

ADMINISTRATION AND FINANCE COMMITTEE MEETING

BUSINESS PAPER

TUESDAY 9 JULY 2013

Administrative Centre 30 Frances Street Randwick 2031

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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, First Floor, 90 Avoca Street, Randwick, 30 Frances Street, Randwick, on Tuesday, 9 July 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 - 11 June 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 Report

A4/13 Contingency Fund - status as at 30 June 2013 1

Finance Report

F10/13 Monthly Financial Report as at 31 May 2013 5

Notice of Rescission Motions

Nil

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Ray Brownlee
GENERAL MANAGER

Administration Report No. A4/13



Subject: Contingency Fund - status as at 30 June 2013

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 2012-13 financial year.

In the 2012-13 financial year there have been 45 allocations totalling \$204,788.19 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 – 25 June 2013	<u>Annual contribution</u> Sponsorship of the Westpac Rescue Helicopter Lifesaver Service – 3 year agreement commencing 2013-14	\$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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A4/13

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
Ord Council – 26 March 2013	Waiving of fees – St Margaret Mary's Primary School	\$167.00
Ord Council – 26 March 2013	Waiving of fees – Open High School	\$1,956.00
Ord Council – 26 March 2013	Waiving of fees - Australian Beach Handball Federation	\$4,627.80
Ord Council – 26 March 2013	Waiving of fees – use of Town Hall by Indonesian Community Association of NSW	\$1,720.00
Ord Council – 26 March 2013	Waiving of fees – Maroubra Surfers' Association	\$3,766.40
Ord Council – 26 March 2013	Malabar/Chifley storm – community event to thank volunteers	\$5,000.00
Ord Council – 23 April 2013	Financial assistance - Randwick Boys and Girls High School combined show	\$4,000.00
Ord Council – 23 April 2013	2013 Aurora Annual Dinner	\$2,250.00
Ord Council – 28 May 2013	Sponsorship - Bastille Day 2013	\$4,215.00
Ord Council – 28 May 2013	Waiving of fees - Rock Fishing Safety Workshops at Prince Henry Centre	\$1901.25
Ord Council – 28 May 2013	Waiving of fees - Randwick Rugby Union Football Club – hire of flag poles and installation and removal fees	\$5,735.00

Meeting	Details	Net cost to Council
Ord Council – 28 May 2013	Continuation of Community Partnership with Randwick District Rugby Football Club	\$10,000.00
Ord Council – 25 June 2013	Waiving of fees - Clovelly Community Bank	\$167.00
Total - 2012-13 Contingency Fund allocations		\$204,788.19
2013-14 Contingency Fund allocations		
Ord Council – 25 June 2013	13th Annual Des Renford Chair of Hearts Research Family Gala and Charity Day	\$8,500.00
Ord Council – 25 June 2013	Maroubra Surfing Walk of Fame – community event	\$14,000.00
Ord Council – 25 June 2013	Waiving of fees and sponsorship - Surfing NSW Junior Titles contest	\$11,000.00
Total - 2013-14 Contingency Fund allocations		\$33,500.00

A4/13

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.

A report is being prepared and will be submitted to the July Council Meeting in response to the following resolution passed at the 11 June meeting of the Administration & Finance Committee:

'(Garcia/Smith) that a report be brought back to Council addressing how the budget allocation for the Contingency Fund can be better managed to address the expected expenditure level'

Recommendation

That the report be received and noted.

Attachment/s:

Nil

Finance Report No. F10/13



Subject: Monthly Financial Report as at 31 May 2013
Folder No: F2012/00506
Author: Richard Ji, Corporate 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 May 2013. 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 May 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. The Current Ratio as at 31 May 2013 is 2.75 compared to 2.29 as at 30 June 2012. The Current Ratio is a financial indicator specific to local government and represents its ability to meet its debts and obligations as the fall due.

Recommendation

That the Administration and Finance Committee acknowledges that the Responsible Accounting Officer has advised that the projected financial position of Council is satisfactory.

