

ADMINISTRATION AND FINANCE COMMITTEE MEETING

BUSINESS PAPER

TUESDAY 11 MARCH 2014

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

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, First Floor, 90 Avoca Street, Randwick on Tuesday, 11 March 2014 at 6:00pm.

Committee Members: The Mayor (S Nash), Andrews, Belleli, Bowen, D'Souza, Garcia (Deputy Chairperson), Matson, Moore, Neilson, Roberts (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 February 2014

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

A2/14 Contingency Fund status as at 28 February 2014 1

Finance Report

F3/14 Monthly Financial Report as at 31 January 2014..... 5

Notice of Rescission Motions

Nil

.....
Ray Brownlee
GENERAL MANAGER

Administration Report No. A2/14



Subject: Contingency Fund status as at 28 February 2014

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 2013-14 financial year.

In the 2013-14 financial year there have been 31 allocations totalling \$124,132.09 as listed in the table below.

Meeting	Details	Approved allocation
Annual contributions (ongoing)		
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
Planning Comm – 13 Mar 2012	<u>Annual contribution</u> – Australia Day Botany Bay Regatta	\$750.00
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
Ord Council 17 Sept 2013	<u>Annual Contribution</u> (5 years from 2016-2020) Waiving of Fees – Rainbow Club Australia Inc – Murray Rose's Malabar Magic Ocean Swim (\$14,500 per annum from 2016)	-
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
Ord Council – 23 July 2013	Sponsorship - Maroubra Junction Public School's Centenary Cookbook	\$500.00
Ord Council – 23 July 2013	Waiving of fees - St Nicolas' Anglican Church, Coogee - Carols by Candlelight	\$1,347.00
Ord Council – 23 July 2013	Advisory Group lunch - Prince of Wales Hospital proposed new Hybrid Operating Suite	\$1,800.00
Ord Council – 23 July 2013	Sponsorship and waiving of fees - NSW Police Force Brazilian Beach Soccer Event - Coogee Beach	\$4,018.10
Ord Council – 23 July 2013	Support for the Better Block project proposed for Clovelly Road	\$7,700.00

A2/14

A2/14

Meeting	Details	Approved allocation
Ord Council – 23 July 2013	Community forum and presentation with UNSW Expert Reference Group on environmental issues	\$4,500.00
Ord Council – 27 Aug 2013	Waiving of fees - Maroubra Diggers Junior Swimming Club - two Swimming Carnivals at DRLC	\$1,020.00
Ord Council – 27 Aug 2013	Waiving of fees - Maroubra Swim Clubs Annual Development Carnival DRLC	\$780.00
Ord Council – 27 Aug 2013	Sponsorship - 2013 National Indigenous Tertiary Education Student Games - UNSW team	\$500.00
Ord Council – 27 Aug 2013	Sponsorship - La Perouse Netball Team – Sydney Aboriginal Netball Carnival	\$500.00
Ord Council – 17 Sept 2013	Financial assistance - Ride for Life	\$3,798.77
Ord Council – 17 Sept 2013	Financial assistance - Coogee Minnows 50 th Anniversary	\$1,191.24
Ord Council – 17 Sept 2013	Waiving of Fees – St Mark’s Anglican Church – Carols by Candlelight	\$1,721.00
Ord Council – 17 Sept 2013	Financial assistance - Tasnim Ahsan Sydney Girls High School	\$350.00
Ord Council – 22 Oct 2013	Sponsorship – Clovelly Nippers tents	\$1,000.00
Planning – 12 Nov 2013	Financial assistance – Super Typhoon Haiyan – Philippines	\$5,000.00
Ord Council 26 Nov 2013	Waiving of fees - Greek Epiphany 2014	\$5,673.00
Ord Council - 10 Dec 2013	Financial assistance - 2014 Eastern Suburbs Relay for Life	\$5,000.00
Ord Council - 25 Feb 2014	Waiving of fees - Sydney Multicultural Services Seniors Carnivale	\$2,098.50
Ord Council - 25 Feb 2014	Financial assistance - La Perouse Day event	\$4,000.00
Ord Council - 25 Feb 2014	Financial assistance - Bastille Day event	\$6,000.00
Ord Council - 25 Feb 2014	Waiving of fees - Australian Beach Handball Federation	\$1,944.48
Ord Council - 25 Feb 2014	Support for First Hand Solutions and Black Market, tours and workshops on Bare Island	\$2,120.00
Total - 2013-14 Contingency Fund allocations		\$124,132.09

