

# **ADMINISTRATION AND FINANCE COMMITTEE MEETING**

## **BUSINESS PAPER**

**TUESDAY 12 MARCH 2013**

Administrative Centre 30 Frances Street Randwick 2031

Telephone: 02 9399 0999 or  
1300 722 542 (for Sydney metropolitan area)

Fax: 02 9319 1510

[general.manager@randwick.nsw.gov.au](mailto:general.manager@randwick.nsw.gov.au)

[www.randwick.nsw.gov.au](http://www.randwick.nsw.gov.au)





## 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, 12 March 2013 at 6:00 p.m..

Committee Members: The Mayor (T Bowen), Andrews, Belleli, D'Souza, Garcia, Matson, Moore (Chairperson), Nash, Neilson, Roberts (Deputy Chairperson), Seng, Shurey, Smith, Stavrinou and Stevenson.

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 - 12 February 2013

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

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

*Privacy warning:*

*In respect to Privacy & Personal Information Protection Act, members of the public are advised that the proceedings of this meeting will be recorded for the purposes of clause 66 of Council's Code of Meeting Practice.*

#### Urgent Business

#### Administration Reports

Nil

#### Finance Reports

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#### Notice of Rescission Motions

Nil

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



## Finance Report No. F5/13

**Subject:** Monthly Financial Report as at 31 January 2013  
**Folder No:** F2012/00506  
**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. This report does not include the December budget revision results that were adopted on 26 February 2013.

### 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 2013 Income Statements
2. Monthly Financial Statements - January 2013 Balance Sheet

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## INCOME STATEMENT

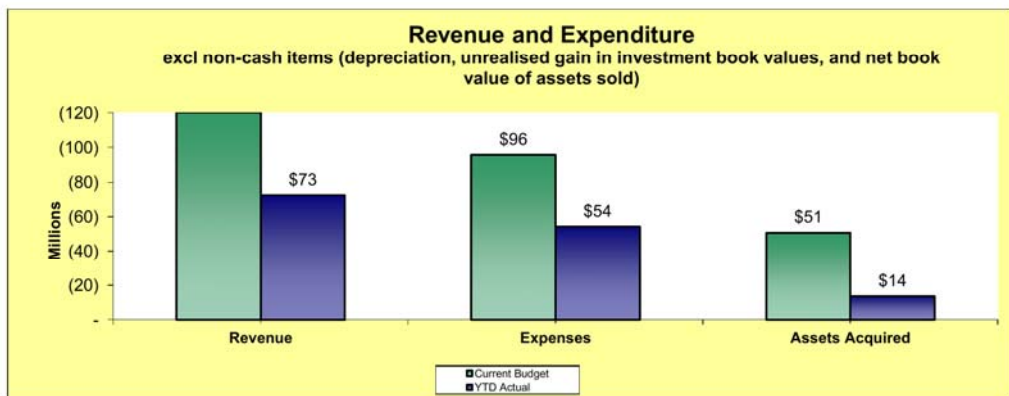
for the financial year as at 31 January 2013

<b>% OF YEAR EXPIRED AT 31 Jan 2013</b>	<b>59%</b>
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
<b>EXPENSES FROM CONTINUING OPERATIONS</b>				
Employee Costs	49,317	49,247	28,323	57.5%
Borrowing Costs	1	1	-	0.0%
Materials & Contracts	29,551	33,275	18,020	54.2%
Depreciation & Amortisation	21,280	21,280	11,791	55.4%
Other Operating Expenses	13,060	13,246	8,002	60.4%
Internal Charges			(11)	0.0%
<b>Total Expenses from Continuing Operations</b>	<b>113,208</b>	<b>117,049</b>	<b>66,125</b>	<b>56.5%</b>
<b>REVENUE FROM CONTINUING OPERATIONS</b>				
Rates And Annual Charges	89,838	89,838	52,676	58.6%
User Charges And Fees	12,297	12,327	8,375	67.9%
Interest	2,255	2,255	2,111	93.6%
Other Revenues	7,170	7,300	4,512	61.8%
Operating Grants and Contributions	5,981	4,511	3,019	66.9%
Capital Grants and Contributions	3,058	4,058	2,042	50.3%
Gain/(Loss) on Disposal of Assets	1,633	1,714	24	1.4%
<b>Total Revenue from Continuing Operations</b>	<b>122,231</b>	<b>122,002</b>	<b>72,759</b>	<b>59.6%</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>9,023</b>	<b>4,953</b>	<b>6,634</b>	

