



**MINUTES OF BUDGET AND FINANCE COMMITTEE MEETING HELD IN THE  
COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY ON**

**18 APRIL 2016**

**MEMBERS PRESENT**

Cr D Pilkington (Chairman)  
Mayor G Aldridge  
Cr D Balaza  
Cr S Bedford (Deputy Chairman)  
Cr D Bryant  
Cr G Caruso  
Cr L Caruso  
Cr D Proleta  
Cr S Reardon  
Cr G Reynolds  
Cr B Vermeer  
Cr S White  
Cr J Woodman

**STAFF**

Chief Executive Officer, Mr J Harry  
General Manager Business Excellence, Mr C Mansueto  
General Manager City Development, Mr T Sutcliffe  
General Manager Community Development, Ms J Trotter  
General Manager City Infrastructure, Mr M van der Pennen  
Manager Governance, Ms T Norman  
Team Leader Corporate Communications, Mr C Treloar  
Governance Coordinator, Ms J Rowett  
Manager Financial Services, Ms K George  
Governance Support Officer, Ms K Boyd

The meeting commenced at 7:57pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

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**APOLOGIES**

Apologies were received from Cr C Buchanan, Cr R Cook and Cr E Gill.

**LEAVE OF ABSENCE**

Nil.

**PRESENTATION OF MINUTES**

Moved Cr D Balaza  
Seconded Mayor G Aldridge

The Minutes of the Budget and Finance Committee Meeting held on 21 March 2016, be taken and read as confirmed.

**CARRIED**

Moved Cr D Proleta  
Seconded Cr G Caruso

The Minutes of the Confidential Budget and Finance Committee Meeting held on 21 March 2016, be taken and read as confirmed.

**CARRIED**

**REPORTS**

*Administration*

**6.0.1 Future Reports for the Budget and Finance Committee**

Moved Cr S Bedford  
Seconded Cr L Caruso

1. The information be received.

**CARRIED**

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*Finance*

**6.1.1 Project Budget Delegations**

Moved Cr S Bedford  
Seconded Cr S White

1. A Financial Delegation (the Project Budget Delegation) be provided to the relevant General Manager to increase an approved budget of an individual capital project in the financial year provided that the program (Information Technology, Transportation, Property and Buildings, Drainage and Waterways, Parks and Streetscapes, Plant, Furniture and Equipment, Water Business Unit, Strategic Projects and Strategic Property) and sub-classification (new, renewal) will not exceed budget, and that there is no change in project scope as a result.
2. The Project Budget Delegation limit be set at \$15,000 per individual capital project with a budget up to \$150,000 in each financial year, and 10% of the project value for projects with budgets greater than \$150,000 in each financial year.
3. In any quarter when the Project Budget Delegation is exercised a separate, standalone report be presented to the Budget and Finance Committee at the end of that quarter with details also to be reported in the Quarterly Budget Review.
4. The Project Budget Delegation be reviewed during the 2017/18 Budget process.

**CARRIED**

*Financial Sustainability*

**6.2.1 Financial Indicators**

Moved Cr D Bryant  
Seconded Cr J Woodman

1. The Operating Ranges for Financial Sustainability Indicators be set as follows
  - a. Operating Surplus Ratio: between 0% and 5%
  - b. Net Financial Liabilities Ratio: less than 40%
  - c. Asset Sustainability Ratio: between 90% and 110%
2. The Operating Ranges for Financial Sustainability Indicators be reviewed as part of considering future Long Term Financial Plan updates.

**CARRIED**

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*Annual Plan and Budget***6.4.1 Belgravia Business Plans – 2016/17**

Moved Cr G Caruso

Seconded Mayor G Aldridge

1. The 2016/17 Business Plans for the:
  - Gardens Recreation Centre,
  - Ingle Farm Recreation Centre, and
  - Salisbury Recreation Precinctbe approved.
2. The proposed 2016/17 Fees and Charges for the Recreation Facilities managed by Belgravia Leisure be approved.