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 \$129,265 in the 2013-14 Budget for contingencies.

Recommendation

That the status of the contingency fund allocations for 2013-14 be noted.

Attachment/s:

Nil

A2/14

Finance Report No. F3/14



Subject: Monthly Financial Report as at 31 January 2014

Folder No: F2013/00406

Author: Oliver Guo, 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 2014. 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 2014.

This report is as at 31 January 2014 and does not include the December Quarter Budget Variations. Council has subsequently adopted the December Variations and as a result they will be included in the February Report.

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 January 2014 is 2.65 compared to 2.28 as at 30 June 2013. 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.

F3/14

Attachment/s:

1. Monthly Financial Statements - Income Statements January 2014
2. Monthly Financial Statements - Balance Sheet January 2014

F3/14

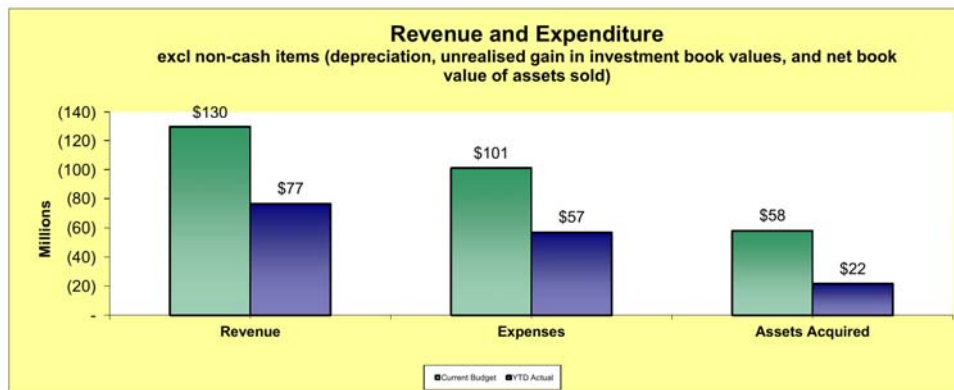


INCOME STATEMENT

for the financial year as at 31 January 2014

% OF YEAR EXPIRED AT 31 Jan 2014	59%
---	------------

	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	52,976	53,039	31,465	59.3%
Materials & Contracts	32,102	34,611	17,755	51.3%
Depreciation & Amortisation	22,371	22,371	13,050	58.3%
Other Operating Expenses	13,489	13,567	7,981	58.8%
Total Expenses from Continuing Operations	120,939	123,588	70,252	56.8%
REVENUE FROM CONTINUING OPERATIONS				
Rates And Annual Charges	94,165	94,165	55,452	58.9%
User Charges And Fees	14,642	14,689	8,704	59.3%
Interest	2,531	2,531	1,707	67.5%
Other Revenues	7,735	7,739	4,162	53.8%
Operating Grants and Contributions	6,255	4,705	3,096	65.8%
Capital Grants and Contributions	5,408	5,908	3,360	56.9%
Gain/(Loss) on Disposal of Assets	1,679	1,679	(404)	-24.1%
Total Revenue from Continuing Operations	132,416	131,417	76,076	57.9%
Net Operating Result - Surplus/(Deficit)	11,477	7,828	5,824	
FUNDING STATEMENT				
SOURCE OF FUNDS				
Surplus/(Deficit) from Operations - Accrual	11,477	7,828	5,824	74.4%
Add Back Non-Funded Transactions included in Operations above				
- Depreciation	22,371	22,371	13,050	58.3%
- Sales of Assets (Book Value)	-	-	1,437	0.0%
- Transfer from Internal Reserves	13,430	26,142	13,776	52.7%
- Transfer from External Reserves	36,458	52,467	22,714	43.3%
- Unrealised Gain/(Loss) on Market Value of Investments	-	-	(64)	
Net Funds Available	83,737	108,808	56,738	52.1%
APPLICATION OF FUNDS				
Assets Acquired	33,745	58,316	21,836	37.4%
Transfer to Internal Reserves	15,179	15,179	10,696	70.5%
Transfer to External Reserves	34,804	35,304	21,442	60.7%
Total Funds Applied	83,727	108,798	53,973	49.6%
Total Funds Surplus/(Deficit)	9	9	2,764	



