

ADMINISTRATION AND FINANCE COMMITTEE MEETING

BUSINESS PAPER

TUESDAY 13 MARCH 2012

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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, 13 March 2012 at 6pm.

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

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 - 14 February 2012

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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Notice of Rescission Motions

Nil

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Ray Brownlee
GENERAL MANAGER

Finance Report No. F4/12



Subject: Monthly Financial Report as at 31 January 2012
Folder No: F2011/00438
Author: Anna Bashkirova, Management Accountant

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 the Council as at 31 January 2012. Attachment 1 summarises the Council's financial performance and its source and application of funds. It also summarises the operating result for each of the Council's principal activities. Attachment 2 details the financial position of the Council as at 31 January 2012.

Relationship to City Plan

The relationship with the City Plan is as follows:

- Outcome 1: Leadership in Sustainability.
Direction 1b: Council is a leader in the delivery of social, financial and operational activities.

Financial impact statement

There is no direct financial impact for this matter.

Conclusion

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

Recommendation

That the monthly financial reports as at 31 January 2012 be noted.

Attachment/s:

1. Monthly Financial Statements - January 2012 Income Statements
2. Monthly Financial Statements - January 2012 Balance Sheet

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INCOME STATEMENT

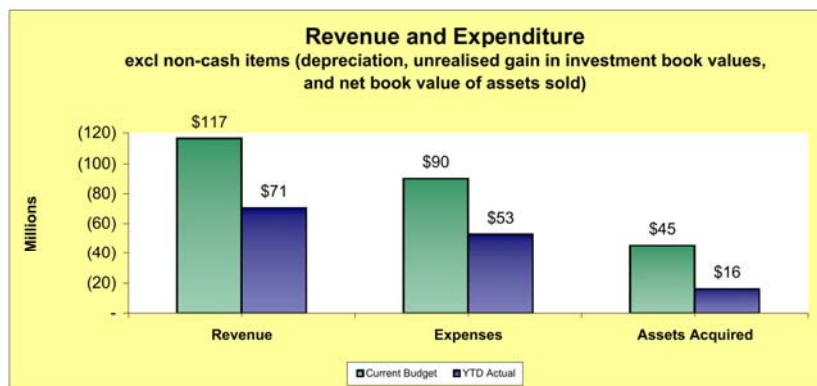
for the financial year as at 31 January 2012

% OF YEAR EXPIRED AT 31 Jan 2012	59%
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F4/12

	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	47,377	47,422	28,205	59.5%
Borrowing Costs	1	1	-	0.0%
Materials & Contracts	26,765	31,180	17,581	56.4%
Depreciation & Amortisation	19,296	21,671	12,921	59.6%
Other Operating Expenses	11,477	11,612	7,242	62.4%
Internal Charges	(10)	(10)	(26)	260.7%
Total Expenses from Continuing Operations	104,906	111,877	65,924	58.9%
REVENUE FROM CONTINUING OPERATIONS				
Rates And Annual Charges	83,614	83,885	49,034	58.5%
User Charges And Fees	12,340	12,031	7,926	65.9%
Interest	2,641	2,641	1,815	68.7%
Other Revenues	6,989	7,002	4,101	58.6%
Operating Grants and Contributions	5,691	5,507	4,391	79.7%
Capital Grants and Contributions	4,296	5,498	3,322	60.4%
Gain/(Loss) on Disposal of Assets	1,631	1,631	(107)	-6.6%
Total Revenue from Continuing Operations	117,201	118,196	70,482	59.6%
Net Operating Result - Surplus/(Deficit)	12,295	6,319	4,558	