F10/13

Attachment/s:

1. Monthly Financial Statements - May 2013 Income Statements
2. Monthly Financial Statements - May 2013 Balance Sheet

F10/13

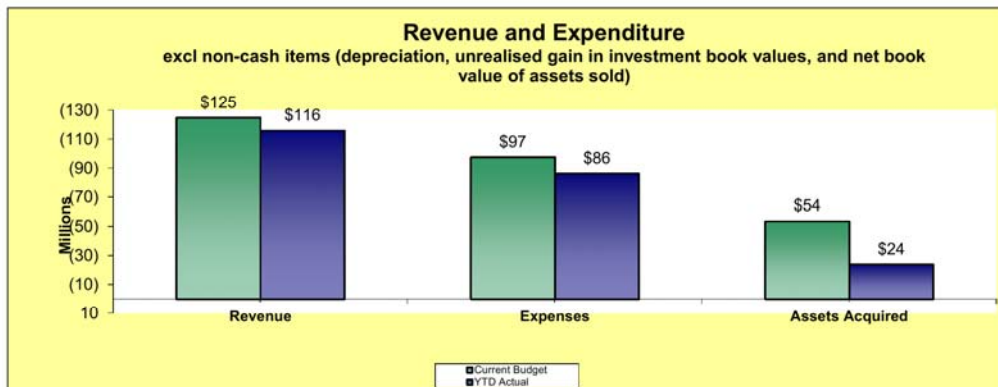


INCOME STATEMENT

for the financial year as at 31 May 2013

% OF YEAR EXPIRED AT 31 May 2013	92%
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	49,317	49,284	46,136	93.6%
Borrowing Costs	1	1	-	0.0%
Materials & Contracts	29,551	34,773	27,778	79.9%
Depreciation & Amortisation	21,280	21,280	20,745	97.5%
Other Operating Expenses	13,060	13,428	12,349	92.0%
Total Expenses from Continuing Operations	113,208	118,766	106,995	90.1%
REVENUE FROM CONTINUING OPERATIONS				
Rates And Annual Charges	89,838	90,188	82,754	91.8%
User Charges And Fees	12,297	13,699	13,484	98.4%
Interest	2,255	3,205	3,322	103.7%
Other Revenues	7,170	7,808	7,071	90.6%
Operating Grants and Contributions	5,981	5,204	4,885	93.9%
Capital Grants and Contributions	3,058	4,781	4,716	98.6%
Gain/(Loss) on Disposal of Assets	1,633	1,714	(61)	-3.6%
Total Revenue from Continuing Operations	122,231	126,598	116,170	91.8%
Net Operating Result - Surplus/(Deficit)	9,023	7,831	9,176	
FUNDING STATEMENT				
SOURCE OF FUNDS				
Surplus/(Deficit) from Operations - Accrual	9,023	7,831	9,176	117.2%
Add Back Non-Funded Transactions included in Operations above				
- Depreciation	21,280	21,280	20,745	97.5%
- Sales of Assets (Book Value)	-	-	746	0.0%
- Transfer from Internal Reserves	7,983	18,335	14,068	76.7%
- Transfer from External Reserves	33,475	49,056	28,260	57.6%
- Unrealised Gain/(Loss) on Market Value of Investments	-	-	242	
Net Funds Available	71,761	96,501	73,237	75.9%
APPLICATION OF FUNDS				
Assets Acquired	31,160	53,720	23,886	44.5%
Transfer to Internal Reserves	7,709	8,231	9,412	114.4%
Transfer to External Reserves	32,884	34,540	35,873	103.9%
Total Funds Applied	71,753	96,491	69,172	71.7%
Total Funds Surplus/(Deficit)	8	11	4,065	



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OFFICE OF THE GENERAL MANAGER
INCOME STATEMENT
 for the financial year as at 31 May 2013

% OF YEAR EXPIRED AT 31 May 2013	92%
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F10/13