F3/14

F3/14



OFFICE OF THE GENERAL MANAGER INCOME STATEMENT

for the financial year as at 31 January 2014

% OF YEAR EXPIRED AT 31 Jan 2014	59%
---	------------

	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	5,097	5,157	3,139	60.9%
Materials & Contracts	570	570	489	85.9%
Other Operating Expenses	59	59	51	87.8%
Total Expenses from Continuing Operations	5,725	5,785	3,679	63.6%
REVENUE FROM CONTINUING OPERATIONS				
Operating Grants and Contributions	20	80	87	108.9%
Total Revenue from Continuing Operations	20	80	87	108.9%
Net Operating Result - Surplus/(Deficit)	(5,705)	(5,705)	(3,592)	



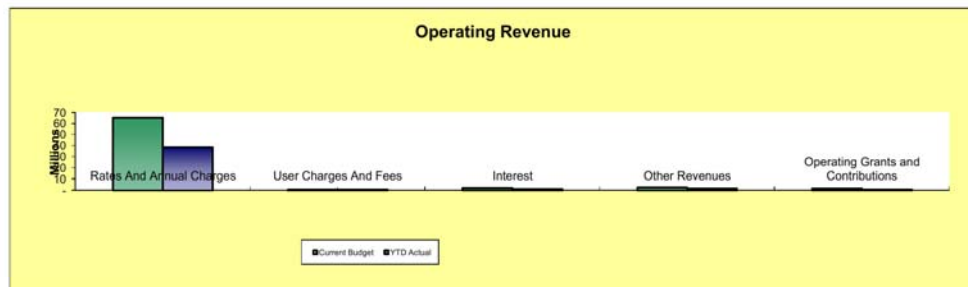
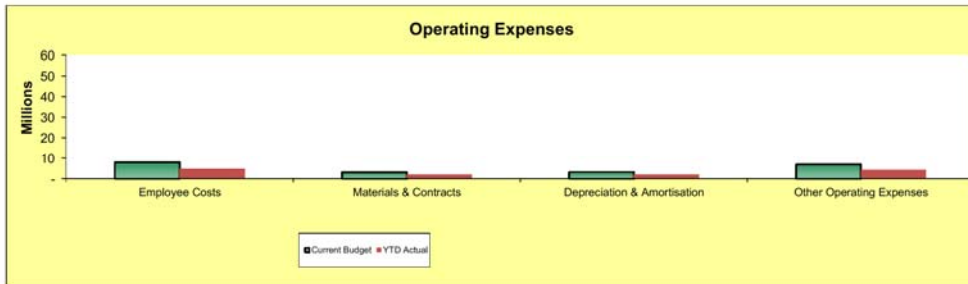


