



AGENDA

**FOR BUDGET AND FINANCE COMMITTEE MEETING TO BE HELD ON
17 AUGUST 2020 AT CONCLUSION OF POLICY AND PLANNING COMMITTEE
IN LITTLE PARA CONFERENCE ROOMS, 34 CHURCH STREET, SALISBURY**

MEMBERS

Cr B Brug (Chairman)
Mayor G Aldridge
Cr M Blackmore
Cr L Braun (Deputy Chairman)
Cr C Buchanan
Cr A Duncan
Cr K Grenfell
Cr N Henningsen
Cr D Hood
Cr P Jensen
Cr S Ouk
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr J Woodman

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 J Devine
General Manager Community and Org.Development, Ms G Page
Manager Governance, Mr M Petrovski
Risk and Governance Program Manager, Ms J Crook
Governance Support Officer, Ms K Boyd

APOLOGIES

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

Presentation of the Minutes of the Budget and Finance Committee Meeting held on 20 July 2020.

REPORTS

Administration

6.0.1 Future Reports for the Budget and Finance Committee..... 13
6.0.2 Minutes of the Innovation and Business Development Sub Committee meeting held on Monday 10 August 2020 17

Finance

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OTHER BUSINESS

CONFIDENTIAL ITEMS

6.9.1 Strategic Projects

Recommendation

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 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*
 - *Non disclosure of this matter at this time will protect commercially sensitive information, the disclosure of which may confer an advantage on a third party or jeopardise the commercial position of Council.*

*On that basis the public's interest is best served by not disclosing the **Strategic Projects** 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



**MINUTES OF BUDGET AND FINANCE COMMITTEE MEETING HELD IN LITTLE
PARA CONFERENCE ROOMS, 34 CHURCH STREET, SALISBURY ON**

20 JULY 2020

MEMBERS PRESENT

Cr B Brug (Chairman)
Mayor G Aldridge
Cr M Blackmore
Cr L Braun (Deputy Chairman)
Cr C Buchanan
Cr A Duncan
Cr K Grenfell
Cr D Hood
Cr P Jensen
Cr S Ouk
Cr S Reardon (*from 7.29 pm*)
Cr G Reynolds
Cr J Woodman

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager City Infrastructure, Mr J Devine
General Manager Community and Org. Development, Ms G Page
Manager Governance, Mr M Petrovski
Risk and Governance Program Manager, Ms J Crook
Governance Support Officer, Ms K Boyd

The meeting commenced at 7.27 pm.

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

APOLOGIES

Apologies were received from Cr N Henningsen and Cr D Proleta.

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Cr J Woodman
Seconded Cr K Grenfell

The Minutes of the Budget and Finance Committee Meeting held on 09 June 2020, be taken and read as confirmed.

CARRIED

Moved Cr K Grenfell
Seconded Mayor G Aldridge

The Minutes of the Confidential Budget and Finance Committee Meeting held on 09 June 2020, be taken and read as confirmed.

CARRIED

REPORTS

Administration

6.0.1 Future Reports for the Budget and Finance Committee

Moved Mayor G Aldridge
Seconded Cr S Ouk

1. The information be received.

CARRIED

6.0.2 Minutes of the Innovation and Business Development Sub Committee meeting held on Wednesday 10 June 2020

Moved Cr J Woodman
Seconded Cr L Braun

The information contained in the Innovation and Business Development Sub Committee of the meeting held on 10 June 2020 be received and noted with respect to the following recommendations contained therein to be adopted by Council:

CARRIED

6.0.2-IBDSC1 Future Reports for the Innovation and Business Development Sub Committee

Moved Cr J Woodman
Seconded Cr L Braun

1. The information be received.

CARRIED

6.0.2-IBDSC2 Community Bus to Service Western Suburbs

Moved Cr J Woodman

Seconded Cr L Braun

1. That this report be received.
2. Staff promote Salisbury Home and Community Care transport services and deliver letter drop offs to all senior residents in the Western suburbs to identify need for service and inform the further development of potential service and model options.
3. That opportunities are explored with the Department of Planning, Transport and Infrastructure for development of an on-demand bus service within the City of Salisbury.

Further Motion

That:

1. Staff bring back a further report following assessment of the impact of implementing parts 2 and 3 of the previous motion regarding the Community Bus to Service Western Suburbs, and
2. The report to include advice on possible cost structures and service levels for the provision of a dedicated community transport service to commence in 2021/22 for the western part of the city and link residents to shopping precincts such as Springbank Plaza and the Salisbury Hub, including a:
 - a. fully funded Council-subsidised community bus service;
 - b. partially subsidised model;
 - c. user pays model.

CARRIED

6.0.2-IBDSC3 Community Requests - Response Dashboard

Moved Cr J Woodman

Seconded Cr L Braun

1. The information be received.

CARRIED

6.0.3 Minutes of the Innovation and Business Development Sub Committee meeting held on Monday 13 July 2020

Cr S Reardon entered the meeting at 7.29 pm.

