



AGENDA

FOR COUNCIL MEETING TO BE HELD ON

24 OCTOBER 2016 AT 6:30 PM

IN THE COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY

MEMBERS

Mayor G Aldridge
Cr D Balaza (Deputy Mayor)
Cr S Bedford
Cr D Bryant
Cr C Buchanan
Cr G Caruso
Cr L Caruso
Cr R Cook
Cr E Gill
Cr D Pilkington
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr B Vermeer
Cr S White
Cr J Woodman
Cr R Zahra

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager City Infrastructure, Mr M van der Pennen
General Manager Community Development, Ms P Webb
Manager Governance, Ms T Norman
Manager Communications and Customer Relations, Mr M Bennington
Team Leader Corporate Communications, Mr C Treloar
Governance Coordinator, Ms J Rowett
Governance Support Officer, Ms K Boyd

PRAYER

*Lord, we ask for your blessing on this Council meeting,
That you direct our deliberations for the benefit of Salisbury
And the true welfare of the people of this City.*

KAURNA ACKNOWLEDGEMENT

The City of Salisbury acknowledges that we are meeting on the traditional Country of the Kurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kurna people living today.

APOLOGIES

An apology has been received from Cr D Proleta.

LEAVE OF ABSENCE

PUBLIC QUESTION TIME

DEPUTATIONS

No Deputations have been received.

PRESENTATION OF MINUTES

Presentation of the Minutes of the Council Meeting held on 26 September 2016.

Presentation of the Minutes of the Confidential Council Meeting held on 26 September 2016.

QUESTIONS ON NOTICE

QON1 Streetscaping in Para Hills

At the 26 September 2016 Council meeting, Cr D Bryant asked a question in relation to streetscaping in Para Hills.

The question was taken on notice.

Manager Parks and Landscape, Mark Purdie has provided the following response:

The list of streets for a streetscape renewal program is developed on asset management principles and includes a 3 year list which is refreshed on an annual basis.

Elected Members are consulted via email and the Elected Member Portal annually, with the opportunity to suggest any streets for assessment for the next year's program.

In relation to streetscaping in Para Hills, the following information is provided:

- *Codd Street, Para Hills West – streetscape renewal was completed in 2015. No further action is proposed.*
- *Goodfield Road, Para Hills West – contained low numbers of street trees and was replanted in 2016 with remaining trees assessed, and considered a low priority for streetscape renewal.*
- *Woodchester Street, Para Hills West – there are no plans for streetscape renewal at this stage. This can be considered as an Elected Member request for assessment as part of the 2017/18 program.*

QON2 Mayor's Duty of Care

At the 26 September 2016 Council meeting, Cr C Buchanan asked a question regarding the Mayor's Duty of Care, and specifically asked if the Chief Executive Officer could explain to the Council:

1. What level of duty of care that the Mayor legally has.

The question was taken on notice.

The Chief Executive Officer has provided the following response:

Legal advice has been sought and further clarification is required before a response to this question can be provided.

QUESTIONS WITHOUT NOTICE

NOTICES OF MOTION

NOM1 Appointment of Chairman Policy and Planning Committee for the period November 2016-November 2017

Cr Robyn Cook has submitted the following Notice of Motion:

1. That Cr Damien Pilkington be appointed to the position of Chairman, Policy and Planning Committee for the period November 2016-November 2018.
2. That the vote on the appointment of Chairman, Policy and Planning Committee for the period November 2016- November 2018 be conducted by a show of hands.

NOM2 Appointment of Chairman Budget and Finance Committee for the period November 2016 - November 2018

Cr Damien Pilkington has submitted the following Notice of Motion:

1. That Cr Riccardo Zahra be appointed to the position of Chairman, Budget and Finance Committee for the period November 2016 – November 2018
2. That the vote on the appointment of Chairman, Budget and Finance Committee for the period November 2016- November 2018 be conducted by show of hands.

NOM3 Appointment of Chairman Works and Services Committee for the period November 2016 - November 2018

Cr Damien Pilkington has submitted the following Notice of Motion:

1. That Cr Graham Reynolds be appointed to the position of Chairman, Works and Services Committee for the period November 2016 – November 2018
2. That the vote on the appointment of Chairman, Works and Services Committee for the period November 2016- November 2018 be conducted by show of hands.

NOM4 Appointment of Chairman Resources and Governance Committee for the period November 2016 - November 2018

Cr Damien Pilkington has submitted the following Notice of Motion:

1. That Cr Sean Bedford be appointed to the position of Chairman, Resources and Governance Committee for the period November 2016 – November 2018
2. That the vote on the appointment of Chairman, Resources and Governance Committee for the period November 2016- November 2018 be conducted by show of hands.

NOM5 Appointment of Chairman Sports, Recreation and Grants Committee for the period November 2016-November 2017

Cr Damien Pilkington has submitted the following Notice of Motion:

1. That Cr Linda Caruso be appointed to the position of Chairman, Sports, Recreation and Grants Committee for the period November 2016 – November 2017
2. That the vote on the appointment of Chairman, Sports, Recreation and Grants Committee for the period November 2016-November 2017 be conducted by show of hands.

NOM6 Appointment of Chairman Sports, Recreation and Grants Committee for the period November 2017-November 2018

Cr Damien Pilkington has submitted the following Notice of Motion:

1. That Cr Donna Proleta be appointed to the position of Chairman, Sports, Recreation and Grants Committee for the period November 2017 – November 2018.
2. That the vote on the appointment of Chairman, Sports, Recreation and Grants Committee for the period November 2017-November 2018 be conducted by show of hands.

NOM7 Appointment of Chairman Strategic and International Partnerships Sub Committee until November 2018

Cr Damien Pilkington has submitted the following Notice of Motion:

1. That Cr Betty Gill be appointed to the position of Chairman, Strategic and International Partnerships Sub Committee from the conclusion of the appointment period for the current Chairman (December 2016) until November 2018.
2. That the vote on the appointment of Chairman, Strategic and International Partnerships Sub Committee from the conclusion of the appointment period for the current Chairman until November 2018 be conducted by show of hands.

NOM8 Appointment of Chairman Strategic Property Development Sub Committee until November 2018

Cr Damien Pilkington has submitted the following Notice of Motion:

1. That Cr Steve White be appointed to the position of Chairman, Strategic Property Development Sub Committee from the conclusion of the appointment period for the current Chairman (January 2017) until November 2018.
2. That the vote on the appointment of Chairman, Strategic Property Development Sub Committee from the conclusion of the appointment period for the current Chairman until November 2018 be conducted by show of hands.

NOM9 Appointment of Chairman Tourism and Visitor Sub Committee until November 2018

Cr Damien Pilkington has submitted the following Notice of Motion:

1. That Cr Shiralee Reardon be appointed to the position of Chairman, Tourism and Visitor Sub Committee from the conclusion of the current appointment period (March 2017) until November 2018.

NOM10 Council Amalgamations - Property Council of South Australia

Cr Brad Vermeer has submitted the following Notice of Motion:

1. Council note the recent media article relating to the Property Council of South Australia's report into council amalgamations.
2. Council also note the reported \$65 million annual savings to South Australian ratepayers resulting in estimated savings of up to \$80 per year for individual property owners council rates based on the suggested amalgamations occurring.
3. Council expresses its disappointment at the reported comments of the Chief Executive Officer of the Local Government Association targeting the body who published the report when responding to the comments in the media.
4. Council write to the Minister for Local Government, the Hon. Geoff Brock, M.P. and Shadow Minister for Local Government, Mr Steven Griffiths, M.P. asking both the Government and Opposition to facilitate legislatively and otherwise, metropolitan council amalgamations as soon as possible.
5. Council submit a notice of motion to the next LGA OGM asking for the board to do all that is necessary to facilitate the amalgamation of metropolitan councils as soon as possible.

NOM11 Review of the Procurement Policy to incorporate use of Australian Made steel for Council construction projects

Cr Chad Buchanan has submitted the following Notice of Motion:

1. A review of the Procurement Policy be conducted to investigate the implications of adopting an obligation for Council to use only Australian made steel in all construction projects.

PETITIONS

No Petitions have been received.

COMMITTEE REPORTS

1 Policy and Planning Committee Meeting

Chairman - Cr L Caruso

Consideration of the minutes of the Policy and Planning Committee Meeting - 17 October 2016 and adoption of recommendations in relation to item numbers:

Administration

1.0.1 Future Reports for the Policy and Planning Committee

It is recommended to Council that:

1. The information be received.

Community Development

1.1.1 Minutes of the Youth Council Sub Committee meeting held on Tuesday 11 October 2016

It is recommended to Council that:

1. The information be received and noted.

1.1.2 Minutes of the Youth Council Sub Committee meeting held on Tuesday 9 August 2016

It is recommended to Council that:

1. The Minutes of the Youth Council Sub Committee Meeting held on 9 August 2016, be taken and read as confirmed.

Urban Development

1.3.1 Social Infrastructure Assessment for Priority Growth Areas

It is recommended to Council that:

1. That the report be noted.

1.3.2 Consultation on Update of 30 Year Plan for Greater Adelaide

It is recommended to Council that:

1. The report be noted.
2. The draft submission contained as Attachment 2 (Item No. 1.3.2, Policy and Planning Committee, 17/10/2016) be endorsed and forwarded to the Department of Planning, Transport and Infrastructure.
3. The submission to also identify that car parking provision, park and ride facilities, and provision of a multideck car park adjoining the Mawson Lakes interchange and Salisbury Interchange to be investigated.

2 Works and Services Committee Meeting

Chairman - Cr J Woodman

Consideration of the minutes of the Works and Services Committee Meeting - 17 October 2016 and adoption of recommendations in relation to item numbers:

Administration

2.0.1 Future Reports for the Works and Services Committee

It is recommended to Council that:

1. The information be received.

Landscaping

2.4.1 St. Kilda Mangrove Trail Status Update

It is recommended to Council that:

1. That the information be received.
2. That arrangements be made to repair damage to the northern section of the St Kilda Mangrove Trail Boardwalk, with funding of \$50k to be approved as a non-discretionary operating budget bid at the first quarter budget review 2016/17, with staff authorised to progress repair work from the date of this resolution.
3. That staff continue to investigate future options for the mangrove trail with a further update report to be provided in June 2017.

Property

2.5.1 Joint Use Agreement with Temple Christian College and Licence Agreement with Bethany Christian School for Fairbanks Drive Reserve.

It is recommended to Council that:

1. The information be received.
2. The following in principle terms and conditions of the Joint Use Agreement be endorsed:
 - a. Term of lease – 10 years with a right of renewal for a further 10 years.
 - b. School's times of use – School term Monday, Wednesday & Thursday 8:00am – 4:30pm, Tuesday & Friday 8:45am – 4:30pm.
 - c. Council will require exclusive access to the oval during the school holidays in October for turf renovation and maintenance.
 - d. Council will be responsible for the maintenance and irrigation of the oval.
 - e. Costs of maintenance for the oval, including irrigation and water usage will be a 50:50 split between Council and Temple Christian College.

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- f. Insurance responsibilities are clearly articulated in the Joint Use Agreement.
 - g. Costs of preparing the Joint Use Agreement to be equally shared between Council and Temple Christian College.
3. The Manager Property and Buildings be authorised to finalise negotiations of the Joint Use Agreement in line with the in principle Terms and Conditions with Temple Christian College.
 4. Subject to finalisation of the Joint Use Agreement, staff be authorised to commence public consultation in relation to the Joint Use Agreement with Temple Christian College for the purpose of shared use over a portion of Fairbanks Drive Reserve, described as Lot 139 in Deposited Plan 17337 contained within Certificate of Title Volume 5546 Folio 536, Lot 301 in Deposited Plan 29497 contained within Certificate of Title Volume 5411 Folio 39 and Lot 651 in Deposited Plan 19084 contained within Certificate of Title Volume 5538 Folio 664, as marked "A" on the attached site plan (Attachment 1, Item No. 2.5.1) in accordance with Council's public consultation policy and Temple Christian College to pay for all costs incurred by Council in relation to the public consultation process.
 5. Staff be authorised to commence public consultation in relation to the License Agreement with Bethany Christian School for the purpose of shared use over a portion of Fairbanks Drive Reserve, described as Lot 139 in Deposited Plan 17337 contained within Certificate of Title Volume 5546 Folio 536 and Lot 301 in Deposited Plan 29497 contained within Certificate of Title Volume 5411 Folio 39, as marked "B" on the attached site plan (Attachment 1, Item No.2.5.1) in accordance with Council's public consultation policy and Bethany Christian School to pay for all costs incurred by Council in relation to the public consultation process.
 6. In the event that objections to Joint Use Agreement with Temple Christian College and Licence Agreement with Bethany Christian School for the purpose of shared use over a portion of Fairbanks Drive Reserve, as marked "A" and "B" on the attached site plan (Attachment 1, Item No. 2.5.1) a further report be presented to Council for consideration.
 7. If no objections to the Joint Use Agreement with Temple Christian College and Licence Agreement with Bethany Christian School for Fairbanks Drive Reserve are received by the conclusion of the public consultation process, the Manager Property and Buildings be authorised to prepare a lease and license pursuant to *Section 202 of the Local Government Act 1999* over a portion of the reserve as marked "A" and "B" on the attached plan (Attachment 1, Item No. 2.5.1) between City of Salisbury and Temple Christian College and City of Salisbury and Bethany Christian School.

2.5.2 Revocation of Community Land Classification Allotment 12 Shepherdson Road, Parafield Gardens

It is recommended to Council that:

1. Council adopt Option 2 as outlined in Section 1.4.2 (Item No. 2.5.2, Works and Services Committee, 17/10/2016) and move to grant easements across Allotment 12 in Deposited Plan 32799 as described in Certificate of Title Volume 5084, Folio 530.
2. The land in question (Allotment 12 in Deposited Plan 32799 as described in Certificate of Title Volume 5084, Folio 530) remain as community land.

2.5.3 Grants of Easement over Council Land - Yorke Peninsula Wind Farm

It is recommended to Council that:

1. Council grant easement to Yorke Peninsula Wind Farm Pty Ltd over portion of Allotment 102 Deposited Plan 84939 known as Whiting Street Plantation for consideration as determined by a licenced valuer.
2. Council grant easement to Yorke Peninsula Wind Farm Pty Ltd over portion of Allotment 401 Deposited Plan 44760 known as Little Para Linear Park (lower) for consideration as determined by a licenced valuer
3. Council grant easement to Yorke Peninsula Wind Farm Pty Ltd over portion of Allotment 301 Deposited Plan 84939 known as Little Para Linear Park (lower) for consideration as determined by a licenced valuer
4. Council grant easement to Yorke Peninsula Wind Farm Pty Ltd over portion of Allotment 313 Deposited Plan 41267 known as Little Para Linear Park (lower) for consideration as determined by a licenced valuer
5. Council grant easement to Yorke Peninsula Wind Farm Pty Ltd over portion of Allotment 102 Deposited Plan 40170 known as Little Para Linear Park (lower) for consideration as determined by a licenced valuer
6. All costs associated with the granting of the requested easements are to be met by Yorke Peninsula Wind Farm Pty Ltd
7. The Manager Property and Buildings be authorised to prepare all necessary documentation and arrange the required consents for the granting of easements to Yorke Peninsula Wind Farm Pty Ltd over;
 - Allotment 102 DP 84939
 - Allotment 401 DP 44760
 - Allotment 301 DP 84939
 - Allotment 313 DP 41267
 - Allotment 102 DP 40170

2.5.4 Lease Agreements Mobile Phone Base Station located at Hausler Reserve, Paralowie.

It is recommended to Council that:

1. The information in this report be noted.
2. The change in Lessee details for the lease at Hausler Reserve, Paralowie for a telecommunication base station from Telstra to Axicom be endorsed.

2.5.5 Northern Adelaide Regional Management Committee Licence Agreement

It is recommended to Council that:

1. This information be received
2. The Northern Adelaide Regional Management Committee be offered the standard club lease agreement for a term of five years for the facility located at Lot 12 Whites Road, Globe Derby contained in Certificate of Title Volume 5187 Folio 477, commencing on 1st October 2016 and that the rent be calculated using Council's Club Fee Policy.

Public Works

2.6.1 Capital Progress Report - September 2016

It is recommended to Council that:

1. Defer any watercourse works downstream of Edinburgh Park and retain the associated budget within PR17205 Watercourse Management Works Program for 2016/17.
2. That a first quarter 2016/17 budget review bid be submitted for consideration to reflect the income and expenditure budget adjustments required within PR13725 Traffic Management Devices Program to align with grant funding notifications received, as set out in this report (Item No.2.6.1 Works and Services Committee 17/10/2016).
3. That a first quarter 2016/17 budget review bid be submitted for consideration to adjust the income and expenditure budget as set out in this report (Item No.2.6.1 Works and Services Committee 17/10/2016) within PR13600 Minor Traffic Improvements Program due to an unsuccessful grant application.

2.6.2 Playspace Renewal - Andrew Smith Drive Reserve

It is recommended to Council that:

1. The information within this report be received.
2. There be no change to the Playspace Renewal program for 2016/17, but detailed design and consultation be completed as part of pre-planning works covering off on all projects for the Andrew Smith Drive Reserve site, to allow delivery of works by December in the 2017/18 financial year.

Traffic Management

2.7.1 Change to Road Rules to Accommodate Cyclists - Application within the City of Salisbury

It is recommended to Council that:

1. Exclusive bicycle path/road crossing treatments, designed as an “intersection at grade” and consisting of pavement markings and signage, be installed to assist with management of cycling and pedestrian activity/safety at two (2) sites located on Council’s off-road shared-path network within the Dry Creek Drainage Reserve at Mawson Lakes.
2. Funding for the installation of bicycle path/road crossing treatments at two (2) sites located on Council’s off-road shared-path network within the Dry Creek Drainage Reserve at Mawson Lakes, at the diagonal pathway crossing Mawson Lakes Boulevard opposite Shearwater Park where an off-road shared-use path network meets a public road with 2-way traffic and the area of the Dry Creek Drainage Reserve located adjacent to Riverside Street where two off-road shared-use paths intersect, to be allocated from within the existing Minor Traffic Improvements Program Budget during the 2016/17 financial year.
3. In response to concerns raised by members of the community regarding cycling and pedestrian activity/safety staff to review locations identified and determine requirements for safety improvements.

3 Resources and Governance Committee Meeting

Chairman - Cr B Vermeer

Consideration of the minutes of the Resources and Governance Committee Meeting - 17 October 2016 and adoption of recommendations in relation to item numbers:

Administration

3.0.1 Future Reports for the Resources and Governance Committee

It is recommended to Council that:

1. The information be received.

Development Control Administration

3.2.1 Appointment of Elected Members to the Development Assessment Panel

It is recommended to Council that:

1. That Cr Linda Caruso, Cr Steve White and Cr Graham Reynolds, be appointed as the Elected Member appointments of the Development Assessment Panel for term 30 November 2016 to 30 November 2018.
2. That public notice of the Development Assessment Panel appointment be made in accordance with the provisions of the Development Act 1993.

Corporate Governance

3.6.1 Review of Building Inspection Policy

It is recommended to Council that:

1. That the Building and Swimming Pool Inspection Policy 2016, forming Attachment 1 to this report (Item No. 3.6.1, Resources and Governance Committee, 17/10/2016), be endorsed.

3.6.2 Voting Advice to Council Delegate for the Local Government Association Annual General Meeting - 21 October 2016

It is recommended to Council that:

1. Council direct its voting delegate in relation to the following Notices of Motion:

1.1.1 AGM211016/6.3 LGA Governance Review (LGA Board)

That the Annual General meeting:

1. *notes the report; and*
2. *supports the further development of the LGA governance structures outlined in this report, together with associated changes to the Constitution for adoption at the April 2017 Ordinary General Meeting. – IN FAVOUR*

1.1.2 **AGM211016/6.5 Domestic Violence – Recommendations for Local Government (LGA Board)**

- i) That the voting delegate be authorised to seek a variation to part a) of the motion to remove reference to “*violence against women*” in recognition of the fact that not only women are victims of domestic violence and replace with:

“...Local government commits to being part of the solution in the prevention of *domestic violence* in South Australia. ...”

and in the event that the variation can’t be negotiated directly, then the voting delegate be authorised to move an amendment to the motion to achieve the change; and

- ii) *That the Annual General Meeting:*

1. *notes the report; and*
2. *supports the following actions whereby local government in South Australia can provide better support for members of their communities impacted by domestic violence:*
 - a) *Local government commits to being part of the solution in the prevention of violence against women in South Australia. As the level of government closest to our communities, we recognise the damaging impact domestic and family violence has on individuals and our communities.*
 - b) *Recognising local government’s role to create and maintain healthy, vibrant, inclusive and safe communities, councils in South Australia will seek opportunities to work in partnership with each other and collaborate with specialist non-government organisations and agencies from other levels of government to raise awareness, facilitate, advocate and provide information to support victims of domestic violence.*
 - c) *Councils in South Australia will demonstrate leadership by supporting employees through training and HR arrangements where appropriate.*
 - d) *Councils will investigate the possibility of taking steps to become a White Ribbon Accredited Workplace.*
 - e) *The LGA will help to build the capacity of member councils and promote councils working together by facilitating a workshop and sharing examples of best practice. – **IN FAVOUR***

- 1.1.3 **AGM211016/8.1 LGA Subscription Capping (Wattle Range)**
That the Annual General Meeting requests the LGA consider the following:
“This Council is concerned that the LGA has proposed to introduce a 5% cap on the rise of membership subscriptions; and any rise should be on a justified needs basis.” – AGAINST
- 1.1.4 **AGM211016/8.2 E-Voting (Adelaide)**
That the Annual General Meeting requests the LGA in conjunction with The Local Government Research and Development Scheme partner with the South Australian Electoral Commissioner and Federal Electoral Commissioner to adopt a best practice, secure software, supported by the appropriate procedures, auditing and legislative changes to enable electronic 'remote' voting at the 2018 Local Government elections in South Australia. – AGAINST
- 1.1.5 **AGM211016/8.3 Video Conferencing for Meetings (Adelaide)**
That the Annual General Meeting requests the LGA to work with the South Australian Government to make the necessary legislative changes to permit elected members to fully participate (with voting rights) at Ordinary meetings and Special Meetings of Council via the use of secure video conference technology from remote locations. – AGAINST
- 1.1.6 **AGM211016/8.5 Amendment of Local Government (Accountability and Governance) Amendment Act 2015 and Local Government Act 1999 (West Torrens)**
That the Annual General Meeting requests the Local Government Association to actively seek the repeal of sections 14 and 17 of the Local Government (Accountability and Governance) Amendment Act 2015 amending sections 73, 74, 75 and 90 of the Local Government Act 1999, related to the new conflict of interest provisions and informal gatherings on the basis that they are impracticable and unworkable. – IN FAVOUR
- 1.1.7 **AGM211016/8.6 Action of Non Amendment of Local Government (Accountability and Governance) Amendment Act 2015 (West Torrens)**
That the Annual General Meeting requests the Local Government Association to, if sections 14 and 17 of the Local Government (Accountability and Governance) Amendment Act 2015 are not repealed, seek the application of the same provisions to parliamentarians. – IN FAVOUR

1.1.8 **AGM211016/8.21 Election Signage Agreement (West Torrens)**

That the Annual General Meeting requests the Local Government Association to seek an end to the tripartite agreement between SA Power Networks (formerly ETSA) and Department of Planning, Transport and Infrastructure (formerly the Department of Highways) which currently enables election signs to be placed on power poles, light poles and similar disallowed infrastructure. – IN FAVOUR

1.1.9 **AGM211016/8.22 Planning Policy (Norwood, Payneham & St Peters)**

That the Annual General Meeting requests the LGA to advise the Premier of South Australia and the Minister for Planning of its disappointment and concern at the ongoing loss of local development and planning powers of South Australian Councils and calls on the Premier and Minister for Planning to ensure that:

- 1. Local Government retains control of Planning Policy relevant to their local communities; and*
- 2. the rights of local residents to be consulted in respect to development matters are supported as part of the new Development Assessment processes. – IN FAVOUR*

1.1.10 **AGM211016/8.25 Deregulate Small Bar Venues Licensing (Prospect)**

That the Annual General Meeting requests the LGA liaise with the State Government to deregulate small bar venues licensing as they have recently done with food trucks regulations. – AGAINST

2. Council direct its voting delegate (Mayor Gillian Aldridge or Deputy Mayor David Balaza as proxy) to vote for the Local Government Association Annual General Meeting recommendations as set out in the attachment to this report (Resources and Governance, 17 October 2016, Item 3.6.2), with the exception of:
 - 8.11. Regulation of Trail Bike Riding (Adelaide Plains Council (formerly Mallala)) – **AGAINST**
 - 8.17. High Visibility Identification (West Torrens) – **AGAINST**
 - 8.19. Signage for Bicycle Lanes (West Torrens) – **AGAINST**
 - 8.20. Change to Legislation to Enable Expiations to be Issued in Relation to Election Signs (Mount Barker) – **AGAINST**
 - 8.23. Live Music Policy (Norwood Payneham & St Peters) – **AGAINST**
 - 8.28. Renewable Energy Sourcing (Gawler) – **AGAINST**
 - 8.31. Establishing Local Treaties (Prospect) - **AGAINST**

3.6.3 Elector Representation Review

It is recommended to Council that:

1. The information be received.
2. The Elector Representation Review report (Item No. 3.6.3, Resources and Governance Committee, 16/05/2016, Attachment 1) be endorsed to release for community consultation.
3. That, on conclusion of the consultation period, staff provide a further report to Council to consider submissions in the context of the Report and to make its final determination on the Review.