GOVERNANCE AND FINANCIAL SERVICES INCOME STATEMENT

for the financial year as at 31 January 2014

% OF YEAR EXPIRED AT 31 Jan 2014	59%
---	------------

	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	7,973	7,973	4,768	59.8%
Materials & Contracts	3,123	3,231	1,894	58.6%
Depreciation & Amortisation	3,294	3,294	1,922	58.3%
Other Operating Expenses	7,001	7,001	4,174	59.6%
Total Expenses from Continuing Operations	21,392	21,499	12,757	59.3%
REVENUE FROM CONTINUING OPERATIONS				
Rates And Annual Charges	65,523	65,523	38,525	58.8%
User Charges And Fees	902	902	572	63.5%
Interest	2,157	2,157	1,480	68.6%
Other Revenues	2,766	2,766	1,620	58.6%
Operating Grants and Contributions	3,327	1,667	1,022	61.3%
Total Revenue from Continuing Operations	74,675	73,016	43,219	59.2%
Net Operating Result - Surplus/(Deficit)	53,283	51,516	30,462	
CAPITAL PURCHASES (NOT INCLUDED ABOVE)				
Total Purchases	1,685	2,388	646	27.1%
<i>Detail as following:</i>				
IT Equipment	1,685	2,388	646	27.1%



F3/14

F3/14

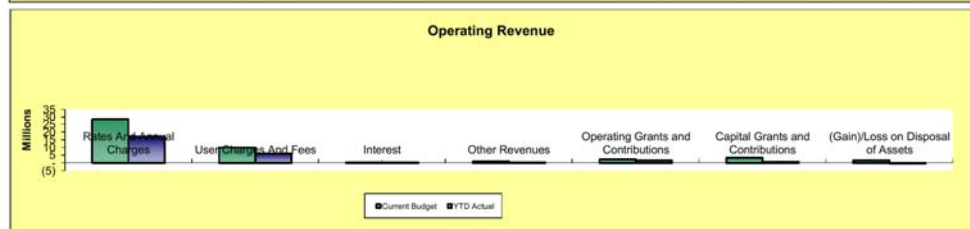
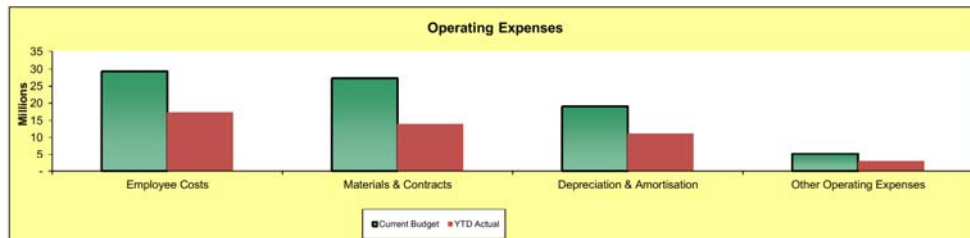


CITY SERVICES INCOME STATEMENT

for the financial year as at 31 January 2014

% OF YEAR EXPIRED AT 31 Jan 2014	59%
---	------------

	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	29,334	29,334	17,334	59.1%
Materials & Contracts	25,737	27,314	13,947	51.1%
Depreciation & Amortisation	19,077	19,077	11,128	58.3%
Other Operating Expenses	5,216	5,205	2,860	54.9%
Total Expenses from Continuing Operations	79,363	80,930	45,269	55.9%
REVENUE FROM CONTINUING OPERATIONS				
Rates And Annual Charges	28,642	28,642	16,927	59.1%
User Charges And Fees	10,002	10,027	6,031	60.2%
Interest	208	208	130	62.6%
Other Revenues	902	902	428	47.4%
Operating Grants and Contributions	2,365	2,414	1,562	64.7%
Capital Grants and Contributions	3,308	3,308	691	20.9%
(Gain)/Loss on Disposal of Assets	1,679	1,679	(404)	-24.1%
Total Revenue from Continuing Operations	47,105	47,179	25,365	53.8%
Net Operating Result - Surplus/(Deficit)	(32,258)	(33,750)	(19,903)	
CAPITAL PURCHASES (NOT INCLUDED ABOVE)				
Total Purchases	31,630	55,638	21,032	37.8%
<i>Detail as following:</i>				
Parks Construction	5,370	16,371	7,546	46.1%
Roads Construction	8,706	11,605	3,014	26.0%
Drainage Construction	1,194	2,016	177	8.8%
Building Construction	11,498	14,221	1,616	11.4%
Library Resources	387	395	144	36.5%
Des Renford Leisure Centre	100	3,600	3,304	91.8%
Contaminated Site Management	-	-	1	0.0%
Vehicular Access	500	500	396	79.3%
Plant and Equipment	3,875	6,930	4,833	69.7%



