

STRATEGIC PLANNING COMMITTEE 20 August 2014

DEPOT FUNDS STRATEGY

ATTACHMENT

DEPOT FUNDS ALLOCATION STRATEGY

TOWN OF COTTESLOE



DEPOT FUNDS ALLOCATION STRATEGY

FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2024

Depot Funds Strategy

						Year ended 30 June	d 30 June					
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
	_											
				Cat	Category A Projects	S:						TOTAL
Replace Slab Footpaths	A01		115,825	118,721	121,689	,	127,849	131,045	134,321	-	1	749,450
Payout Existing Loans	A02	4,318,204	1	1	1	z	,	ı		,	-	4,318,204
Replace Reach Access Paths	A03		123,000	126,075	129,227	1	,	ı		-		378,302
Carparks 1 and 2	A04		164,000	210,125		1			1	-	•	374,125
Retaining Walls at Beach	A05	50,000	153,750	157,594	161,534			•	~	1		522,877
Restoration of Cottesloe Pylon	A06		128,125	,	1	,	-	•		-	-	128,125
Project Management Costs	A07	70,000	143,500	147,088	150,765			•	1	-	•	511,352

				S	Category B Projects	cts						TOTAL
Toilets Main Beach	801	270,000	1,025,000	1,050,625	-	,	t	,	٠	1	1	2,345,625
Town Centre Improvements	802	100,000	410,000	735,438	1		1	1		·	•	1,245,438
John Black Dune Park	803	20,000	461,250	525,313	,		ı	•	1		•	1,036,563
Lesser Hall	804	20,000	307,500	,	1		,	1	ſ	•	-	357,500

				ڻ	Category C Projects	ts						TOTAL
New Toilets (South Cottesloe)	C01		1		53,845	496,716	,	•		-		550,560
Implement Foreshore Plan	C02	,	25,625	183,859	188,456	137,977		-		1	•	535,917
Contribution to Watch Tower	83		-	315,188		•		1	1	1	1	315,188
Bike Path on Foreshore	C04	t		52,531	161,534	165,572	169,711	173,954	178,303	182,760	187,329	1,271,695
n Station	to ECOS			52,531	269,223	1	1	-	1	1	,	321,754

			Proce	Proceeds from New Loans	Loans					
New Loan - Indiana Refurbishment 101			- 2,000,000							
New Loan - John Black Dune Park L02				- 1,000,000						
New Loan - Toilets (South Cottesloe) L03				•	- 500,000					
			Payn	Payments for New Loans	oans					
New Loan - Indiana Refurbishment L01				181,818	181,818	181,818	181,818	181,818	181,818	181,818
New Loan - John Black Dune Park L02	,	1	1		606'06	606'06	606'06	606'06	606'06	606'06
New Loan - Toilets (South Cottestoe) 103			•			45,455	45,455	45,455	45,455	45,455

Funds Consumed	4,908,204	3,057,575	1,675,086	418,089	572,992	615,742	623,181	908'089	500,942	505,511	13,508,129
Funds Beginning Year	8,100,000	3,835,952	1,305,677	77,140	105,601	20,841	17,668	48,738	72,184	225,493	
Funds Consumed	4,908,204	3,057,575	1,675,086	418,089	572,992	615,742	623,181	908'089	500,942	505,511	
Funds End of Year	3,191,796	- 778,377	369,409	340,948 -	467,391 -	- 636,583	605,513 -	- 582,068	428,759	280,018	
Interest	197,606	80,751	1	1	ą	1		1	-	1	
Reduced Loan Liability	446,549	446,549	446,549	446,549	446,549	654,251	654,251	654,251	654,251	654,251	
Reserve Balance EOY	3,835,952	1,305,677	77,140	105,601	20,841	17,668	48,738	72,184	225,493	374,233	

NOTES

Category A Projects

These projects are essentially *shovel ready* projects that are of a known quantity and the expenditure is going to be incurred whether or not it is included in this project at some point in the next 10 years.

Category B Projects

These are projects that have been awaiting funding for sometime, however the exact quantities are not as yet known, they require some design work and are not included in any asset replacement plan at this stage

Category C Projects

These projects are more conceptual than concrete and indicate projects that would be for the betterment of Cottesloe, but as yet have no detailed design work completed and/or require significant community consultation.