4 Audit Committee Meeting

Chairman - Mr P Brass

Consideration of the minutes of the Audit Committee Meeting - 11 October 2016 and adoption of recommendations in relation to item numbers:

Administration

4.0.1 Future Reports for the Audit Committee of Council

It is recommended to Council that:

1. The information be received.

Reports

4.2.1FI End of Financial Year Statements and Analysis

It is recommended to Council that:

1. The information be received.
2. In accordance with Section 126(4)(a) of the Local Government Act 1999 the Audit Committee advises that it has reviewed the annual financial statements of the Council for the year ended 30 June 2016 and is satisfied they present fairly the state of affairs of Council.
3. In accordance with Regulation 22 of the Local Government (Financial Management) Regulations 2011 clauses (3) (a) and (4), that the Chief Executive Officer and the Chair of the City of Salisbury Audit Committee sign the statement to certify the independence of the Council Auditor, Deloitte Touch Tohmatsu.

4.2.2 Financial Internal Controls Report 2016, prepared by Deloitte

It is recommended to Council that:

1. The information be received.

4.2.3 Report to the Audit Committee for the year ended 30 June 2016, prepared by Deloitte

It is recommended to Council that:

1. The information be received.

5 Development Assessment Panel Meeting

A meeting of the Development Assessment Panel took place on 27 September 2016. The minutes have been distributed to all members for information.

6 Budget and Finance Committee Meeting

Chairman - Cr D Pilkington

Consideration of the minutes of the Budget and Finance Committee Meeting - 17 October 2016 and adoption of recommendations in relation to item numbers:

Administration

6.0.1 Future Reports for the Budget and Finance Committee

It is recommended to Council that:

1. The information be received.

6.0.2 Minutes of the Program Review Sub Committee meeting held on Monday 10 October 2016

6.0.2-PRSC1 Economic Development and Urban Policy Program Review Update

It is recommended to Council that:

1. That the update report be noted, and the matters identified in the report and arising in consideration of the report by the Sub-Committee be addressed in the final draft report to the Program Review Sub-Committee in December 2016 on the Economic Development and Urban Policy Program Review.

Annual Plan and Budget

6.4.1 Budget Timetable 2017/18

It is recommended to Council that:

1. Information be received.
2. Council endorse the timetable for the preparation and presentation of the 2017/18 budget, subject to adoption of meeting schedule by Council at the November Council meeting.

Business Units

6.7.1 Salisbury Water Head Tank Infrastructure - Hedgerow Reserve (upper Barker Gully Reserve)

It is recommended to Council that:

1. Council endorse the utilisation of Council land on the upper portion of Hedgerow Reserve, Gulfview Heights for the purpose of constructing a recycled water Head Tank and associated piping infrastructure.

Confidential Items

Refer to CONFIDENTIAL ITEMS section of Council Agenda

6.9.1 Minutes of the Confidential Program Review Sub Committee meeting held on Monday 10 October 2016

7 Sport, Recreation and Grants Committee Meeting

Chairman - Cr D Proleta

Consideration of the minutes of the Sport, Recreation and Grants Committee Meeting - 10 October 2016 and adoption of recommendations in relation to item numbers:

Administration

7.0.1 Future Reports for the Sport, Recreation and Grants Committee

It is recommended to Council that:

1. The information be received.

Community Grants

7.2.1 Youth Sponsorship - September Applications

It is recommended to Council that:

1. The information be received.

7.2.2 Community Grants Program Applications for October 2016

It is recommended to Council that:

1. The information be received and noted.

7.2.3 27/2016: Salisbury 8 Ball and Sports Association of SA Inc. - Community Grants Program Application

It is recommended to Council that:

1. Grant No. 27/2016: Salisbury 8 Ball and Sports Association of SA Inc. be awarded the amount of **\$1,704.00** to assist with the purchase of newspaper advertising, junior shirts, office chair, filing cabinet, printer and laminator as outlined in the Community Grant Application.

7.2.4 31/2016: Uniting In Care Salisbury Inc. - Community Grants Program Application

It is recommended to Council that:

1. It be noted that, in accordance with delegated powers set out in the endorsed Terms of Reference, the Sport, Recreation and Grants Committee assessed and allocated funding for the October 2016 round of Community Grants as follows:
 - a. Grant No. 31/2016: Uniting In Care Salisbury Inc. be awarded the amount of **\$2,000.00** to assist with the purchase of \$10 Essential Cards for the Parcel of Love project as outlined in the Community Grant Application.

8 CEO Review Committee Meeting

Chairman - Mayor G Aldridge

Consideration of the minutes of the CEO Review Committee Meeting - 11 October 2016 and adoption of recommendations in relation to item numbers:

Reports

8.1.1 CEO Key Performance Indicators Update

It is recommended to Council that:

1. Information be received.
2. Progress towards achievement of the endorsed 2016/2017 Key Performance Indicators be noted and endorsed.

GENERAL BUSINESS

GB1 End of Financial Year Statement and Analysis..... 71

GB2 CEO recommendation to amend resolution 1316/2016 Proposed Renaming of portion of Melvina and Kings Roads, Paralowie - pursuant to Regulation 21 of the Local Government (Procedures at Meetings) Regulations 2013 149

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MD1 Mayor's Diary 151

REPORTS FROM COUNCIL REPRESENTATIVES

CONFIDENTIAL ITEMS**6.9.1 Minutes of the Confidential Program Review Sub Committee meeting held on Monday 10 October 2016**

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on that grounds that:

1. Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) and (d)(i) and (d)(ii) 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 could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and
 - information the disclosure of which would, on balance, be contrary to the public interest; and
 - commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.
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
 - Disclosure of this information in advance of a decision as to which course of action Council would prefer to take could compromise Council's commercial position in relation to ongoing operation of the Waste Transfer Station.

*On that basis the public's interest is best served by not disclosing the **Minutes of the Confidential Program Review Sub Committee meeting held on Monday 10 October 2016** 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.

C1 Code of Conduct Complaint 02/2016

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on that grounds that:

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*
 - *to enable Council to make a decision in relation to the course of action to be taken in response to the complaint, without prejudicing the consideration of the complaint.*

*On that basis the public's interest is best served by not disclosing the **Code of Conduct Complaint 02/2016** 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.*

C2 CEO recommendation to amend resolution 1242/2016 Salisbury Community Hub - Site Selection: pursuant to Regulation 21 of the Local Government (Procedures at Meetings) Regulations 2013

Pursuant to Resolution 1416 of 24/10/2016, item C2 is now a public document – refer Page 151

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on that grounds that:

1. *Pursuant to Section 90(2) and (3)(d)(i) and (d)(ii) 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 commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and

- commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.

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 confidential information relating to future proposed commercial negotiations regarding the purchase and/or disposal of land and/or assets within the Salisbury City Centre so as not to prejudice Council's commercial position

*On that basis the public's interest is best served by not disclosing the **CEO recommendation to amend resolution 1242/2016 Salisbury Community Hub - Site Selection: pursuant to Regulation 21 of the Local Government (Procedures at Meetings) Regulations 2013** 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.*

CLOSE



John Harry
CHIEF EXECUTIVE OFFICER



MINUTES OF COUNCIL MEETING HELD IN THE COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY ON

26 SEPTEMBER 2016

MEMBERS PRESENT

Mayor G Aldridge
Cr D Balaza (Deputy Mayor)
Cr D Bryant
Cr C Buchanan
Cr G Caruso
Cr L Caruso
Cr R Cook
Cr E Gill
Cr D Pilkington
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr B Vermeer
Cr S White
Cr J Woodman
Cr R Zahra

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
Manager Communications and Customer Relations, Mr M Bennington
Governance Coordinator, Ms J Rowett
Governance Support Officer, Ms K Boyd

The meeting commenced at 6:30 pm.

OPENING PRAYER AND WELCOME

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

The Chief Executive Officer read the Opening Prayer.

The Mayor read the Kaurna Acknowledgement.

APOLOGIES

An apology was received from Cr S Bedford.

LEAVE OF ABSENCE

Nil.

PUBLIC QUESTION TIME

PQT1 Questions in relation to Petition Requesting Removal of Trees in Grant Avenue, Salisbury Downs

Susan Hawkin submitted the following questions in relation to a petition submitted requesting the removal of gum trees in Grant Avenue, Salisbury Downs:

1. Who will pay for damage sustained by fallen branches and limbs from the gumtrees in the follow instances for residents and visitors in Grant Avenue:
 - Damage to any parked vehicle in the roadway
 - Damage to any parked vehicle in a driveway
 - Damage sustained to private residences. eg. roofs, windows etc.
 - Any personal injury sustained.

Trees are commonplace in all communities and are generally considered a desirable feature in residential areas. The City of Salisbury has almost 80,000 street trees within our Council area. We recognise that trees can, and do, from time to time, pose a risk to persons and/or property.

That being the case, Council has developed policies and guidelines in relation to managing and maintaining trees in accordance with available resources and budgets. This includes both proactive programs to inspect and prune trees, and reactive assessments and work based on enquiries from the public to ensure reasonable action is taken to avert risks associated with trees.

In relation to potential damage, Councils are responsible for a wide range of community functions, for example: the provision of parks and gardens, civic centres, libraries, services to youth and the elderly, refuse collection and disposal, and cleaning and maintenance of road and footpath infrastructure. As a result of the significant scope of service provision, local government has a potential public liability exposure every day to virtually every member of the community. In response to this, the Local Government Act 1999 provides a number of statutory protections which limit Council's liability in certain circumstances.

Where damage is caused by a Council owned tree in public space, it is usually the case that residents are responsible for costs associated with repairs, either directly or through insurance policies that are relevant to the damage.

In circumstances where Council has failed to take reasonable action in response to a request to avert a risk of damage to property, Council may be held liable for any damage that occurs. Council's insurer would consider any claim submitted relating to damage and make a determination on Council's behalf.

2. Who will pay for further damage sustained to water pipes due to the root system of the gumtrees?

The presence of tree roots in sewer pipes is usually an indicator that there is a failure with the pipework as the primary cause of the problem, and tree roots have taken advantage of the leak or failure.

Council acknowledges that the responsibility to maintain, repair and renew a sewerage system on private property rests with the owner of the property. Council has procedures for responding to customer requests which are assessed on an individual basis.

3. Who will repair the paths currently damaged due to the root system of the gumtrees?

The City of Salisbury carries out an audit of kerb and footpath faults approximately every 3 years. The list of faults is then collated and any repairs are prioritised based on intervention levels (severity of damage).

Customer enquiries requesting footpath repairs are also assessed and prioritised based upon intervention levels. An inspection of Grant Avenue is required to assess scope and prioritise repair works.

4. If the trees are removed, how long will it take for Council to repair the paths and verges in front of each house in Grant Avenue?

Where a Council tree is removed, the stump is ground and the verge levelled as part of the tree removal process.

Once an inspection of footpath condition is completed, repair works are generally completed within an 8 week period.

As a side note, Grant Avenue, Salisbury Downs has been identified for Streetscape Renewal in the 2017/18 program.

CHANGE TO ORDER OF CONSIDERATION OF ITEMS

Moved Cr C Buchanan
Seconded Cr B Vermeer

1. That items PET2 and PET1 be brought forward as the next items for discussion.

**CARRIED
1291/2016**

PETITIONS

PET2 Petition Requesting Removal of Gum Trees in Grant Avenue, Salisbury Downs

Moved Cr C Buchanan
Seconded Cr D Proleta

1. The attached notice of petitions in relation to the removal of gum trees in Grant Avenue, Salisbury Downs be received.
2. Council note that staff propose to report back to Council addressing the petition in November 2016.
3. The General Manager write to the signatories of the petition advising them of the receipt of the petition, the decision by Council, and provide a copy of the Streetscape Renewal Policy.

**CARRIED
1292/2016**

PET1 Petition Requesting Council not approve Development Application 361/1549/2016 – Place of Worship with Associated Activities and a Cemetery at 256-258 Bridge Road, Pooraka to Jay Street, Pooraka

Cr G Reynolds declared a conflict of interest on the basis of being a member of the Development Assessment Panel. Cr Reynolds left the meeting at 06:56 pm.

Cr L Caruso declared a conflict of interest on the basis of being a member of the Development Assessment Panel. Cr L Caruso left the meeting at 06:56 pm.

Cr S White declared a conflict of interest on the basis of being a member of the Development Assessment Panel. Cr White left the meeting at 06:56 pm.

Cr D Bryant declared a perceived conflict of interest on the basis of being a representor at the Development Assessment Panel meeting on behalf of the community . Cr D Bryant left the meeting at 06:57 pm.

Cr B Vermeer declared a perceived conflict of interest on the basis that the Member of the SA parliament who he is employed by has been contacted on this issue. Cr Vermeer left the meeting at 06:58 pm.

Cr C Buchanan declared a material conflict of interest on the basis of his employer being contacted by resident asking him to make a representation. Cr Buchanan left the meeting at 06:59 pm.

Cr S Reardon declared a conflict of interest on the basis of being asked to represent community members at the Development Assessment Panel meeting. Cr Reardon left the meeting at 07:00 pm.

Moved Cr J Woodman

Seconded Cr R Cook

RECOMMENDATION

1. The notice of petition in relation to Development Application 361/1549/2016 – Place of Worship with Associated Activities and a Cemetery at 256-258 Bridge Road, Pooraka to Jay Street, Pooraka be received, noting that the matters raised in the petition will be considered by Council’s Development Assessment Panel in its assessment of the development application.
2. That the lead petitioner be advised of Council’s action in relation to the petition.

**CARRIED
1293/2016**

Cr B Vermeer returned to the meeting at 07:01 pm.

Cr S Reardon returned to the meeting at 07:01 pm.

Cr S White returned to the meeting at 07:01 pm.

Cr G Reynolds returned to the meeting at 07:01 pm.

Cr L Caruso returned to the meeting at 07:01 pm.

Cr D Bryant returned to the meeting at 07:01 pm.

DEPUTATIONS

No Deputations have been received.

PRESENTATION OF MINUTES

Moved Cr D Pilkington

Seconded Cr R Zahra

The Minutes of the Council Meeting held on 22 August 2016, be taken and read as confirmed.

**CARRIED
1294/2016**

QUESTIONS ON NOTICE

QON1 SAPOL Response regarding Issues in the Town Square

At the 22 August 2016 Council meeting, Cr Vermeer asked a question in relation to behavioural issues in the Town Square and whether SAPOL had made direct contact with Council advising of any strategies being applied in response to anti-social behaviour.

The question was taken on notice.

General Manager City Development, Terry Sutcliffe has provided the following response:

Regular and direct contact between SAPol and Council staff occurs through Council’s Dry Zone Management Group meetings, which are held every 3 months for the purpose of discussing and acting on issues occurring within the Salisbury Dry Zone. Regular and direct contact also occurs through SAPol’s regional Community Safety Committee, held every 2 months and including representatives from Council staff and Elected Members.

SAPol has consistently communicated to Council staff that they do not receive many reports in relation to criminal offending and/or anti-social behaviour occurring in the Civic Square. This has been confirmed by reported crime data periodically requested by Council staff for planning and funding purposes. The low level of reporting by the community presents a challenge when advocating for a stronger policing response to issues occurring in the Civic Square and Dry Zone.

The most recent direct contact between SAPol and Council in relation to the Civic Square and Salisbury Dry Zone occurred on 12 August 2016 when SAPol’s crime prevention officers and Council’s Dry Zone representative met to discuss Council’s concerns about anti-social behaviour. The outcomes of this meeting included:

- *recommendations for improvements to Council’s reporting processes to SAPol;*
- *SAPol will have a presence in the Civic Square with an information stall on 13, 22 & 30 September 2016 from 12pm-3pm.*

SAPol have advised that a number of strategies have been planned or undertaken in response to anti-social behaviour in the Civic Square and Dry Zone, which has included the following:

- *patrols advised to monitor the Civic Square precinct when available*
- *Community Constables are working with the groups frequenting the Civic Square*
- *SAPol staff have undertaken discussions with public transport users at the bus stop adjacent to Civic Square, which have not identified any perceptions of problematic behaviour associated with the groups frequenting the Civic Square*

-
- *SAPol staff have actively developed a stronger relationship with the Salisbury Business Association and traders to improve reporting of incidents*
 - *SAPol has conducted several 'Operation Collaborate' responses targeting groups of young offenders engaging in anti-social behaviours in and around the Salisbury City Centre (including the Civic Square)*
 - *a Proactive Policing Strategy (PPS) targeting the Civic Square is currently in the planning stages*
 - *in 2015 SAPol conducted several plain clothes and drug dog initiatives in the Civic Square and Dry Zone*

QON2 Maintenance Program at AGH Cox Reserve

Cr D Balaza left the meeting at 07:03 pm.

At the 22 August 2016 Council meeting, Cr Vermeer asked a question in relation to the maintenance program at AGH Cox Reserve.

The question was taken on notice.

General Manager City Infrastructure, Mark van der Pennen has provided the following response:

AGH Cox Reserve, Parafield Gardens is scheduled for reserve maintenance on a 3 weekly cycle. Regular reserve maintenance includes litter collection, grass cutting, edging of pathways and park furniture, visual check of playground and park furniture, and blow down of pathways.

Cr C Buchanan returned to the meeting at 07:05 pm.

QON3 Reinstatement of Second Lake at Pine Lakes

At the 22 August 2016 Council meeting, Cr Woodman asked a question in relation to the reinstatement of the second lake at Pine Lakes.

The question was taken on notice.

General Manager City Infrastructure, Mark van der Pennen has provided the following response:

Joseph Broadstock Reserve, Parafield Gardens, contains a wetland that was constructed to capture and treat stormwater runoff from the local area. It is treated like other wetlands throughout the Council area, whereby it is subject to seasonal wetting and drying cycles based on climatic conditions. The wetland was not designed to be maintained as a formal lake with permanent water.

The irrigation system at this reserve was reinstated approximately two years ago as part of the neighbourhood reserve reactivation program. The irrigation system at this site waters a grassed strip adjacent to the roadway.



Photo – February 2014

QON4 Streetlighting Charges

At the 22 August 2016 Council meeting, Cr Vermeer asked a question in relation to whether there had been any changes to charges imposed by State Government for streetlighting now that cyclists are permitted to ride on footpaths.

The question was taken on notice.

General Manager City Infrastructure, Mark van der Pennen has provided the following response:

The Australian public lighting standard does not differentiate between pedestrian use or cyclist use of footpaths, therefore any public lighting upgrades have not been affected by the change in legislation that allows cyclist to use footpaths

Cr D Balaza returned to the meeting at 07:08 pm.

QUESTIONS WITHOUT NOTICE

QWON1 Rubbish Dumping on Footpaths

Cr D Bryant asked a question in relation to rubbish being dumped on the footpaths on Beafield Road, Para Hills.

The General Manager City Infrastructure answered the question.

QWON2 Official Spokesperson for Council

Cr E Gill asked a question in relation to whether Council has an official spokesperson.

The Mayor answered the question.

QWON3 Seating Positions within the Council Chamber

Cr E Gill asked a question in relation to the movement of seating positions within the Council Chamber.

The Mayor answered the question.

Cr Gill sought leave to make a personal statement and leave was granted.

QWON4 Streetscaping in Para Hills

Cr D Bryant asked a question in relation to streetscaping in Para Hills.

The question was taken on notice.

QWON5 Mayor's Duty of Care

Cr C Buchanan asked a question regarding the Mayor's Duty of Care, and specifically asked if the Chief Executive Officer could explain to the Council (1) what level of duty of care that the Mayor legally has, and (2) has the Mayor discussed any of the issues of duty of care with the Chief Executive Officer given that the Chief Executive Officer is responsible under the Act.

The Mayor responded that she has not spoken to the Chief Executive Officer about it, nor had she put anything in writing.

In relation to the question regarding the Mayor's Duty of Care, the Chief Executive Officer took the question on notice.

Moved Cr C Buchanan
Seconded Cr S Reardon

1. That the questions and answers be included in the Minutes.

**CARRIED
1295/2016**

QWON6 Changing the Seating Arrangements in Council Chamber

Cr B Vermeer asked a question in relation to the motivation for changing the seating arrangements within the Council Chamber.

The Mayor answered the question.

QWON7 Mill Street Playground

R Zahra asked a question in relation to whether staff were investigating the Mill Street, Salisbury Downs playspace for renewal.

The General Manager City Infrastructure responded that staff are looking at the playspace at that location in terms of Council's asset renewal program. That playspace is coming up for renewal in the next two to three years and staff are considering bringing it forward into next year's program.

Moved Cr R Zahra
Seconded Cr R Cook

1. That the question and answer be included in the Minutes.

**CARRIED
1296/2016**

FORMAL MOTION – MOVE TO THE NEXT ITEM OF BUSINESS

Moved Cr G Reynolds

Cr G Reynolds moved a FORMAL MOTION that the meeting proceed to the next Item of Business.

Seconded Cr G Caruso

**CARRIED
1297/2016**

NOTICES OF MOTION

NOM1 Records of Attendance at Council, Standing Committee and Sub Committee meetings

1. That staff compile statistics for Elected Member attendance at Council, Standing Committees and Sub-Committee meetings commencing from 1 July 2016, with these records to be published annually in the City of Salisbury Annual Report.

The Motion LAPSED through want of a seconder.

NOM2 Changes to Remote Participation in Committee Meetings Policy

Moved Cr B Vermeer

Seconded Cr D Balaza

1. That staff prepare a report that outlines:
 - a. A proposal for changes to the Remote Participation in Committee Meetings policy (as set out within the Code of Practice for Meeting Procedures) that could enable the Chairman to terminate an elected members remote participation in the meeting in the event that the Chairman is not satisfied with the location or actions of the elected member; and
 - b. Steps that should be taken by the Committee Chairman and an elected member who is utilising the Remote Participation in Committee meetings provisions (as set out within the Code of Practice for Meeting Procedures) during consideration of a confidential item to ensure that the relevant provisions of the *Local Government Act 1999*, Council's Code of Practice for Meeting Procedures and Council's Code of Practice for Access to Meetings are adhered to.

LOST

FORMAL MOTION TO BE PUT

Moved Cr G Caruso

Cr G Caruso moved a FORMAL MOTION that the MOTION be PUT

Seconded Cr D Proleta

**CARRIED
1298/2016**

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

Crs G Caruso, L Caruso, E Gill, D Proleta, S Reardon, S White, R Cook, R Zahra and D Pilkington

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

Crs D Bryant, D Balaza, C Buchanan, J Woodman, B Vermeer and G Reynolds

*The Mayor declared the **FORMAL MOTION** that the **MOTION BE PUT** was **CARRIED***

The **MOTION** on **BEING PUT** was **LOST**

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

Crs D Bryant, D Balaza and B Vermeer

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

Crs D Pilkington, G Caruso, R Zahra, R Cook, G Reynolds, L Caruso, S White, J Woodman, C Buchanan, D Proleta, E Gill and S Reardon.

*The Mayor declared the **MOTION** was **LOST***

CHANGE IN ORDER OF CONSIDERATION OF ITEMS

Moved Cr C Buchanan
 Seconded Cr B Vermeer

1. That item 1.3.1, Policy and Planning, be brought forward as the next item for discussion.

CARRIED
1299/2016

1.3.1 Rural (Aircraft Noise) Direk Industry and Residential Interface Development Plan Amendment - Public Consultation

Cr G Caruso declared a perceived conflict of interest on the basis of family members owning land within the area which could be affected by any change. Cr Caruso left the meeting at 07:37 pm.

Cr Woodman declared a material conflict of interest on the basis of her employer writing to the Minister for Planning in support of residents. Cr Woodman left the meeting at 07:37 pm.

Cr Reynolds declared a material conflict of interest on the basis of his employment. Cr Reynolds left the meeting at 07:37 pm.

Cr Bryant declared a perceived conflict of interest on the basis of his client tendering on the Air7000 Project which is part of the Northern Economic Plan. Cr Bryant left the meeting at 07:43 pm.