<b>FUNDING STATEMENT</b>				
<b>SOURCE OF FUNDS</b>				
Surplus/(Deficit) from Operations - Accrual	9,023	4,953	6,634	134.0%
<b>Add Back Non-Funded Transactions included in Operations above</b>				
- Depreciation	21,280	21,280	11,791	55.4%
- Sales of Assets (Book Value)	-	-	448	0.0%
- Transfer from Internal Reserves	7,983	17,678	9,531	53.9%
- Transfer from External Reserves	33,475	48,926	15,874	32.4%
- Unrealised Gain/(Loss) on Market Value of Investments	-	-	180	
<b>Net Funds Available</b>	<b>71,761</b>	<b>92,836</b>	<b>44,458</b>	<b>47.9%</b>
<b>APPLICATION OF FUNDS</b>				
Assets Acquired	31,160	50,863	13,787	27.1%
Transfer to Internal Reserves	7,709	8,079	8,005	99.1%
Transfer to External Reserves	32,884	33,884	20,059	59.2%
<b>Total Funds Applied</b>	<b>71,753</b>	<b>92,826</b>	<b>41,851</b>	<b>45.1%</b>
<b>Total Funds Surplus/(Deficit)</b>	<b>8</b>	<b>10</b>	<b>2,607</b>	



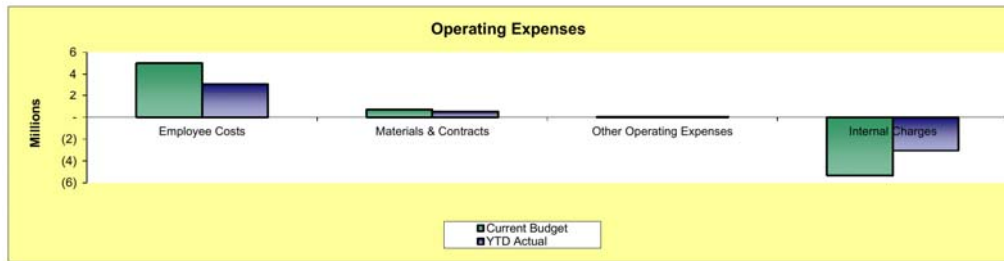


## OFFICE OF THE GENERAL MANAGER INCOME STATEMENT

for the financial year as at 31 January 2013

<b>% OF YEAR EXPIRED AT 31 Jan 2013</b>	<b>59%</b>
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
<b>EXPENSES FROM CONTINUING OPERATIONS</b>				
Employee Costs	4,999	5,007	3,101	61.9%
Materials & Contracts	556	708	526	74.4%
Other Operating Expenses	57	57	39	68.4%
Internal Charges	(5,252)	(5,331)	(3,057)	57.3%
<b>Total Expenses from Continuing Operations</b>	<b>360</b>	<b>440</b>	<b>609</b>	<b>138.4%</b>
<b>REVENUE FROM CONTINUING OPERATIONS</b>				
Other Revenues	-	-	2	0.0%
Operating Grants and Contributions	20	20	47	236.9%
<b>Total Revenue from Continuing Operations</b>	<b>20</b>	<b>20</b>	<b>49</b>	<b>245.7%</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>(340)</b>	<b>(420)</b>	<b>(560)</b>	