LOANS - EXISTING

						Vear ended 30 June	130 June				
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Reduced Loan Liability		446,549	446,549	446,549	446,549	446,549	654,251	654,251	654,251	654,251	654,251
104 - Cottesloe Tennis Club	Paid out	u	u	n	n	u	u	n	n	n	L
Principle											
Interest	%										
Principle remaining			1	ſ	ı			t		1	-
Payout Figure		ŧ	1	I	ı	-		•	-	1	-
105 - Seaview Golf Club	Paid out	u	u	u	и	n	n	n	n	п	n
Principle		22,330	23,730	25,228	26,822	28,516	30,318	32,233	34,269	36,434	19,071
Interest	%	17,008	15,598	14,100	12,506	10,812	9,010	7,095	5,059	2,895	593
Principle remaining		278,940	256,610	232,881	207,653	180,830	152,314	121,996	89,764	55,495	19,061
Payout Figure		I	1	ĺ	ı	1	1		1	1	1
								THE PROPERTY OF THE PROPERTY O			
106 - Civic Centre Extenstion	Paid out	n	n	n	u	u	10000E	y	y	10000	ý
Principle		162,395	171,033	180,130	189,711	199,801	207,702	207,702	207,702	207,702	207,702
Interest	5.25%	45,307	36,670	27,573	17,992	7,901					
Principle remaining		903,069	740,674	569,642	389,512	199,801					
Payout Figure		0	0	0	0	0					
107 - Joint Library Project	Paid out	У	y	y	À	٨	٨	٨	^	^	^
Principle		168,127	179,250	191,109	203,753	217,233	231,605	246,928	263,264	280,682	299,252
Interest	6.51%	278,423	267,299	255,440	242,797	229,316	214,944	199,622	183,285	165,868	147,298
Principle remaining		4,318,204	1	1	1	•	\$		1	-	
Payout Figure		4,318,204	1	-	1	1	1	_	1	-	ı

A01 - Replace Existing Slab Footpaths

program to be completed ahead of time. Replacing these footpaths will not only result in lower maintenance costs, it will also mean the regular allocation made The Town has in place a program to replace all of its existing concrete slab footpaths over a period of 20 years. The allocations made in this area will allow the in the Annual Budget for footpath replacement, will be able to be directed to other asset replacements.

	2024
	2023
	2022
	2021
d 30 June	2020
Year ended 30 June	2019
	2018
	2017
	2016
	2015

TOTAL ALLOCATED TO SUMMARY SHEET	SHEET		113,000	113,000 113,000	113,000	ı	113,000	113,000 113,000 113,000	113,000	ı
								*		
Task / Allocation										
Relace existing paths			113000							
Relace existing paths				113000						
Relace existing paths					113000					
Relace existing paths							113000			
Relace existing paths								113000		
Relace existing paths									113000	
		-								

A02 - Payout Existing Loans

The Town has a high level of debt, which contributes to an annual operating loss. The intention is to reduce the level of debt overall, so that the interest payments do not adversly effect the operating budget. By paying out the loans early and then redrawing new loans at a lower level when the funds are required, the interest on the loans should reduce from their current high levels to lower levels, and the overall expense reduced.

5 2016 2017 2018 2019 2020)					
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024

TOTAL ALLOCATED TO SUMMARY SHEET	RY SHEET	4,318,204		'	1	1	•		-	-	1
Loan Name	Loan Number										
Cottesloe Tennis Club	104	I	t	ı	1	-	-	-	-	•	ī
Seaview Golf Club	105	1	1	1	1	-	-		1		ı
Civic Centre Extentions	106	ţ	1	ı	1	1	-	. 1	1	•	1
Joint Library Project	107	4,318,204		t	1	1	i	-		ī	-

A03 - Replace Beach Access Paths

The Town has 29 beach access paths along the coastline that it manages. Many of these are approaching the end of their useful life and a program needs to be set in place to refurbish them. The expenditure listed will see the most costly refurbishments done, with the remainder to be scheduled over a period of 10 years and included in asset replacement section of the annual budgets.