Moved Cr C Buchanan
 Seconded Cr D Proleta

1. The draft Rural (Aircraft Noise) Direk Industry and Residential Interface Development Plan Amendment forming Attachment 2 to this report (Item No. 1.3.1, Policy and Planning Committee, 19/09/2016) be endorsed for public consultation and forwarded to the Minister for Planning for public consultation approval.
2. That the Policy and Planning Committee be nominated to hear representations on the Rural (Aircraft Noise) Direk Industry and Residential Interface Development Plan Amendment should a public hearing be required.
3. The General Manager City Development be authorised to make minor changes as required to the draft Rural (Aircraft Noise) Direk Industry and Residential Interface Development Plan Amendment in order to receive the approval of the Minister for Planning for consultation providing that the changes do not alter the intent of the Amendment, and make arrangements for commencement of public consultation.

4. That a further report be provided to Council on the outcomes of the Rural (Aircraft Noise) Direk Industry and Residential Interface Development Plan Amendment public consultation process upon conclusion of the consultation period.

**CARRIED
1300/2016**

*Cr D Bryant returned to the meeting at 07:43 pm.
Cr C Buchanan left the meeting at 07:44 pm.
Cr J Woodman returned to the meeting at 07:44 pm.
Cr G Caruso returned to the meeting at 07:44 pm.
Cr G Reynolds returned to the meeting at 07:45 pm.*

POINT OF ORDER

Cr D Pilkington called a point of order in relation to Cr Vermeer acting in a manner that breached Section 29 of the Code of Practice for meeting procedures.

The Mayor ruled the point of order to be valid and invited Cr Vermeer to make a personal explanation prior to Council considering the matter.

Cr B Vermeer left the meeting at 7:47 pm and did not return.

Moved Cr G Caruso
Seconded Cr R Cook

That Cr Vermeer be suspended from the remainder of the Council meeting.

**CARRIED
1301/2016**

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

Crs C Buchanan, G Caruso, R Cook, E Gill, D Pilkington, S Reardon, S White, J Woodman and R Zahra

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

Crs D Balaza, D Bryant and G Reynolds, L Caruso, D Proleta

The Mayor declared the ***MOTION*** was ***CARRIED***

Cr D Pilkington left the meeting at 8:08 pm.

Cr D Balaza left the meeting at 08:09 pm.

NOM3 Solid Waste Levy Information on Rates Notice

Cr D Proleta left the meeting at 07:45 pm.

Cr L Caruso left the meeting at 07:46 pm.

Cr C Buchanan returned to the meeting at 07:47 pm.

The above Motion LAPSED in accordance with the Code of Practice for Meeting Procedures on the basis that Cr Vermeer was not in attendance at the meeting.

BREAK

In accordance with section 10 (2) of the Code of Practice for Meeting Procedures, the presiding member provided a five minute break to all present. The meeting was suspended at 8:10 pm.

The meeting reconvened at 8:19 pm.

NOM4 Parafield Train Station - Closed Circuit Television Cameras and Security Audit

Cr J Woodman returned to the meeting at 8:20 pm.

Cr D Pilkington returned to the meeting at 08:21 pm.

Cr D Bryant returned to the meeting at 8:22pm.

Moved Cr C Buchanan

Seconded Cr S White

1. That a letter be sent to the Department of Planning and Infrastructure:
 - Expressing Council's thanks for upgrades completed at the Parafield Train Station, including the installation of Closed Circuit Television cameras;
 - Requesting that a security audit of the Parafield Train Station carpark be conducted; and
 - Subject to the outcomes of the security audit, requesting that consideration be given to the installation of additional Closed Circuit Television cameras to allow monitoring of the Parafield Train Station carpark.

**CARRIED
1302/2016**

Cr D Balaza returned to the meeting at 08:24 pm.

NOM5 Scoreboard Upgrade Assistance for Local Sporting Clubs

Moved Cr D Balaza
Seconded Cr C Buchanan

1. That staff report back in relation to options for the provision of assistance to sporting clubs with the upgrade of existing scoreboards, including:
 - Existing grants available for access by sporting clubs;
 - Existing funding available to assist with the maintenance/upgrade of scoreboards;
 - Options for the implementation of a grant scheme or program to assist with the upgrading of scoreboards located at council facilities within the City of Salisbury.

**CARRIED
1303/2016**

Cr D Balaza left the meeting at 08:32 pm.

NOM6 Waste Education Program to reduce waste to landfill and Zero Waste Levy costs

Cr E Gill declared a conflict of interest on the basis of being a Deputy Member of NAWMA. Cr Gill stated she would manage the conflict by remaining in the meeting and voting in the residents' best interest.

Cr J Woodman stated that she did not believe she had a conflict of interest but noted that she is a Member of the NAWMA Board. Cr Woodman stated that she would remain in the meeting and vote in the best interests of the community.

Cr G Reynolds declared a conflict of interest on the basis of being a Deputy Member of the NAWMA Board. Cr Reynolds stated he would manage the conflict by remaining in the meeting and voting in the best interests of the community.

Moved Cr D Pilkington
Seconded Cr R Zahra

1. Staff report back in relation to opportunities to develop and implement an education strategy for the City of Salisbury designed to reduce the amount of waste to landfill, increase recycling and ultimately reduce the financial cost of the Zero Waste Levy to residents, including:
 - a. Simple information sources for residents, for example stickers for bins, brochures, website information;
 - b. Consideration of a pilot program in the first instance, to confirm effectiveness of such a program prior to a whole of city roll out.

**CARRIED
1304/2016**

The majority of members present voted IN FAVOUR of the MOTION.

Cr Gill voted IN FAVOUR of the MOTION.

Cr Woodman voted IN FAVOUR of the MOTION.

Cr Reynolds voted IN FAVOUR of the MOTION.

NOM7 Representation Review - in principle agreement to facilitate preparation of Representation Review Report

Cr R Cook left the meeting at 08:55 pm.

Cr R Cook returned to the meeting at 08:57 pm.

Moved Cr D Pilkington

Seconded Cr C Buchanan

1. The submission received from a resident of the City of Salisbury, with respect to the Representation Review Options Paper – May 2016, released for public consultation in June 2016, be noted.
2. Agreement in principle be given to:
 - a. The principal member of Council continue to be a mayor, elected by the community;
 - b. The Council area continue to be divided into wards;
 - c. The future elected body of Council comprise twelve (12) ward councillors;
 - d. The Council area be divided into four wards, as depicted as Option 8.5 in the Representation Options Paper – May 2016 (Item No. 3.6.1, Resources and Governance Committee, 16/05/2016, Attachment 1); and
 - e. The proposed wards be named River (Ward 1); Baynes (Ward 2); Mawson (Ward 3); and Vista (Ward 4)

as the basis for preparation of the Representation Review Report to be prepared for consideration by Council pursuant to the provisions of Section 12(8a) of the *Local Government Act 1999*.

**CARRIED
1305/2016**

NOM8 Investigation of development and construction of a Skate Park within the City of Salisbury

Cr R Cook declared a perceived conflict of interest on the basis of owning a business in St Kilda. Cr R Cook left the meeting at 09:13 pm.

Cr L Caruso left the meeting at 09:27 pm.

Cr L Caruso returned to the meeting at 09:30 pm.

Moved Cr D Bryant

Seconded Cr G Reynolds

1. Staff bring back a report identifying options for the development of a skate park within the City, with the report to include:
 - a. possible strategic locations within the City of Salisbury, including Ingle Farm, Pooraka, Para Hills, St Kilda, Burton, and/or Salisbury;

- b. costs associated with the development and construction of a skate park;
 - c. Federal or State Government Grant funding opportunities available to help fund a skate park project.
2. As part of the development of the report, staff engage with the Youth Council to ensure the best possible outcome for City of Salisbury youth.

With leave of the meeting and consent of the seconder Cr D Bryant VARIED the MOTION as follows:

1. Staff bring back a report identifying options for the development of skate parks within the City, with the report to include:
 - a. possible strategic locations within the City of Salisbury, including Ingle Farm, Pooraka, Para Hills, St Kilda, Burton, and/or Salisbury;
 - b. costs associated with the development and construction of a skate park;
 - c. Federal or State Government Grant funding opportunities available to help fund a skate park project.
2. As part of the development of the report, staff engage with the Youth Council to ensure the best possible outcome for City of Salisbury youth.

With leave of the meeting and consent of the seconder Cr D Bryant FURTHER VARIED the MOTION as follows:

1. Staff bring back a report identifying options for the development of skate parks and upgrade of existing skate parks and BMX tracks within the City, with the report to include:
 - a. possible strategic locations within the City of Salisbury, including Ingle Farm, Pooraka, Para Hills, St Kilda, Burton, and/or Salisbury;
 - b. order of costs associated with the development and construction of skate parks and upgrade to BMX track where identified;
 - c. Federal or State Government Grant funding opportunities available to help fund skate park projects or BMX track upgrades.
2. As part of the development of the report, staff engage with the Youth Council to ensure the best possible outcome for City of Salisbury youth.

LOST

Cr R Cook returned to the meeting at 09:36 pm.

Cr G Reynolds left the meeting at 09:37 pm.

COMMITTEE REPORTS

1 Policy and Planning Committee Meeting

Minutes of the Policy and Planning Committee Meeting held on 19 September 2016 were considered by Council.

Administration

1.0.1 Future Reports for the Policy and Planning Committee

Moved Cr D Pilkington
Seconded Cr R Zahra

1. The information be received.

CARRIED
1306/2016

Community Development

1.1.1 Reconciliation Action Plan - Annual Report

Moved Cr D Pilkington
Seconded Cr R Zahra

1. The submission to Reconciliation Australia of the 2016 Reconciliation Action Plan Impact Measurement Questionnaire, attached as Appendix 2 (Item No. 1.1.1, Policy and Planning Committee, 19/09/2016) be endorsed.

CARRIED
1307/2016

1.1.2 Salisbury Oval Masterplan Concept and Engagement Strategy

Cr D Bryant declared a perceived conflict of interest on the basis of being a member of the South Australian Cricket Association. Cr Bryant stated he would manage the conflict by remaining in the meeting and voting in the best interest of the community.

Moved Cr D Pilkington
Seconded Cr G Caruso

1. The report be received.
2. The draft Masterplan for the Salisbury Oval Recreation Precinct (at Attachment 2, Item No 1.1.2 Policy and Planning Committee Agenda, 19/09/2016) and the Vision as set out in paragraph 1.7 and Objectives as set out in paragraph 1.8 of the Agenda report (Item No. 1.1.2, Policy and Planning Committee, 19/09/2016) be endorsed as the basis for conducting stakeholder and community engagement following community consultation.

3. Staff report back on the results of the community engagement process and the staff response to issues raised in January 2017.
4. A further report be brought back to the February 2017 Policy and Planning Committee meeting for final review and endorsement of the final Masterplan following community engagement.

**CARRIED
1308/2016**

*The majority of members present voted IN FAVOUR of the MOTION.
Cr D Bryant voted IN FAVOUR of the MOTION.*

1.1.3 Minutes of the Tourism and Visitor Sub Committee meeting held on Monday 12 September 2016

Cr R Cook declared a perceived conflict of interest on the basis of owning a business in St Kilda. Cr Cook left the meeting at 9:39 pm.

1.1.3-TVSC1 Tourism and Visitor Sub Committee Membership Update

Moved Cr R Zahra
Seconded Cr S Reardon

1. Information be received.

**CARRIED
1309/2016**

1.1.3-TVSC2 Tourism and Visitor Strategy - Top Four Priority Projects

Moved Cr R Zahra
Seconded Cr S Reardon

1. That the information be received.
2. That the four highest priority actions from the Tourism and Visitor Strategy Implementation Plan be progressed by staff.
 - i. Capture, collate and develop key visitor information and materials and increase the availability and ease of access to that information (including maximising use of digital technologies)
Project: Tourism and Visitor information is consolidated and made available on the internet

- ii. Explore options to provide visitor information services throughout the area at key locations
Project: Develop a visitor information plan that identifies locations and delivery
- iii. Improve general amenity, vehicle access, traffic flows and parking around each key precinct
Project: Ensure Tourism and Visitor elements are included in the St Kilda Stage 2 masterplan
- iv. Develop core marketing and promotional materials around key themes, precincts and attractions
Project: Develop core tourism and visitor marketing and promotional materials.

**CARRIED
1310/2016**

Cr R Cook returned to the meeting at 09:39 pm.

1.1.4 City of Salisbury Regional Public Health Plan 2016 report to the Chief Public Health Officer

Moved Cr D Pilkington
Seconded Cr S Reardon

1. The information be received.
2. The City of Salisbury Chief Public Health Officer Report 2016, as set out in Attachment 1 (Item No. 1.1.4, Policy and Planning Committee, 19/09/2016) be endorsed for submission to the South Australian Chief Public Health Officer.
3. The attached letter to the South Australian Chief Public Health Officer (Attachment 2, Item No. 1.1.4, Policy and Planning Committee, 19/09/2016), highlighting the emerging public health issues and opportunities as outlined in the City of Salisbury Chief Public Health Officer Report 2016 and requesting a response to the questions posed, be endorsed.

**CARRIED
1311/2016**

Urban Development

1.3.2 Annual Report of the Development Assessment Panel for 2015/16

Moved Cr R Zahra
Seconded Cr D Pilkington

1. That the Annual Report of the Development Assessment Panel for 2015/16 be noted and received.

**CARRIED
1312/2016**

1.3.3 Local Heritage Discussion Paper

*Cr C Buchanan left the meeting at 09:38 pm.
Cr C Buchanan returned to the meeting at 09:41 pm.
Cr G Reynolds returned to the meeting at 9:42 pm*

Moved Cr E Gill
Seconded Cr D Pilkington

1. The submission letter to the Minister for Planning in response to the Local Heritage Discussion Paper '*Heritage Reform – an Exploration of the Opportunities*', forming Attachment 3 to this report (Item No. 1.3.3, Policy and Planning Committee 19/09/2016) be endorsed.

**CARRIED
1313/2016**

Confidential Items

Refer to CONFIDENTIAL ITEMS section of Council Minutes

2 1.10.1 Salisbury Oval - Residential Feasibility Update Report Works and Services Committee Meeting

Minutes of the Works and Services Committee Meeting held on 19 September 2016 were considered by Council.

Administration

2.0.1 Future Reports for the Works and Services Committee

Moved Cr J Woodman
Seconded Cr R Cook

1. The information be received.

**CARRIED
1314/2016**

Landscaping

2.4.1 St. Kilda Master Plan - Stage 2

Cr R Cook declared a perceived conflict of interest on the basis of owning a business in St Kilda. Cr Cook left the meeting at 9:45 pm.

Moved Cr D Pilkington
Seconded Cr J Woodman

1. That this matter be deferred for two months to enable staff to provide further information as requested by the Works and Services Committee.

**CARRIED
1315/2016**

Cr R Cook returned to the meeting at 09:46 pm.

Property

2.5.1 Proposed Renaming of portion of Melvina and Kings Roads, Paralowie

Moved Cr G Caruso
Seconded Cr R Cook

1. That pursuant to Section 219 (1) of the *Local Government Act 1999*, the portion of Melvina Road, Paralowie, north of the new alignment of Kings Road, be renamed to Louisa Road, and the portion of Kings Road between Fairbanks Drive and Bolivar Road, be renamed to Deal Court, as shown in the plan forming Attachment 4 to this report (Item No. 2.5.1, Works and Services Committee, 19/09/2016), and that the necessary statutory notifications take place.
2. Owners and occupiers be advised of the new road names and property numbers together with the checklist of notification of change of address as provided as Attachment 2 to this report (Item No. 2.5.1, Works and Services Committee, 19/09/2016).

**CARRIED
1316/2016**

2.5.2 Road Closure - First Avenue

Moved Cr G Reynolds
Seconded Cr D Pilkington

1. Pursuant to the provisions of the *Roads (Opening and Closing) Act 1991* Council resolves to make a Road Process Order to formally open as road portion of Allotment 501 in DP61363 numbered '1' on Preliminary Plan 16/0018 (Attachment A, Item No. 2.5.2, Works and Services Committee, 19/09/2016).
2. Pursuant to the provisions of the *Roads (Opening and Closing) Act 1991* Council resolves to make a Road Process Order to formally close the western end of First Avenue adjoining allotment 501 in DP61363 as shown marked 'A'

on the Preliminary Plan 16/0018 (Attachment A, Item No. 2.5.2, Works and Services Committee, 19/09/2016) and to be transferred to the adjoining owner Renewal SA.

3. A final plan be prepared in substantially the same form as Preliminary Plan 16/0018 (Attachment A, Item No. 2.5.2, Works and Services Committee, 19/09/2016) with provision for granting of required easements to SA Power Network and SA Water infrastructure.

**CARRIED
1317/2016**

2.5.3 SA Water - Acquisition Portion of Hausler Reserve, Parafield Gardens

Moved Cr G Caruso

Seconded Cr D Pilkington

1. The information be received.
2. The acquisition of portion of Lot 1123 in deposited Plan 10435 in Certificate Title Volume 5737 Folio 634 and Lot 1127 in Deposited Plan 10604 in Certificate Title Volume 5553 Folio 975 known as Hausler Reserve, as marked "A" on the attached site plan (Attachment 1, Item No. 2.5.3, Works and Services Committee, 19/9/2016), for the purpose of installing a Biofilter required to address the odour issue currently being experienced in the surrounding areas by SA Water is not objected to.
3. The acquisition of an easement over portion of Lot 1123 in deposited Plan 10435 in Certificate Title Volume 5737 Folio 634 known as Hausler Reserve, as marked "B" on the attached site plan (Attachment 1, 2.5.3, Works and Services Committee, 19/9/2016), for the purpose of installing a Biofilter required to address the odour issue currently being experienced in the surrounding areas by SA Water is not objected to.
4. Staff engage a licensed valuer to determine compensation payable, cost of valuation to be paid for by SA Water.
5. SA Water be granted a permit allowing access to Hausler Reserve for the commencement of construction of the Biofilter and associated structures prior to the acquisition process.
6. The Manager Property and Buildings be authorised to arrange execution of any required documentation in relation to the acquisition and negotiate with SA Water the compensation for the land.

**CARRIED
1318/2016**

2.5.4 Minutes of the Strategic Property Development Sub

Committee meeting held on Tuesday 13 September 2016

Cr G Caruso declared a perceived conflict of interest on the basis of his employer, SA Power Network, providing a regulated rebate for developments. Cr Caruso stated he would manage the conflict by remaining in the meeting and voting in the best interest of the community.

2.5.4-SPDSC1 Tranche 1 Update Report

Moved Cr D Pilkington

Seconded Cr R Zahra

1. That the report is received and the update on the status of the Tranche 1 program be noted.
2. That the variances between the revised revenue and cost forecasts from the 2016/17 Endorsed Budget outlined in this agenda report (Item No. (SPDSC1, Strategic Property Development, 13/09/16 – Attachment 1) be endorsed and recommended to Council as a non-discretionary budget review as part of the 2016/17 1st Quarter Budget Review as follows:

15159 Walpole 1 – Greentree Walk
Revised project cost: \$6,508,969

19739 Ryans Road – Emerald Green
Revised project cost: \$5,555,820
Revised project revenue: \$13,448,216

18802 Diment Road – The Reserve
Revised project cost: \$7,118,472
Revised project revenue: \$8,675,568

**CARRIED
1319/2016**

*The majority of members present voted IN FAVOUR of the MOTION.
Cr G Caruso voted IN FAVOUR of the MOTION.*

2.5.4-SPDSC2 Strategic Land Review Implementation Plan Update

Moved Cr D Pilkington

Seconded Cr R Zahra

1. The current status of the Strategic Land Review Implementation Plan, methodology and timing be noted.
2. That a further report be presented to the Strategic Property Development Sub-Committee to review and confirm the priority list of projects for next stage feasibility investigations.

**CARRIED
1320/2016**

2.5.4-SPDSC3 Tranche 2 - Update Report

Cr G Caruso declared a perceived conflict of interest on the basis of his employer, SA Power Network, providing a regulated rebate for developments. Cr Caruso stated he would manage the conflict by remaining in the meeting and voting in the best interest of the community.

Moved Cr D Pilkington
Seconded Cr R Zahra

1. That the report be received and the update on the project delivery status for Boardwalk at Greentree - Walpole Road Stage 3, Walpole Road Upgrade and balance Tranche 2 projects be noted.
2. That the variances between the revised revenue from the Council endorsed budget 16/17 including carry forward funds reflecting the multi-year project delivery timeline outlined in the agenda report be endorsed and recommended to Council as a non-discretionary budget review as part of the 2016/17 Budget Review 1, as follows:

20968 Walpole Road Stage 3 – Boardwalk at Greentree
Revised project revenue: \$15,083,136

**CARRIED
1321/2016**

*The majority of members present voted IN FAVOUR of the MOTION.
Cr G Caruso voted IN FAVOUR of the MOTION.*

2.5.4-SPDSC4 Confidential Presentation - Strategic Land Review Draft Mapping Update

Moved Cr D Pilkington
Seconded Cr R Zahra

1. The presentation be noted.

CARRIED
1322/2016

Cr D Bryant left the meeting at 09:45 pm and did not return.

Public Works

2.6.1 Capital Progress Report - August 2016

Moved Cr C Buchanan
Seconded Cr D Pilkington

1. Within the PR20548 Bridge Renewal Program defer 2016/17 Kaurna Park Bridge Renewal and bring forward into 2016/17 the renewal of the bridge adjacent Carnegie Place / Parkdale Crescent, Dry Creek, Mawson Lakes.
2. Remove redundant pedestrian crossing traffic signals, Whites Road / Crane Street, Salisbury North, as part of the 2016/17 Council Traffic Signals Replacement Program.
3. New footpath constructions as set out in this report (Item No. 2.6.1, Works and Services Committee 19/09/2016) be endorsed as program inclusions within the 2016/17 PR14498 Council Funded Footpath Program.
4. New access ramp constructions as set out in this report (Item No. 2.6.1, Works and Services Committee 19/09/2016) be endorsed as program inclusions within the 2016/17 PR21412 Kerb Ramp Construction / Upgrade Program.

CARRIED
1323/2016

2.6.2 St Kilda Flood Mitigation – Update

Cr R Cook declared a perceived conflict of interest on the basis of owning a business in St Kilda which is adjacent to the proposed drainage work. Cr Cook left the meeting at 09:51 pm.

Moved Cr D Pilkington
Seconded Cr R Zahra

1. The report be received.
2. A discretionary capital budget bid for \$110,000 be considered as part of the 2016/17 first quarter budget review to undertake the drainage works as set out in this report (Item No. 2.6.2, Works and Services Committee 19/09/2016).

CARRIED
1324/2016

Cr R Cook returned to the meeting at 09:52 pm.

Traffic Management

2.7.1 Access Road from Main North Road to Newfield Road, Para Hills West.

Moved Cr D Pilkington
Seconded Cr J Woodman

1. The report be received.

**CARRIED
1325/2016**

2.7.2 Pedestrian and Vehicle Safety - Bridge Street, Salisbury

Moved Cr J Woodman
Seconded Cr D Pilkington

1. The information be received.

**CARRIED
1326/2016**

3 Resources and Governance Committee Meeting

Minutes of the Resources and Governance Committee Meeting held on 19 September 2016 were considered by Council.

Administration

3.0.1 Future Reports for the Resources and Governance Committee

Moved Cr D Proleta
Seconded Cr J Woodman

1. The information be received.

**CARRIED
1327/2016**

Development Control Administration

3.2.1 Road Name Change - Anguilla Lane, Mawson Lakes to Anguilla Court

Moved Cr D Proleta
Seconded Cr J Woodman

1. Deposited Plan 66459 be amended to show Anguilla Lane as Anguilla Court, Mawson Lakes and the necessary statutory processes and notifications to effect the change to the Deposited Plan be implemented.

**CARRIED
1328/2016**

External Relations

3.4.1 Nominations Sought for LGA President and Metropolitan

Adelaide Representative on the LGA Board

Moved Cr D Proleta
 Seconded Cr J Woodman

1. Mayor Lorraine Rosenberg be nominated to the Office of President of the Local Government Association.
2. Mayor Gillian Aldridge be nominated as a member of the Local Government Association Board representing the Metropolitan Local Government Group.

With leave of the meeting and consent of the seconder Cr D Pilkington VARIED the MOTION as follows:

1. Mayor Lorraine Rosenberg be nominated to the Office of President of the Local Government Association.
2. Mayor Gillian Aldridge be nominated as a member of the Local Government Association Board representing the Metropolitan Local Government Group.
3. On behalf of Council, the CEO write to all Councils seeking support for the nomination of Mayor Aldridge to the LGA Board representing the Metropolitan Local Government Group.

