



**Randwick City
Council**
a sense of community

ORDINARY COUNCIL MEETING

SUPPLEMENTARY BUSINESS PAPER

**MAYORAL MINUTES
AND
LATE GENERAL MANAGER'S REPORT**

TUESDAY 23 FEBRUARY 2010

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ORDINARY COUNCIL MEETING

Notice is hereby given that an Ordinary Council Meeting of the Council of the City of Randwick will be held in the Council Chamber, Town Hall, 90 Avoca Street, Randwick, on Tuesday, 23 February 2010 at 6:00pm.

Mayoral Minutes

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Mayoral Minute No. MM2/10



Subject: Tamarama to Clovelly Ocean Swim
Folder No: F2009/08285
Author: Councillor Procopiadis, Mayor

Introduction

An application has been received from Mr Chris Glover, Tamarama Surf Life Saving Club, seeking Council's assistance in the waiving of fees for the staging of an ocean swim from Tamarama Beach to Clovelly Beach on 5 April 2010.

Issues

This is the second time this event has been run and both surf clubs are very excited about the prospect of hosting an ocean swim.

The applicant has advised that this is a community event and the fairly modest proceeds made will go to the two surf life saving clubs.

The associated fees include:

Application Fee	\$ 145.00
Beach Hire – Clovelly Beach (half day)	\$ 266.00
TOTAL:	\$ 411.00

Financial impact statement

Should Council accept the report recommendation, the financial implication to Council is \$411.00 and currently there are sufficient funds in the 2009/2010 Contingency Fund to cover these fees.

Conclusion

It is considered that this ocean swim is a non-profit activity and to assist with this event, costs be allocated to cover the associated fees.

Recommendation

That

1. Council vote \$375.80 to cover the fees associated with the holding of the Tamarama Beach to Clovelly Beach Ocean Swim on 13 April 2009 and that the funds be allocated from the 2009/2010 Contingency Fund;
2. the organiser of the event undertake to appropriately and prominently acknowledge and promote Council's contribution to the swim; and
3. the Mayor or his representative to be given the opportunity to address the ocean swim on behalf of Council.

Attachment/s:

Nil

MM2/10

Mayoral Minute No. MM3/10

Subject: **Waiving of Fees - Maroubra Surfers Association**

Folder No: F2009/08302

Author: Councillor Procopiadis, Mayor

Introduction

An application has been received from Mr Andrew Kennedy on behalf of Maroubra Surfers Association to use Maroubra Beach to host their local boardriders competitions.

Issues

These competitions are for all local children and it gives them the opportunity to enter a competition at an entry level stage and is a stepping stone for young hopefuls wishing to pursue surfing as a career.

Maroubra Surfers Association is a non-profit organisations and Mr Kennedy is requesting that due to the nature of these activities that the appropriate fees be waived:

Application Fee:	\$ 145.00
Amateur Sports Hire fee x 9 days @ \$450.00 per day	\$4,050.00
TOTAL	\$4,195.00

Financial impact statement

Should Council accept the report recommendation, the financial implication to Council is \$4,195.00 which will be allocated from the Contingency Fund 2009/10.

Conclusion

It is considered that these activities would be very beneficial to the local children in the community.

Recommendation

That:

- a) fees in the amount of \$4,195 associated with the Maroubra Surfers Association be waived and funds be allocated from the 2009/10 Contingency Fund;
- b) the event organisers undertake to appropriately and prominently acknowledge and promote Council's contribution prior to and during the activities; and
- c) the Mayor or his representative be given the opportunity to address the activities on behalf of Council.

Attachment/s:

Nil

MM3/10

Mayoral Minute No. MM4/10



Subject: Re-opening of La Perouse Museum
Folder No: F2009/00020
Author: Councillor Procopiadis, Mayor

Introduction

La Perouse Day is an important and historical event for the City of Randwick. It marks the arrival of La Perouse just 5 days after the arrival of the First Fleet.

To celebrate the important and unique heritage values of the area, The Friends of La Perouse and Council have in the past held a celebration. This event has not taken place in the past 4-5 years. The Friends of La Perouse Museum and the National Parks and Wildlife Service would like to re-establish the event.