Moved Cr C Buchanan
Seconded Cr K Grenfell

The information contained in the Innovation and Business Development Sub Committee of the meeting held on 13 July 2020 be received and noted with respect to the following recommendations contained therein to be adopted by Council:

CARRIED

6.0.3-IBDSC1 Future Reports for the Innovation and Business Development Sub Committee

Moved Cr C Buchanan
Seconded Cr K Grenfell

1. The information be received.

CARRIED

6.0.3-IBDSC2 Community Event Sponsorship Christmas Carol Grant Criteria

Moved Cr C Buchanan
Seconded Cr K Grenfell

1. A New Initiative Bid of \$30,000 be prepared for consideration by Council in the 2021/22 budget for an annual grant as part of the Community Event Sponsorship Program, commencing 2021/22, for a Christmas Carols event to be staged from December 2021 onwards.
2. That the proposed criteria outlined in this report (Item IBDSC2 Innovation and Business Development Committee 13 July 2020) be approved.

CARRIED

6.0.3-IBDSC3 Performance Excellence Program - participation update

Moved Cr C Buchanan
Seconded Cr K Grenfell

1. That the information be received.
2. That the Innovation and Business Development subcommittee note that the City of Salisbury is participating in the 2020/21 Performance Excellence Program and will participate in the 2021/22 program unless the recommendations of the South Australian Productivity Commission are implemented by February 2021.
3. That the Innovation and Business Development subcommittee note that a new initiative bid of \$12,300 may be required in 2021/22 should the recommendations of the South Australian Productivity Commission not be implemented by February 2021.

CARRIED

6.0.3-IBDSC4 Community Requests - Response Dashboard

Moved Cr C Buchanan
Seconded Cr K Grenfell

1. The information be received.

CARRIED

Finance

6.1.1 Council Finance Report - June 2020

Moved Mayor G Aldridge
Seconded Cr G Reynolds

1. The information be received.

CARRIED

6.1.2 Certification of the 2020 Annual Financial Statements

Moved Cr J Woodman
Seconded Cr S Reardon

1. The information be received.
2. The Mayor and the Chief Executive Officer be authorised by Council to sign the Council Certificate certifying the Annual Financial Statements for the financial year ended 30 June 2020, following the Audit Committee's review of these Statements on 13 October 2020.

CARRIED

6.1.3 St Kilda Tramway Museum Assistance Request

Moved Cr L Braun

Seconded Cr B Brug

1. Note that the current agreement with the St Kilda Tramway Museum (Australian Electric Transport Museum (SA) Inc) expired on the 30 June 2020.
2. That a new three year agreement is entered into with the St Kilda Tramway Museum (Australian Electric Transport Museum (SA) Inc) with a fixed \$5,250 per annum payment.

CARRIED
UNANIMOUSLY

Financial Sustainability

6.2.1 Review of COVID-19 Community Support Measures

Cr D Hood declared an actual conflict of interest on the basis of being a Board member of the Salisbury North Football Club. Cr D Hood left the meeting at 7:37 pm.

Cr S Reardon declared an actual conflict of interest on the basis of being a committee member of the Para Hills Community Club and other community centres. Cr S Reardon left the meeting at 7:37 pm.

Moved Cr C Buchanan

Seconded Cr B Brug

1. That the information is received and noted.
2. That a further 3 month extension of the waiving of relevant fees and charges covering the period 1 July 2020 to 30 September 2020 apply for the following categories and individual organisations:
 - a. Land Use Agreements
 - i. St Kilda Tackle & Tucker Pty. Ltd.
 - ii. St Kilda Boat Club Inc.
 - iii. Salisbury North Football Club
 - b. Commercial Leases including Parnil Pty Ltd (Parafield Gardens Swimming Centre)
3. That Council endorse the declaration of an income loss of \$8,389 at the 1st Quarter Budget Review to reflect the waiving of fees and charges covered in part 2 of the resolution.
4. That in recognition that the restrictions related to COVID-19 are being relaxed and that organisations are gradually recommencing operations, Council administration is authorised to recommence applying the relevant fees and charges for the balance of organisations not covered in part 2 of the resolution as of the 1 July 2020
5. That in recognition that restrictions related to COVID-19 are being relaxed that administration are authorised to return to 30 day payment terms for suppliers of goods and services from the 31 August 2020.

6. That timed parking limits are routinely monitored to ensure that parking is available so as to facilitate access to local businesses and services, noting that enforcement of time limit parking areas will resume from 1 September 2020
7. That staff ensure the appropriate communication is undertaken to advise the relevant clubs and organisations of the change and that staff give consideration to extending due dates for the payment of the relevant fees and charges as part of the transition to normal invoicing process.