**CARRIED
 1329/2016**

Corporate Governance

3.6.1 Representation Review

On the basis of the decision made by Council in relation to NOM7, this matter was not considered.

3.6.2 Alternative Committee Structures

Moved Cr G Reynolds
 Seconded Cr R Cook

1. The information be received.

**CARRIED
 1330/2016**

3.6.3 Election for Two Representative Members on the Local Government Finance Authority Board of Trustees

Moved Cr E Gill
 Seconded Cr G Reynolds

1. Council indicates its two preferences for:
 - a. H Abiad, Councillor, Adelaide City Council; and
 - b. JW Frogley, Councillor, City of Norwood, Payneham and St Peters
 for the position of representative members of the Board of Trustees for the Local Government Finance Authority and instructs its delegate to vote accordingly.

CARRIED

Cr C Buchanan left the meeting at 09:58 pm.

3.6.4 Boundary Adjustment Bill Submission

Moved Cr D Pilkington

Seconded Cr R Cook

1. That the proposed submission on the draft *Local Government (Boundary Adjustment) Amendment Bill 2016*, as set out in Attachment 4 to this report (Item No. 3.6.4, Resources and Governance Committee, 19/09/2016), subject to the insertion of the following words at the end of the dot point dealing with the Cost Recovery Proposal (Clause 32B):

“At the very least, the Government should remove cost burdens on any public initiated boundary review applications.”

be endorsed and forwarded to the Minister for Regional Development and Local Government, with a copy also forwarded to the Local Government Association of South Australia.

**CARRIED
1332/2016**

Other Business

OB-R&G1 Dog Signage within St Kilda Playground

Cr R Cook declared a perceived conflict of interest on the basis of owning a business in St Kilda. Cr Cook stated she would manage the conflict by remaining in the meeting and voting in the best interest of the community.

Moved Cr D Proleta

Seconded Cr D Pilkington

1. That staff address the inadequate dog control signage at the St Kilda Playground.

**CARRIED
1333/2016**

5 Development Assessment Panel Meeting

A meeting of the Development Assessment Panel took place on 23 August 2016 . The minutes have been distributed to all members for information.**6 Budget and Finance Committee Meeting**

Minutes of the Budget and Finance Committee Meeting held on 19 September 2016 were considered by Council.

Administration

6.0.1 Future Reports for the Budget and Finance Committee

Moved Cr R Zahra

Seconded Cr D Pilkington

-
1. The information be received.

CARRIED
1334/2016

Cr C Buchanan returned to the meeting at 09:59 pm.

6.0.2 Northern Economic Benefit Assessment

Moved Cr R Zahra
Seconded Cr D Pilkington

1. That the report is received.
2. That the inclusion of the Northern Economic Benefit Assessment, aligning with the Office of the Industry Advocate regional approach be endorsed.
3. That the publication on Council's website of contract information as detailed in the report be endorsed.

CARRIED
1335/2016

6.0.3 Minutes of the Program Review Sub Committee meeting held on Monday 12 September 2016

6.0.3-PRSC1 Public and Environmental Health Services Program Review Outcome

Moved Cr R Zahra
Seconded Cr R Cook

1. The information be received.
2. The Healthy Environs Report – Program Review Public and Environmental Health (as set out in Attachment 1, Item No. PRSC1, Program Review Sub Committee, 12/09/2016) be received and noted.
3. That the recommendations and Management responses as contained in Attachment 3, Public and Environmental Health Program Review - Strategic Recommendations and Improvement Opportunities (Item No. PRSC1, Program Review Sub Committee, 12/09/2016) be endorsed, and the Executive Group monitor the implementation of the actions, as required.

CARRIED
1336/2016

6.0.3-PRSC2 Financial Services Program Review Brief and Background Paper

Moved Cr R Zahra
Seconded Cr R Cook

1. Information be received
2. The Financial Services Program Review Brief and

Background Paper as set out in Attachments 1 and 2 to this report (Item No. PRSC2, Program Review Sub Committee, 12/09/2016) be endorsed.

CARRIED
1337/2016

Finance

6.1.1 2015-2016 Carried Forward Funds

Cr R Cook declared a perceived conflict of interest in the basis of owning a business in St Kilda. Cr R Cook left the meeting at 10:00 pm.

Moved Cr D Pilkington
Seconded Cr J Woodman

1. The information be received.
2. The 2016/17 budget be adjusted with \$18,657,300 funds carried forward to be applied as detailed in Schedule of Funds Carried Forward from 2015/16 to 2016/17 (Item No. 6.1.1, Budget and Finance Committee, 19/9/16, Attachment 1).
3. The whole of life project budgets be adjusted with \$3,128,700 funds returned to be applied as detailed in Schedule of Returned Funds 2015/16 (Item No. 6.1.1, Budget and Finance Committee, 19/9/16, Attachment 2).
4. Transfer funds of \$37k from the St Kilda Channel Renewal (PR22148) to St Kilda Sea Wall (PR23100) be approved and included in the first quarter budget review for 2016/17 as a non-discretionary transfer.
5. Transfer funds of \$56k from the City Pride Street Tree Renewal Program (PR21515) to St Kilda Playground (PR21510) be approved and included in the first quarter budget review for 2016/17 as a non- discretionary transfer.

CARRIED
1338/2016

Cr R Cook returned to the meeting at 10:02 pm.

Business Units

6.7.1 11031 Connection of Daniel Avenue (Globe Derby Park) MAR scheme to the Recycled Water Network - Contract Recommendation

Moved Cr C Buchanan
Seconded Cr D Proleta

1. The bringing forward (to 2016/17 from 2018/19) of the installation of pipework to connect the Daniel Avenue MAR Scheme at Globe Derby Park to Council's recycled water network in Parafield Gardens, at a total cost of \$300,000, be endorsed.
2. Additional funding of \$75,000 to supplement the existing budget of \$225,000 and bring forward pipework installation to connect the Daniel Avenue MAR Scheme at Globe Derby Park to Council's recycled water network in Parafield Gardens be approved as a non-discretionary budget review item at the First Quarter Budget Review 2016/17, with staff authorised to progress this project from the date of this resolution.

CARRIED
1339/2016

Confidential Items

Refer to CONFIDENTIAL ITEMS section of Council Minutes

6.9.1 Update on Action on Rates Assessments Outstanding Under Section 184 of the Local Government Act 1999

6.9.2 Salisbury Bowling Club

7 Sport, Recreation and Grants Committee Meeting

Minutes of the Sport, Recreation and Grants Committee Meeting held on 12 September 2016 were considered by Council.

Administration

7.0.1 Future Reports for the Sport, Recreation and Grants Committee

Moved Cr D Pilkington
Seconded Cr C Buchanan

1. The information be received.

CARRIED
1340/2016

Community Grants

7.2.1 Youth Sponsorship - August Applications

Moved Cr D Pilkington
Seconded Cr R Zahra

1. The information be received.

**CARRIED
1341/2016**

7.2.2 Minor Capital Works Grants - Status Report

Moved Cr D Pilkington
Seconded Cr D Proleta

1. This report be received.

**CARRIED
1342/2016**

7.2.3 Community Grants Program Applications for September 2016

Cr L Caruso declared a perceived conflict of interest on the basis of the Salisbury 8 Ball and Sports Association of South Australia participating in competitions out of her golf course facility. Cr L Caruso left the meeting at 10:04 pm.

Moved Cr D Pilkington
Seconded Cr R Zahra

1. The information be received and noted.

**CARRIED
1343/2016**

Cr L Caruso returned to the meeting at 10:05 pm.

7.2.4 25/2016: Valley View Tennis Club Inc. - Community Grants Program Application

Cr Woodman declared a perceived conflict of interest on the basis of being a member and sponsor of the Valley View Tennis Club. Cr J Woodman left the meeting at 10:05 pm.

Mayor Aldridge declared a perceived conflict of interest on the basis of being a member of the Valley View Tennis Club. Mayor Aldridge stated she would manage the conflict by remaining in the meeting and noted that she does not have a deliberative vote in relation to the item.

Moved Cr S Reardon
Seconded Cr D Proleta

1. It be noted that, in accordance with delegated powers set out in the endorsed Terms of Reference, the Sport, Recreation and Grants Committee assessed and allocated funding for the September 2016 round of Community Grants as follows:
 - a. Grant No. 25/2016: Valley View Tennis Club Inc. be awarded the amount of **\$598.00** to assist with the purchase of two marquees for ongoing use as outlined in the Community Grant Application.

**CARRIED
1344/2016**

*Cr J Woodman returned to the meeting at 10:05 pm.
Cr D Balaza returned to the meeting at 10:06 pm.*

7.2.5 26/2016: Salisbury Amateur Athletic Club Inc. - Community Grants Program Application

Moved Cr E Gill
Seconded Cr D Proleta

1. It be noted that, in accordance with delegated powers set out in the endorsed Terms of Reference, the Sport, Recreation and Grants Committee assessed and allocated funding for the September 2016 round of Community Grants as follows:
 - a. Grant No. 26/2016: Salisbury Amateur Athletic Club Inc. be awarded the amount of **\$2,500.00** to assist with the purchase of uniforms for ongoing use as outlined in the Community Grant Application.

**CARRIED
1345/2016**

7.2.6 29/2016: Ingle Farm Women's Group - Community Grants Program Application

Moved Cr D Proleta
Seconded Cr D Pilkington

1. The information be received and noted.

**CARRIED
1346/2016**

8 CEO Review Committee Meeting

Minutes of the CEO Review Committee Meeting held on 13 September 2016 were considered by Council.

Administration

8.0.1 CEO Performance Evaluation - proposed Personal Evaluation System for 2016/2017

Moved Cr D Pilkington
Seconded Cr L Caruso

1. Information be received.
2. The Personal Evaluation System to apply to the CEO for the 2016/2017 review period, comprising Key Performance Indicators and the Performance Appraisal Survey (both documents attached) be endorsed.

**CARRIED
1347/2016**

GENERAL BUSINESS

Nil.

OTHER BUSINESS

OB1 Passing of Former Councillor George Welsh

It was noted that former Councillor George Welsh had recently passed away. The Mayor undertook to forward a card of condolence to the family on behalf of Council.

OB2 Council Spokesperson Policy

*Cr D Proleta left the meeting at 10:23 pm.
Cr D Proleta returned to the meeting at 10:25 pm.*

Moved Cr C Buchanan
Seconded Cr R Cook

1. That staff bring back a report and that Council review the media policy with consideration given to how Councillors interact with

the media.

CARRIED
1348/2016

MAYOR'S DIARY

MD1 Mayor's Diary

Moved Cr G Caruso
Seconded Cr L Caruso

1. That this information be noted.

CARRIED
1349/2016

Cr D Balaza left the meeting at 10:34 pm and did not return.

REPORTS FROM COUNCIL REPRESENTATIVES

Cr E Gill:

24/9/2016 Citizenship
25/9/2016 JYC Advisory Meeting
26/9/2016 Gawler show judging
27/9/2016 Gawler Show
1/9/2016 Rotary Op shop
6/9/2016 Radio programme for Mayor
7/9/2016 Griffin Press launch - for Mayor
9/9/2016 Meeting with resident
15/9/2016 ALGWA Board meeting at Officeworks
20/9/2016 Radio programme w/- D. Stockbridge
21/9/2016 Heritage meeting at ACC/LGA
Salisbury Seniors 51st birthday
22/9/2016 Meeting at Mobarra with residents

CONFIDENTIAL ITEMS

1.10.1 Salisbury Oval - Residential Feasibility Update Report

Moved Cr D Pilkington
Seconded Cr R Zahra

1. *Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) 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 could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and

- information the disclosure of which would, on balance, be contrary to the public interest.

-
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 this item would protect Council's future commercial negotiations and position.*

*On that basis the public's interest is best served by not disclosing the **Salisbury Oval - Residential Feasibility Update Report** 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
1350/2016

The meeting moved into confidence at 10:40 pm.

The meeting moved out of confidence at 10:41 pm.

6.9.1 Update on Action on Rates Assessments Outstanding Under Section 184 of the Local Government Act 1999

Moved Cr R Zahra
Seconded Cr R Cook

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*
 - *Given the personal and financial information contained in the report, it is reasonable that details remain confidential to allow Council to resolve via Section 184*

*On that basis the public's interest is best served by not disclosing the **Update on Action on Rates Assessments 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
1351/2016

The meeting moved into confidence at 10:42 pm.

The meeting moved out of confidence at 10:42 pm.

6.9.2 Salisbury Bowling Club

Moved Cr D Pilkington
Seconded Cr J Woodman

1. *Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) 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 could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and*
 - *information the disclosure of which would, on balance, be contrary to the public interest.*
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 this matter would protect information from previous reports to Council which remain confidential*

*On that basis the public's interest is best served by not disclosing the **Salisbury Bowling Club** 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
1352/2016

The meeting moved into confidence at 10:42 pm.

The meeting moved out of confidence at 10:42 pm.

C1 Code of Conduct Complaint 01/2016 - Findings in relation to allegation of breach of Part 3 of the Code of Conduct for Council Members

Cr S White declared a perceived conflict of interest on the basis of being party to the Code of Conduct complaint. Cr S White left the meeting at 10:43 pm and did not return.

Cr G Caruso declared a perceived conflict of interest on the basis of confidential reasons relating to the Code of Conduct. Cr G Caruso left the meeting at 10:43 pm and did not return.

Moved Cr D Pilkington

Seconded Cr R Cook

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 at this time will allow Council to determine the preferred timing for release of information contained within the report, having regard to advice from the Ombudsman set out within the report.

*On that basis the public's interest is best served by not disclosing the **Code of Conduct Complaint 01/2016 - Findings in relation to allegation of breach of Part 3 of the Code of Conduct for Council Members** item and discussion at this point in time.*

2. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except:*

- Chief Executive Officer, Mr J Harry*
- Manager Governance, Ms T Norman*
- Governance Coordinator, Ms J Rowett*
- Governance Support Officer, Ms K Boyd*

be excluded from attendance at the meeting for this Agenda Item.

**CARRIED
1353/2016**

The meeting moved into confidence at 10:43 pm.

The meeting moved out of confidence and closed at 10:51 pm.

CHAIRMAN.....

DATE.....

ITEM	GB1
	COUNCIL
DATE	24 October 2016
HEADING	End of Financial Year Statement and Analysis
AUTHORS	Tim Aplin, Senior Accountant, Business Excellence Kate George, Manager Financial Services, Business Excellence
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	<p>The City of Salisbury end of year processes for 2015/16 have been finalised and audited by Council's external auditor Deloitte Touche Tohmatsu. This report provides detail of actual results compared to prior year actuals and to the budget position.</p> <p>The annual financial statements have been reviewed by the Audit Committee at the meeting on the 11 October 2016. Further Council's external auditors are satisfied that they present fairly the state of affairs of the Council.</p>

RECOMMENDATION

1. The information be received.
2. The Annual Financial Statements for the year ended 30 June 2016 be adopted.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Annual Financial Statements for year ended 30 June 2016

1. BACKGROUND

1.1 Regulation 10 of the Local Government (Financial Management) Regulations 2011 requires the Council to

- (1) *...prepare and consider a report showing the audited financial results of each item shown in the statement of comprehensive income and balance sheet of the budgeted financial statements of the Council, ... for the previous financial year compared with the estimated financial results set out in the budget presented in a manner consistent with the Model Financial Statements.*
- (2) *...council's operating surplus ratio, net financial liabilities ratio and asset sustainability ratio compared with estimates set out in the budget...*

2. CONSULTATION / COMMUNICATION

2.1 Internal

2.1.1 This report provides the mechanism for consultation and communication with Council regarding the City of Salisbury's Annual Financial Statements for the year ending 30 June 2016. This report has been reviewed by the City of Salisbury's Audit Committee at the meeting held 11 October 2016.

2.2 External

2.2.1 The Annual Financial Statements for 2015/16 have been reviewed by Council's external Auditors Deloitte Touche Tohmatsu.

3. REPORT

3.1 The City of Salisbury's Financial Statements for the 2015/16 Financial Year have been prepared in accordance with the Local Government Act 1999, the Local Government (Financial Management) Regulations 2011, the Australian Accounting Standards and the Model Financial Statements.

3.2 In accordance with Section 126(4)(a) of the Local Government Act 1999, the Audit Committee has reviewed the Annual Financial Statements to ensure they present fairly the state of affairs of the Council. The external auditors, Deloitte Touche Tohmatsu (Deloitte), have conducted their review and have provided an unqualified audit opinion.

3.3 The following comments are provided with respect to the 2015/16 Annual Financial Statements, with commentary highlighting significant movement's year on year.

4. RESTATEMENT OF PRIOR YEAR STATEMENTS

4.1 Following discussions and advice from Deloitte the Annual Financial Statements for 2015/16 include restated Statements of Financial Position for the 2014/15 and 2013/14 Financial Years. Further, components of the comparative information throughout the 2016 Annual Financial Statements have been restated. The reasoning behind these adjustments is disclosed in detail in Note 22 'Equity – Retained Earnings and Revaluation Reserve Adjustments' on page 55 of the attached report and has been summarised in the following paragraphs.

4.2 As part of Council's end of financial year review it was ascertained that there were donated assets, primarily received as developer contributions from residential developments, that had not been recognised as assets in the 2014/15 Financial Statements. This resulted in a re- calculation of certain items within the 2014/15 Financial Statements, relating to the land improvement and infrastructure asset categories which were understated in the Statement of Financial Position. Further, as some of the assets were received in 2014/15, the amounts disclosed in the Statement of Comprehensive Income for depreciation and physical assets received free of charge was also understated. The total value of these assets is \$8,603k with \$1,493k relating to the 2014/15 year and \$7,110k relating to years prior to 2014/15.

- 4.3** In order to appropriately reflect the value of these assets received prior to 2014/15 an amount totaling \$7,110k has been adjusted against Opening Equity as at 1 July 2014 in the comparative figures within the 2015/16 Financial Statements.
- 4.4** To reflect the assets that related to the 2014/15 financial year a total adjustment of \$1,493k has been made. This is contained within the Statement of Comprehensive Income which had disclosed depreciation expense as \$23,421k, and has now been restated to \$23,531k and physical resources received free of charge was \$1,095k and has been corrected to \$2,691k. Consequently, the net surplus transferred to equity in both the Statement of Comprehensive Income and the Statement of Changes in Equity was understated by \$1,493k. This represents the written down value of the donated assets received in 2014/15.
- 4.5** Also, the amounts disclosed for Infrastructure, Property, Plant and Equipment were also effectively understated in the Statement of Financial Position for the 2014/15 year, with this amount being disclosed as \$1,292,828k restated to \$1,301,431k. Subsequently, net assets and the accumulated surplus were understated by \$8,603k.
- 4.6** Making these corrections to the prior periods provides the correct opening balances for the current reporting period and the most relevant comparisons for the prior periods.

5. FINANCIAL STATEMENT ANALYSIS

5.1 Statement of Comprehensive Income 30 June 2016

- 5.1.1 The Statement of Comprehensive Income shows an Operating Surplus before capital amounts and other comprehensive income of \$5,458k relative to the prior year restated Operating Surplus of \$8,321k (which has been impacted by increased depreciation of \$110k resulting from the restatement of the donated assets).
- 5.1.2 The main factor creating this significant change to our level of Operating Surplus is the cessation of the early payment of the Financial Assistance Grant (FAG). In prior years the Federal Government has made payments in advance of the year of allocation, however ceased this practice in June 2013/14, and recommenced the practice in June 2014/15 and again ceased in the 2015/16 financial year. Consequently the 2015/16 operating result includes only two quarterly payments of the FAG, with two payments totaling \$4,065k paid in advance in June 2015. Therefore the 2014/15 results effectively include six quarterly payments of the FAG totaling \$12,015k and the 2015/16 results include only two quarterly payments totaling \$3,780k.
- 5.1.3 Rates Revenue has increased by 4.5% from \$83,929k in 2014/15 to \$87,704k in 2015/16. This is a reflection of Council's decision to increase rates in real terms, together with development growth in the city leading to a higher number of rateable properties; however it should be noted that there are also additional costs from this growth in rateable properties, primarily associated with infrastructure provision.

- 5.1.4 Statutory Charges received have increased by 9.1% from \$2,741k in 2014/15 to \$2,989k in 2015/16 with the significant impact being an increase in Development Act Fees \$155k relating to an increase in the number of building approvals and lodgment fees.
- 5.1.5 User Charges have decreased by 4.6% from \$5,898k in 2014/15 to \$5,629k in 2015/16, with the significant impact being the outsourcing of the Recreation Centre's \$480k. Note that the \$480k represents the income received from the Recreation Centers for July to September 2014, prior to take over of management in October 2014. Offsetting this decrease in User Charges, are increases in Water Supply \$109k predominantly related to non-residential usage and higher than anticipated property rental income \$109k related to commercial tenancies.
- 5.1.6 Grants, Subsidies and Contributions have decreased by 35.7% from \$18,001k in 2014/15 to \$11,583k in 2015/16; with the significant impact being the receipt of an early payment of two quarters of the 2015/16 FAG \$4,065k in 2014/15, with only two payments of the FAG being received in 2015/16. (refer to paragraph 5.1.2). In the 2015/16 year a total of \$3,780k was received in FAG payments, as compared to \$12,015k in 2014/15.
- 5.1.7 Investment Income has decreased by less than 1% from \$520k in 2014/15 to \$518k in 2015/16, primarily as a result of slightly lower interest rates but higher cash holdings as a result of the property developments. The average interest rate on short-term investments for 2014/15 was 2.51%, reducing to 2.04% for the 2015/16 year.
- 5.1.8 Reimbursements have decreased by 3.7% from \$561k in 2014/15 to \$540k in 2015/16, as a result of an overall decrease in the requirement for reimbursed works across the organisation. This is largely offset by lower associated expenditure.
- 5.1.9 Other Revenues have decreased by 7.6% from \$1,309k in 2014/15 to \$1,210k in 2015/16, predominantly resulting from an \$84k decrease in Workers Compensation Scheme Bonus.
- 5.1.10 Share of Profit Joint Ventures and Associated Entities decreased by 17.7% from \$859k in 2014/15 to \$707k in 2015/16. This reflects Council's Regional Subsidiaries performance with NAWMA producing a net surplus of \$1,377k in 2015/16 compared to \$1,454k in 2014/15, and Council Solutions producing a net deficit of \$6k in 2015/16 as compared to a net deficit of \$120k in 2014/15. Council's share of these results is a \$707k net gain for NAWMA and a \$1k net loss for Council Solutions in 2015/16.
- 5.1.11 Employee Costs have decreased by less than 1% from \$34,832k in 2014/15 to \$34,651k in 2015/16. This overall decrease is largely due to a \$96k reduction in Workers Compensation Insurance Premiums. Further the 2014/15 balance included July to September salary costs for Recreation Services prior to the outsourcing in October 2014, reflecting a further decrease of \$257k. Offsetting these decreases are the EB

adjustments of 2.5% for MOA staff and 3.0% for LGE staff, and other minor wage and salary movements.

- 5.1.12 Finance Costs have decreased by 12.3% from \$1,431k in 2014/15 to \$1,255k, which reflects a decrease in long term borrowings. There have been no new loans facilities established in 2015/16, primarily as a result of the level of cash held which has been favourably impacted by the proceeds from Council's property developments.
- 5.1.13 Asset disposal and fair value adjustments, amounts received specifically for new or upgraded assets and physical resources received free of charge, which are all items below the operating surplus, are discussed in detail in the budget and variance analysis below (refer Para 6.4).

5.2 Statement of Financial Position 30 June 2016

- 5.2.1 As previously mentioned in Section 4, the Statement of Financial Position for 2015/16 has had the prior year comparatives restated as a result of the adjustment for donated assets. Consequently all comparisons made below are against the new restated amounts.
- 5.2.2 The Statement of Financial Position as at 30 June 2016 shows that Net Assets (Total Assets less Total Liabilities) or 'Equity' has increased by 1.1% or \$14,697k from \$1,330,403k in 2014/15 to \$1,345,100k in 2015/16.
- 5.2.3 The increase in Infrastructure, Property, Plant and Equipment from \$1,301,431k to \$1,328,507k is the most significant impact and is largely the result of additions to our current portfolio, being \$28,183k for new/upgraded and donated assets and \$21,831k for renewal of assets. Also attributing to this is net asset revaluation increments totaling \$6,011k (Land and Land Improvement increments \$3,597k, Buildings and Other Structures \$617k and Infrastructure \$1,797k). Offsetting this increase is depreciation expense of \$23,802k associated with the asset additions.
- 5.2.4 As revealed in Note 15 Financial Indicators, Net Financial Liabilities have decreased from \$16,950k to \$15,596k and have decreased as a proportion of total operating revenue (15% to 14%). Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses), expressed as a percentage of total operating revenue.
- 5.2.5 The most significant movements impacting this ratio are in liabilities, specifically related to the level of loan principal outstanding, which has decreased from \$19,539k in 2014/15 to \$17,140k in 2015/16. There has also been a decrease in Trade and Other Payables, \$14,517k in 2014/15 to \$12,821k in 2015/16. There is also a decrease in Cash and Cash Equivalents as at 30 June 2016, \$19,460k in 2014/15 compared to \$16,816k in 2015/16 reflecting the cessation of the advanced FAG payments.
- 5.2.6 The Asset Sustainability ratio has trended downwards to 72% in 2015/16 which is lower than the 111% achieved in 2014/15 and higher than the

49% in 2013/14. This is a reflection of the lower cash expenditure incurred on the renewal/replacement of assets \$13,285k in 2015/16 as compared with \$18,438k planned expenditure per the Asset Management Plans, with further discussion in the next paragraph.