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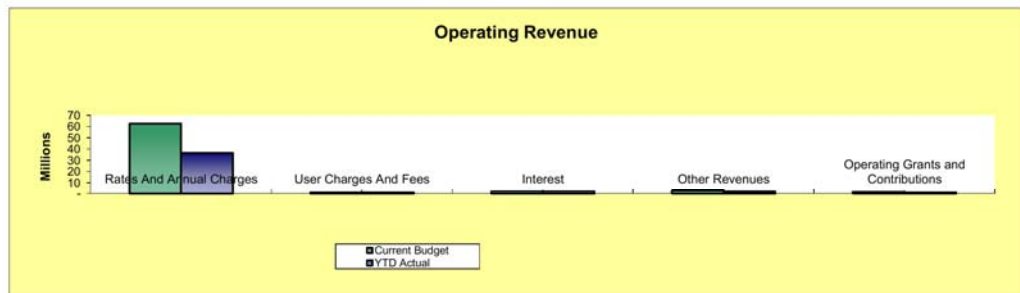
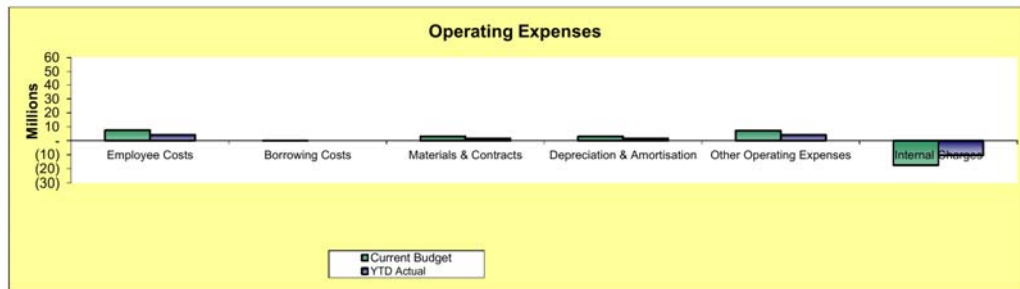


## GOVERNANCE AND FINANCIAL SERVICES INCOME STATEMENT

for the financial year as at 31 January 2013

<b>% OF YEAR EXPIRED AT 31 Jan 2013</b>	<b>59%</b>
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
<b>EXPENSES FROM CONTINUING OPERATIONS</b>				
Employee Costs	7,639	7,559	4,322	57.2%
Borrowing Costs	1	1	-	0.0%
Materials & Contracts	3,025	3,202	1,714	53.5%
Depreciation & Amortisation	3,123	3,123	1,720	55.1%
Other Operating Expenses	7,044	7,195	4,357	60.6%
Internal Charges	(17,483)	(17,404)	(10,197)	58.6%
<b>Total Expenses from Continuing Operations</b>	<b>3,349</b>	<b>3,677</b>	<b>1,915</b>	<b>52.1%</b>
<b>REVENUE FROM CONTINUING OPERATIONS</b>				
Rates And Annual Charges	62,846	62,846	36,765	58.5%
User Charges And Fees	999	999	846	84.7%
Interest	1,902	1,902	1,897	99.7%
Other Revenues	2,612	2,612	1,620	62.0%
Operating Grants and Contributions	3,169	1,423	1,028	72.2%
<b>Total Revenue from Continuing Operations</b>	<b>71,528</b>	<b>69,782</b>	<b>42,155</b>	<b>60.4%</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>68,180</b>	<b>66,105</b>	<b>40,240</b>	
<b>CAPITAL PURCHASES (NOT INCLUDED ABOVE)</b>				
<b>CAPITAL PURCHASES</b>				
<b>Total Purchases</b>	<b>1,245</b>	<b>2,584</b>	<b>575</b>	<b>22.3%</b>
<i>Detail as following:</i>				
IT Equipment	1,245	2,584	575	22.3%





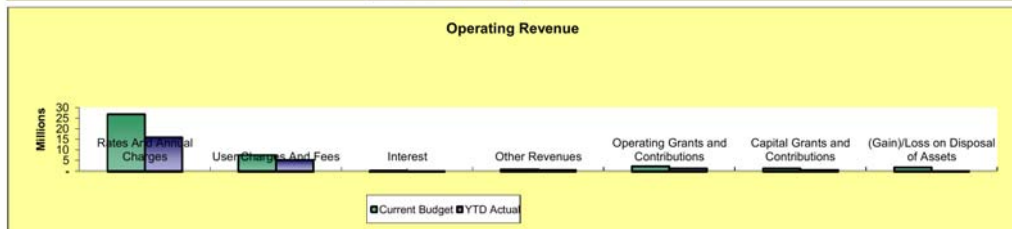
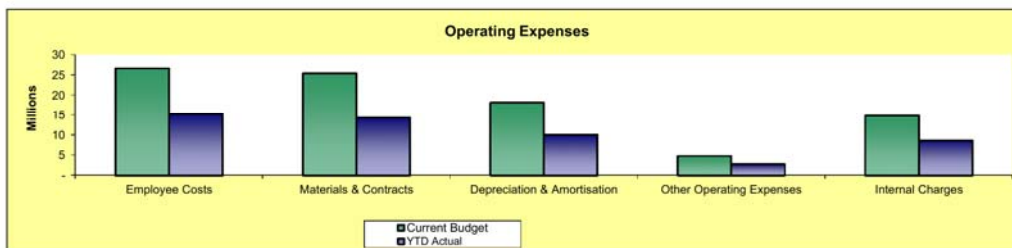