	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	4,999	4,928	4,760	96.6%
Materials & Contracts	556	930	783	84.2%
Other Operating Expenses	57	57	64	111.0%
Total Expenses from Continuing Operations	5,612	5,915	5,607	94.8%
REVENUE FROM CONTINUING OPERATIONS				
Other Revenues	-	1	2	156.8%
Operating Grants and Contributions	20	82	89	108.0%
Total Revenue from Continuing Operations	20	84	91	108.7%
Net Operating Result - Surplus/(Deficit)	(5,592)	(5,832)	(5,516)	

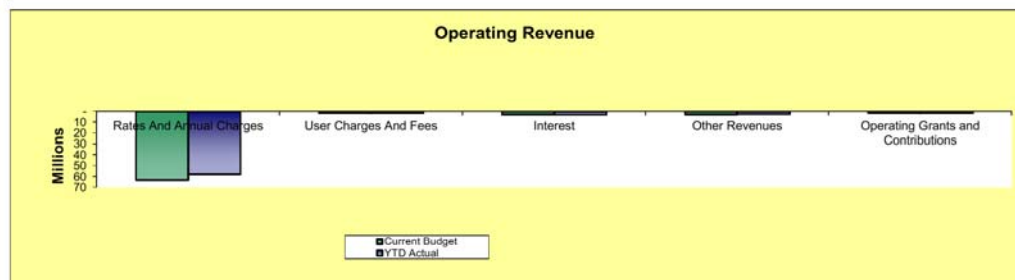
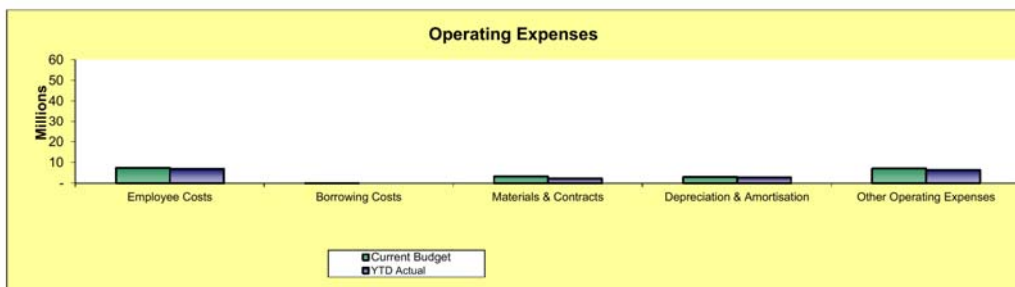




GOVERNANCE AND FINANCIAL SERVICES INCOME STATEMENT

% OF YEAR EXPIRED AT 31 May 2013	92%
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	7,639	7,599	7,077	93.1%
Borrowing Costs	1	1	-	0.0%
Materials & Contracts	3,025	3,407	2,392	70.2%
Depreciation & Amortisation	3,123	3,123	2,844	91.1%
Other Operating Expenses	7,044	7,221	6,552	90.7%
Total Expenses from Continuing Operations	20,832	21,352	18,865	88.4%
REVENUE FROM CONTINUING OPERATIONS				
Rates And Annual Charges	62,846	62,940	57,741	91.7%
User Charges And Fees	999	1,333	1,159	87.0%
Interest	1,902	2,852	2,982	104.6%
Other Revenues	2,612	2,612	2,521	96.5%
Operating Grants and Contributions	3,169	1,449	1,499	103.5%
Total Revenue from Continuing Operations	71,528	71,186	65,902	92.6%
Net Operating Result - Surplus/(Deficit)	50,696	49,834	47,036	
CAPITAL PURCHASES (NOT INCLUDED ABOVE)				
CAPITAL PURCHASES				
Total Purchases	1,245	2,376	891	37.5%
<i>Detail as following:</i>				
IT Equipment	1,245	2,376	891	37.5%