- 5.2.7 An Adjusted Asset Sustainability Ratio has been calculated to better reflect Council's achievements in renewing and maintaining its assets. This adjusted ratio of 90% is calculated against the renewal expenditure amount included within Council's Asset Management Plans (AMPs), adjusted to reflect changes in practice since the adoption of the plans. Adjustments are for items included in AMPs as renewal, which are actually upgrade or new, including \$2.3M in relation to buildings, with these amounts excluded from both the actual and planned expenditures in the adjusted ratio. Road assets are being maintained differently to how originally planned in the AMPs with renewal expenditure being directed to microsurfacing treatments, which are treated as a new component of our road assets, with the expectation that this will further extend the life of our road assets, which will decrease the cost of maintaining our road infrastructure over the longer term. These changes in practice will be reflected in future iterations of our AMPs with both Transport and Building AMPs being reviewed and updated in the 2016/17 financial year.

5.3 Statement of Cash Flows 30 June 2016

- 5.3.1 Note that the amounts included in the Statement of Cash Flows have not been impacted by the prior year restatements as the amounts adjusted for, donated assets and depreciation, are both non-cash items.
- 5.3.2 The Statement of Cash Flows shows a net decrease in cash and investments of \$2,644k from \$19,460k at 30 June 2015 to \$16,816k at 30 June 2016.
- 5.3.3 Net cash provided by Operating Activities at 30 June 2016 was \$27,013k as compared with \$38,481k in 2014/15. This decrease is primarily attributable to Grant, Subsidies and Contributions Income (\$12,363k in 2015/16 compared to \$18,001k in 2014/15) resulting from the cessation of the advance payment of the FAG, offset by higher Rates Revenue (\$87,773k in 2015/16 compared to \$83,670k in 2014/15). There is also an increase in payments made for Materials, Contracts & Other Expenses (\$55,321k in 2015/16 compared to \$47,683k in 2014/15).
- 5.3.4 Net cash outflows from Investing Activities have decreased from \$30,842k in 2014/15 to \$27,258k in 2015/16. This decrease is attributable to reduced expenditure on the renewal and replacement of assets \$8,246k, offset in part by a reduction in the cash inflows received from property developments of \$3,273k.
- 5.3.5 Cash payments from Financing Activities relate solely to Council's repayments of borrowings and have decreased from \$2,762k in 2014/15 to \$2,399k in 2015/16. This is a result of lower levels of total loan borrowings (\$19,539k 2014/15, \$17,140k 2015/16) with no new loan

facilities being taken during the 2015/16 year as a result of the impact on the cash position from the proceeds of land settlements.

6. BUDGET ACTUAL ANALYSIS

- 6.1** The analysis below is based on the comparison between the actual end of year results for the year ended 30 June 2016, and the original budget for same year. The commentary on the Income Statement is designed to explain the variations appropriate to this 'view'. Comment is made only to variances greater than \$50k unless there are significant issues that need to be brought to members' attention.



City Of Salisbury Statement of Comprehensive Income For the Period Ending 30 June 2016

	End of Financial Year		
	Actual \$000	Orig Bud \$000	Variance \$000
INCOME			
Rates	87,704	87,684	20
Statutory Charges	2,989	2,642	347
User Charges	5,629	5,354	274
Grants, Subsidies & Contributions	11,583	12,469	(886)
Investment Income	518	616	(98)
Reimbursement	540	201	339
Other Revenue	1,209	795	415
Share of Profit-Joint Ventures & Associates	707	0	707
Total Income	110,880	109,761	1,118
EXPENSES			
Employee Costs	34,651	35,591	940
Materials, Contracts and Other Expenses	45,713	45,456	(257)
Finance Costs	1,255	2,100	845
Depreciation, amortisation & impairment	23,802	24,627	825
Share of Loss-Joint Ventures & Associates	1	0	(1)
Total Expenses	105,422	107,774	2,352
Operating Surplus/(Deficit) before Capital Amounts	5,458	1,987	3,470
Net gain (loss) on disposal or revaluation of assets	(1,588)	7,191	(8,779)
Amounts specifically for new or upgraded assets	1,437	1,416	21
Physical resources received free of charge	3,379	5,000	(1,621)
Net Surplus/(Deficit)	8,686	15,594	(6,908)
Comprehensive Income			
Changes in Revaluation Surplus - I,PP&E	6,011	16,433	(10,422)
Total Comprehensive Income	14,697	32,027	(17,330)

6.2 Income Analysis

6.2.1 Statutory Charges – Favourable Variance \$347k

The favourable variance is primarily due to higher than budgeted Building and Development Lodgment fees \$274k and Planning fees \$139k resulting from greater than anticipated income generated from development projects. Included in the \$274k is \$179k relating to the External Client Services area. This is as a result of a higher number of applications received and processed as compared to budget. This is offset by lower than budgeted Dog License income \$61k.

6.2.2 User Charges – Favourable Variance \$274k

The favourable variance is primarily the result of higher than anticipated Property and Building income \$66k predominantly related to Rent from Commercial Tenants and Salisbury Water connection charges \$41k, plus \$54k higher than budgeted garbage fees at the Waste Transfer Station, which is related to higher than anticipated general gate income. The favourable variance also includes \$85k Library Services user charges where the budget allocation was initially classified as Other Revenue.

6.2.3 Grants, Subsidies & Contributions– Unfavourable Variance \$886k

The unfavourable variance is primarily the result of the advanced payment of the Financial Assistance Grant, with two quarters payments received at the end of the 2014/15 financial year resulting in an unfavourable variance against original budget of \$3,296k. This is offset by additional funding received compared to original budget for Roads to Recovery \$950k, Developer Contributions \$788k and the Home and Community Services Program \$229k. In addition there are further favourable variances relating to 2016/17 funding received for Crime Prevention \$100k, Resilient Salisbury Environmental Action Plan \$110k and \$50k for the Economic Regional Collaboration programs that were notified after the budget was endorsed.

6.2.4 Investment Income – Unfavourable Variance \$98k

The unfavourable variance is primarily the result of lower than anticipated interest received on our investment activity. This is related to our cash holding being used to fund expenditure rather than having to utilize short term cash advance debentures (CAD's).

6.2.5 Reimbursements – Favourable Variance \$339k

The favourable variance is primarily the result of various reimbursements received relating to works or services undertaken by Council, with the predominant areas being Recreational Services \$228k and Property and Buildings \$79k. These amounts relate to costs incurred within the materials, contracts and other expenses classification. Also impacting are numerous small amounts primarily from private works that are offset by the expenditure incurred.

6.2.6 Other Revenue – Favourable Variance \$415k

The favourable variance is due to the higher than budgeted amounts received relating to the Workers Compensation Scheme Bonus \$268k, Fuel Tax Credit \$55k, Sundry Income \$53k and Permit Fees \$36k. This is offset by the Library Services user charges where the budget allocation of \$85k was initially classified as Other Revenue.

6.2.7 Net Gain – Equity Accounted Businesses – Favourable Variance \$707k

At the end of the financial year we have recognised our share of the operating results of the Northern Adelaide Waste Management Authority (NAWMA) Regional Subsidiary being income of \$707k. Our other Regional Subsidiary, Council Solutions, recognised a net loss as at 30 June 2016, and this has been disclosed under the expenses classification. It should be noted that from a budgeting perspective we budget for these entities to break even.

6.3 Expenditure Analysis

6.3.1 Employee Costs - Favourable Variance \$940k

The favourable variance is primarily due to operational positions being back filled by contractors / agency staff \$1,290k, which is reported in Materials, Contracts and Other Expenses below. Also contributing to this favourable variance is the normal lag in the appointment of positions within Council \$150k. Offsetting this variance is higher than budgeted amounts relating to employee entitlements \$302k, and a further \$203k that relates to externally funded positions that were not part of the original budget.

6.3.2 Materials, Contracts and Other Expenses – Unfavourable Variance \$257k

Contract labour, which is required to be classified as a contractual expense for reporting purposes, resulted in an overall unfavourable variance of \$1,290k. Contract labour is utilised to backfill for vacant positions within operational roles, and is offset by savings in employee costs reported in wages and salaries above. The impact of backfilling is largely offset by favourable variances related to electricity costs \$390k, the NAWMA waste disposal contract \$251k, Fuel Costs \$185k, Lease PC savings \$80k and minor equipment purchases \$74k.

6.3.3 Finance Costs – Favourable Variance \$845k

The favourable variance relates to the timing of cash receipts and disbursements, with the budget allowing for the drawdown on cash advance debentures, however this was not required during the year due to Council's cash position being bolstered by the property development sales.

6.3.4 Depreciation, Amortisation and Impairment – Favourable Variance \$825k

The favourable variance primarily is the result of a review of our asset valuations related to footpaths done as part of last end of financial year. It was found that our assets values were overstated due to the length of

footpath segments not being reduced by privately owned driveways. This was adjusted at the 2015 end of financial year with the impact being the assets reduced in value, with subsequent flow on into depreciation expense. Applying this methodology to the original budget resulted in an expenditure saving at the first quarter budget review of \$600k. Also contributing is the impact of a review of the Water Business Unit's which extended the useful lives of some assets, resulting in a saving of \$435k when compared to original budget. Offsetting these favorable variances are the adjustments that have been made to road assets useful lives and residuals, following the AASB's decision (Detailed on page 10 of the attached Annual Financial Statements), which resulted in an increase depreciation expense of approximately \$365k when compared to original budget.

6.4 Non-Operating Items Analysis

- 6.4.1 The unfavourable amount of \$6,908k is comprised of variances within the following three categories:
- 6.4.2 Net Gain/(Loss) on disposal of assets is (\$8,779k) which is the result of the accounting losses, representing the written down value, for Land Improvement Assets \$329k, Building Assets \$1,314k and Infrastructure Assets \$3,126k. All of these assets have been renewed or replaced earlier than anticipated. Offsetting this amount is profits received from the sale of land associated with the Strategic Property Developments \$3,094k and a small gain on disposal relating to items of fleet and plant \$87k.
- 6.4.3 Amounts specifically for new or upgraded assets were favourable \$21k primarily as a result of slightly higher levels of grant funding received for capital projects than originally budgeted.
- 6.4.4 Physical resources received free of charge had an unfavourable variance of \$1,621k and is primarily the result of the donation of land, associated with reserves and vacant lots and infrastructure assets associated with roads and kerbing as part of property developments. Due to the complexities involved with budgeting these amounts a nominal figure is applied each financial year.

6.5 Other Comprehensive Income Analysis

- 6.5.1 Changes in revaluation surplus –I,PP&E shows a unfavourable variance to budget of \$10,422k. Budgeting for infrastructure revaluations is inherently complex, however the variance is the result of revaluation increments for Land and Land Improvements \$3,597k, Buildings \$617k and Infrastructure \$1,797k all being lower than initial budget estimates.

6.6 Statement of Financial Position Analysis

6.6.1 The Statement of Financial Position for 2015/16 is set out below and details the actual end of financial position against the original budget. Commentary has been made on significant variances between the estimates as presented at the adoption of the budget and the 2015/16 end of year position.



City Of Salisbury
Statement of Financial Position
As at 30 June 2016

	Year to Date		Variance
	Actual	Original	
	\$000	\$000	\$000
Assets			
Current Assets			
Cash and Cash Equivalents	16,816	17,790	(974)
Trade and Other Receivables	5,042	5,801	(759)
Inventories	270	466	(196)
Total Current Assets	22,128	24,057	(1,929)
Non-Current Assets			
Financial Assets	1,025	1,240	(215)
Equity Accounted Investments in Council Businesses	4,030	3,313	717
Infrastructure, Property, Plant and Equipment	1,328,507	1,334,573	(6,066)
Other Non-Current Assets	27,889	19,971	7,918
Total Non-Current Assets	1,361,451	1,359,097	2,354
Total Assets	1,383,579	1,383,154	425
Liabilities			
Current Liabilities			
Trade and Other Payables	12,821	11,255	(1,566)
Borrowings	2,560	2,560	0
Provisions	6,918	5,985	(933)
Total Current Liabilities	22,299	19,800	(2,499)
Non-Current Liabilities			
Trade and Other Payables	0	1,629	1,629
Borrowings	14,580	14,580	0
Provisions	1,600	78	(1,522)
Total Non-Current Liabilities	16,180	16,287	107
Total Liabilities	38,479	36,087	(2,392)
Net Assets	1,345,100	1,347,067	(1,967)
Equity			
Accumulated Surplus	309,864	270,128	39,736
Asset Revaluation Reserve	1,003,494	1,037,860	(34,366)
Other Reserves	31,742	39,079	(7,337)
Total Equity	1,345,100	1,347,067	(1,967)

- 6.6.2 The Statement of Financial Position as at 30 June 2016 shows an unfavourable variance when compared to budget for Net Assets (Total Assets less Total Liabilities) or 'Equity' of \$1,967. This is attributable to lower levels of cash and cash equivalents \$974k primarily as a result of cash being utilized to fund carry forwards of capital projects rather than utilising Cash Advance Debentures, and lower levels of trade and other receivables \$759k associated with the delivery of Councils operating and capital projects.
- 6.6.3 Also impacting is a \$6,066k unfavourable variance in Infrastructure, Property, Plant and Equipment when compared to original budget, which is predominantly the result of lower than budgeted additions to our current asset portfolio during the financial year, offset in part by depreciation expense associated with asset additions.
- 6.6.4 Offsetting these unfavourable variances is a favourable variance against the budgeted amount for Other Non-Current Assets \$7,918k, which is the result of higher than budgeted property development projects infrastructure in progress \$11,828k, offset in part by lower than anticipated infrastructure projects in progress at the end of the financial year \$3,910k.
- 6.6.5 Liabilities are higher than budget by \$2,392k, with current and non-current provisions above original budget by \$2,455, with the main impact being higher than budgeted amounts relating to employee entitlement provisions being recognized, primarily reflecting lower levels of leave being taken.

6.7 Financial Indicator Analysis

- 6.7.1 The Financial Indicators as presented in the original budget, the operating surplus ratio, net financial liabilities ratio and the asset sustainability ratio are set out below and have been compared to actual results for the 2015/16 financial year.

Financial Indicators	Endorsed Operating Range	2015-16 Original Budget	2015-16 Actuals	Variance to Original Budget	2015-16 Adjusted Actuals	Variance to Original Budget
Operating Surplus Ratio	0-5%	2.27%	5.00%	2.73%	9.00%	6.73%
Net Financial Liabilities Ratio	<40%	10.30%	14.00%	-3.70%	N/A	N/A
Asset Sustainability Ratio	90-110%	100.00%	72.00%	-28.00%	90.00%	-10.00%

- 6.7.2 The operating surplus ratio of 5.00% provides a favourable variance of 2.73% when compared to budget. However, when adjusted for the timing impact of the early receipt of the Financial Assistance Grant the ratio increases to 9.00%, which is a favourable variance of 4%. This is primarily the result of the inclusion of the Net Gain from NAWMA in our actual results and higher than anticipated revenue generated from User Charges \$274k and Statutory Charges being \$347k above budget expectations. Regional subsidiaries are budgeted to break even; however our actual results include the equity share of asset revaluations within the

- subsidiaries. The current endorsed operating range for this indicator is 0%-5%.
- 6.7.3 Net Financial Liabilities of 14% produced an unfavourable variance of 3.7% when compared to budget, and this is primarily the result of our cash position being slightly lower than budget and also liabilities relating to current and non-current employee entitlement provisions being higher than budget. The actual result falls within the current endorsed operating range for this indicator, being less than 40%.
- 6.7.4 The Asset Sustainability ratio has produced an unfavourable variance of 28.00% and reflects the changes in practice since the initial adoption of the Asset Management Plans (AMPs), with items relating to buildings and road assets now being classified as new or upgraded assets. An Adjusted Asset Sustainability ratio has also been calculated taking into consideration these changes in the AMPs, which produced a ratio of 90% (refer Para. 5.2.7). This adjusted result falls within the current endorsed operating range for this indicator of 90% - 110%.

CO-ORDINATION

Officer:

Date:

City of Salisbury

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2016

*Excellence in building a community of opportunity and spirit
in a quality environment'*



City of Salisbury

General Purpose Financial Statements for the year ended 30 June 2016

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City of Salisbury

General Purpose Financial Statements for the year ended 30 June 2016

Certification of Financial Statements

We have been authorised by the Council to certify the financial statements in their final form.

In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2016 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.



John Harry
CHIEF EXECUTIVE OFFICER



Gillian Aldridge
MAYOR

Date: 12/10/2016.

City of Salisbury

General Purpose Financial Statements for the year ended 30 June 2016

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across South Australia are required to present a set of audited Financial Statements to their Council and Community.

About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer and Mayor as "presenting a true & fair view" of the Council's financial results for the year, and ensuring both responsibility for and ownership of the Financial Statements across Council.

What you will find in the Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2016.

The format of the Financial Statements is standard across all South Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the South Australia Model Financial Statements.

The Financial Statements incorporate four "primary" financial statements:

1. A Statement of Comprehensive Income

A summary of Council's financial performance for the year, listing all income and expenses.

2. A Balance Sheet

A snapshot as at 30 June 2016 of Council's financial position including its assets and liabilities.

3. A Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

4. A Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the four primary Financial Statements.

About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialise in Local Government).

In South Australia, the Auditor provides an audit report with an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

About the Independence Certificates

Council's Financial Statements are also required to include signed Certificates by both the Council and the Auditors that the Council's Auditor has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Councillors, Residents and Ratepayers, Employees, Suppliers, Contractors, Customers, the Local Government Association of South Australia, the SA Local Government Grants Commission, and Financiers including Banks and other Financial Institutions.

Under the *Local Government Act 1999* the Financial Statements must be made available at the principal office of the Council and on Council's website.

City of Salisbury

Statement of Comprehensive Income
for the year ended 30 June 2016

\$ '000	Notes	2016	Restated 2015
Income			
Rates Revenues	2a	87,704	83,929
Statutory Charges	2b	2,989	2,741
User Charges	2c	5,629	5,898
Grants, Subsidies and Contributions	2g	11,583	18,001
Investment Income	2d	518	520
Reimbursements	2e	540	561
Other Income	2f	1,210	1,309
Net Gain - Equity Accounted Council Businesses	19	707	859
Total Income		110,880	113,818
Expenses			
Employee Costs	3a	34,651	34,832
Materials, Contracts and Other Expenses	3b	45,713	45,683
Depreciation, Amortisation and Impairment	3c	23,802	23,531
Finance Costs	3d	1,255	1,431
Net loss - Equity Accounted Council Businesses	19	1	20
Total Expenses		105,422	105,497
Operating Surplus / (Deficit)		5,458	8,321
Asset Disposal and Fair Value Adjustments	4	(1,588)	3,198
Amounts Received Specifically for New or Upgraded Assets	2g	1,437	1,536
Physical Resources Received Free of Charge	2i	3,379	2,691
Net Surplus / (Deficit) ¹		8,686	15,746
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Nil			
Changes in Revaluation Surplus - I,PP&E	9a	6,011	(16,807)
Share of Other Comprehensive Income - Equity Accounted Council Businesses	19	-	(829)
Total Other Comprehensive Income		6,011	(17,636)
Total Comprehensive Income		14,697	(1,890)

¹ Transferred to Equity Statement

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

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City of Salisbury

Statement of Financial Position
as at 30 June 2016

\$ '000	Notes	2016	Restated 2015	Restated 2014
ASSETS				
Current Assets				
Cash and Cash Equivalents	5a	16,816	19,460	14,583
Trade and Other Receivables	5b	5,042	4,831	5,667
Inventories	5c	270	271	458
Total Current Assets		22,128	24,562	20,708
Non-current Assets				
Financial Assets	6a	1,025	1,024	1,277
Equity Accounted Investments in Council Businesses	6b	4,030	3,323	3,313
Infrastructure, Property, Plant and Equipment	7a	1,328,507	1,301,431	1,314,852
Other Non-Current Assets	6c	27,889	42,328	33,255
Total Non-Current Assets		1,361,451	1,348,106	1,352,697
TOTAL ASSETS		1,383,579	1,372,668	1,373,405
LIABILITIES				
Current Liabilities				
Trade and Other Payables	8a	12,821	14,517	11,086
Borrowings	8b	2,560	2,399	2,762
Provisions	8c	6,918	6,620	6,064
Total Current Liabilities		22,299	23,536	19,912
Non-current Liabilities				
Borrowings	8b	14,580	17,140	19,539
Provisions	8c	1,600	1,589	1,661
Total Non-current Liabilities		16,180	18,729	21,200
TOTAL LIABILITIES		38,479	42,265	41,112
Net Assets		1,345,100	1,330,403	1,332,293
EQUITY				
Accumulated Surplus		309,864	305,007	278,288
Asset Revaluation Reserves	9a	1,003,494	997,483	1,015,119
Other Reserves	9b	31,742	27,913	38,886
Total Equity		1,345,100	1,330,403	1,332,293

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

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City of Salisbury

Statement of Changes in Equity
for the year ended 30 June 2016

\$ '000	Notes	Asset			Total Equity
		Accumulated Surplus	Revaluation Reserve	Other Reserves	
2016					
Balance at the end of previous reporting period		305,007	997,483	27,913	1,330,403
Net Surplus / (Deficit) for Year		8,686	-	-	8,686
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	6,011	-	6,011
Other Comprehensive Income		-	6,011	-	6,011
Total Comprehensive Income		8,686	6,011	-	14,697
Transfers between Reserves		(3,829)	-	3,829	-
Balance at the end of period		309,864	1,003,494	31,742	1,345,100

\$ '000	Notes	Asset			Total Equity
		Accumulated Surplus	Revaluation Reserve	Other Reserves	
2015					
Balance at the end of previous reporting period		271,948	1,014,349	38,886	1,325,183
a. Adjustments (Correction of Prior Period Errors)	22	6,340	770	-	7,110
Restated Opening Balance		278,288	1,015,119	38,886	1,332,293
Net Surplus / (Deficit) for Year		15,746	-	-	15,746
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	(16,807)	-	(16,807)
- Share of OCI - Equity Accounted Council Businesses	19	-	(829)	-	(829)
Other Comprehensive Income		-	(17,636)	-	(17,636)
Total Comprehensive Income		15,746	(17,636)	-	(1,890)
Transfers between Reserves		10,973	-	(10,973)	-
Balance at the end of period		305,007	997,483	27,913	1,330,403

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

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City of Salisbury

Statement of Cash Flows
for the year ended 30 June 2016

\$ '000	Notes	2016	2015
Cash Flows from Operating Activities			
Receipts			
Rates Receipts		87,773	83,670
Statutory Charges		2,989	2,741
User Charges		6,084	9,123
Grants, Subsidies and Contributions (operating purpose)		12,363	18,001
Investment Receipts		525	520
Reimbursements		594	582
Other Receipts		7,598	7,476
Payments			
Payments to Employees		(34,337)	(34,518)
Payments for Materials, Contracts and Other Expenses		(55,321)	(47,683)
Finance Payments		(1,255)	(1,431)
Net Cash provided by (or used in) Operating Activities	11b	27,013	38,481
Cash Flows from Investing Activities			
Receipts			
Amounts Received Specifically for New/Upgraded Assets		1,437	1,536
Sale of Replaced Assets		465	141
Net Disposal of Investment Securities		-	72
Sale of Real Estate Developments		7,782	11,055
Repayments of Loans by Community Groups		3	3
Payments			
Expenditure on Renewal/Replacement of Assets		(13,750)	(21,996)
Expenditure on New/Upgraded Assets		(18,837)	(17,298)
Development of Real Estate for Sale		(4,358)	(4,355)
Net Cash provided by (or used in) Investing Activities		(27,258)	(30,842)
Cash Flows from Financing Activities			
Receipts			
Nil			
Payments			
Nil			
Repayments of Borrowings		(2,399)	(2,762)
Net Cash provided by (or used in) Financing Activities		(2,399)	(2,762)
Net Increase (Decrease) in Cash Held		(2,644)	4,877
plus: Cash and Cash Equivalents at beginning of period	11	19,460	14,583
Cash and Cash Equivalents at end of period	11	16,816	19,460
Additional Information:			
plus: Investments on hand - end of year	6a	988	988
Total Cash, Cash Equivalents and Investments		17,804	20,448

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

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City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

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City of Salisbury

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 12 October 2016.