The Museum for the last few months has undergone refurbishments and the Friends of La Perouse Museum have written to Council seeking Council's financial assistance to hold a cocktail party for 80 invited guests to mark the event. The event will be co-hosted by the National Parks and Wildlife Service who is responsible for the Museum and the surrounding grounds.

Issues

The tentative date for the cocktail party is Friday 26 March from 6.30pm – 8.30pm. The invitation list includes Councillors, NPWS guests, Friends of the La Perouse Museum and representatives from the local and French communities.

La Perouse Day has a cultural significance for the City of Randwick and its European history. However Friends of La Perouse Museum will need to apply for funding under the Council's Cultural Community Grants Program for future events. To qualify for cultural grants funding, events and activities must be accessible to residents in general. Council officers will work with the Friends of La Perouse Museum and assist them with the application process.

Financial impact statement

The Friends of the La Perouse Museum have not provided Council with the costs associated with this event. Similar Council events cost approximately \$4000.00. Since the National Parks and Wildlife Service will cover half of the cost, it is proposed to provide \$2000.00 to the Friends of La Perouse Museum from the Events Budget.

Conclusion

The Friends of the La Perouse Museum and the NPWS would like to re-establish the La Perouse Day celebration to mark the opening of the Museum. This will act as an impetus for future community events marking this historical occasion.

Recommendation

That:

- a) an amount of \$2,000 associated with the re-opening of the Friends of La Perouse Museum be allocated from the 2009/10 Events budget;

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- b) the event organisers undertake to appropriately and prominently acknowledge and promote Council's contribution prior to and during the activities; and
- c) the Mayor or his representative be given the opportunity to address the activities on behalf of Council.

Attachment/s:

Nil

MM4/10

Mayoral Minute No. MM5/10



Subject: Passing of Former Mayor of Randwick City Council - Adrian (Charles) Molloy

Folder No: F2005/00266

Author: Councillor Procopiadis, Mayor

Introduction

It is with great sadness that I inform Council of the passing of former Mayor of Randwick City Council, Mr Adrian (Charles) Molloy at 94 years of age.

Issues

Charles Molloy was first elected on to Council as an Alderman in 1956 and served our City with great passion and distinction up until his retirement in 1973. Charles' career included a term as Mayor from Council's Centenary in 1959 through to 1962.

Charles Molloy was an integral figure in the development of Randwick Council. Charles ran a caryard in Avoca Street, was one of our area's first ever boardriders and President of the local Surf Club. Charles also had a passion for our local area, leading the calls for better planning of housing commission developments in the Maroubra district and for greater levels of policing for the Randwick City area in the late 1960's.

Financial impact statement

There is no direct financial impact for this matter.

Conclusion

Randwick City has lost one of its finest residents and greatest ever servants. Council has already extended its deepest sympathies to his wife Maureen and family.

Recommendation

That Council sends its condolences to the Molloy family on the passing of one of its favourite sons, former Mayor Adrian (Charles) Molloy.

Attachment/s:

Nil

MM5/10

Late General Manager's Report No. GM3/10



Subject: Long Term Financial Plan 2010-11
Folder No: F2006/00588
Author: Caroline Foley, Manager Corporate & Financial Planning

Introduction

Randwick City Council's first Long Term Financial Plan (LTFP) was presented to Council on 23 August 2005. The LTFP is a dynamic document, reviewed and updated twice each year on adoption of the Budget and completion of the annual Financial Reports. The LTFP has been reviewed and a forecasted 2010-11 Budget has been incorporated into the Plan.

Issues

The purpose of the 20 year LTFP is to enable the Council to better plan and understand long term financial requirements, which include consideration of sustainability, service provision levels and the creation, upgrading and renewal of infrastructure. The LTFP is reviewed twice each year to ensure it changes as the needs, strategies and financial position of the Council change over time.

The LTFP has been reviewed and prepared in accordance with the Planning and Reporting Guidelines for Local Government in NSW. The LTFP contains a number of assumptions and has been integrated with the Council's costed short and medium term plans. The depreciation rates have also been updated for the buildings asset class. A recent revaluation of this asset class resulted in the cost of buildings depreciation rising from \$1.1 million per annum to \$3.4 million per annum.