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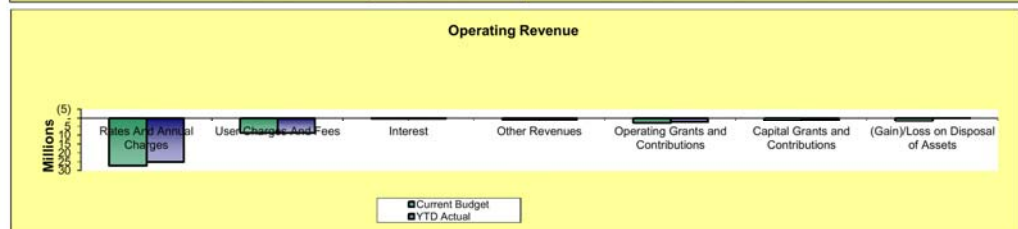
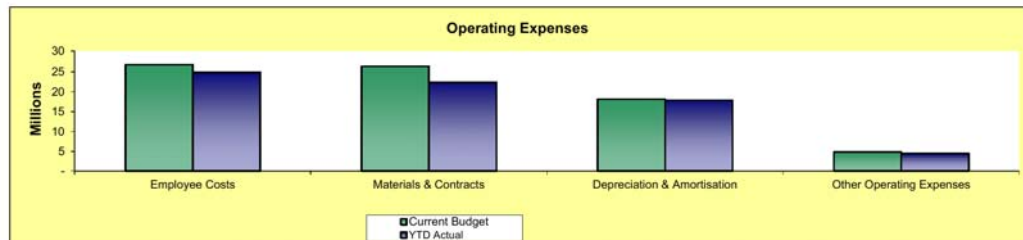
CITY SERVICES INCOME STATEMENT

for the financial year as at 31 May 2013

% OF YEAR EXPIRED AT 31 May 2013	92%
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	26,674	26,820	24,908	92.9%
Materials & Contracts	23,271	26,424	22,387	84.7%
Depreciation & Amortisation	18,157	18,157	17,900	98.6%
Other Operating Expenses	4,806	4,884	4,552	93.2%
Total Expenses from Continuing Operations	72,908	76,285	69,747	91.4%
REVENUE FROM CONTINUING OPERATIONS				
Rates And Annual Charges	26,992	27,248	25,013	91.8%
User Charges And Fees	7,620	8,546	8,721	102.0%
Interest	197	197	196	99.8%
Other Revenues	795	795	786	98.8%
Operating Grants and Contributions	2,286	2,911	2,413	82.9%
Capital Grants and Contributions	1,208	1,531	1,236	80.7%
(Gain)/Loss on Disposal of Assets	1,633	1,714	(61)	-3.6%
Total Revenue from Continuing Operations	40,730	42,940	38,304	89.2%
Net Operating Result - Surplus/(Deficit)	(32,178)	(33,345)	(31,444)	
CAPITAL PURCHASES (NOT INCLUDED ABOVE)				
CAPITAL PURCHASES				
Total Purchases	29,915	51,343	22,989	44.8%
<i>Detail as following:</i>				
Parks Construction	5,489	17,764	6,222	35.0%
Roads Construction	7,807	9,750	5,453	55.9%
Drainage Construction	1,194	1,477	531	35.9%
Building Construction	3,878	5,795	3,072	53.0%
Library Resources	378	387	270	69.7%
Des Renford Leisure Centre	5,558	8,393	4,863	57.9%
Contaminated Site Management	-	165	101	61.0%
Vehicular Access	500	500	434	86.7%
Plant and Equipment	5,111	6,662	2,044	30.7%