1.2 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying Council's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

2 The Local Government Reporting Entity

City of Salisbury is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 12 James Street, Salisbury. These financial statements include the Council's direct operations and all entities through

which Council controls resources to carry on its functions.

3 Income Recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

In June of prior years, the Federal Government has paid amounts of untied financial assistance grant, which was recognised on receipt, in advance of the year of allocation. The Federal Government had indicated that this process of pre-paying grant funding was to cease after 2013/14 and was the case for the 2014/15 grant, which was paid entirely in the correct financial year. However, on 30 June 2015, Council received two quarters of the 2015/16 grant amounting to \$4,065,160. There were no untied financial assistance grants paid in advance during the 2015/16 reporting period. The advance payments received are summarised in the table below:

	Payment Received In Advance \$'000	
2010/11	2,399	Relates to 2011/12
2011/12	4,625	Relates to 2012/13
2012/13	4,394	Relates to 2013/14
2013/14	Nil	
2014/15	4,065	Relates to 2015/16
2015/16	Nil	

City of Salisbury

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 1. Summary of Significant Accounting Policies (continued)

Because these grants are untied, AASB 1004 *Contributions* require that payments be recognised upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

There were no untied financial assistance grants paid in advance during the 2015/16 reporting period.

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

5 Inventories

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

5.1 Real Estate Assets Developments

Real Estate Assets developments have been classified as Inventory in accordance with AASB 102 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

5.2 Other Real Estate Held for Resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

6 Infrastructure, Property, Plant and Equipment

6.1 Initial Recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant and equipment when completed ready for use.

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

City of Salisbury

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 1. Summary of Significant Accounting Policies

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties and of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually. Residual values are no longer recognised for any value relating to re-use of materials. This change in accounting estimate has resulted in the following changes on residual values and useful lives of infrastructure assets:

- The residual value for Road Pavement assets has been removed and the Road Pavement component has been split into two components being Road Base and Sub-Base.
- The useful lives for Road Base assets have been adjusted to 50 years for higher use roads (i.e. Collector roads) and 75 years for lower use roads (i.e. Residential roads).
- The useful lives for Road Sub-Base assets have been set at 150 years for higher use roads (i.e. Collector Roads) and 225 years for lower use roads (i.e. Residential roads).
- Other minor assets such as Streetscapes, Signs and Road Furniture assets have had their residual value removed.

The change in estimate has caused an increase in depreciation expense and resulted in decreased carrying value of infrastructure assets. Council have calculated the best estimate of the impact on depreciation expense in the current period as follows:

Asset Class	Impact	\$'000
Land Improvements	Decrease	54
Infrastructure	Increase	604
Total	Increase	550

Council has deemed it impractical to estimate the future year impact of these changes.

Major depreciation periods for each class of asset are shown in Note 7. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

6.5 Impairment

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

7 Payables

7.1 Goods and Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the date of the invoice received. No interest is payable on these amounts.

City of Salisbury

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 1. Summary of Significant Accounting Policies

7.2 Payments Received in Advance and Deposits

Amounts other than grants received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

8 Borrowings

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

9 Employee Benefits

9.1 Salaries, Wages and Compensated Absences
Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based on-costs) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Council also makes contributions to other Superannuation Schemes selected by employees under the 'Choice of Fund' legislation.

No changes in accounting policy have occurred during either the current or previous reporting

periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

10 Leases

Lease arrangements have been accounted for in accordance with AASB 117. In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

11 Equity Accounted Council Businesses

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 and set out in detail in Note 19.

12 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

13 New accounting standards and UIG interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2016.

Council has not adopted any of these standards early.

Council's assessment of the impact of these new standards and interpretations is set out below.

City of Salisbury

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 1. Summary of Significant Accounting Policies

Apart from the AASB disclosures below, there are no other standards that are 'not yet effective' which are expected to have a material impact on Council in the current or future reporting periods and on foreseeable future transactions.

Applicable to Local Government:

AASB 9 – Financial Instruments (and associated amending standards)

AASB 9 replaces AASB 139 *Financial Instruments: Recognition and Measurement* and has an effective date for reporting periods beginning on or after 1 January 2018 (and must be applied retrospectively).

The overriding impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets.

Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories:

- Fair value, and
- Amortised costs (where financial assets will only be able to be measured at amortised costs where very specific conditions are met)

AASB 15 – Revenue from contracts with customers (and associated amending standards)

AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being that entities recognise revenue so as to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods and services.

The changes in revenue recognition requirements in AASB 15 may cause changes to accounting policies relating to the timing and amount of revenue recorded in the financial statements as well as additional disclosures.

The full impact of AASB 15 has not yet been ascertained or quantified.

AASB 15 will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.

The effective date of this Standard is for annual reporting periods beginning on or after 1 January 2018.

AASB 124 – Related party disclosures

From 1 July 2016, AASB 124 *Related party disclosures* will apply to Council.

This means that Council will be required to disclose information about related parties and Council transactions with those related parties.

Related parties will more than likely include the Mayor, Councillors and certain Council employees. In addition, the close family members of those people and any organisations that they control or are associated with will be classified as related parties (and fall under the related party reporting requirements).

AASB 2014-10 Sale or contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address an acknowledged inconsistency between the requirements in AASB 10 and those in AASB 128 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not).

A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

The effective date of this Standard is for annual reporting periods beginning on or after 1 January 2016.

This Standard will only impact Council where there has been a sale or contribution of assets between the entity and the associate/joint venture.

City of Salisbury

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 1. Summary of Significant Accounting Policies

AASB 2014 – Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations (AASB 1 and AASB 11)

This Standard amends AASB 11 to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business.

The amendments require:

- (a) The acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 *Business Combinations*, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and
- (b) The acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.

This Standard also makes an editorial correction to AASB 11.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2016.

If a joint operation is acquired during the reporting period, then this standard clarifies the accounting for the acquisition to be in accordance with AASB 3, i.e. assets and liabilities acquired to be measured at fair value.

AASB 2016-2 Disclosure Initiative – changes to AASB 107 – Statement of Cashflows

From periods commencing on or after 1 January 2017 changes to AASB 107 will require Council to provide disclosures that enable users of Financial Statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Effective for periods commencing 1 January 2019:

AASB 16 – Leases

From 1 January 2019 changes to AASB 16 require Council to disclose both operating and finance leases in the same manner. This impact is considered to be too remote in time to have a potentially material effect on the interpretation of the

2015/16 Financial Statements, and has been omitted on this basis.

Not applicable to Local Government per se:
None

14 Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

15 Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 2. Income

\$ '000	Notes	2016	2015
(a). Rates Revenues			
General Rates			
General Rates		86,878	83,107
Less: Mandatory Rebates		(1,056)	(974)
Less: Discretionary Rebates, Remissions and Write Offs		(305)	(322)
Total General Rates		85,517	81,811
Other Rates (Including Service Charges)			
Natural Resource Management Levy		1,770	1,694
Salisbury Town Centre Separate Rate		160	185
Globe Derby Separate Rate		6	6
Mawson Centre Carparking Separate Rate		19	18
Total Other Rates		1,955	1,903
Other Charges			
Penalties for Late Payment		232	215
Total Other Charges		232	215
Total Rates Revenues		87,704	83,929
(b). Statutory Charges			
Development Act Fees		862	755
Town Planning Fees		429	380
Animal Registration Fees and Fines		1,106	1,089
Parking Fines / Expiation Fees		316	277
Other Licences, Fees and Fines		276	240
Total Statutory Charges		2,989	2,741
(c). User Charges			
Cemetery Fees		452	603
Property Lease		655	546
Waste Disposal Fees		1,336	1,307
Recreation Centres		36	515
Water Supply		2,097	1,988
Aged and Disability Services		469	414
Sundry		584	525
Total User Charges		5,629	5,898

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 2. Income (continued)

\$ '000	Notes	2016	2015
(d). Investment Income			
Interest on Investments		-	-
- Local Government Finance Authority		189	246
- Banks		327	272
- Loans to Community Groups		2	2
Total Investment Income		518	520
(e). Reimbursements			
Contract Maintenance		228	168
Other		312	393
Total Reimbursements		540	561
(f). Other Income			
Insurance & Other Recoupments - Infrastructure, IPP&E		14	1
Rebates Received		698	791
Sundry		423	386
Scrap Metal		52	87
Sponsorship		23	44
Total Other Income		1,210	1,309

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 2. Income (continued)

\$ '000	Notes	2016	2015
(g). Grants, Subsidies, Contributions			
Amounts Received Specifically for New or Upgraded Assets		1,437	1,536
Total Amounts Received Specifically for New or Upgraded Assets		1,437	1,536
Other Grants, Subsidies and Contributions		11,583	13,936
Individually Significant Item - Additional Grants Commission Payment (refer below)		-	4,065
Total Grants, Subsidies, Contributions		13,020	19,537

The functions to which these grants relate are shown in Note 12.

(i) Sources of grants

Commonwealth Government	3,969	2,071
State Government	7,993	15,652
Other	1,058	1,814
Total	13,020	19,537

(ii) Individually Significant Items

Nil		
Grant Commission (FAG) Grant Recognised as Income	-	4,065

As at 30 June 2016, Council did not receive any advance payments for the 2016/17 Financial Assistance Grant as per previous financial years.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 2. Income (continued)

\$ '000	Notes	2016	2015
(h). Conditions over Grants and Contributions			
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:			
Unexpended at the close of the previous reporting period		1,848	3,786
<i>Less:</i>			
<i>Expended during the current period from revenues</i>			
Roads Infrastructure		(394)	-
St Kilda Playground Renewal		(363)	(637)
Parafield Soccer		(200)	-
Resilient Salisbury		(99)	(46)
Business Advisory Service - Playford		(87)	(56)
Green Trails		(78)	(348)
Economic Regional Collaboration - Business Taskforce		(60)	(95)
Digital Growth Program		(50)	-
Pine Lakes ASR Tank and Booster		(32)	-
OPAL Program		(26)	(62)
Healthy Communities Initiative		(16)	(31)
Gawler St Salisbury Safety Initiative		(9)	-
Indigenous Capability and Development Program		(8)	(63)
Aged Friendly Retail Project		(7)	-
Leap Program		(5)	-
Acquisition portion 22 Stanley St Salisbury		-	(300)
Kings/Whites Road Roundabout		-	(295)
Acquisition portion 11 Hunt St Salisbury		-	(100)
Cultural Development Project Funds		-	(62)
Resource Recovery Park		-	(57)
Willowbrook Reserve - Connect Salisbury		-	(50)
Digital Enterprise Program		-	(13)
Digital Local Government Program		-	(13)
Other		(98)	(613)
Subtotal		(1,532)	(2,841)

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 2. Income (continued)

\$ '000	Notes	2016	2015
<i>Plus:</i>			
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Diment Road, Burton/Direk - Upgrade		280	-
St Kilda/Robinson Rd - Traff Mng Dev		134	-
Crime Prevention Grant		100	-
St Kilda CCTV Renewal - 16/17		41	-
Digital Growth Program		33	50
Economic Regional Collaboration - Business Taskforce		28	60
Building Safe Communities		26	-
Resilient Salisbury		11	30
Youth Network Grant		5	-
Waterwatch General Program		5	-
Roads Infrastructure		-	394
Parafield Soccer		-	200
Business Advisory Service - Playford		-	92
Pine Lakes ASR Tank and Booster		-	32
OPAL Program		-	25
Aged Friendly Retail Project		-	15
Leap Program		-	5
Other		2	-
Subtotal		665	903
Unexpended at the close of this reporting period		981	1,848
Net increase (decrease) in assets subject to conditions in the current reporting period		(867)	(1,938)
 (i). Physical Resources Received Free of Charge			
Land and Improvements		2,280	198
Roads, Bridges and Footpaths		710	1,992
Stormwater Drainage		389	501
Total Physical Resources Received Free of Charge		3,379	2,691

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 3. Expenses

\$ '000	Notes	2016	2015
(a). Employee Costs			
Salaries and Wages		28,162	28,142
Employee Leave Expense		5,049	5,162
Superannuation - Defined Contribution Plan Contributions	18	1,261	1,285
Superannuation - Defined Benefit Plan Contributions	18	1,787	1,781
Workers' Compensation Insurance		1,529	1,624
Less: Capitalised and Distributed Costs		(3,137)	(3,162)
Total Operating Employee Costs		34,651	34,832
Total Number of Employees (full time equivalent at end of reporting period)		408	428
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		43	52
Bad and Doubtful Debts		4	20
Elected Members' Expenses		468	425
Election Expenses		39	339
Operating Lease Rentals - Cancellable Leases		957	1,138
Subtotal - Prescribed Expenses		1,511	1,974
(ii) Other Materials, Contracts and Expenses			
Contractors		30,400	29,733
Energy		3,702	4,050
Legal Expenses		256	211
Levies Paid to Government - NRM levy		1,738	1,694
Levies - Other		309	327
Parts, Accessories and Consumables		2,982	3,007
Sundry		2,951	2,817
Water Rates		870	886
Insurance		994	984
Subtotal - Other Material, Contracts & Expenses		44,202	43,709
Total Materials, Contracts and Other Expenses		45,713	45,683

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 3. Expenses (continued)

\$ '000	Notes	2016	2015
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Land Improvements		4,177	4,382
Buildings and Other Structures		1,262	1,132
Infrastructure		16,491	16,301
Plant and Equipment		1,725	1,547
Library Books		147	169
Total Depreciation, Amortisation and Impairment		23,802	23,531
(d). Finance Costs			
Interest on Loans		1,255	1,431
Total Finance Costs		1,255	1,431

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 4. Asset Disposal and Fair Value Adjustments

\$ '000	Notes	2016	2015
Infrastructure, Property, Plant and Equipment			
(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		465	141
Less: Carrying Amount of Assets Sold		<u>(378)</u>	<u>(112)</u>
Gain (Loss) on Disposal		87	29
(ii) Assets Surplus to Requirements			
Carrying Amount of Assets Sold		<u>(4,769)</u>	<u>(2,225)</u>
Gain (Loss) on Disposal		(4,769)	(2,225)
Real Estate Development Assets			
Proceeds from Disposal		7,782	10,875
Less: Carrying Amount of Assets Sold		<u>(4,688)</u>	<u>(5,481)</u>
Gain (Loss) on Disposal		3,094	5,394
Net Gain (Loss) on Disposal or Revaluation of Assets		<u>(1,588)</u>	<u>3,198</u>

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 5. Current Assets

\$ '000	Notes	2016	2015
(a). Cash and Cash Equivalents			
Cash on Hand at Bank		2,388	4,948
Short Term Deposits and Bills, etc.		14,428	14,512
Total Cash and Cash Equivalents		16,816	19,460
(b). Trade and Other Receivables			
Rates - General and Other		2,390	2,385
Accrued Revenues		41	48
Debtors - General		1,128	1,272
GST Recoupment		1,061	929
Prepayments		418	194
Loans to Community Organisations		4	3
Subtotal		5,042	4,831
Total Trade and Other Receivables		5,042	4,831
(c). Inventories			
Stores and Materials		270	271
Total Inventories		270	271

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 6. Non-Current Assets

\$ '000	Notes	2016	2015
(a). Financial Assets			
Receivables			
Council Rates Postponement Scheme		19	14
Loans to Community Organisations		18	22
Total Receivables		37	36
Other Financial Assets (Investments)			
Mortgage over Property - Affordable Housing Scheme		988	988
Total Other Financial Assets (Investments)		988	988
Total Financial Assets		1,025	1,024
(b). Equity Accounted Investments in Council Businesses			
Northern Adelaide Waste Management Authority	19	3,929	3,222
Council Solutions	19	101	101
Total Equity Accounted Investments in Council Businesses		4,030	3,323
(c). Other Non-Current Assets			
(i) Inventories			
Real Estate Developments		11,828	12,158
Total Inventories		11,828	12,158
(ii) Other			
Capital Works-in-Progress		16,061	30,170
Total Other		16,061	30,170
Total Other Non-Current Assets		27,889	42,328

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 6. Non-Current Assets

\$ '000	Notes	2016	2015
Real Estate Developments - Current and Non-Current			
(Valued at the lower of cost and net realisable value)			
Residential		11,828	12,158
Total Real Estate for Resale		11,828	12,158
Represented by:			
Acquisition Costs		5,926	7,344
Development Costs		5,902	4,814
Total Real Estate of Resale		11,828	12,158
(ii) Apportionment of Real Estate Developments			
Non-Current Assets		11,828	12,158
		11,828	12,158

City of Salisbury

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 7a (i). Infrastructure, Property, Plant and Equipment

	Fair Value Level	as at 30/6/2015				Asset Movements during the Reporting Period							as at 30/6/2016			
		At Fair Value	At Cost	Accumulated Dep'n	Carrying Value	New/ Upgrade	Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Transfers from/to Real Estate Assets	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Dep'n	Carrying Value
\$ '000																
Land - Other	2	389,231	-	-	389,231	2,534	-	-	-	-	-	1,701	393,466	-	-	393,466
Land Improvements	3	144,693	-	52,988	91,705	8,340	5,138	(329)	(4,177)	-	-	1,896	159,789	-	57,216	102,573
Buildings and Other Structures	3	103,149	-	25,366	77,783	1,998	3,992	(1,314)	(1,262)	-	-	617	107,956	-	26,142	81,814
Infrastructure	3	1,156,607	20,213	422,845	733,762	12,396	12,701	(3,126)	(16,491)	-	-	1,797	1,180,145	22,015	439,106	741,039
Plant and Equipment		-	1,392	12,655	7,558	2,756	-	(378)	(1,725)	-	-	-	-	-	13,804	8,211
Library Books		-	-	-	1,392	159	-	-	(147)	-	-	-	-	1,404	-	1,404
Total Infrastructure, Property, Plant & Equipment		1,793,680	21,605	513,854	1,301,431	28,193	21,831	(5,147)	(23,802)	-	-	6,011	1,841,356	23,419	536,268	1,328,507
Comparatives		1,814,871	20,015	520,034	1,314,852	19,990	9,774	(2,337)	(23,531)	(510)	(21,051)	4,244	1,793,680	21,605	513,854	1,301,431

City of Salisbury

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 7b. Valuation of Infrastructure, Property, Plant and Equipment and Investment Property

\$ '000

Valuation of Assets

Council measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land
- Land Improvements
- Infrastructure
- Buildings and Other Structures

Council does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

Information on Valuations

a) Fair Value Hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be characterised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset, either directly or indirectly.	Measurements based on unobservable inputs for the asset.

The fair value of assets that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

b) Valuation Techniques

Council selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends upon the specific characteristics of the asset being measured. The valuation techniques selected by Council are consistent with one or more of the following valuation approaches:

- *Market Approach* uses prices and other relevant information generated by market transactions involving identical or similar assets.
- *Income Approach* converts estimated future cash flows or income and expenses into a single current (ie. discounted) value.
- *Cost Approach* reflects the current replacement cost of an asset at its current service capacity.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016Note 7b. Valuation of Infrastructure, Property, Plant and Equipment and
Investment Property

\$ '000

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset, including assumptions about risks. When selecting a valuation technique, Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

c) Capitalisation Thresholds

Capitalisation Thresholds used by Council for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture and Equipment	\$5,000
Plant and Light Vehicles	\$5,000
Buildings - new construction/extensions	\$10,000
Park and Playground Furniture and Equipment	\$5,000
Road construction and reconstruction	\$10,000
Paving and footpaths, Kerb and Gutter	\$5,000
Drains and Culverts	\$20,000
Reticulation extensions	\$20,000
Sidelines and household connections	\$5,000
Artworks	\$5,000

d) Estimated Useful Lives

Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

Plant, Furniture and Equipment:	
Office Equipment	3 to 10 years
Office Furniture	3 to 10 years
Vehicles and Road-making Equipment	4 to 25 years
Other Plant and Equipment	3 to 25 years
Building and Other Structures:	
Buildings	40 to 150 years
Playground Equipment	15 to 25 years
Benches, Seats, etc	5 to 15 years

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City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 7b. Valuation of Infrastructure, Property, Plant and Equipment and
Investment Property

£ '000

Infrastructure:

Roads - Seal	20 to 25 years
Roads - Pavement	50 to 225 years
Unsealed Roads	5 to 10 years
Bridges	100 years
Footpaths	5 to 50 years
Kerb, Gutter and Medians	40 to 100 years
Drainage Pipes	80 to 100 years
Culverts, Headwalls and Junction Boxes	40 to 80 years
Dams and Reservoirs	100 years
Bores	50 years
Reticulation Pipes - PVC	60 to 80 years
Pumps and Telemetry	10 to 30 years

Other Assets:

Library Books	3 to 7 years
Artworks/Local History	Indefinite

e) Table of Fair Values 2015/16

	Level 1 \$'000s	Level 2 \$'000s	Level 3 \$'000s	Total \$'000s
Land	-	393,466	-	393,466
Land Improvements	-	-	159,789	159,789
Infrastructure	-	-	1,180,145	1,180,145
Building	-	-	107,956	107,956
Total	-	393,466	1,447,890	1,841,356

f) Disclosed Fair Value Measurements

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$,'000's
Land	2	Market Value	\$393,466
Valuations of assets in this category are undertaken using the State Valuer Generals Site Values.			

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 7b. Valuation of Infrastructure, Property, Plant and Equipment and
Investment Property

\$ '000

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$,000's
Land Improvements	3	Cost Approach	\$159,789

Valuations of assets in this category are undertaken via one of three methods:

- a. Independent valuations are provided by Tonkin Consulting using a methodology that utilises observable Council specific contract rates to derive a unit rate used to calculate a depreciated replacement cost for each asset. Assets valued via this method include Footpaths, Kerbing and Carpark Pavement/Seals all situated on Council Reserves.
- b. Revalued using the Local Government Pricing Index (LGPI). Assets valued via this method include Fencing, Irrigation Equipment, Playgrounds, Sports Courts/Facilities, Reserve Furniture, Landscaping and Other Structures all situated on Council Reserves.
- c. Independent valuations were provided by Inside Infrastructure and Aquent Consulting in 2014/15 (as sub-consultant to Inside Infrastructure) using a methodology that utilises observable rates and cost information from their extensive knowledge across the water industry. Assets valued via this method include all those associated with Councils Recycled Stormwater Business Unit, which includes assets such as Pipework, Pumps, Bores, Valves, Electrical and Computer Equipment. In 2015/16 an independent valuation of the current depreciated replacement cost for these assets was undertaken using an ASR Asset Price Index provided by Tonkin Consulting, derived from references to various construction guides (such as Rawlinsons Australian Construction Handbook).

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$,000's
Infrastructure	3	Cost Approach	\$1,180,145

Valuation of assets in this category are undertaken via one of two methods:

- a. Independent valuations are provided by Tonkin Consulting using a methodology that utilises observable Council specific contract rates to derive a unit rate used to calculate a depreciated replacement cost for each asset. Assets valued via this method include Footpaths, Kerbing, Carpark Pavements/Seals, Road Pavement/Seals and Drainage Pipes/Pits all situated on Council Roads.
- b. Revalued using the Local Government Pricing Index (LGPI). Assets valued via this method include Bridges, Irrigation Equipment on Roads, Road Furniture, Landscaping on Roads, Open Drainage Systems and Drainage Dams.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

\$ '000

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$,000's
Buildings and Other Structures	3	Cost Approach	\$107,956
Valuation of assets in this category are undertaken via the following method: a. Independent valuation of the current depreciated replacement cost for buildings at a component level was undertaken by APV Valuers and Asset Management for the year ending 30 June 2010 and was indexed in the 2010/11 and 2011/12 financial years by APV Valuers and Asset Management using an index derived from references to various construction guides (such as Rawlinson's Australian Construction Handbook) and ABS data. In 2012/13, 2013/14, 2014/15 and 2015/16 an independent valuation of the current depreciated replacement cost for buildings was undertaken using a Building Component Price Index provided by Tonkin Consulting, derived from building rates contained within the Rawlinson's Australian Construction Handbook.			

The requirements of AASB 13 *Fair Value Measurement* have been applied to all valuations undertaken since 1 July 2013. There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements from previous years.

Highest and best use

All of Council's non financial assets are considered as being utilised for the highest and best use unless market or other factors suggest a different use by market participants would maximise the value of the asset.