CARRIED

Cr D Hood returned to the meeting at 7:41 pm.

Cr S Reardon returned to the meeting at 7:41 pm.

6.2.1 Review of COVID-19 Community Support Measures

Further Motion:

Cr C Buchanan declared an actual conflict of interest on the basis of being president of a sporting club. Cr C Buchanan left the meeting at 7:42 pm.

Cr J Woodman declared a perceived conflict of interest on the basis of being a member of the Valley View Tennis Club and Parafield Gardens Community Club. Cr Woodman managed the conflict by remaining in the meeting and voting in the best interest of the community.

Cr D Hood declared an actual conflict of interest on the basis of being a Board member of a football club. Cr D Hood left the meeting at 7:43 pm.

Cr S Reardon declared a perceived conflict on the basis of being a member of the Para Hills Community Club and patron of several sporting clubs in the area. Cr S Reardon left the meeting at 7:43 pm.

Mayor G Aldridge declared a perceived conflict of interest on the basis of being a founding and current member of the Parafield Gardens Community Club. Mayor Aldridge managed the conflict by remaining in the meeting and voting in the best interest of the community.

Moved Cr G Reynolds

Seconded Cr A Duncan

1. That a further 3 month extension of the waiving of relevant fees and charges covering the period 1 July 2020 to 30 September 2020 apply for the following categories and individual organisations:
 - a. Community & Sporting Club Leases
2. That Council endorse the declaration of an income loss of \$59,765 at the 1st Quarter Budget Review to reflect the waiving of fees and charges covered in part 1 of the resolution.

CARRIED

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

Cr J Woodman voted IN FAVOUR of the MOTION.

Mayor G Aldridge voted IN FAVOUR of the MOTION.

Cr D Hood returned to the meeting at 7:45 pm.
Cr C Buchanan returned to the meeting at 7:45 pm.
Cr S Reardon returned to the meeting at 7:45 pm.

OTHER BUSINESS

Nil

The meeting closed at 7.45 pm.

CHAIRMAN.....

DATE.....

ITEM	6.0.1
	BUDGET AND FINANCE COMMITTEE
DATE	17 August 2020
HEADING	Future Reports for the Budget and Finance Committee
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community
SUMMARY	This item details reports to be presented to the Budget and Finance Committee as a result of a previous Council resolution. If reports have been deferred to a subsequent month, this will be indicated, along with a reason for the deferral.

RECOMMENDATION

1. The information be received.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Historically, a list of resolutions requiring a future report to Council has been presented to each committee for noting.

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
 - 2.1.1 Report authors and General Managers.
- 2.2 External
 - 2.2.1 Nil.

3. REPORT

3.1 The table below outlines the reports to be presented to the Budget and Finance Committee as a result of a Council resolution.

Meeting Item	Heading and Resolution	Officer
24/06/2019 13.2 Due:	Consideration of Council's Strategic Procurement Direction Council has previously resolved this resolution to be confidential. October 2020	Charles Mansueto
26/08/2019 1.3.1 Due: Deferred to: Reason:	Salisbury Community Hub - Project and Construction Progress Report 2. That the hours of operation to Library Services is increased to provide for the period 8.30am to 9:30am Monday to Friday, with the increase in costs (approximately \$140k) funded through existing salary & wages provision for 2019/20, and a report is brought back as part of the 2020/21 budget process to consider any future funding and service level changes. September 2020 December 2020 Report will be presented to Council via the Policy and Planning Committee together with other relevant Council resolutions.	Gail Page
26/08/2019 6.1.3 Due:	Event Management Framework and Room Booking Fees & Charges - Salisbury Community Hub 5. That a report on the operation of the Event and Room Booking Framework be brought back to Council following 12 months of operation from the opening of the Salisbury Community Hub. December 2020	Charles Mansueto
24/02/2020 6.5.1 Due:	Second Quarter Budget Review 2019/20 6. That a further report be provided that reviews the Treasury Policy, Part E – Policy Statement, paragraph 1-2, for non-discretionary bids and sundry projects. September 2020	Kate George
27/05/2020 6.9.2 Due:	Update on Action on Rates Assessment Outstanding under Section 184 of the Local Government Act 1999 Council has previously resolved this resolution to be confidential. December 2020	Kate George
27/05/2020 6.9.3- IBDSC5 Due:	Public Lighting LED Business Case Council has previously resolved this resolution to be confidential. March 2021	Andrew Legrand

4. CONCLUSION / PROPOSAL

- 4.1 Future reports for the Budget and Finance Committee have been reviewed and are presented to Council for noting.