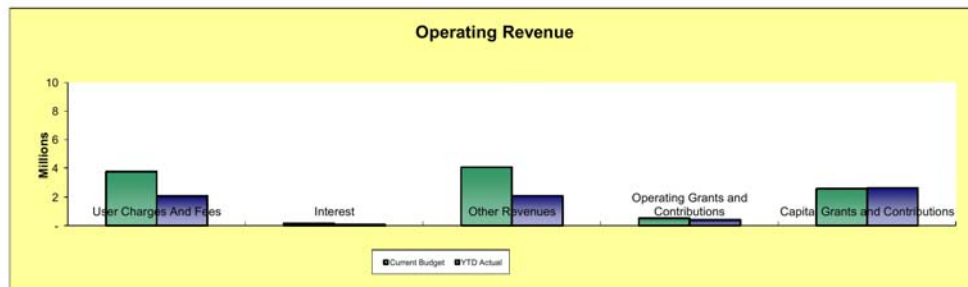


CITY PLANNING INCOME STATEMENT

for the financial year as at 31 January 2014

% OF YEAR EXPIRED AT 31 Jan 2014	59%
---	------------

	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% of Budget Spent/Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	10,573	10,575	6,224	58.9%
Materials & Contracts	2,672	3,497	1,426	40.8%
Other Operating Expenses	1,214	1,302	896	68.8%
Total Expenses from Continuing Operations	14,458	15,374	8,546	55.6%
REVENUE FROM CONTINUING OPERATIONS				
User Charges And Fees	3,739	3,761	2,100	55.8%
Interest	166	166	97	58.3%
Other Revenues	4,068	4,072	2,114	51.9%
Operating Grants and Contributions	543	543	425	78.2%
Capital Grants and Contributions	2,100	2,600	2,669	102.7%
Total Revenue from Continuing Operations	10,615	11,142	7,404	66.5%
Net Operating Result - Surplus/(Deficit)	(3,843)	(4,233)	(1,142)	
CAPITAL PURCHASES (NOT INCLUDED ABOVE)				
CAPITAL PURCHASES				
Total Purchases	430	290	157	54.3%
<i>Detail as following:</i>				
Sustaining Our City Projects	430	290	157	54.3%



F3/14

F3/14



BALANCE SHEET

at 31 January 2014

	Actual as at 30 June 2013	Actual as at 31 January 2014
CURRENT ASSETS		
Cash, Cash Equivalents & Investments	62,187	57,094
Receivables	6,782	2,862
Inventories	567	578
Other	392	14
TOTAL CURRENT ASSETS	69,929	60,549
NON-CURRENT ASSETS		
Infrastructure, Property, Plant & Equipment	1,265,138	1,272,486
TOTAL NON-CURRENT ASSETS	1,265,138	1,272,486
TOTAL ASSETS	1,335,067	1,333,034
CURRENT LIABILITIES		
Payables	15,871	9,118
Provisions & Prepayments	14,851	13,747
TOTAL CURRENT LIABILITIES	30,722	22,864
NON-CURRENT LIABILITIES		
Payables	260	260
Provisions & Prepayments	205	205
TOTAL NON-CURRENT LIABILITIES	465	465
TOTAL LIABILITIES	31,187	23,329
NET ASSETS	1,303,881	1,309,705
EQUITY		
Retained Earnings	753,096	758,920
Revaluation Reserves	550,785	550,785
TOTAL EQUITY	1,303,881	1,309,705