Land Under Roads

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition; land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

Land

Much of the land under Councils care and control is Crown land or has been declared as community land under the provision of the *Local Government Act 1999*. Other types of restrictions on the land may also apply. Valuations of this land are based on the State Valuer Generals Site Values, which are based on observable sales in an active market of similar properties with a similar land use on both vacant land and land with improvements. Adjustments to these values are then made by the State Valuer General taking into consideration the highest and best use of the property e.g. if there is a single house on the land but zoning would allow it to be divided for home units.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016Note 7b. Valuation of Infrastructure, Property, Plant & Equipment &
Investment Property

\$ '000

Infrastructure, Buildings and Land Improvements

As there is no known active market for the majority of infrastructure, building and land improvement assets owned by Council, these assets have been valued at depreciated replacement cost using the *Cost Approach*. Upon revaluation, the current replacement cost and accumulated depreciation are restated such that the difference (the current depreciated replacement cost) represents the fair value of the asset determined in accordance with AASB 13 *Fair Value Measurement*.

This method involves the determination of the current cost to construct the asset (or its modern engineering equivalent) and then calculating the value of its remaining service capacity (depreciated replacement cost). Council utilise a number of observable and unobservable inputs in the calculation of these values which may include:

Observable Inputs:

- Council specific contract rates
- Recent construction costs for similar assets
- Independent valuations

Unobservable Inputs/Estimates:

- Quantities of materials used
- Economic (Useful) Lives of assets
- Residual Value of assets
- Preserved Value of assets
- Pattern of consumption of an assets economic benefits
- Condition
- Obsolescence
- Impairment
- Industry construction pricing indexes e.g. Rawlinson's Construction Handbook and Cost Guide
- Other construction pricing indexes e.g. Local Government Pricing Index which is an index developed by the Australian Bureau of Statistics and is prepared quarterly by the South Australia Centre for Economic Studies and is based on price movements in the goods and services purchased by Local Governments.

Street Trees

Council is of the opinion that street trees and tree screens are tangible assets that the City uses to support the provision of environmental and recreational services to the community, and have an initial cost that can be reliably measured (that is the cost of planting and establishment). It is therefore considered that costs relating to tree plantings for street trees and tree screens only meet the recognition criteria of property, plant and equipment and should be recognised as an asset.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

\$ '000

Plant, Furniture & Equipment

Assets are carried at cost, less any accumulated depreciation and impairment losses.

Library Books

Library books are accounted for under the replacement method. Library stock at 30 June 2016 is valued using nominal values recommended by PLAIN (Public Libraries Automated Information Network). All new purchases are treated as replacement items and the expense is classified as depreciation. This expense is then adjusted by the movement in the calculated value of the library stock.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 8. Liabilities

\$ '000	Notes	2016		2015	
		Current	Non Current	Current	Non Current
(a). Trade and Other Payables					
Goods and Services		10,621	-	12,422	-
Payments Received in Advance		1,109	-	1,072	-
Accrued Expenses - Employee Entitlements		723	-	555	-
Accrued Expenses - Other		98	-	311	-
Deposits, Retentions and Bonds		270	-	157	-
Total Trade and Other Payables		12,821	-	14,517	-
(b). Borrowings					
Loans		2,560	14,580	2,399	17,140
Total Borrowings		2,560	14,580	2,399	17,140
All interest bearing liabilities are secured over the future revenues of the Council					
(c). Provisions					
Employee Entitlements (including oncosts)		6,918	1,522	6,620	1,521
Salisbury Memorial Park Maintenance Provision		-	50	-	40
Mortgage Loss Provision		-	28	-	28
Total Provisions		6,918	1,600	6,620	1,589
			Salisbury Memorial Park Maintenance Provision		Mortgage Loss Provision
Opening Balance			40		28
Additional Amounts Recognised			10		-
Closing Balance			50		28

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 9. Reserves

\$ '000	1/7/2015	Increments (Decrements)	Transfers	Impairments	30/6/2016
(a). Asset Revaluation Reserve					
Land - Other	300,746	1,701	-	-	302,447
Land Improvements	15,646	1,896	-	-	17,542
Buildings and Other Structures	33,955	617	-	-	34,572
Infrastructure	644,446	1,797	-	-	646,243
Library Books	2,338	-	-	-	2,338
JV's / Associates - Other Comprehensive Income	352	-	-	-	352
Total Asset Revaluation Reserve	997,483	6,011	-	-	1,003,494
Comparatives	1,015,119	(17,636)	-	-	997,483
(b). Other Reserves					
\$ '000	1/7/2015	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2016
Plant Replacement Reserve	1,565	-	(636)	-	929
Subdivision Works Reserve	1,340	370	(123)	-	1,587
Open Space Reserve	1,294	477	-	-	1,771
Car Parking Reserve	907	37	-	-	944
Property Disposal Reserve	1,330	3,087	-	-	4,417
Mausoleum Perpetual Care Reserve	636	54	-	-	690
Salisbury Memorial Park Reserve	849	17	-	-	866
Carried Forward Funds Reserve	18,997	18,657	(18,997)	-	18,657
Salisbury Water Business Unit Reserve	995	886	-	-	1,881
Total Other Reserves	27,913	23,585	(19,756)	-	31,742
Comparatives	38,886	25,043	(36,016)	-	27,913

City of Salisbury

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 9. Reserves (continued)

\$ '000

PURPOSES OF RESERVES

Asset Revaluation Reserves

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non current assets (less any subsequent impairment losses, where applicable).

Plant Replacement Reserve

Used to fund the purchase of items of major plant.

Subdivision Works Reserve

For developer contributions towards future drainage, footpaths, street signs and street trees.

Open Space Reserve

For developer contributions towards the future acquisition of open space areas.

Carpark Reserve

For the provision of car parking areas within the Salisbury Town Centre, Ingle Farm Town Centre and Mawson Lakes Town Centre.

Property Disposal Reserve

To retain the proceeds of any property sales under the provision of Section 194 of the *Local Government Act 1999* and subject to compliance with all legal requirements thereof, and to be utilised to repay debt or reduce future borrowings.

Mausoleum Perpetual Care Fund Reserve

To provide maintenance for the mausoleum at Salisbury Memorial Park.

Salisbury Memorial Park Reserve

To fund future development work and maintenance at the Salisbury Memorial Park.

Carried Forward Funds Reserve

Used for unspent budget funds at the end of financial year that are to be carried forward for use in the following year.

Salisbury Water Business Unit Reserve

Funded from surpluses generated by Salisbury Water. Allocations are only to be made following a resolution of Council and can only be utilised to fund either business development, asset renewal, offset losses or to distribute dividends to Council.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 10. Assets Subject to Restrictions

\$ '000	Notes	2016	2015
<p>The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.</p>			
Cash and Financial Assets			
Unexpended amounts received from Federal Government			
Open Space Contributions	9	1,771	1,294
Developer Contributions	9	2,531	2,247
Unexpended Grants and Subsidy Funds	2	981	1,848
Total Cash & Financial Assets		5,283	5,389
Total Assets Subject to Externally Imposed Restrictions		5,283	5,389

Developer Contributions are received primarily to fund infrastructure works in new subdivisions. These funds are held in reserves until required and as such are regarded as restricted. Grant and Subsidy Funds received but not yet expended are regarded as restricted.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2016	2015
(a). Reconciliation of Cash			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash and Equivalent Assets	5	16,816	19,460
Balances per Statement of Cash Flows		16,816	19,460
(b). Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		8,686	15,746
Non-Cash Items in Income Statements			
Depreciation, Amortisation and Impairment		23,802	23,531
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(706)	(839)
Non-Cash Asset Acquisitions		(3,379)	(2,691)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(1,437)	(1,536)
Net (Gain) Loss on Disposals		1,588	(3,198)
		28,554	31,013
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(215)	854
Change in Allowances for Under-Recovery of Receivables		-	20
Net (Increase)/Decrease in Inventories		1	187
Net (Increase)/Decrease in Other Assets		-	(65)
Net Increase/(Decrease) in Trade and Other Payables		(1,636)	5,988
Net Increase/(Decrease) in Unpaid Employee Benefits		299	473
Net Increase/(Decrease) in Other Provisions		10	11
Net Cash provided by (or used in) operations		27,013	38,481
(c). Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
- Physical Resources Received Free of Charge	2i	3,379	2,691
Total Non-Cash Financing & Investing Activities		3,379	2,691
(d). Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdrafts		500	500
Corporate Credit Cards		500	500
LGFA Cash Advance Debenture Facility		28,747	28,747

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Council also has immediate access to a short-term drawdown facility and variable interest rate borrowings under a cash advance facility from the Local Government Finance Authority of South Australia.

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City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 12a. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).											
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)			
	Actual 2016	Actual 2015	Actual 2016	Actual 2015	Actual 2016	Actual 2015	Actual 2016	Actual 2015	Actual 2016	Actual 2015		
\$ '000	2,978	2,727	3,234	3,142	(256)	(415)	70	30	593	354		
Public Order and Safety	186	175	1,573	1,565	(1,387)	(1,390)	9	14	204	88		
Health	3,265	3,197	6,227	5,622	(2,962)	(2,425)	2,660	2,615	23,804	23,818		
Social Security and Welfare	4,440	4,432	23,895	23,721	(19,455)	(19,289)	401	325	434,883	425,258		
Housing and Community Services	1,101	1,532	21,186	21,602	(20,085)	(20,070)	511	565	851,091	826,447		
Recreation and Culture	3,741	3,494	8,362	8,305	(4,621)	(4,811)	3,736	3,494	6,080	6,453		
Transport and Communication	300	602	5,734	5,179	(5,434)	(4,577)	183	432	158	173		
Economic Affairs	94,162	96,800	35,210	36,341	58,952	60,459	4,013	10,526	66,766	90,077		
Other, Not Attributed and Administration	110,173	112,959	105,421	105,477	4,752	7,482	11,583	18,001	1,383,579	1,372,668		
Total Functions/Activities												

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets, net gain (loss) from joint ventures and associated entities, amounts received specifically for new or upgraded assets and physical resources received free of charge.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 12b. Components of Functions

\$'000

The activities relating to Council functions are as follows:

Public Order and Safety

Supervision of various laws, fire prevention, crime prevention and repair, road safety and dog control.

Health

Health Act administration, immunisation services and pest and pest plant control.

Social Security and Welfare

Operation of senior citizens centre, aged care services, youth services and community information.

Housing and Community Services

Town planning, community development planning, road sweeping, roadside rubbish collection, domestic refuse collection, operating of waste transfer station and rubbish tips, stormwater drainage, operation of the St Kilda Mangrove Trail, street signs, landscape design, tree management and operation of cemetery.

Recreation and Culture

Maintenance and operation of libraries, recreation centres, swimming pool, community centre, parks, gardens and reserves, neighbourhood houses, clubrooms, playgrounds, sports grounds, halls and plant nursery.

Transport and Communication

Construction and maintenance of roads, footpaths, bridges, parking facilities and bus shelters.

Economic Affairs

Building Act administration, economic initiatives, tourism.

Other, Not Attributed and Administration

Rates, public debt transactions, administration costs, capital works in progress and costs which relate to multiple functions but cannot accurately be split between these functions.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 13. Financial Instruments

\$ '000

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

Carried at lower of cost and net realisable value; Interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 1.9% and 2.35% (2015: 2.00% and 2.85%). Short term deposits have an average maturity of 35 days and an average interest rate of 2.04% (2015: 39 days and 2.51%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Rates and Associated Charges

(including legals and penalties for late payment)

Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Secured over the subject land, arrears attract interest of 2% (2015: 2%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables

Fees and Other Charges

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 13. Financial Instruments (continued)

\$ '000

Recognised Financial Instruments

Receivables

Other Levels of Government

Accounting Policy:

Carried at nominal value.

Terms and Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

Carrying Amount:

Approximates fair value.

Liabilities

Creditors and Accruals

Accounting Policy:

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

Terms and Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities

Interest Bearing Borrowings

Accounting Policy:

Carried at the principal amounts. Interest is charged as an expense as it accrues.

Terms and Conditions:

Secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 5.6% and 7.07% (2015: 5.60% and 7.52%).

Carrying Amount:

Approximates fair value.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 13. Financial Instruments (continued)

\$ '000	Due	Due > 1 year	Due	Total Contractual	Carrying
	< 1 year	& ≤ 5 years	> 5 years	Cash Flows	Values
2016					
Financial Assets					
Cash and Equivalents	16,816	-	-	16,816	16,816
Receivables	1,173	18	-	1,191	1,191
Other Financial Assets	-	-	988	988	988
Total Financial Assets	17,989	18	988	18,995	18,995
Financial Liabilities					
Payables	11,712	-	-	11,712	11,712
Current Borrowings	3,661	-	-	3,661	2,560
Non-Current Borrowings	-	13,136	5,389	18,525	14,580
Total Financial Liabilities	15,373	13,136	5,389	33,898	28,852

\$ '000	Due	Due > 1 year	Due	Total Contractual	Carrying
	< 1 year	& ≤ 5 years	> 5 years	Cash Flows	Values
2015					
Financial Assets					
Cash and Equivalents	19,460	-	-	19,460	19,460
Receivables	1,323	22	-	1,345	1,345
Other Financial Assets	-	-	988	988	988
Total Financial Assets	20,783	22	988	21,793	21,793
Financial Liabilities					
Payables	13,445	-	-	13,445	13,445
Current Borrowings	3,661	-	-	3,661	2,399
Non-Current Borrowings	-	14,688	7,498	22,186	17,140
Total Financial Liabilities	17,106	14,688	7,498	39,292	32,984

The following interest rates were applicable to Council's Borrowings at balance date:

	30 June 2016		30 June 2015	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Overdraft	7.22%	-	7.47%	-
Other Variable Rates	0.00%	20,228	0.00%	21,654
Fixed Interest Rates	6.34%	8,624	6.78%	11,330
		28,852		32,984

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments . There is no recognised market for the financial assets of the Council.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 13. Financial Instruments (continued)

\$ '000

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. Councils investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government, and also with the NAB. Except as detailed in Notes 5 and 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 14. Commitments for Expenditure

\$ '000	Notes	2016	2015
(a). Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Buildings		3,756	1,421
Infrastructure		6,994	6,810
Plant and Equipment		36	740
		<u>10,786</u>	<u>8,971</u>
These expenditures are payable:			
Not later than one year		<u>10,786</u>	<u>8,971</u>
		<u>10,786</u>	<u>8,971</u>
(b). Other Expenditure Commitments			
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:			
Audit Services		<u>55</u>	<u>57</u>
		<u>55</u>	<u>57</u>
These expenditures are payable:			
Not later than one year		<u>55</u>	<u>57</u>
		<u>55</u>	<u>57</u>
(c). Finance Lease Commitments			
Council has no Finance Leases.			

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 15. Financial Indicators

\$ '000	Amounts	Indicator	Prior Periods	
	2016	2016	2015	2014

These Financial Indicators have been calculated in accordance with *Information paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. The Information Paper was revised in May 2015 and the financial indicators for the previous years have been re-calculated in accordance with the revised formulas.

1. Operating Surplus Ratio

Operating Surplus	5,458	5%	7%	0%
Total Operating Revenue	110,880			

This ratio expresses the operating surplus as a percentage of total operating revenue.

1a. Adjusted Operating Surplus Ratio

In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The Adjusted Operating Surplus Ratio adjusts for the resulting distortion in the disclosed operating result for each year.

9,523	9%	4%	4%
110,880			

2. Net Financial Liabilities Ratio

Net Financial Liabilities	15,596	14%	15%	19%
Total Operating Revenue	110,880			

Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.

3. Asset Sustainability Ratio

Net Asset Renewals	13,285	72%	111%	49%
Infrastructure and Asset Management Plan required expenditure	18,438			

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

3a. Adjusted Operating Surplus Ratio

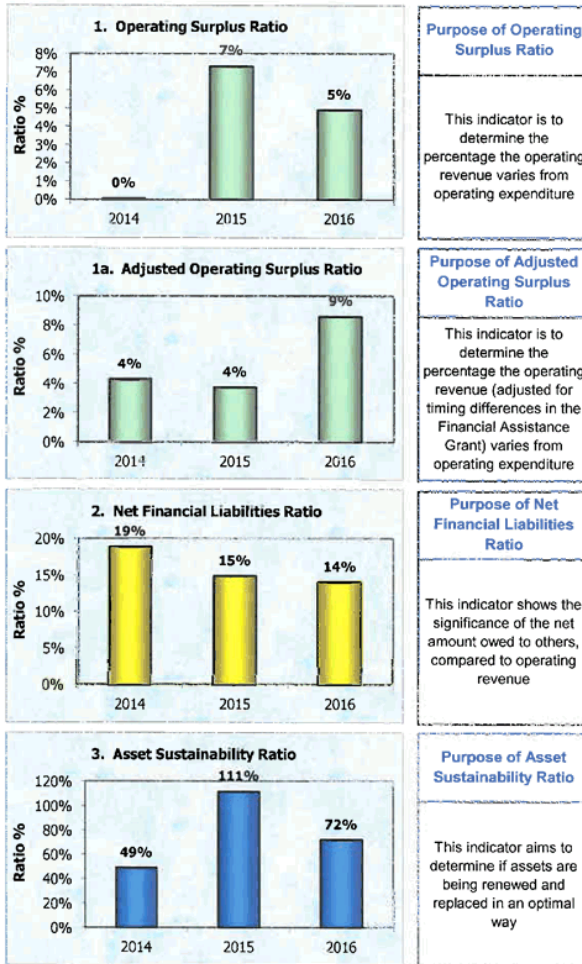
The Adjusted Asset Sustainability Ratio is provided as it better reflects City of Salisbury's achievements in renewing and maintaining its assets. The denominator of the ratio is the renewal disclosed in the Asset Management Plans (AMPs) adjusted to reflect changes in practice since the adoption of the plans. Adjustments are for items included in AMPs as renewal, which are actually upgrade or new including \$2.3M in relation to buildings, with these amounts excluded from both the actual and planned expenditures in the adjusted ratio. Road assets are being maintained differently to how originally planned in the AMPs with renewal expenditure being directed to microsurfacing treatments, which are treated as a new component of our road assets, with the expectation that this will further extend the life of our road assets, which will decrease the cost of maintaining our road infrastructure over the longer term. These changes in practice will be reflected in future iterations of our AMPs with both Transport and Building AMPs being reviewed and updated in the 2016/17 financial year.

13,285	90%
14,765	

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 15. Financial Indicators - Graphs (continued)



City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 16. Uniform Presentation of Finances

\$ '000	2016	2015
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	110,880	113,818
less Expenses	(105,422)	(105,497)
Operating Surplus / (Deficit)	5,458	8,321
less Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	13,750	21,996
less Depreciation, Amortisation and Impairment	(23,802)	(23,531)
less Proceeds from Sale of Replaced Assets	(465)	(141)
Subtotal	(10,517)	(1,676)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property and Real Estate Developments)	23,195	21,653
less Amounts Received Specifically for New and Upgraded Assets	(1,437)	(1,536)
less Proceeds from Sale of Surplus Assets (including Investment Property and and Real Estate Developments)	(7,782)	(10,875)
Subtotal	13,976	9,242
Net Lending / (Borrowing) for Financial Year	1,999	755

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City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 17. Operating Leases

\$ '000	2016	2015
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Leases Providing Revenue to the Council

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

(i) Investment Property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable

Leases commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:

Not later than one year	612	603
Later than one year and not later than 5 years	1,042	1,554
Later than 5 years	2,242	2,018
	3,896	4,175

(ii) Lease Payment Commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment. Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased. No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

No leases contain any escalation clause.

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

Not later than one year	737	907
Later than one year and not later than 5 years	697	889
	1,434	1,796

City of Salisbury

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 18. Superannuation

\$'000

The Council makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2015/16; 9.50% in 2014/15). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2014/15) of "superannuation" salary.

In addition, Council makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to Other Superannuation Schemes

Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 19. Interests in Other Entities

\$ '000

All joint ventures and associates are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

	Council's Share of Net Income		Council's Share of Net Assets	
	2016	2015	2016	2015
Joint Ventures	706	839	4,030	3,323
Total	706	839	4,030	3,323

(i) JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS

(a) Carrying Amounts

Name of Entity	Principal Activity	2016	2015
Northern Adelaide Waste Management Authority	Waste Management	3,929	3,221
Council Solutions	Procurement	101	102
Total Carrying Amounts - Joint Ventures and Associates		4,030	3,323

Northern Adelaide Waste Management Authority

Manages the waste collection, recycling and waste disposal for the Cities of Salisbury and Playford and the Town of Gawler.

Council Solutions

Established by the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully in December 2012, this regional subsidiary has been established for the purposes of providing a centre of excellence in procurement and to provide services to the Constituent.

(b) Relevant Interests

Name of Entity	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power
	2016	2015	2016	2015	
	Northern Adelaide Waste Management Authority	57%	57%	57%	
Council Solutions	17%	17%	17%	17%	

(c) Movement in Investment in Joint Venture or Associate

	Northern Adelaide Waste Management Authority		Council Solutions	
	2016	2015	2016	2015
Opening Balance	3,221	3,191	102	122
Share in Operating Result	707	859	(1)	(20)
Share in Other Comprehensive Income	-	(829)	-	-
Council's Equity Share in the Joint Venture or Associate	3,928	3,221	101	102

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 19. Interests in Other Entities (continued)

€ '000

(d) Summarised Financial Information of the Equity Accounted Business

Statement of Financial Position	Northern Adelaide Waste Management Authority		Council Solutions	
	2016	2015	2016	2015
Cash and Cash Equivalents	3,600	4,212	267	446
Other Current Assets	2,852	3,061	390	204
Non-Current Assets	9,699	5,878	-	-
Total Assets	16,151	13,151	657	650
Current Trade and Other Payables	2,243	2,238	28	21
Current Financial Liabilities	1,579	1,305	27	21
Current Provisions	318	293	-	-
Non-Current Financial Liabilities	2,518	1,597	-	-
Non-Current Provisions	2,556	2,092	-	-
Total Liabilities	9,214	7,525	55	42
Net Assets	6,937	5,626	602	608
Statement of Comprehensive Income				
	Northern Adelaide Waste Management Authority		Council Solutions	
	2016	2015	2016	2015
Other Income	25,951	24,780	110	31
Contributions from Constituent Councils	-	-	933	926
Interest Income	248	206	10	20
Total Income	26,199	24,986	1,053	977
Employee Costs	1,731	1,353	-	-
Materials, Contracts & Other Expenses	21,466	20,472	1,058	1,097
Depreciation, Amortisation and Impairment	1,374	1,475	-	-
Finance Costs	246	224	-	-
Total Expenses	24,817	23,524	1,058	1,097
Other Revenue / Expense Items	(5)	(8)	-	-
Operating Result	1,377	1,454	(5)	(120)

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 19. Interests in Other Entities (continued)

\$ '000

(e). Share of Joint Operations Expenditure Commitments

Expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:

(i) Capital Expenditures Payable

No capital expenditure is committed at the reporting date that has not been recognised in the financial statements as a liability.

(ii) Operating Expenditures Payable

	Northern Adelaide Waste Management Authority		Council Solutions	
	2016	2015	2016	2015
Not later than one year	20,003	13,517	-	-
Later that one year and not later than 5 years	9,882	8,299	-	-
Later than 5 years	-	-	-	-
	29,885	21,816	-	-

The Northern Adelaide Waste Management Authority manages multiple external contracts with external suppliers for the collection, processing and disposal of waste on behalf of its Constituent Councils and customers. The commitments disclosed above reflect a consolidation of multiple contracts entered into with external suppliers. In future years, all contracts will be required to be renewed with external suppliers in accordance with adopted procurement policies and procedures of the Authority.

(iii) Lease Payment Commitments Payable

	Northern Adelaide Waste Management Authority		Council Solutions	
	2016	2015	2016	2015
Not later than one year	855	563	-	-
Later that one year and not later than 5 years	2,895	2,252	-	-
Later than 5 years	600	2,815	-	-
	4,350	5,630	-	-

(ii) INDIVIDUALLY IMMATERIAL COUNCIL BUSINESSES

Council did not have any individually immaterial businesses

(iii) UNCONSOLIDATED STRUCTURED ENTITIES

Council has no Unconsolidated Structured Entities

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 20. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

\$ '000

The following assets and liabilities do not qualify for recognition in the Balance Sheet but knowledge is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. LAND UNDER ROADS

As reported in the Financial Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in the reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

2. POTENTIAL INSURANCE LOSSES

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductible "insurance excesses", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

3. BANK GUARANTEES

Council in the past had guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies. These loans have now been discharged by the respective parties and consequently Council has no exposure at reporting date (2015: \$25,012).

A Bank Guarantee amounting to \$940,000 has been issued in favour of the Commonwealth Government Department of Families, Housing, Community Services and Indigenous Affairs as security for an equivalent grant under the Housing Affordability Fund. This Guarantee is due to expire on 31 December 2016 and Council does not expect to incur any loss arising from the Guarantee.