## CITY SERVICES INCOME STATEMENT

for the financial year as at 31 January 2013

<b>% OF YEAR EXPIRED AT 31 Jan 2013</b>	<b>59%</b>
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
<b>EXPENSES FROM CONTINUING OPERATIONS</b>				
Employee Costs	26,674	26,674	15,177	56.9%
Materials & Contracts	23,271	25,415	14,281	56.2%
Depreciation & Amortisation	18,157	18,157	10,071	55.5%
Other Operating Expenses	4,806	4,806	2,792	58.1%
Internal Charges	14,856	14,856	8,661	58.3%
<b>Total Expenses from Continuing Operations</b>	<b>87,763</b>	<b>89,907</b>	<b>50,983</b>	<b>56.7%</b>
<b>REVENUE FROM CONTINUING OPERATIONS</b>				
Rates And Annual Charges	26,992	26,992	15,912	58.9%
User Charges And Fees	7,620	7,620	5,305	69.6%
Interest	197	197	124	62.9%
Other Revenues	795	795	468	58.9%
Operating Grants and Contributions	2,286	2,336	1,300	55.7%
Capital Grants and Contributions	1,208	1,208	541	44.8%
(Gain)/Loss on Disposal of Assets	1,633	1,714	24	1.4%
<b>Total Revenue from Continuing Operations</b>	<b>40,730</b>	<b>40,861</b>	<b>23,674</b>	<b>57.9%</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>(47,033)</b>	<b>(49,046)</b>	<b>(27,309)</b>	
<b>CAPITAL PURCHASES (NOT INCLUDED ABOVE)</b>				
<b>Total Purchases</b>	<b>29,915</b>	<b>48,279</b>	<b>13,207</b>	<b>27.4%</b>
<i>Detail as following:</i>				
Parks Construction	5,489	16,860	2,680	15.9%
Roads Construction	7,807	9,073	4,320	47.6%
Drainage Construction	1,194	1,477	238	16.1%
Building Construction	3,878	4,388	1,636	37.3%
Library Resources	378	378	179	47.5%
Des Renford Leisure Centre	5,558	8,393	2,390	28.5%
Contaminated Site Management	-	165	101	61.0%
Vehicular Access	500	500	303	60.6%
Plant and Equipment	5,111	6,662	1,360	20.4%



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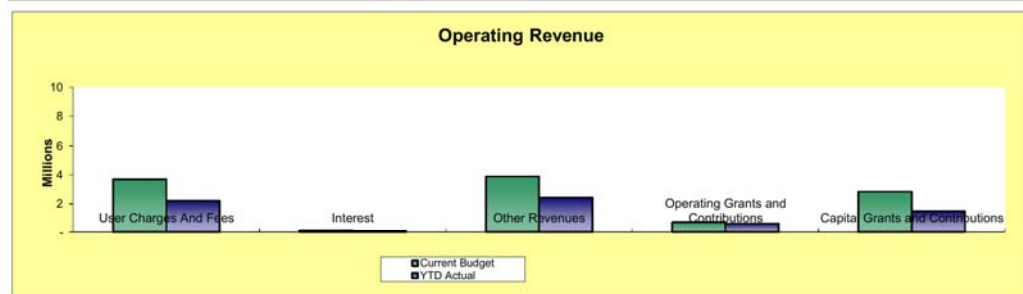
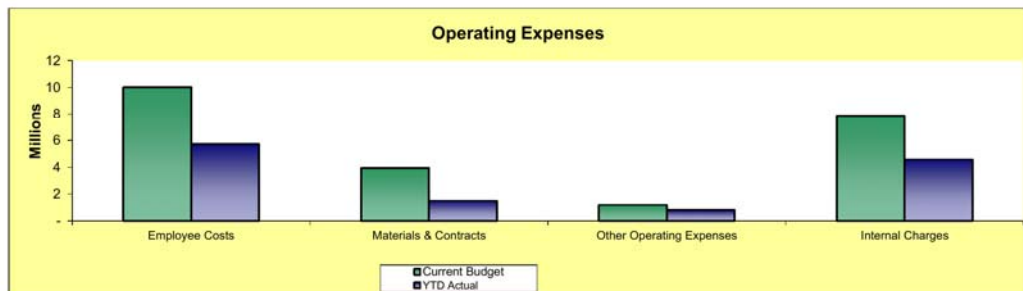