The last Long Term Financial Plan was adopted by the Council on 22 September 2009. The changes made to the plan are summarised below:

- All assumption and forecast tables updated with the latest information available.
- The Council's short and medium term financial plans have been reviewed and the LTFP updated where required.
- Three financial models introduced to demonstrate the financial impact of the introduction of the Building Program and various rating scenarios.
- Information has been provided regarding the impact of the state government Waste Levy on the Council's Domestic Waste Levy (page 5).
- Payments made to other levels of government such as the Fire Service Levy have risen 5.1% annually on average over the past 3 years. The LTFP has been adjusted to reflect this increase above the forecasted CPI rates (page 9).
- The impact of opening a fitness facility at the Des Renford Aquatic Centre in 2013-14 has been included in the LTFP (page 10).
- As the LTFP contains a number of assumptions a sensitivity analysis has been included in the LTFP to explain the impact a fluctuation in one or more of these assumptions may have on the Council's future financial plans.
- A new financial performance measure has been included in the LTFP to measure the Council's reliance on rate revenue in contrast to other sources of revenue (page 11).

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Three models have been provided within the LTFP:

Model 1: Building Levy is not introduced and rate pegging is set at CPI

Model 2: Building Levy is not introduced and rate pegging is set at the average percentage approved over the last 8 years (3.45%)

Model 3: Building Levy is introduced with rate increases set at 2.6% in year 1, 3.55% in year 2 and 3.59% thereafter

Under both Model 1 and 2 the Council will need undertake extensive consultation with the community to determine which amenities may need to be demolished. Some examples of buildings which have been projected to be in this category and are in poor condition are:

- Rainbow Street Kingsford Amenities
- Community Nursery Greenhouse
- Mahon Pool Amenities Block
- Mahon Pool Dressing Shed
- Randwick Cemetery Amenities and Storage Building
- Matraville Youth and Cultural Hall
- Gordon's Bay Fisherman's Clubhouse
- Coogee Fisherman's Clubhouse

An overview of each model is provided in the Financial Impact Statement below.

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

The Council will remain financially sustainable over the twenty year period under both Models 2 and 3 in terms of maintaining a balanced budget, sufficient unrestricted cash and available working capital, strong liquidity, sufficient cash reserves and a good debt collection ratio. However, the Council will not be able to maintain all categories of assets at a satisfactory level under Model 1 and buildings under Model 2.

The financial impact of each model is outlined below:

Model 1: No Building Levy and Rate Peg at CPI

Movements in CPI alone do not reflect the rising costs of a local government authority. As a result, under Model 1 the Council would not be able to generate operating surpluses into the future. This would result in the demolition of unfit buildings, reduced service levels and a continuous decline in the funding available for capital and infrastructure programs. The Council would be unable to maintain infrastructure assets at a satisfactory level.

Model 2: No Building Levy and Rate Peg at 3.45%

The Council will remain financially sustainable and maintain current service levels under Model 2. The Council would be able to generate moderate operating surpluses into the future from year 4 (2013-14) due to estimated savings in information technology costs. From year 10 (2019-20) the operating surplus will increase further

as a result of a forecasted fall in the cost of the defined benefits superannuation scheme. However, under this model the Council would be unable to maintain building assets at a satisfactory standard, resulting in the possible demolition of unfit buildings.

Model 3: Building Levy and Rate Increases at 3.59% from year 3

In this model the Council will continue to be financially sustainable, with a capacity to generate operating surpluses well into the future and fund capital and infrastructure programs. Under Model 3 all categories of assets would be maintained at a satisfactory standard and the Council would be able to sustain current service levels.

Conclusion

Council's Director Governance & Financial Services, as the responsible accounting officer, advises that the projected financial position will remain sustainable under Models 2 and 3. However under Model 2 the Council would be unable to maintain buildings at a satisfactory level. While the Council's budget is balanced under Model 1, this model would result in the possible demolition of buildings, unsatisfactory maintenance standards for some or all infrastructure assets and a potential reduction in service levels.

Recommendation

1. That the Long Term Financial Plan as amended be adopted.
2. That a further report be brought back to Council for the Council to consider which Long Term Financial Plan model is to be adopted.

Attachment/s:

1. 1. Long Term Financial Plan 2010-11 Included under separate cover