FUNDING STATEMENT				
SOURCE OF FUNDS				
Surplus/(Deficit) from Operations - Accrual	12,295	6,319	4,558	72.1%
Add Back Non-Funded Transactions included in Operations above				
- Depreciation	19,296	21,671	12,921	59.6%
- Sales of Assets (Book Value)	-	-	690	0.0%
- Leave accruals for LSL, SL and GR - Unrestricted	-	-	812	0.0%
- Transfer from Internal Reserves	7,152	14,844	7,268	49.0%
- Transfer from External Reserves	30,972	45,923	18,017	39.2%
- Unrealised Gain/(Loss) on Market Value of Investments	-	-	(45)	0.0%
Net Funds Available	69,715	88,757	44,221	49.82%
APPLICATION OF FUNDS				
Assets Acquired	28,987	45,353	16,152	35.6%
Transfer to Internal Reserves	10,384	10,689	7,727	72.3%
Transfer to External Reserves	30,339	32,710	18,276	55.9%
Total Funds Applied	69,710	88,752	42,155	47.5%
Total Funds Surplus/(Deficit)	5	6	2,066	



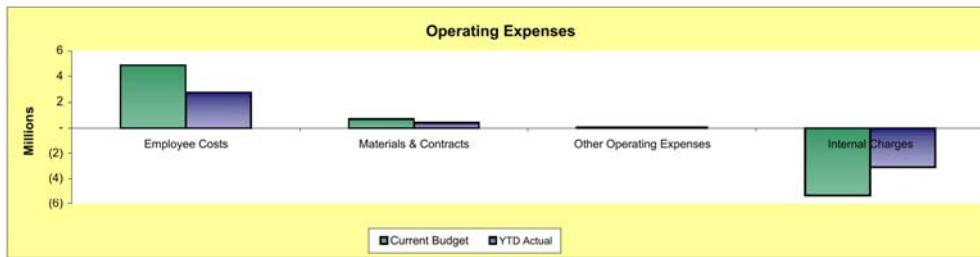


OFFICE OF THE GENERAL MANAGER INCOME STATEMENT

for the financial year as at 31 January 2012

% OF YEAR EXPIRED AT 31 Jan 2012	59%
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	4,818	4,898	2,757	56.3%
Materials & Contracts	594	705	432	61.3%
Other Operating Expenses	57	79	80	102.1%
Internal Charges	(5,300)	(5,300)	(3,087)	58.2%
Total Expenses from Continuing Operations	169	381	183	48.0%
REVENUE FROM CONTINUING OPERATIONS				
Operating Grants and Contributions	50	50	19	37.4%
Total Revenue from Continuing Operations	50	50	19	37.43%
Net Operating Result - Surplus/(Deficit)	(119)	(331)	(164)	
CAPITAL PURCHASES (NOT INCLUDED ABOVE)				
CAPITAL PURCHASES				
Total Purchases	-	25	-	0.0%
<i>Detail as following:</i>				
Other Capital Projects	-	25	-	0.0%



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GOVERNANCE AND FINANCIAL SERVICES INCOME STATEMENT

for the financial year as at 31 January 2012

% OF YEAR EXPIRED AT 31 Jan 2012	59%
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	7,479	7,419	4,325	58.3%
Borrowing Costs	1	1	-	0.0%
Materials & Contracts	2,612	3,031	1,763	58.2%
Depreciation & Amortisation	772	3,095	1,807	58.4%
Other Operating Expenses	6,183	6,254	3,595	57.5%
Internal Charges	(16,175)	(16,175)	(9,429)	58.3%
Total Expenses from Continuing Operations	871	3,625	2,061	56.9%
REVENUE FROM CONTINUING OPERATIONS				
Rates And Annual Charges	58,784	58,887	34,416	58.4%
User Charges And Fees	985	985	588	59.8%
Interest	2,189	2,189	1,542	70.4%
Other Revenues	2,598	2,601	1,419	54.6%
Operating Grants and Contributions	3,093	2,510	1,630	64.9%
Total Revenue from Continuing Operations	67,648	67,172	39,594	58.9%
Net Operating Result - Surplus/(Deficit)	66,777	63,548	37,533	
CAPITAL PURCHASES (NOT INCLUDED ABOVE)				
Total Purchases	1,115	1,783	220	12.3%
<i>Detail as following:</i>				
IT Equipment	1,115	1,783	220	12.3%