2	2016 2017

120,000

120,000

120,000

TOTAL ALLOCATED TO SUMMARY SHEET

Task / Allocation						
Rebuild beach access paths	\$ 120,000					
Rebuild beach access paths		\$ 120,000				
Rebuild beach access paths			3 120,000			

A04 - Carparks 1 and 2

The works listed below are the replacement of the surface within these carparks. While it is anticipated that any refurbishment will be a part of a larger project, additional funds and support will be sought for these projects from other agencies.

					Year ended 30 June	d 30 June				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
CATED TO SUMMARY SHEET	1	160,000	200,000	•	-	•	ł	1	1	ŧ
ation										
ırk 1		\$ 160,000								
ırk 2			\$ 200,000							

TOTAL ALLOC

Task / Allocat Reseal Carpar Reseal Carpar

A05 - Retaining Walls at Beach Front

support the terraces were constructed in the 1930's and will need major refurbishment works in the next few years. The work is being spread over a period of four Cottesloe Beach is known for a number of things, one of which is the grassed terraces that sit at the northern end of Cottesloe Beach. The retaining walls that years to minimise the disruption at any given time and to allow for a staged replacement when the assets eventually need replacing.

						Year en	rear ended 30 June				
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET		50,000	150,000	150,000	150,000	1	1	•	t	•	1
Task / Allocation	\vdash										-
Engineering consultancy	\$	\$ 50,000									
Replacement year 1			\$ 150,000								
Replacement year 2				\$ 150,000							
Replacement year 3					150000						

A06 - Restoration of Cottesloe Pylon

Another icon of Cottesloe Beach is the Cottesloe Pylon. In recent years, storms and tidal movements have weakened the base of the pylon such that resotrative works are now required. While the Town has previoulsy undertaken remediation works, further work is needed and hence has been budgetted for.

					Year ended 30 June	d 30 June				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET	ı	125,000	ı	•	1	1	ı	_	_	•
				-						
Task / Allocation										
Restoration works	- \$	\$ 125,000								

A07 - Project Management Costs

The projects listed within this strategy are intended to occur on top of the normal works that the Town would undertake. As such, additional staff resources will be required to implement these projects. Not allowing sufficient funds for project management will likely result in costly delays. The funds below would secure the services of an experienced project manager on a short term contract.

					ובמו בוחנ	ובשו בווחנת כם זתווב				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET	70,000	70,000 140,000	140,000	140,000	•	1	1		1	1
Task / Allocation										
2 () () () () () () () () () (\$ 70.000									

Task / Allocation							
Project Manager	\$ 70,000						
Project Manager		\$ 140,000					
Project Manager			\$ 140,000				
Project Manager				140000			

B01 - Toilets Main Beach

This project is a complex project that will involve completely removing the existing facilities and rebuilding them, with likely changes to the surrounds, the leasable area and the lease itself. Any works will also require approvals from WAPC, the facilities themselves will require significant engineering works and there will no doubt be some level of community consultation involved as well. The spending has been allocated as such.

					Year ended 30 June	d 30 June				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET	270,000	1,000,000 1,000,000	1,000,000	1	-	1	1	1	1	1
Task / Allocation										
Design work and consultation	\$ 150,000									
Legal fees, valuations and approvals	\$ 70,000									
Consultants (other)	\$ 50,000									
Construction (phase 1)		1000000								
Construction (phase 2)			1000000							

802 - Town Centre Improvements

The Town has already set aside ove \$300,000 in its annual budget to improve and or replace the aging infrastructure in the Town Centre. As the last major upgrade was undertaken in the late 1980's, much of this infrastructure is worn and overdue for replacement. This project seeks to bring much of the work forward and provides a real improvement for local people accessing the area on regular basis.

					Year ended 30 June	d 30 June				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
LOCATED TO SUMMARY SHEET	100,000	100,000 400,000	700,000	1	1	,	1	ı		1
location										
uct Paving and Road Surface		\$ 400,000								

TOTAL ALL

Task / Allocation							
Reconstruct Paving and Road Surface		\$ 400,000					
Relocate Drainage and soak pits	\$ 50,000			 			
Design work - train station integration	\$ 50,000						
Construction Train Station Integration			700000				

B03 - John Black Dune Park

Sitting between Cottesloe Tennis Club and Carpark 2, the are is currently underutilised and in need of work. The Town has received initial concept plans for how the park could be developed into an area that locals and tourists a like can benefit from.