CO-ORDINATION

Officer: Executive Group
Date: 10/08/2020

ITEM	6.0.2
	BUDGET AND FINANCE COMMITTEE
HEADING	Minutes of the Innovation and Business Development Sub Committee meeting held on Monday 10 August 2020
AUTHOR	Mechelle Potter, Administrative Coordinator - Business Excellence, Business Excellence
CITY PLAN LINKS	1.1 Our City is attractive and well maintained 2.3 Our community, environment and infrastructure are adaptive to a changing climate 4.1 Members of our community receive an exceptional experience when interacting with Council
SUMMARY	The minutes and recommendations of the Innovation and Business Development Sub Committee meeting held on Monday 10 August 2020 are presented for Budget and Finance Committee's consideration.
RECOMMENDATION	
1. The information contained in the Innovation and Business Development Sub Committee Minutes of the meeting held on 10 August 2020 be received and noted and that the following recommendations contained therein be adopted by Council:	
IBDSC1	Future Reports for the Innovation and Business Development Sub Committee
	1. The information be received.
IBDSC2	Community Requests - Response Dashboard
	1. The information be received.
IBDSC3	City of Salisbury Calendar of Events and Exhibitions Review
	1. That the report be noted.
	2. The Proposed 3 Year Exhibition & Events Calendar as provided by staff in this report (IBDSC10/08/2020, Item IBDSC3) be endorsed subject to the following changes:
	a. Secret Garden – Option C with the variation that the Friday night event is a City of Salisbury Community Recognition event and the Administration is requested to provide a further report with a proposed list of community groups to be invited.
	b. Writers Festival – Option A

- c. Salisbury Community Achievement Awards to be incorporated into the Australia Day Awards Program, and a further report to be provided with advice on a potential award category, if required.
 - d. Salisbury Plays to include the opening of Fairbanks Reserve in line with the proposed construction schedule.
3. Council endorse the introduction and staging of a brand new (nature play style) activity, “The Discover Salisbury Challenge” in December 2020, to kick off school holiday activations, whilst still enabling the appropriate management of social distance requirements, anticipating that they are still in place at the time.

ATTACHMENTS

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

1. Minutes Innovation and Business Development Sub Committee - 10 August 2020

CO-ORDINATION

Officer: GMBE
Date: 13/08/2020



**MINUTES OF INNOVATION AND BUSINESS DEVELOPMENT SUB COMMITTEE
MEETING HELD IN WITTBER & DR RUBY DAVY ROOMS, SALISBURY
COMMUNITY HUB, 34 CHURCH STREET, SALISBURY ON**

10 AUGUST 2020

MEMBERS PRESENT

Cr K Grenfell (Chairman)
Mayor G Aldridge (ex officio)
Cr L Braun
Cr C Buchanan (Deputy Chairman)
Cr A Duncan
Cr D Hood
Cr P Jensen
Cr J Woodman

OBSERVERS

Cr N Henningsen

STAFF

General Manager Business Excellence, Mr C Mansueto
Manager Governance, Mr M Petrovski
Administrative Coordinator - Business Excellence, Mrs M Potter

The meeting commenced at 6.42pm.

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

APOLOGIES

Nil

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Cr L Braun
Seconded Cr P Jensen

The Minutes of the Innovation and Business Development Sub Committee Meeting held on 13 July 2020, be taken and read as confirmed.

CARRIED

The Chair advised the meeting that she had received a request from Mr David Waylen to give a Deputation regarding Item IBDSC3 on the Agenda

Bring Forward Item IBDSC3 – City of Salisbury Calendar of Events and Exhibitions Review

Moved Cr C Buchanan
Seconded Cr L Braun

1. That Item IBDSC3 – City of Salisbury Calendar of Events and Exhibitions Review be brought forward to be discussed after the Deputation.

CARRIED

Deputation

Mr David Waylen, on behalf of the Salisbury Business Association, addressed Members regarding Item IBDSC3 City of Salisbury Calendar of Events and Exhibitions Review.

The Chair thanked Mr Waylen for the deputation.

REPORTS

IBDSC3 City of Salisbury Calendar of Events and Exhibitions Review

Mayor G Aldridge left the meeting at 7:01 pm.

Mayor G Aldridge returned to the meeting at 7:03 pm.

Cr A Duncan left the meeting at 7:15 pm and did not return.

Mayor G Aldridge left the meeting at 7:18 pm and did not return.

Moved Cr C Buchanan
Seconded Cr L Braun

1. That the report be noted.
2. The Proposed 3 Year Exhibition & Events Calendar as provided by staff in this report (IBDSC10/08/2020, Item IBDSC3) be endorsed subject to the following changes:
 - a. Secret Garden – Option C with the variation that the Friday night event is a City of Salisbury Community Recognition event and the Administration is requested to provide a further report with a proposed list of community groups to be invited.
 - b. Writers Festival – Option A

- c. Salisbury Community Achievement Awards to be incorporated into the Australia Day Awards Program, and a further report to be provided with advice on a potential award category, if required.
- d. Salisbury Plays to include the opening of Fairbanks Reserve in line with the proposed construction schedule.
- 3. Council endorse the introduction and staging of a brand new (nature play style) activity, “The Discover Salisbury Challenge” in December 2020, to kick off school holiday activations, whilst still enabling the appropriate management of social distance requirements, anticipating that they are still in place at the time.