**CARRIED**

The Chairman considered that a short term suspension of meeting procedures would facilitate informal discussion of the proposed New Initiative Bids prior to the Committee making a recommendation on the item. The Committee supported this proposal and formal meeting procedures were suspended at 8:08pm to review New Initiative Bids within each category. The Chairman determined that, having reviewed all proposed New Initiative Bids, suspension of meeting procedures could conclude. Meeting procedures resumed at 9:14pm.

**6.4.2 New Initiative Bids 2016/17***Cr G Reynolds left the meeting at 09:17 pm.*

Moved Cr B Vermeer

Seconded Cr S White

1. The Capital New Initiatives (including Strategic Property) totalling \$29,759,093 net expenditure be endorsed for inclusion in the Draft 2016/17 Annual Plan and Budget.
2. The IT New Initiatives totalling \$672,000 net expenditure be endorsed for inclusion in the 2016/17 Draft Annual Plan and Budget.
3. The Plant, Furniture and Equipment New Initiatives totalling \$1,864,200 net expenditure be endorsed for inclusion in the 2016/17 Draft Annual Plan and Budget.
4. The Operating New Initiatives totalling \$1,633,752 net expenditure be endorsed for inclusion in the 2016/17 Draft Annual Plan and Budget.
5. A further report be brought back on Items NAM23444 on the development process for the multicultural strategy and NAM23466 incorporating further information on the priority actions in adapting the Northern Adelaide Plans and Green Industries Program, prior to formal adoption of the budget.

**CARRIED**

**6.4.3 Budget Workshop Action Update**

Moved Cr L Caruso  
 Seconded Cr S Bedford

1. Information be received and noted.
2. Report on Outcomes of the Your Tutor Trial to be included on the futures report for Works and Services, and scheduled for March 2017.

**CARRIED**

*Mayor G Aldridge left the meeting at 09:19 pm.  
 Cr G Reynolds returned to the meeting at 09:19 pm.*

**6.4.4 Budget Status Update**

Moved Cr G Caruso  
 Seconded Cr S Reardon

1. Information be received.

**CARRIED**

**6.4.5 Rating Strategy 2016/17**

*Mayor G Aldridge returned to the meeting at 09:22 pm.*

Moved Cr G Caruso  
 Seconded Cr S White

1. Information be received.
2. The rate increase based on a 3.0% average increase, including the minimum, be endorsed as the basis for setting rates in 2016/17 and included in the Draft Annual Plan & Budget for public consultation.
3. The current general rate capping policy (as set out in section 3.6 of this report, Item No. 6.4.5, Budget and Finance Committee 18/04/2016) remains unchanged for 2016/17.
4. The application of the currently endorsed Life Style Village Rate Capping, which provides an automatic rate cap of 10% to be applied annually until such time as rate parity is achieved, remains unchanged for 2016/17.

Cr B Vermeer moved an AMENDMENT that

1. Information be received.
2. The rate increase based on a 2.9% average increase, including the minimum, be endorsed as the basis for setting rates in 2016/17 and included in the Draft Annual Plan & Budget for public consultation.
3. The current general rate capping policy (as set out in section 3.6 of this report, Item No. 6.4.5, Budget and Finance Committee 18/04/2016) remains unchanged for 2016/17.
4. The application of the currently endorsed Life Style Village Rate Capping, which provides an automatic rate cap of 10% to be applied annually until such time as rate parity is achieved, remains unchanged for 2016/17.

Seconded Cr D Balaza

The AMENDMENT on BEING PUT was CARRIED

The AMENDED MOTION on BEING PUT was CARRIED

**CARRIED**

*A **DIVISION** was requested by Cr G Caruso and the following members responded to the Chairman's call as having voted in favour of the **MOTION**:*

*Crs D Balaza, S Bedford, D Bryant, L Caruso, D Proleta, G Reynolds and B Vermeer*

*The following members responded to the Chairman's call as having voted against the **MOTION**:*