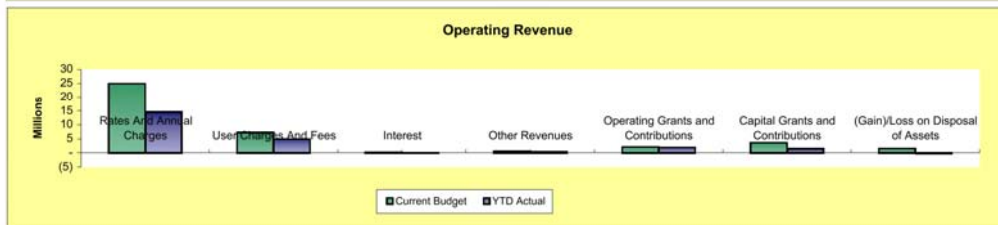
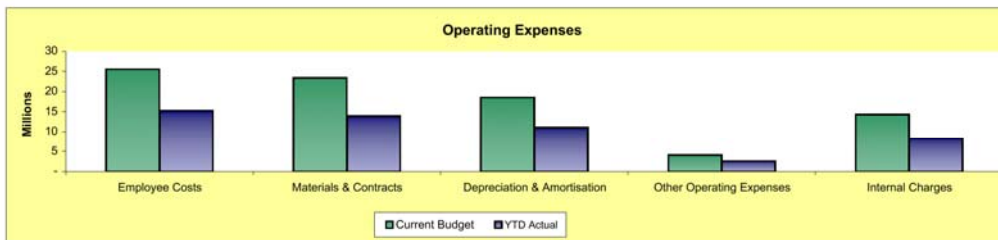


CITY SERVICES INCOME STATEMENT

for the financial year as at 31 January 2012

% OF YEAR EXPIRED AT 31 Jan 2012	59%
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent / Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	25,577	25,577	15,307	59.8%
Materials & Contracts	20,768	23,422	13,979	59.7%
Depreciation & Amortisation	18,522	18,576	11,114	59.8%
Other Operating Expenses	4,110	4,103	2,566	62.5%
Internal Charges	14,331	14,331	8,333	58.1%
Total Expenses from Continuing Operations	83,309	86,010	51,298	59.6%
REVENUE FROM CONTINUING OPERATIONS				
Rates And Annual Charges	24,830	24,997	14,618	58.5%
User Charges And Fees	7,645	7,324	5,003	68.3%
Interest	251	251	156	61.9%
Other Revenues	715	715	427	59.8%
Operating Grants and Contributions	2,204	2,231	1,978	88.6%
Capital Grants and Contributions	2,596	3,648	1,553	42.6%
(Gain)/Loss on Disposal of Assets	1,631	1,631	(107)	-6.6%
Total Revenue from Continuing Operations	39,871	40,798	23,627	57.9%
Net Operating Result - Surplus/(Deficit)	(43,437)	(45,212)	(27,672)	
CAPITAL PURCHASES (NOT INCLUDED ABOVE)				
CAPITAL PURCHASES				
Total Purchases	27,866	43,539	15,928	36.6%
<i>Detail as following:</i>				
Parks Construction	10,174	20,060	5,413	27.0%
Roads Construction	7,672	10,413	5,678	54.5%
Drainage Construction	1,194	1,194	4	0.3%
Building Construction	3,025	4,896	2,848	58.2%
Library Resources	370	378	161	42.7%
Des Renford Aquatic Centre	-	419	12	2.9%
Contaminated Site Management	900	1,097	378	34.4%
Vehicular Access	500	500	164	32.9%
Plant and Equipment	4,031	4,582	1,269	27.7%