CARRIED

IBDSC1 Future Reports for the Innovation and Business Development Sub Committee

Moved Cr J Woodman
Seconded Cr P Jensen

- 1. The information be received.

CARRIED

IBDSC2 Community Requests - Response Dashboard

Moved Cr P Jensen
Seconded Cr J Woodman

- 1. The information be received.

CARRIED

OTHER BUSINESS

Nil

CLOSE

The meeting closed at 7.29 pm.

CHAIRMAN.....

DATE.....

ITEM	6.1.1
	BUDGET AND FINANCE COMMITTEE
DATE	17 August 2020
HEADING	2019-2020 Carried Forward Funds and Budget Adjustments
AUTHORS	Kate George, Manager Financial Services, Business Excellence Christy Martin, Team Leader Project Support, City Infrastructure Leigh Daddow, Senior Management Accountant, Business Excellence
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	This report and the associated attachments summarise the operating and infrastructure budgets that are required to be carried forward from the 2019/2020 Financial Year to the 2020/21 Financial Year and other budget adjustments for 2019/2020.

RECOMMENDATION

1. The information be received.
2. The 2020/21 budget be increased with \$18,594,873 funds carried forward to be applied as detailed in Schedule of Funds Carried Forward from 2019/2020 to 2020/21 in Attachment 1 to this report (Item No. 6.1.1, Budget and Finance Committee, 17/8/2020).
3. The 2019/2020 project expenditure budgets be reduced to reflect returned funds of \$3,846,200, as per Schedule of Funds Returned to Council 2019/2020 in Attachment 2 to this report (Item No. 6.1.1, Budget and Finance Committee, 17/8/2020).
4. The 2019/2020 project expenditure budgets be increased to reflect additional actual expenditure of \$3,096,200, as per Schedule of Budget Adjustments 2019/2020 in Attachment 3 to this report (Item No. 6.1.1, Budget and Finance Committee, 17/8/2020).

Transport	
PR22515 Transportation Planning Program	\$91,700
PR20548 Bridge Program	\$76,500
PR22852 Bus Shelter Renewal and Improvement Program	\$71,700
PR21291 Project Support Overhead	\$2,142,100
Transport – Other (per attached)	\$85,600
Total Transport	\$2,467,600

Drainage & Waterways	
PR22512 Drainage & Waterways Planning Program	\$12,200
Drainage & Waterways – Other (per attached)	\$1,700
Total Drainage & Waterways	\$13,900

Property & Buildings	
PR24209 Pratt Avenue Land Acquisitions	\$96,100
PR22518 Property & Buildings Planning Program	\$51,700
Property & Buildings – Other (per attached) <i>(Note: being \$16,500 capital and \$7,700 operating)</i>	\$24,200
Total Property & Buildings	\$172,000

Parks & Streetscape	
PR25140 Parks & Streetscape Planning Program	\$33,800
PR17040 Irrigation Renewal Program	\$29,800
Total Parks & Streetscape	\$63,600

Salisbury Water	
PR20874 Salisbury Water Asset Renewal (pump failures)	\$119,900
Salisbury Water – Other (per attached)	\$65,300
Total Salisbury Water	\$185,200

Strategic Projects – Salisbury Community Hub	
PR22256 Salisbury Community Hub Land Acquisition	\$3,000
Total Strategic Projects - SCH	\$3,000

5. The 2019/2020 project over expenditures be offset within the respective 2020/21 program budget allocations:

Transport	
PR12000 Road Reseal / Reconstruction Program	\$413,000
PR25231 Diment Road	\$42,700
PR21412 Road Reseal Kerb Ramps	\$20,700
PR17754 Sportsfield Lighting	\$5,400
Total Transport	\$481,800

Strategic Projects - Other	
PR30070 Burton Hub	\$2,200
Total Strategic Projects – Other	\$2,200

6. To balance completed programs and projects, and appropriately align budgets for carry forward purposes Council approves the following 2019/2020 Budget Transfers:

Transport

- From within PR12000 Road Reseal / Reconstruction Program transfer \$299,300 operating to capital, and From PR14498 within the Footpath Program transfer \$10,600 operating to capital.
- From within PR30012 SAPN LED Upgrades transfer \$7,700 capital to operating.

Drainage & Waterways

- From within PR16999 within the Local Flooding Program transfer \$52,100 operating to capital.

Strategic Projects - Other

- From within PR25441 John Street Improvement transfer \$2,000 capital to operating.

Strategic Project – Salisbury Community Hub

- From with PR22256 SCH Land Acquisition transfer \$35,000 operating to capital.

