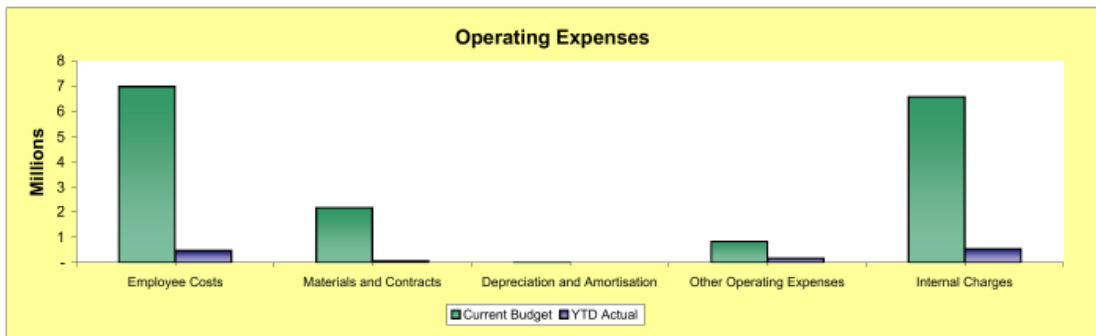
F18/09



**CITY PLANNING  
INCOME STATEMENT**  
for the financial year as at 31 JULY 2009

<b>% OF YEAR EXPIRED AT 31 July 2009</b>	<b>8.33%</b>
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	<b>Original Budget (\$'000s)</b>	<b>Current Budget (\$'000s)</b>	<b>YTD Actual (\$'000s)</b>	<b>% of Budget Spent/Earned</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>				
Employee Costs	6,984	6,984	475	6.81%
Materials and Contracts	2,168	2,168	65	3.00%
Depreciation and Amortisation	5	5		8.32%
Other Operating Expenses	843	843	177	21.04%
Internal Charges	6,581	6,581	551	8.37%
<b>Total Expenses from Continuing Operations</b>	<b>16,582</b>	<b>16,582</b>	<b>1,269</b>	<b>7.65%</b>
<b>REVENUE FROM CONTINUING OPERATIONS</b>				
User Charges & Fees	2,748	2,748	228	8.30%
Interest	197	197	16	8.33%
Other Operating Revenue	86	86		0.25%
Operating Grants & Contributions	895	895	69	7.76%
Capital Grants & Contributions	1,200	1,200	280	23.36%
<b>Total Revenue from Continuing Operations</b>	<b>5,126</b>	<b>5,126</b>	<b>594</b>	<b>11.59%</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>(11,456)</b>	<b>(11,456)</b>	<b>(675)</b>	
<b>CAPITAL PURCHASES (NOT INCLUDED IN COSTS ABOVE)</b>				
<b>Capital Purchases</b>				
<b>Total Capital Purchases</b>	-	-	<b>129</b>	N/A
<i>Detail as following:</i>				
Sustaining Our City Capital Projects	-	-	129	N/A



F18/09



# BALANCE SHEET

for the financial year as at 31 JULY 2009

	Actual as at 30 June 2009 (\$'000s)	Actual as at 31 July 2009 (\$'000s)
<b>CURRENT ASSETS</b>		
Cash, Cash Equivalents & Investments	39,276	33,284
Receivables	5,879	10,719
Inventories	359	382
Other	35	1,672
<b>TOTAL CURRENT ASSETS</b>	<b>45,550</b>	<b>46,057</b>
<b>NON-CURRENT ASSETS</b>		
Infrastructure, Property, Plant & Equipment	2,067,281	2,066,207
<b>TOTAL NON-CURRENT ASSETS</b>	<b>2,067,281</b>	<b>2,066,207</b>
<b>TOTAL ASSETS</b>	<b>2,112,830</b>	<b>2,112,264</b>
<b>CURRENT LIABILITIES</b>		
Payables	10,713	7,083
Provisions & Prepayments	11,673	11,939
<b>TOTAL CURRENT LIABILITIES</b>	<b>22,386</b>	<b>19,023</b>
<b>NON-CURRENT LIABILITIES</b>		
Provisions & Prepayments	174	174
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>174</b>	<b>174</b>
<b>TOTAL LIABILITIES</b>	<b>22,560</b>	<b>19,197</b>
<b>NET ASSETS</b>	<b>2,090,270</b>	<b>2,093,067</b>
<b>EQUITY</b>		
Retained Earnings	1,969,407	1,972,203
Revaluation Reserves	120,863	120,863
<b>TOTAL EQUITY</b>	<b>2,090,270</b>	<b>2,093,067</b>

F18/09



## Finance Report No. F19/09



**Subject:** Contingency fund - status as at 31 August 2009

**Folder No:** F2004/07396

**Author:** Julie Hartshorn, Senior Administrative Coordinator

### Introduction

The purpose of this report is to detail the progressive amount of donations, allocations, waiving of fees and other similar contributions for the 2009-10 financial year.

In the 2009-10 financial year there have been 7 allocations totalling \$16,843.30 as listed in the table below.

Meeting	Details	Net cost to Council
Ordinary Council – 26 Sept 2006	Annual contribution (7 years from 2006/07) Interest foregone on interest free loan - Coogee Surf Life Saving Club renovations	\$4,500.00
Ordinary Council – 28 April 2009	Financial assistance – Randwick Boys and Girls High Schools – 2009 Rock Eisteddfod	\$3,000.00
Ordinary Council – 26 May 2009	Waiving of fees – South Maroubra Village Green Art Show	\$250.00
Ordinary Council – 26 May 2009	Waiving of fees – Maroubra Fun Run and Oktoberfest	\$4,566.80
Ordinary Council – 28 July 2009	Waiving of fees - South Maroubra Surf Life Saving Club - Surf Carnival	\$866.50
Ordinary Council – 28 July 2009	Waiving of fees - Maroubra Swimming Club Championships – Des Renford Aquatic Centre	\$660.00
Ordinary Council – 28 July 2009	Financial assistance - Ride for Life – Prince of Wales Hospital Foundation	\$3,000.00
<b>TOTAL:</b>		<b>\$16,843.30</b>

The amounts shown in the table above reflect the net cost to Council in providing the donation, grant or assistance. The GST, where applicable, has not been shown because it will be claimed back from the Australian Taxation Office.

### Relationship to City Plan

The relationship with the City Plan is as follows:

- Outcome 2: A vibrant and diverse community.  
Our community will be proud to be part of our City and celebrate its range of cultures and people.
- Direction 2b: Enrich our range of community services that meet our community's needs.
- Key Actions: Support the provision of services and facilities to meet the needs of our Target Groups and celebrate the range of cultures and people within Randwick City.

F19/09

**Financial impact statement**

Council has allocated \$50,000 in the 2009-10 Budget for contingencies.

**Recommendation**

That the report be received and noted.

**Attachment/s:**

Nil

**F19/09**