4. LEGAL MATTERS

Council is the planning consent authority for its area under the *Development Act 1993* (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had no notice of appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

5. CEMETERY

Council operates a Cemetery Facility - Salisbury Memorial Park. A Contingent Liability exists for the ongoing maintenance of this Cemetery. This liability remains for a period of 100 years after the expiry of the lease on the last burial of the site. In addition, Council has negotiated a new lease of the Mausoleum, requiring the facility to be maintained by the lessee. The lessee will continue to contribute to the Perpetual Care Fund to ensure that maintenance of the facility for the next 100 years is funded. The contribution value will be assessed twice during the proposed lease period for adjustment purposes to ensure the Fund will be sufficient to provide for the ongoing maintenance of the Mausoleum.

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City of Salisbury

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 21. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2016, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 12/10/16.

Council is unaware of any material or significant "non adjusting events" that should be disclosed.

City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 22. Equity - Retained Earnings and Revaluation Reserves Adjustments

\$ '000	2016	2015
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(a). Correction of Error/s relating to a Previous Reporting Period

As part of the City of Salisbury's 2016 end of financial year review of its Infrastructure Assets it was ascertained that there were donated assets, received as developer contributions that had not been recognised as assets in the City of Salisbury's financial statements as at 30 June 2015 and prior periods.

This resulted in an error in the calculation of certain line items within the financial statements, specifically the opening written down value, additions at cost and depreciation relating to the land improvements and infrastructure asset categories, which were understated in the statement of financial position. Further, as some of these assets were received in the 2015 financial year, the amounts disclosed in the statement of comprehensive income for depreciation and physical assets received free of charge were also understated. The total value of these asset received that related to prior financial years was \$8,603k

In order to appropriately value the donated assets the City of Salisbury firstly applied the 2014/15 Unit Rates to the replacement value of the assets that were received in the 2014/15 financial year resulting in an increase of \$1,596k. Secondly Council reviewed the assets received that pre-dated the 2014/15 financial year and deemed it impractical to revalue these assets at the relevant unit rates for the years that they were received. Consequently Council revalued these assets utilising the 2014/15 Unit Rates and made this adjustment against the opening balance of both Accumulated Surplus \$6,340k and the Asset Revaluation Reserve \$770k in 2014/15, reflecting what Council estimates the value of use of these Assets would have been at the end of the 2013/14 Financial Year.

This resulted in the financial statements for the year ended 30 June 2015 disclosing depreciation expense of \$23,421k when it should have been disclosed as \$23,531k and physical resources received free of charge of \$1,095k, where it should have been \$2,691k. Consequently the net surplus transferred to equity line item on both the statement of comprehensive income and the statement of changes in equity was understated by \$1,486k which represents the value of the donated assets received, less depreciation, in the 2015 financial year.

The amounts disclosed for infrastructure, property, plant and equipment were also effectively understated as the financial statements of the year ended 30 June 2015 disclosed this amount as being \$1,292,828k when it should have been disclosed as \$1,301,431k. Consequently net assets and the accumulated surplus line items on the statement of financial position were understated \$8,603k.

In accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors' the following tables represent changes in the relevant line items for the comparative year 2015.

	2015 Revised	Movement	2015 Original
Table 1 - Statement of Comprehensive Income (Extract)			
Depreciation, amortisation & impairment	(23,531)	(110)	(23,421)
Physical resources received free of charge	2,691	1,596	1,095
Net surplus / (deficit) transferred to equity statement	15,746	1,486	14,260
Changes in Revaluation Surplus - I,PP&E	(16,807)	7	(16,814)
Total comprehensive income	(1,890)	1,493	(3,383)
Table 2 - Statement of Financial Position (Extract)			
Non-current assets:			
Infrastructure, property, plant and equipment	1,301,431	8,603	1,292,828
Equity:			
Accumulated surplus	305,007	7,826	297,181
Asset Revaluation Reserve	997,483	777	996,706

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City of Salisbury

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 22. Equity - Retained Earnings and Revaluation Reserves Adjustments (cont)

	2015 Revised	Movement	2015 Original
Table 3 - Statement of Changes in Equity (Extract)			
Accumulated Surplus			
Balance at the end of previous reporting period	271,948	-	271,948
Restated opening balance	278,288	6,340	271,948
Net surplus/(deficit) for the year	15,746	1,486	14,260
Transfers between reserves	10,973	-	10,973
Balance at the end of the period	305,007	7,826	297,181

	2015 Revised	Movement	2015 Original
Table 3 - Statement of Changes in Equity (Extract) (cont)			
Asset Revaluation Reserve			
Balance at the end of previous reporting period	1,014,349	-	1,014,349
Restated opening balance	1,015,119	770	1,014,349
Gain (Loss) on revaluation of IPP&E	(16,807)	7	(16,814)
Share of OCI - Equity Accounted Council Businesses	829	-	829
Balance at the end of the period	997,483	777	996,706

	2015 Revised	Movement	2015 Original
Table 4 - Infrastructure, Property, Plant and Equipment (extract)			
Land Improvements:			
Opening balance at fair value	144,693	21	144,672
Accumulated Depreciation	(52,988)	(1)	(52,987)
Carrying amount as at 30 June 2015	91,705	20	91,685
Infrastructure:			
Opening balance at fair value	1,155,005	7,090	1,147,915
Additions at cost	1,596	1,596	-
Revaluation Increments to Equity (ARR) (Note 9)	7	7	-
Accumulated Depreciation	(422,845)	(109)	(422,736)
Carrying amount as at 30 June 2015	733,762	8,583	725,179

(b). Retrospective Restatement to Opening Equity

In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above Prior Period Errors have been recognised retrospectively.

These amounted to the following Equity Adjustments:

- Adjustments to Opening Equity - 1/7/14 (relating to adjustments for the 30/6/14 reporting year end and prior periods)	7,110
Total Prior Period Adjustments - Prior Period Errors	7,110



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Independent Auditor's Report to the Members of the City of Salisbury

We have audited the accompanying financial report of the City of Salisbury, which comprises the Statement of Financial Position as at 30 June 2016, the Statement of Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and Certification of the Financial statements as set out on pages 1 to 56.

Chief Executive Office's Responsibility for the Financial Report

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*, and for such internal control as the Chief Executive Officer determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Chief Executive Officer, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Member of Deloitte Touche Tohmatsu Limited

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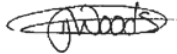
Deloitte

Opinion

In our opinion, the financial report of the City of Salisbury presents fairly, in all material respects, the Corporation of the City of Salisbury's financial position as at 30 June 2016 and its financial performance for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Partner
Chartered Accountants
Adelaide, 12 October 2016



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Independent Assurance Report on Internal Controls to the Members of The City of Salisbury Council

We have audited the compliance of The City of Salisbury Council (the "Council") with the requirements of *Section 125 of the Local Government Act 1999* in relation to the design and implementation of Internal Controls established by the Council to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2015 to 30 June 2016 are in accordance with legislative provisions.

The Council's Responsibility for the Internal Controls

The Council is responsible for compliance with the material requirements of *Section 125 of the Local Government Act 1999* in relation to the design and implementation of internal controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities are in accordance with legislative provisions.

Our Responsibility

Our responsibility is to express a conclusion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation to the design and implementation of internal controls, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements*, issued by the Australian Auditing and Assurance Standards Board, in order to express a conclusion whether, in all material respects, the Council has complied with *Section 125 of the Local Government Act 1999* in relation to the design and implementation of internal controls for the period 1 July 2015 to 30 June 2016. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of internal controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these internal controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of internal controls on a sample basis based on the assessed risks.

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129 of the Local Government Act 1999* in relation to the design and implementation of internal controls. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

Inherent Limitations

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with the requirements as measured by *Section 125 of the Local Government Act 1999* in relation to the design and implementation of internal controls, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance with *Section 125 of the Local Government Act 1999* in relation to the design and implementation of Internal Controls are undertaken on a test basis.

The conclusion expressed in this report has been formed on the above basis.

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Member of Deloitte Touche Tohmatsu Limited

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Independence

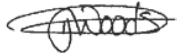
In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the Council has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to the design and implementation of Internal Controls, established by the Council to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2015 to 30 June 2016 are in accordance with legislative provisions.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Penny Woods
Partner
Chartered Accountants
Adelaide, 12 October 2016

City of Salisbury

General Purpose Financial Statements for the year ended 30 June 2016

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Salisbury for the year ended 30 June 2016, the Council's Auditor, Deloitte Touche Tohmatsu has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.



John Harry
CHIEF EXECUTIVE OFFICER



Craig Johnson
PRESIDING MEMBER, AUDIT COMMITTEE

Date: 11/10/2016



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John Harry
Chief Executive Officer
City of Salisbury
12 James Street
SALISBURY SA 5108

12 October 2016

Dear Members

Auditor's Independence Declaration to the City of Salisbury

In accordance with the Local Government (Financial Management) Regulations 2011, I am pleased to provide the following declaration of independence to the councillors of the City of Salisbury.

I confirm that, for the audit of the financial statements of the City of Salisbury for the 30 June 2016 financial year, I have maintained my independence in accordance with the requirements of APES 110—Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, and in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Penny Woods
Partner
Chartered Accountants

Member of Deloitte Touche Tohmatsu Limited
Liability limited by a scheme approved under Professional Standards Legislation.

ITEM	GB2
	COUNCIL
DATE	24 October 2016
HEADING	CEO recommendation to amend resolution 1316/2016 Proposed Renaming of portion of Melvina and Kings Roads, Paralowie - pursuant to Regulation 21 of the Local Government (Procedures at Meetings) Regulations 2013
AUTHOR	John Harry, Chief Executive Officer, CEO and Governance
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	At the Council Meeting held on 26 September 2016 Council resolved to change the name of a portion of Melvina Road, Paralowie and a portion of Kings Road, Paralowie. The new road names contained within the report were inadvertently reversed, resulting in a resolution that incorrectly assigns the new names. This report recommends an amendment to resolution 1316/2016 to address this administrative error.

RECOMMENDATION

1. That part 1 of resolution 1316/2016 (as highlighted below) from the meeting of Council on 26 September 2016 regarding the renaming of portions of Melvina and Kings Roads, Paralowie be amended as follows:

- 1. That pursuant to Section 219 (1) of the Local Government Act 1999, the portion of Melvina Road, Paralowie, north of the new alignment of Kings Road, be renamed to **Deal Court**, and the portion of Kings Road between Fairbanks Drive and Bolivar Road, be renamed to **Louisa Road**, as shown in the plan forming Attachment 4 to this report (Item No. 2.5.1, Works and Services Committee, 19/09/2016), and that the necessary statutory notifications take place.*

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 On 26 September 2016 Council resolved to change the name of a portion of Melvina Road, Paralowie and a portion of Kings Road, Paralowie.
- 1.2 Resolution 1316/2016 in full is as follows:

2.5.1 Proposed Renaming of portion of Melvina and Kings Roads, Paralowie

Moved Cr G Caruso

Seconded Cr R Cook

1. That pursuant to Section 219(1) of the *Local Government Act 1999*, the portion of Melvina Road, Paralowie, north of the new alignment of Kings Road, be renamed to Louisa Road, and the portion of Kings Road between Fairbanks Drive and Bolivar Road, be renamed Deal Court, as shown in the plan forming Attachment 4 to this report (Item No. 2.5.1, Works and Services Committee, 19/09/2016), and that the necessary statutory notifications take place.
2. Owners and occupiers be advised of the new road names and property numbers together with the checklist of notification of change of address as provided as Attachment 2 to this report (Item No. 2.5.1, Works and Services Committee, 19/09/2016).

CARRIED
1316/2016

2. REPORT

- 2.1 Council resolution 1316/2016 incorrectly assigns the new road names.
- 2.2 All information contained within the report, including the map setting out the Road Closure Plan (Attachment 4) was correct and assigned the name Deal Court to the portion of Melvina Road, Paralowie and the name Louisa Road to the portion of Kings Road between Fairbanks Drive and Bolivar Road. All consultation and previous reporting to Council correctly assigned the proposed road names.
- 2.3 To enable the necessary statutory notifications to take place, along with advice to owners and occupiers of the new road names, the Council resolution must be corrected.
- 2.4 Section 21 of the *Local Government (Procedures at Meetings) Regulations 2013* provides that the CEO may submit a report recommending amendment of a resolution passed since the last general election of the Council.
- 2.5 In accordance with sub-regulation 21(2), the CEO must ensure that the report is placed on the agenda for the meeting at which the report is to be considered.
- 2.6 Accordingly, the CEO now provides this report for the consideration of Council.

3. CONCLUSION / PROPOSAL

- 3.1 It is recommended that the Council resolves to correct the assignment of new road names contained in Part 1 of resolution 1316/2016 to assign the name Deal Court to the portion of Melvina Road, Paralowie, north of the new alignment of Kings Road and to assign the name Louisa Road to the portion of Kings Road between Fairbanks Drive and Bolivar Road.

CO-ORDINATION

Officer:	GMCID	CEO
Date:	17.10.16	19.10.16

EX-CONFIDENTIAL

Pursuant to Resolution 1416 of 24/10/2016, item C2 is now a public document

ITEM	C2
	COUNCIL
DATE	24 October 2016
HEADING	CEO recommendation to amend resolution 1242/2016 Salisbury Community Hub - Site Selection: pursuant to Regulation 21 of the Local Government (Procedures at Meetings) Regulations 2013
AUTHOR	John Harry, Chief Executive Officer, CEO and Governance
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	At the Council Meeting held on 25 July 2016 Council resolved to select a site for the development of the Salisbury Community Hub. The current confidentiality resolution prevents the provision of relevant information in relation to the location of the site for the Community Hub to firms that will submit to the Expression of Interest process in relation to Architectural Design. This report recommends an amendment to resolution 1242/2016 to enable an open and transparent Expression of Interest process to be conducted to deliver on Council's resolution.

RECOMMENDATION

1. That a part 5A be inserted into Council resolution 1242/2016 from the Confidential meeting of Council on 25 July 2016 regarding the Salisbury Community Hub – Site Selection as follows:
 - 5A. *That the Chief Executive Officer is authorised to disclose specific details contained within the report, attachments, discussions, recommendations and minutes to registrants of the Request for Expressions of Interest for the Salisbury Community Hub Design Team on a confidential basis in order to enable an open and transparent Expression of Interest process to be conducted and to any other person deemed necessary by the CEO for the progression of the Salisbury Community Hub Project and to deliver on Council's resolution.*
2. Pursuant to Section 91(7) of the Local Government Act 1999, it is recommended that the report, discussion, recommendations and minutes for this item will remain confidential and not available for public inspection until the contract is executed meeting conditions outlined in Recommendation 2 (Council Resolution 1242/2016).
3. Pursuant to Section 91(9)(c) of the Local Government Act 1999, the power to revoke the order under Section 91(7)(a)&(b) prior to any review or as a result of any review is delegated to the Chief Executive Officer.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

1.1 On 25 July 2016 Council resolved to select a site for the development of the Salisbury Community Hub (Council resolution number 1242/2016).

1.2 Resolution 1242/2016 in full is as follows:

1.10.2 Salisbury Community Hub - Site Selection

1. *That the report be received, and the current status of work on the Salisbury City Centre Community Hub and Office Accommodation project including the next steps be noted.*
2. *That the Civic Square site be endorsed as the preferred site for the Salisbury City Centre Community Hub and Office Accommodation building subject to the satisfactory resolution of the following conditions:*
 - *Contract terms are secured with the DiMauro Group that reflect the Heads of Agreement document for purchase of Allotment 18 in F105415 and part Allotment 3 in F37216 with associated rights of way and light and air easements provided as Attachment 1 (Item No 1.10.1, Policy and Planning Committee 18/07/2016).*
 - *The discharge of the existing Coles Myer encumbrance numbered 9101507 registered on Certificates of Title Volume 5540 Folios 833 and 834 or discharge of the Encumbrance and registration of a new encumbrance on appropriate terms that facilitate the delivery of the Salisbury City Centre Community Hub and Office Accommodation project on the Civic Square site as per Attachment 2 (Item No 1.10.1, Policy and Planning Committee 18/07/2016).*
3. *In the event that the conditions outlined in Recommendation 2 are not able to be achieved a further report will be presented to Planning and Policy Committee outlining an alternate site layout or location for consideration.*
4. *The Chief Executive Officer be authorised to execute the land contract with the DiMauro Group for purchase of Allotment 18 in F105415 and part Allotment 3 in F37216 with associated rights of way and light and air easements provided in accordance with the Heads of Agreement contained in Attachment 1 (Item No 1.10.1, Policy and Planning Committee 18/07/2016).*
5. *Pursuant to Section 91(7) of the Local Government Act 1999, it is recommended that the report, attachments, presentation, discussion, recommendations and minutes for this item will remain confidential and not available for public inspection until the contract is executed meeting conditions outlined in Recommendation 2.*

6. *Pursuant to Section 91(7) of the Local Government Act 1999, it is recommended that the Attachment 5 for this item will remain confidential and not available for public inspection for a period of five years.*
7. *Pursuant to Section 91(9)(c) of the Local Government Act 1999, the power to revoke the order under Section 91(7)(a)&(b) prior to any review or as a result of any review is delegated to the Chief Executive Officer.*

**CARRIED
1242/2016**

- 1.3 Part 5 of the resolution prevents disclosure of all information related to the decision on Council's preferred site until such time as a contract is executed in accordance with Part 2 of the resolution. Negotiations are proceeding to finalise the contract but this is not yet complete.
- 1.4 As part of the current Expression of Interest process for the Salisbury Community Hub Design Team, a need has been identified to release certain information relating to the preferred site location to registrants seeking to make a submission to the request for expression of interest.
- 1.5 Accordingly, it is proposed to insert a part 5A to the resolution to enable the CEO to release limited information to participants in the Expression of Interest process.
- 1.6 Procedurally, this step is only to be taken after the Council receives a report and recommendation from the Chief Executive Officer ("the CEO") under regulation 21 of the *Local Government (Procedures at Meetings) Regulations 2013* the effect of which is to "amend" resolution 1242/2016 to provide capacity for the CEO to release certain information.
- 1.7 Section 21 of the *Local Government (Procedures at Meetings) Regulations 2013* provides that the CEO may submit a report recommending amendment of a resolution passed since the last general election of the Council.
- 1.8 In accordance with sub-regulation 21(2), the CEO must ensure that the report is placed on the agenda for the meeting at which the report is to be considered.
- 1.9 Accordingly, the CEO now provides this report for the consideration of Council.

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 The Executive Team and Governance Division have been consulted in respect to the change to the resolution.

2.2 External

- 2.2.1 The Salisbury Community Hub Project Control Group has been consulted in respect to the Request for Expression of Interest and this item.
- 2.2.2 Legal advice has been sought in relation to the proposed request for expression of interest process and advice in respect to the change to the resolution. The advice received has informed the preparation of this report.

3. REPORT

- 3.1 Council resolution 1242/2016 protects information relating to the Salisbury Community Hub site until such time as a contract is executed in accordance with Part 2 of the resolution.
- 3.2 The current Request for Expression of Interest process for Salisbury Community Hub-Design Team, as the first of a two stage market process to procure an architectural led design team to progress the project, has identified a need to release certain information relating to the selected site to all registrants who have downloaded the tender package from Tenders SA and who have indicated an intention to submit a proposal. It is proposed that the registrants would be provided information relating to the location of Council's preferred site upon signing a confidentiality agreement. The current confidentiality recommendation prevents the release of this information.
- 3.3 Legal advice received in respect to the Request for Expressions of Interest has identified that to enable an enable an open and transparent Expression of Interest process information relating to the location of the site should be released under the appropriate confidentiality clauses so as to move the project forward in line with the original Council resolution.

4. CONCLUSION / PROPOSAL

- 4.1 It is recommended that the Council resolves to amend resolution 1242/2016 by inserting a part 5A, which provides the CEO with the authority to disclose specific details contained within the report, attachments, discussions, recommendations and minutes to registrants of the Request for Expressions of Interest for the Salisbury Community Hub Design Team on a confidential basis in order to enable and open and transparent Expression of Interest process to be conducted and to any other person deemed necessary by the CEO for the progression of the Salisbury Community Hub Project and to deliver on Council's resolution.

CO-ORDINATION

Officer: MG
Date: 20/10/2016

ITEM MD1
COUNCIL
DATE 24 October 2016
HEADING Mayor's Diary

RECOMMENDATION

1. That this information be noted.

Date	Time	Function
21/09/2016	09:00 AM	Sarah - Messenger
21/09/2016	06:30 PM	Elected Member Development Program (The Partnership, with Josie McLean and Sam Wells) - Phase 3, session 4
22/09/2016	11:00 AM	Mrs Jo Vaughan - Funeral
23/09/2016	08:45 AM	Look North - Working Summit
24/09/2016	11:00 AM	Speech: Edinburgh SES to Salisbury Relocation Walk
26/09/2016	09:00 AM	Opening Hair Dressing Salon
26/09/2016	03:00 PM	Meeting executive staff re correspondent and appointments
26/09/2016	04:00 PM	Review Council agenda
26/09/2016	04:30 PM	Meeting with development advisors
26/09/2016	06:30 PM	Council Meeting
27/09/2016	11:00 AM	Meeting with business owner, Mawson Lakes
27/09/2016	06:00 PM	Development Assessment Panel
28/09/2016	09:00 AM	Meeting with Isabelle - Messenger Newspaper
28/09/2016	10:30 AM	Meeting to discuss proposed program for Salisbury Secret Garden
28/09/2016	11:00 AM	Mayor/CEO/EA
28/09/2016	12 Noon	Lunch with Colin Martin & Malaysian Dignitaries
1/10/2016	07:30 PM	Speech: Khmer Buddhist Association of SA Inc - Pchum Celebration
3/10/2016	08:00 AM	Labour Day
4/10/2016	10:00 AM	Mayor's PBA-FM Radio Show
4/10/2016	01:00 PM	DPTI Northern Hub Launch - Northern Connector Project
4/10/2016	06:30 PM	Informal Strategy
4/10/2016	12 Noon	Media/Communications Catch up
5/10/2016	11:00 AM	Mayor/CEO/EA
5/10/2016	01:30 PM	Meeting with Sarah from Messenger Newspaper
5/10/2016	03:00 PM	Citizenship Ceremony - Early Session
5/10/2016	06:00 PM	Citizenship Ceremony - Evening Session
5/10/2016	12 Noon	Lunch meeting with Van - Mobarra Restaurant

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Item MD1

6/10/2016	10:30 AM	Speech: Aged to Perfection
7/10/2016	09:00 AM	Meeting with business owner, Mawson Lakes
7/10/2016	06:00 PM	Para Hills Knights Soccer Club - Senior Men's & Women's Presentation
8/10/2016	01:00 PM	BioBlitz at Cobbler Creek
9/10/2016	10:00 AM	Launch of Boardwalk
9/10/2016	11:30 AM	40 years of the Preservation Society
9/10/2016	03:00 PM	Cambodian Association Open day
11/10/2016	06:00 PM	CEO Review Meeting
11/10/2016	06:30 PM	Audit Committee Meeting
12/10/2016	09:30 AM	Meet with Executive Staff
12/10/2016	10:00 AM	Meeting with staff re Legends Awards
12/10/2016	10:30 AM	Discussion with planner
12/10/2016	11:00 AM	Certification of Annual Financial Statements and Management Representation Letter 2016
12/10/2016	11:00 AM	Mayor/CEO/EA
13/10/2016	10:00 AM	Connex 2U' - Karrendi Primary School Community Day
13/10/2016	12 Noon	Boat deck cafe re development - meeting
14/10/2016	06:00 PM	Charity Dinner - Vietnam Veterans (orphanage) - Dat Dang
16/10/2016	10:00 AM	Community walk and unveiling of new signs
17/10/2016	02:30 PM	Briefing from Captain Greg Weller (Edinburgh RAAF Base) - Contamination Issue Update
17/10/2016	04:30 PM	Final Selection, Legends Awards
17/10/2016	06:30 PM	Policy & Planning / Budget & Finance / Works & Services / Resources & Governance Committees
18/10/2016	10:00 AM	Mayor's Radio Show
18/10/2016	02:00 PM	Speech: City Plan Launch
19/10/2016	11:00 AM	Mayor/CEO/EA
19/10/2016	04:30 PM	Brett BMX Club
19/10/2016	06:30 PM	Elected Member Development Program (The Partnership, with Josie McLean and Sam Wells) - Phase 3, session 5
19/10/2016	07:30 PM	Official Opening of Mazda, Mawson Lakes

Events attended by Elected Members on behalf of the Mayor

Date	Member	Function
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