2015 2016 20 TOTAL ALLOCATED TO SUMMARY SHEET 50,000 450,000 50	-		֡	1				
2015 2016 50,000 450,000			2000	Teal chaca 30 same	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	0000	2000	7000
50,000 450,000	2017	2018	2019	7070	2021	7707	7073	2024
50,000 450,000								
	000'005 00	ı	1		1	ı		*
Task / Allocation								
Design work and approvals \$ 50,000			,					
Construction works (phase 1) \$ 450,000								
	\$ 500,000							

B04 - Lesser Hall Refurbishment

The Lesser Hall (located within the Civic Centre Grounds) is a highly used community asset. The groups that use the hall are diverse and include yoga and dance groups, community meetings as well as being regularly used as a polling place. The kitchen and ablution facilities within the building are dated and in need of upgrades.

					Year ende	Year ended 30 June				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET	50,000	50,000 300,000	ı	1		I	1		-	•
Task / Allocation										
Design work and approvals	\$ 50,000									
Construction work		000'008 \$								

C01 - Additional Toilets (South Cottesloe)

Some years ago, a set of ablution facilities near the South Cottesloe Groyne were removed, with the intention that they would be replaced. The original toilets were considered a high enough priority for replacement. The windfall from the Depot Sale may provide the funds needed to initiate this project. The long lead time is an removed for a number of reasons, including environmental and maintenance concerns. The cost of replacing the facilities has meant that they have never been indication that the design work and community consultation for this project would be significant tasks on their own.

					Year ended 30 June	30 June				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET	1	1	-	20,000	50,000 450,000		1	4	•	1
Task / Allocation										
Design work and approvals				\$ 50,000						
Construction work					\$ 450,000					

C02 - Implement Foreshore Plan

The Town adopted a foreshore redevelopment plan in 2012. The plan listed a number of projects, some of which have already been implemented, others that are being progressed either through the normal budget process or this strategy. The allocations in this section are for those items that are not large enough to attract their own unique project (and costing) but are still required for the overall completion of the plan. Small retaining walls, street furniture and signage are some examples of what could be covered.

					Year ended 30 June	i 30 June				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET	,	25,000	175,000	175,000 175,000	125,000	-	-	•	1	
Task / Allocation										
Design work and approvals		\$ 25,000								
Construction work phase 1			\$ 175,000							
Construction work phase 2				\$ 175,000						
Construction work phase 3					125000					

C03 - Contribution to Watch Tower at Cottesloe Beach

Mitigation Policy. The allocation below would be in addition to funds allocated by the State Government and the Cottesloe Surf Life Saving Club. The timing of the The Cottesloe Surf Life Saving Club were successful in attaining a grant to construct a watch tower at Cottesloe Beach as a part of the State Government's Shark allocation is indicative of the likely time required for designs and approvals.

					Year ended 30 June	d 30 June				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET	1		300,000	1,	ı	•	1	1	-	•
Task / Allocation										
Grant Available			\$ 300,000							

C04 - Redevelopment of Bike Path on Foreshore

The needs and requirements of dual use paths has evolved over the last decade or so, and the demand and use of such facilities has also increased during the same period. This project will seek to increase the use of this path, by residents and visitors a like, by providing improved infrastructure that is able to cope with cyclists and pedestrians.

					Year ended 30 June	30 June				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET	1		50,000	50,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000 150,000	150,000	150,000	150,000	150,000	150,000	150,000
Task / Allocation										
Design work and staging		,	\$ 50,000							
Staged Construction Works		•		\$ 150,000	150,000 \$ 150,000 \$ 150,000 \$ 150,000 \$ 150,000 \$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000

C05 - Improved Train Station / Beach Interface

The link between the train station and Cottesloe Beach is a particularly important pedestrian link during the summer months. If more people are to be encouraged to use public transport during the peak summer months, particularly for events such as Sculpture by the Sea, the interface between the trainstation and footpaths that lead to be beach need to be improved.

					op no noon	0 min 00 F				
					rear ende	rear ended 50 June				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET	1		50,000	50,000 250,000	•		1	•	-	
Task / Allocation				,						
Design work and staging			000'05 \$							
Staged Construction Works				\$ 250,000						