7. Council approve the following budget 2019/2020 adjustments associated with successful grant funding applications, and associated budget adjustments to 2020/21:-

Transport

- City Wide Trails PR17190 – creation of income and expenditure budgets of \$500,000 in the 2019/2020 financial year, and the carry forward of the \$500,000 expenditure budget in addition to the carry forwards detailed in Recommendation Part 2. Also remove the income and expenditure budgets of \$535,000 from the 2020/21 financial year.
- Major Traffic Program PR13725 - creation of income and expenditure budgets of \$575,000 in the 2019/2020 financial year, and the carry forward of the \$575,000 expenditure budget in addition to the carry forwards detailed in Recommendation Part 2, noting Resolution 0326/2019 resulting from Works and Service agenda November 2019.

Parks & Streetscapes

- Native forests PR25670 – creation of income and expenditure budgets of \$200,000 in the 2019/2020 financial year, and the carry forward of the \$200,000 expenditure budget in addition to the carry forwards detailed in Recommendation Part 2. Also remove the income and expenditure budgets of \$200,000 from the 2020/2021 financial year.
- Para Hill Community Garden PR25962 – creation of income and expenditure budgets of \$7,500 in the 2019/2020 financial year, and the carry forward of the \$7,500 expenditure budget in addition to the carry forwards detailed in Recommendation Part 2.

PF&E

- Disability Access Ablutions Transportable PR25543 - creation of income and expenditure budgets of \$124,594 in the 2019/2020 financial year, and the carry forward of the \$124,594 expenditure budget into 2020/21 in addition to the carry forwards detailed in Recommendation Part 2.

8. Council approve the creation of a project operating income budget for PR17205 Watercouse Seed Sales \$8,200 to match funds received from sales during the year.
9. Council approve the following budget adjustments associated with unsuccessful grant funding applications:
 - Parks & Streetscapes
 - PR30058 Patterson Court Paralowie Inclusive Play, 2019/2020 unsuccessful grant funding of \$235,000 requiring the removal of income budget noting that Council has allocated funds of \$235,000 (Works and Services Item 2.6.1 “November Capital Works Report” and associated Council Resolution 0363/2019), with the expenditure budget of \$235,000 to be carried forward in addition to carry forwards detailed in Recommendation Part 2 of this item.
 - PR23484 Prettejohn Gully Autism Friendly Space, unsuccessful grant funding resulting in \$225,225 requiring the removal of income and expenditure budgets (Works and Services, Resolutions 0247/2019).
10. Transfer from the PR25000 Salisbury Community Hub (professional fees) \$130,855 to PR25232 Operational Readiness project and within Operational Readiness to align budgets with expenditures.
11. Council approve a budget allocation of \$266k for PR25145 Lease to Buy Laptop/ PC’s, in accordance with Resolution 2612/2018, as detailed in paragraph 3.11 Budget Adjustments table.
12. Business Transformation funds of \$397,320 which is included in the operating carry forward be allocated as follows:
 - Transfer \$37,000 from transformation funds operating to capital to enable purchase of security officer vehicle noting the security officer substantive position is funded from transformation funds in 2020/21 onwards
 - Transfer \$4,660 from transformation funds to consulting funds within Community Experience and Relationships to develop Hub Virtual Tour
 - Transfer \$26,000 for Customer Experience Platform for a 1 year trial
 - Transfer \$50,000 for change management associated with Office365
 - Transfer \$279,660 from transformation funds to Data Analytics
13. Utilising the carried forward special distribution funds contained within Part 2 of this recommendation, transfer \$58,000 from Risk and Governance consulting funds and \$52,800 from OH&S consulting funds, and convert into Salary and Wages and Oncosts within Risk and Governance in the 2020/21 financial year to deliver the Council Ready Program.
14. The following adjustments to the 2020/21 revised budget be transacted, and reflected in the sundry project fund which will be reviewed again by Council on consideration of the First Quarter Budget Review:
 - Elected Member Training \$1,100 increase to reflect CPI and in accordance with Council resolution
 - Digital Literacy program funds \$4,000 increase to reflect appropriately the base operating budget for 2020/21
 - JP services expenditure \$500 increase to reflect appropriately the base operating budget for 2020/21

- Mawson Centre increase activity income \$3,000 and program expenditure \$4,000 to correct the base operating budget for 2020/21
- Para Hills Community Hub program funds of \$5,000 which were not included in the 2020/21 base operating budget

ATTACHMENTS

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

1. Schedule of Funds Carried Forward from 2019/20 to 2020/21
2. Schedule of Funds Returned to Council 2019/20
3. Other Adjustments

1. BACKGROUND

- 1.1 Each year as part of the End of Financial Year process there is a need to review budgets to identify funds to be carried forward, to provide budgets in the following year for completion of projects in progress or delayed due to unforeseen circumstances.