## CITY PLANNING INCOME STATEMENT

for the financial year as at 31 January 2013

<b>% OF YEAR EXPIRED AT 31 Jan 2013</b>	<b>59%</b>
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
<b>EXPENSES FROM CONTINUING OPERATIONS</b>				
Employee Costs	10,005	10,007	5,722	57.18%
Materials & Contracts	2,699	3,951	1,499	37.94%
Other Operating Expenses	1,153	1,187	814	68.55%
Internal Charges	7,879	7,879	4,582	58.15%
<b>Total Expenses from Continuing Operations</b>	<b>21,736</b>	<b>23,025</b>	<b>12,616</b>	<b>54.80%</b>
<b>REVENUE FROM CONTINUING OPERATIONS</b>				
User Charges And Fees	3,678	3,708	2,223	59.96%
Interest	156	156	91	58.33%
Other Revenues	3,762	3,892	2,422	62.22%
Operating Grants and Contributions	506	732	643	87.82%
Capital Grants and Contributions	1,850	2,850	1,501	52.67%
<b>Total Revenue from Continuing Operations</b>	<b>9,953</b>	<b>11,339</b>	<b>6,880</b>	<b>60.68%</b>
<b>Net Operating Result - Surplus/(Deficit)</b>	<b>(11,784)</b>	<b>(11,686)</b>	<b>(5,736)</b>	
<b>CAPITAL PURCHASES (NOT INCLUDED ABOVE)</b>				
<b>Total Purchases</b>	-	-	5	0.00%
<i>Detail as following:</i>				
Sustaining Our City Projects	-	-	5	0.00%





## BALANCE SHEET at 31 January 2013

	Actual as at 30 June 2012	Actual as at 31 January 2013
<b>CURRENT ASSETS</b>		
Cash, Cash Equivalents & Investments	53,817	60,209
Receivables	6,733	3,063
Inventories	664	523
Other	224	2,049
<b>TOTAL CURRENT ASSETS</b>	<b>61,438</b>	<b>65,845</b>
<b>NON-CURRENT ASSETS</b>		
Infrastructure, Property, Plant & Equipment	1,257,944	1,259,278
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,257,944</b>	<b>1,259,278</b>
<b>TOTAL ASSETS</b>	<b>1,319,382</b>	<b>1,325,123</b>
<b>CURRENT LIABILITIES</b>		
Payables	11,929	10,605
Provisions & Prepayments	14,905	15,336
<b>TOTAL CURRENT LIABILITIES</b>	<b>26,834</b>	<b>25,941</b>
<b>NON-CURRENT LIABILITIES</b>		
Payables	260	260
Provisions & Prepayments	234	234
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>494</b>	<b>494</b>
<b>TOTAL LIABILITIES</b>	<b>27,328</b>	<b>26,435</b>
<b>NET ASSETS</b>	<b>1,292,054</b>	<b>1,298,688</b>
<b>EQUITY</b>		
Retained Earnings	741,269	747,903
Revaluation Reserves	550,785	550,785
<b>TOTAL EQUITY</b>	<b>1,292,054</b>	<b>1,298,688</b>



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## Finance Report No. F6/13



**Subject:** Contingency Fund - status as at 28 February 2013

**Folder No:** F2013/00001

**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 2012-13 financial year.

In the 2012-13 financial year there have been 32 allocations totalling \$159,282.74 as listed in the table below.