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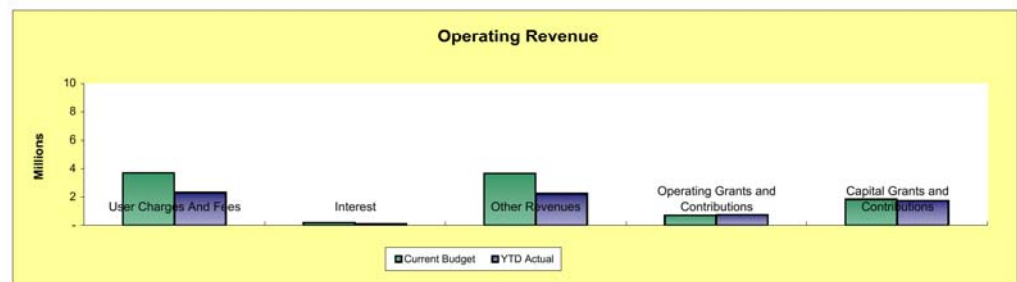
CITY PLANNING INCOME STATEMENT

for the financial year as at 31 January 2012

% OF YEAR EXPIRED AT 31 Jan 2012	59%
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	9,503	9,528	5,816	61.0%
Materials & Contracts	2,790	4,023	1,408	35.0%
Depreciation & Amortisation	3	-	-	0.0%
Other Operating Expenses	1,128	1,176	1,000	85.1%
Internal Charges	7,133	7,133	4,158	58.3%
Total Expenses from Continuing Operations	20,558	21,860	12,382	56.6%
REVENUE FROM CONTINUING OPERATIONS				
User Charges And Fees	3,710	3,722	2,335	62.7%
Interest	201	201	117	58.3%
Other Revenues	3,676	3,686	2,255	61.2%
Operating Grants and Contributions	344	716	765	106.9%
Capital Grants and Contributions	1,700	1,850	1,769	95.6%
Total Revenue from Continuing Operations	9,632	10,175	7,242	71.2%
Net Operating Result - Surplus/(Deficit)				
	(10,926)	(11,685)	(5,140)	
CAPITAL PURCHASES (NOT INCLUDED ABOVE)				
CAPITAL PURCHASES				
Total Purchases	6	6	4	60.7%
<i>Detail as following:</i>				
Sustaining Our City Projects	6	6	4	60.7%





BALANCE SHEET

at 31 January 2012

	Actual as at 30 June 2011	Actual as at 31 January 2012
CURRENT ASSETS		
Cash, Cash Equivalents & Investments	47,546	49,552
Receivables	6,873	4,090
Inventories	702	633
Other	885	1,463
TOTAL CURRENT ASSETS	56,007	55,737
NON-CURRENT ASSETS		
Infrastructure, Property, Plant & Equipment	1,253,975	1,256,512
TOTAL NON-CURRENT ASSETS	1,253,975	1,256,512
TOTAL ASSETS	1,309,982	1,312,249
CURRENT LIABILITIES		
Payables	12,311	9,815
Provisions & Prepayments	13,353	13,559
TOTAL CURRENT LIABILITIES	25,664	23,373
NON-CURRENT LIABILITIES		
Payables	260	260
Provisions & Prepayments	236	236
TOTAL NON-CURRENT LIABILITIES	496	496
TOTAL LIABILITIES	26,160	23,869
NET ASSETS	1,283,822	1,288,380
EQUITY		
Retained Earnings	731,231	735,789
Revaluation Reserves	552,591	552,591
TOTAL EQUITY	1,283,822	1,288,380



F4/12

Finance Report No. F5/12



Subject: Contingency Fund - status as at 29 February 2012

Folder No: F2007/00638

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 2011-12 financial year.

In the 2011-12 financial year there have been thirty (30) allocations totalling \$116,085.00 as listed in the table below.