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 As part of the 2019/2020 end of financial year processes Financial Services call for and receive requests from staff that outline any funds that are being requested to be carried forward from the 2019/2020 Financial Year into the 2020/21 Financial Year. As appropriate and when needed Financial Services meet with the relevant managers and review the request in line with the guidelines for carry forward funds.

- 2.1.2 Team Leader Project Support has liaised extensively across the City Infrastructure Department in supporting the carry forward process.

3. REPORT

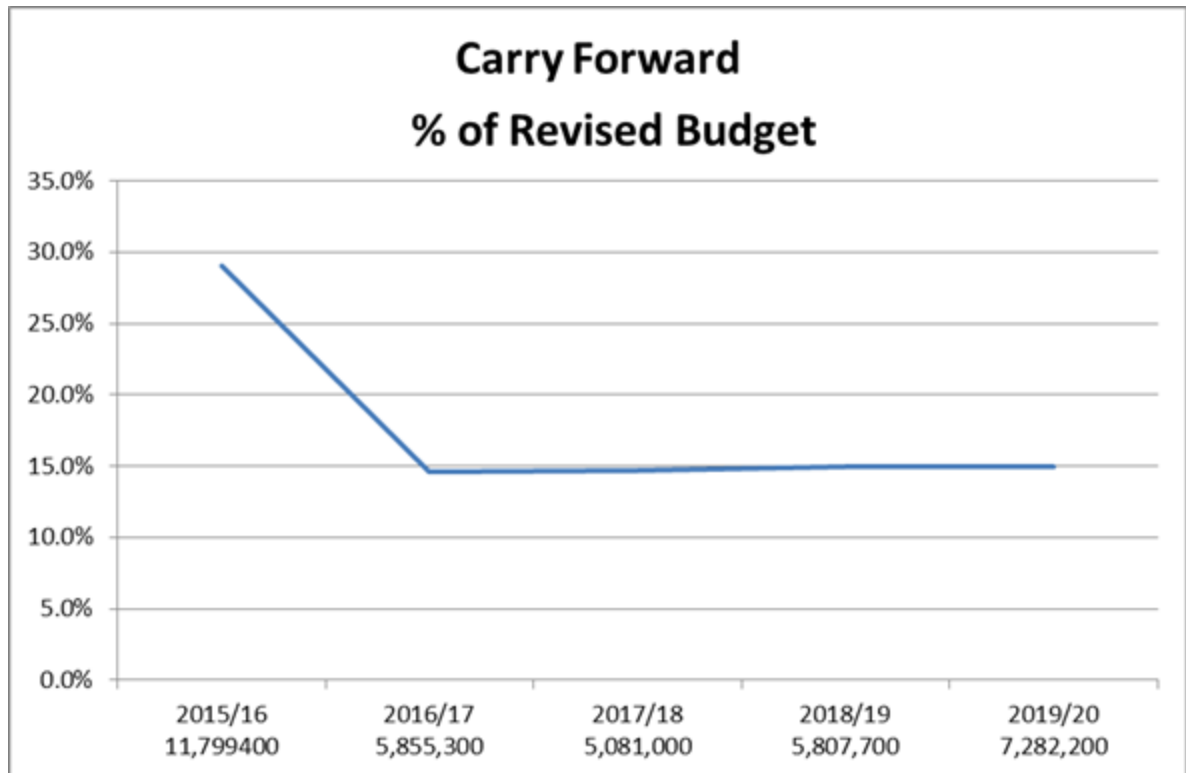
- 3.1 The schedule of funds carried forward from 2019/2020 into 2020/21 is contained in Attachment 1. The schedule details the nature of the budgets and the extent of external funding. The total level of carry forwards from 2019/2020 of \$18.6M (highlighted in blue in the table below) is an increase of \$5.9M when compared with the prior year of \$12.7M, with the more significant items being within transport and strategic property development.

- 3.2 Total Capital: In the 2019/2020 year the original infrastructure budget (inclusive of Information Technology and Plant, Office Furniture and Equipment) was \$45.1M, which was increased as a result of carry forwards of \$12.5M from 2018/19 and further increased to \$15.4M as a result budget review items, including reinstatement of timing of projects. Detailed in the table below highlighted in red.