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
Ord Council – 24 Nov 2009	<u>Annual contribution</u> (5 years from 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 – 9 Oct 2012	<u>Annual contribution</u> Sponsorship of the Westpac Rescue Helicopter Lifesaver Service – 3 year agreement commencing 2012-13	\$15,000.00
Planning Comm – 13 Mar 2012	<u>Annual contribution</u> – Australia Day Botany Bay Regatta	\$750.00
Works Comm – 8 Nov 2011	Waiving of fees - World Firefighters' Games October 2012	\$40,795.90
Ord Council - 26 Jun 2012	Financial assistance – 2012 Maroubra Fun Run & Oktoberfest	\$10,000.00
Ord Council – 24 Jul 2012	Waiving of fees - banner for Charity Boxing Challenge for the McGrath Foundation & Bowel Cancer Foundation	\$1,956.00
Ord Council – 24 Jul 2012	Waiving of fees – use of Heffron Park for Ride for Life event	\$2,835.00
Ord Council – 24 Jul 2012	Financial assistance – Bravehearts White Balloon Day – September 2012	\$500.00
Ord Council – 24 Jul 2012	Waiving of fees – banner for Randwick City Tourism	\$3,912.00
Ord Council – 24 Jul 2012	Waiving of Fees for road closure - Our Lady of the Rosary Parents and Friends Association	\$2,800.00
Ord Council – 24 Jul 2012	Waiving of Fees - The Milsy Foundation – use of Des Renford Aquatic Centre	\$1,716.00
Ord Council – 24 Jul 2012	Jazz at the Lakes - Charity Fundraiser	\$650.00
Ord Council – 28 Aug 2012	Request for Support - 2012 Harmony Walk	\$10,617.00

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Meeting	Details	Net cost to Council
Ord Council – 28 Aug 2012	Maroubra RSL Junior Diggers Swimming Club	\$1,540.00
Ord Council – 9 Oct 2012	Waiving of fees – Prince Henry Hospital Trained Nurses Assoc – 2012 Reunion	\$4,282.84
Ord Council – 9 Oct 2012	Waiving of fees – Jarrah House Anniversary	\$1,246.00
Ord Council – 9 Oct 2012	Cure the Future fundraiser	\$1,320.00
Ord Council – 23 Oct 2012	Friends of the La Perouse Museum - Sponsorship of Altar Stones Unveiling Event	\$500.00
Ord Council – 23 Oct 2012	12th Annual Des Renford Chair of Hearts Research Family Gala and Charity Day	\$8,500.00
Ord Council – 23 Oct 2012	Donation of plants from Council's Community Nursery - Gurriwal Community Yarra Bay House	\$300.00
Works Comm – 13 Nov 2012	Supporting "Sense of Community" Street Parties	\$13,000.00
Ord Council – 11 Dec 2012	Financial assistance - Surfing NSW Pictorial Surfing History of Maroubra Beach	\$3,000.00
Ord Council – 11 Dec 2012	Financial assistance - St Brigid's School, Randwick – flag pole	\$1,400.00
Ord Council – 11 Dec 2012	Financial assistance - Randwick Public School – bike rack	\$3,500.00
Ord Council – 26 Feb 2013	Sponsorship – Rotary Police Awards	\$3,750.00
Ord Council – 26 Feb 2013	Financial assistance – World Kindness Australia	\$1,500.00
Ord Council – 26 Feb 2013	Cancer Council NSW Eastern Suburbs Relay For Life 2013	\$5,000.00
Ord Council – 26 Feb 2013	Men of League Foundation - Charity Fundraiser	\$800.00
Ord Council – 26 Feb 2013	Waiving of Fees - Coastrek 2013	\$792.00
<b>TOTAL:</b>		<b>\$159,282.74</b>

### 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 \$125,007 in the 2012-13 Budget for contingencies. This amount will be adjusted, as necessary, during March quarterly budget review.

**Recommendation**

That the report be received and noted.

**Attachment/s:**

Nil

**F6/13**