Issues

Meeting	Details	Net cost to Council
Ord Council – 26 Sept 2006	<u>Annual contribution</u> (7 years from 2006-07) Interest foregone on interest free loan - Coogee Surf Life Saving Club renovations	\$4,500.00
Extraord Council – 6 Oct 2009	<u>Annual contribution</u> (3 years from 2009-10) Sponsorship - Westpac Life Saver Rescue Helicopter	\$15,000.00
Ord Council – 24 Nov 2009	<u>Annual contribution</u> (5 years 2010-2015) Waiving of fees – Rainbow Club Australia – Ocean Swim (Maroubra to Little Bay)	\$10,820.00
Ord Council – 27 July 2010	<u>Annual contribution</u> (5 years from 2010-11) - Randwick Boys High School - 'Mayor's Award'	\$1,000.00
Ord Council – 22 Feb 2011	<u>Annual contribution</u> (5 years from 2010-11) - Randwick Girls High School - 'Mayor's Award'	\$1,000.00
Ord Council – 24 May 2011	Donation - Randwick Rugby Foundation – Rugby Hall of Fame Event	\$2,000.00
Ord Council – 28 June 2011	Donation - Preparation of Traffic Management Plan – Maroubra Fun Run	\$4,000.00
Ord Council – 28 June 2011	Waiving of fees – Hire of Goldstein Reserve – Randwick City Tourism – Sports Coast Design Event	\$3,826.00
Ord Council – 26 July 2011	Waiving of fees and financial assistance - 11th Annual Des Renford Chair of Hearts Research Family Gala and Charity Day	\$8,500.00
Ord Council – 26 July 2011	Donation – White Ribbon Day - International Day for the Elimination of Violence Against Women	\$1,500.00
Ord Council – 26 July 2011	Financial assistance - Rainbow Child Care Centre – new oven	\$3,500.00
Ord Council – 26 July 2011	Financial assistance - Randwick Boys & Girls High Schools – Combined production	\$4,000.00
Ord council – 20 Sept 2011	Financial contribution - Wylies Baths Geotechnical Risk Assessment	\$5,000.00
Ord council – 20 Sept 2011	Waiving of fees - The Prince Henry Hospital Trained Nurses' Association - Use of Prince Henry Centre	\$1,945.00
Works Comm – 8 Nov 2011	'Sense of Community' Street Parties	\$6,000.00

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Meeting	Details	Net cost to Council
Ord Council – 18 Oct 2011	Financial assistance - 2012 Eastern Suburbs Relay For Life - Cancer Council NSW	\$3,000.00
Ord Council – 18 Oct 2011	Donation – Maroubra Fun Run	\$5,350.00
Ord Council – 18 Oct 2011	Waiving of fees - Housing for Health Project with the La Perouse Aboriginal Community	\$1,645.00
Ord Council – 18 Oct 2011	Donation - Positive Pedalers' Day	\$250.00
Ord Council – 18 Oct 2011	Waiving of fees - Carols by Candlelight - St Mark's Anglican Church	\$1,667.00
Ord Council – 18 Oct 2011	Donation - Charity Fundraising Event for the Prince of Wales Hospital Foundation	\$300.00
Ord Council – 22 No 2011	White Ribbon Day Lunch	\$1,100.00
Ord Council – 22 No 2011	Waiving of fees - Greek Orthodox Church Epiphany Ceremony	\$6,373.00
Ord Council – 22 No 2011	Financial Assistance - Bayside Swim Club - Olympic Swimming Trials in Adelaide	\$3,000.00
Ord Council – 28 Feb 2012	Waiving of Fees - Brigidine College Randwick – banners	\$3,760.00
Ord Council – 28 Feb 2012	Waiving of Fees - Night Sky Productions – outdoor movie at Clovelly	\$2,009.00
Ord Council – 28 Feb 2012	Waiving of Fees - Use of Town Hall by Indonesian Welfare Association	\$540.00
Ord Council – 28 Feb 2012	150th Anniversary of NSW Police – joint sponsorship with Botany Bay City Council – sponsor 100 officers to attend Police Officer of the Year Awards evening	\$3,000.00
Ord Council – 28 Feb 2012	150th Anniversary of NSW Police – sponsor table Blue and White Charity Ball	\$1,500.00
Ord Council – 28 Feb 2012	Community Partnership - Randwick District Rugby Football Club	\$10,000.00
TOTAL:		\$116,085.00

In addition to the above allocations, the Works Committee at its meeting of 8 November 2011, resolved to allocate \$40,795.90 from the 2012-13 Contingency Fund for the waiving of fees for the World Firefighters' Games in October 2012.

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.

Financial impact statement

Council has allocated \$66,591.00 in the 2011-12 Budget for contingencies. This amount will be adjusted, as necessary, in conjunction with quarterly budget reviews.

Recommendation

That the report be received and noted.

Attachment/s:

Nil

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