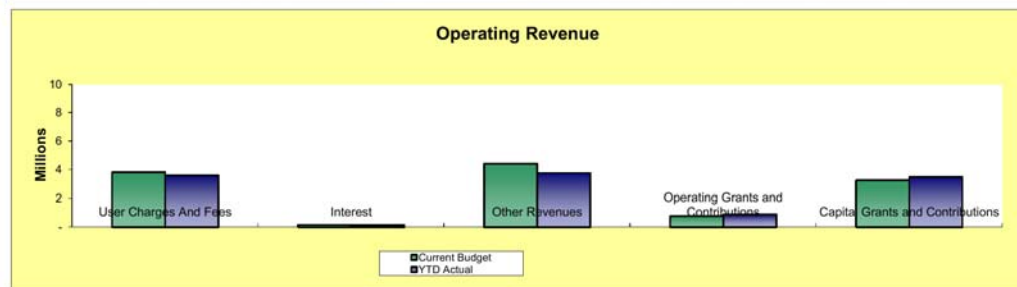
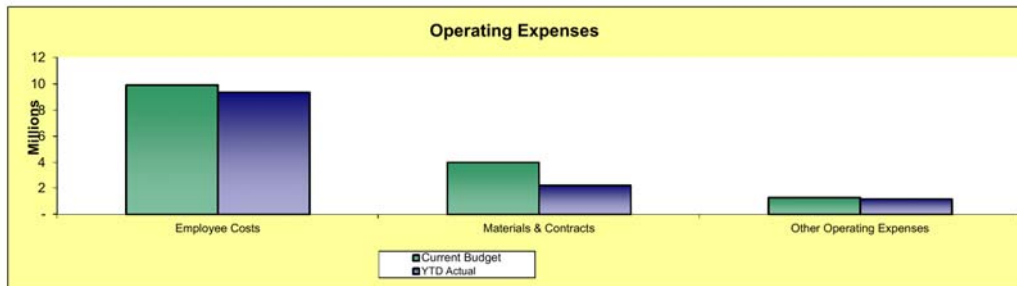


CITY PLANNING INCOME STATEMENT

for the financial year as at 31 May 2013

% OF YEAR EXPIRED AT 31 May 2013	92%
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	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	10,005	9,937	9,390	94.49%
Materials & Contracts	2,699	4,012	2,217	55.25%
Other Operating Expenses	1,153	1,265	1,181	93.37%
Total Expenses from Continuing Operations	13,857	15,214	12,787	84.05%
REVENUE FROM CONTINUING OPERATIONS				
User Charges And Fees	3,678	3,820	3,604	94.35%
Interest	156	156	143	91.67%
Other Revenues	3,762	4,400	3,763	85.53%
Operating Grants and Contributions	506	762	884	115.99%
Capital Grants and Contributions	1,850	3,250	3,480	107.07%
Total Revenue from Continuing Operations	9,953	12,388	11,874	95.85%
Net Operating Result - Surplus/(Deficit)	(3,904)	(2,826)	(913)	
CAPITAL PURCHASES (NOT INCLUDED ABOVE)				
CAPITAL PURCHASES				
Total Purchases	-	-	6	0.00%
<i>Detail as following:</i>				
Sustaining Our City Projects	-	-	6	0.00%



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F10/13



BALANCE SHEET

at 31 May 2013

	Actual as at 30 June 2012 (\$'000)	Actual as at 31 May 2013 (\$'000s)
CURRENT ASSETS		
Cash, Cash Equivalents & Investments	53,817	60,364
Receivables	6,733	3,530
Inventories	664	560
Other	224	849
TOTAL CURRENT ASSETS	61,438	65,303
NON-CURRENT ASSETS		
Infrastructure, Property, Plant & Equipment	1,257,944	1,260,124
TOTAL NON-CURRENT ASSETS	1,257,944	1,260,124
TOTAL ASSETS	1,319,382	1,325,427
CURRENT LIABILITIES		
Payables	11,929	9,506
Provisions & Prepayments	14,905	14,197
TOTAL CURRENT LIABILITIES	26,834	23,704
NON-CURRENT LIABILITIES		
Payables	260	260
Provisions & Prepayments	234	234
TOTAL NON-CURRENT LIABILITIES	494	494
TOTAL LIABILITIES	27,328	24,198
NET ASSETS	1,292,054	1,301,230
EQUITY		
Retained Earnings	741,269	750,444
Revaluation Reserves	550,785	550,785
TOTAL EQUITY	1,292,054	1,301,230