*Mayor G Aldridge, Crs D Pilkington, G Caruso, S Reardon, S White and J Woodman*

*The Chairman declared the **MOTION** was CARRIED*

*Cr S White left the meeting at 09:33 pm.*

*Cr S Bedford left the meeting at 09:35 pm.*

*Cr S White returned to the meeting at 09:36 pm.*

*Cr S Bedford returned to the meeting at 09:37 pm.*

**6.4.6 Higher Value Property Review**

*Cr D Balaza left the meeting at 09:45 pm.*

Moved Cr B Vermeer  
 Seconded Mayor G Aldridge

1. The Higher Property Value Rate Remission for 2016/17 for residential properties be set on the following basis:

Tier	Value Range	Rate Adjustment
1	0- \$467,000	0
2	\$467,000 - \$570,000	15%
3	\$570,000 +	35%

**CARRIED**

**6.4.7 Draft 2016/17 Annual Plan and Budget**

*Cr D Balaza returned to the meeting at 09:49 pm.*

Moved Cr B Vermeer  
 Seconded Mayor G Aldridge

1. Information be received.
2. Draft 2016/17 Annual Plan and Budget be endorsed for the purposes of Public Consultation, subject to further editing and formatting improvements without changing the substantive nature of the document, and changes required to reflect decisions of Council made at Budget and Finance Meeting 18 April and Council 26 April 2016.

**CARRIED**

**6.4.8 Council Solutions 2016/17 Budget**

Moved Cr G Caruso  
 Seconded Cr S Reardon

1. The proposed Council Solutions Regional Subsidiary 2016/17 Annual Budget be considered and noted.

**CARRIED**

#### 6.4.9 Natural Resource Management (NRM) Levy Collection

*Cr B Vermeer declared an interest due to his employer being a member of the Natural Resources Joint Standing Committee of the South Australian Parliament.*

*Cr D Proleta left the meeting at 09:58 pm.*

*Cr D Proleta returned to the meeting at 10:00 pm.*

Moved Cr B Vermeer

Seconded Cr D Bryant

1. The Local Government Association's lobbying of the State Government in seeking alternate NRM Levy arrangements and its proposed campaign be noted and supported.
2. The City of Salisbury write to the NRM Board indicating the City of Salisbury expresses its displeasure at the proposed 6% increase to fees and requests that the NRM Board consider a rise no higher than that proposed by Council for its rates.

**LOST**

*A **DIVISION** was requested by Cr Vermeer and the following members responded to the Chairman's call as having voted in favour of the **MOTION**:*

*Crs D Balaza, D Bryant, D Proleta, S Reardon and B Vermeer*

*The following members responded to the Mayor's call as having voted against the **MOTION**:*

*Mayor G Aldridge, Crs D Pilkington, S Bedford, G Caruso, L Caruso, G Reynolds, S White and J Woodman*

*The Chairman declared the **MOTION** was **LOST***

Cr B Vermeer moved

1. Council note the Adelaide and Mount Lofty NRM Board proposed 6% levy increase and express its concern at the quantum of the increase.
2. The Local Government Association's lobbying of the State Government in seeking alternate NRM Levy arrangements and its proposed campaign be noted and supported.
3. Staff investigate projects within the City of Salisbury which could be submitted to the NRM Board for funding.

Seconded Mayor G Aldridge

**CARRIED**



**OTHER BUSINESS**

Nil

**CONFIDENTIAL ITEMS**

**6.9.1 Action of Rates Accounts Outstanding under Section 184 of the Local Government Act 1999**

Moved Cr S White

Seconded Cr J Woodman

1. *Pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*

*- it relates to information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).*

2. *In weighing up the factors related to disclosure,*

*- disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*

*- Non-disclosure of the matter and discussion of this item in confidence would protect information related to the personal affairs of any person (living or dead) and proposed action by Council where the rates for a property have been outstanding for a period of not less than three years.*

*On that basis the public's interest is best served by not disclosing the **Action of Rates Accounts Outstanding under Section 184 of the Local Government Act 1999** item and discussion at this point in time.*

3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

**CARRIED**

The meeting moved into confidence at 10:11 pm.

The meeting moved out of confidence at 10:11 pm.

The meeting closed at 10:11 pm.

CHAIRMAN.....

DATE.....