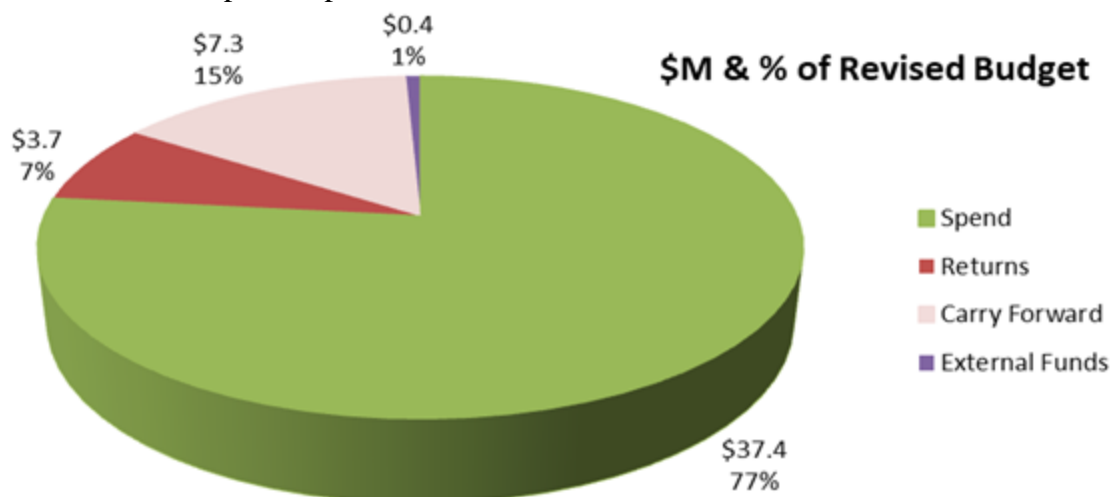
2019/2020 Project Delivery & Carry Forward Summary

Budget Category	2019/20 Original Budget	2018/19 Carry Forward	Prior Period Timing Adjustments	Budget Reviews	Timing Adjustments into Future Periods	2019/20 Revised Budget	Requested Carry Forward		External Funds	Committed	Returned Funds
Infrastructure Capital											
Infrastructure Capital	34,667,600	5,400,300	1,360,000	234,500	(4,189,000)	37,473,400	6,102,300	16.3%	362,000	5,854,300	2,070,100
PF&E	2,439,000	626,800	-	(125,000)	-	2,940,800	514,500	17.5%	-	449,000	199,100
Strategic Projects -Other	6,760,000	414,600	3,874,000	581,000	(3,290,000)	8,339,600	665,400	8.0%	-	665,400	1,419,800
Sub Total of Infrastructure	43,866,600	6,441,700	5,234,000	690,500	(7,479,000)	48,753,800	7,282,200	14.9%	362,000	6,968,700	3,689,000
End of 2018/19						38,854,604	5,807,700	14.9%			
Other											
Strategic Projects - Community Hub	1,000,000	3,441,500	15,700,000	-	-	20,141,500	-	0.0%	-	-	-
Strategic Property	-	1,798,500	-	1,298,900	-	3,097,400	1,711,100	55.2%	-	254,900	600
Information Services	200,000	782,800	-	-	-	982,800	797,700	81.2%	-	266,500	57,000
Confidential Items							5,307,800	100.0%	-	738,500	-
Sub Total of Other	1,200,000	6,022,800	15,700,000	1,298,900	-	24,221,700	7,816,600	32.3%	-	1,259,900	57,600
Total of Capital	45,066,600	12,464,500	20,934,000	1,989,400	(7,479,000)	72,975,500	15,098,800	20.7%	362,000	8,228,600	3,746,600
Operating											
Operating Components of Capital	1,294,600	1,367,300	-	-	-	2,661,900	1,213,700	45.6%	-	-	99,600
Other Operating	117,344,364	1,244,700	-	(12,818)	-	118,576,246	2,282,373	1.9%	546,812	-	-
Total of Operating	118,638,964	2,612,000	-	(12,818)	-	121,238,146	3,496,073	2.9%	546,812	-	99,600
Total	163,705,564	15,076,500	20,934,000	1,976,582	(7,479,000)	194,213,646	18,594,873	9.6%	908,812	8,228,600	3,846,200

- 3.3 **Infrastructure Capital:** Infrastructure committed funds total \$7.0M (highlighted in orange in the table above). The Requested Carry Forward Amount is \$7.3M or 14.9%. Including Commitments within the actual spend reduces the Requested Carry Forward Amount to \$0.3M or 0.6% of the Revised Budget.
- 3.4 Overall, given the size of the infrastructure budget to be delivered in 2019/2020 and the challenges of managing COVID-19 implications and the transfer to the Salisbury Community Hub, achieving infrastructure carry forwards within an acceptable level (15%) is a positive outcome, recognising that administration will continue to identify opportunities to enhance the delivery of the infrastructure program.



- 3.5 The graph above provides a summary of infrastructure project carry forwards including infrastructure strategic projects. Including 2019/2020, the carry forward level achieved has been below 15% for the past four years which is a significant achievement from 2015/16 where the level was \$11.8M which equated to 25.7% of the Revised Budget.
- 3.6 The primary difference in carry forward value of \$5,803,700 in 2018/19 to \$7,282,200 can be attributed to sheer scale of the infrastructure program, with detail by asset category provided in section 3.8.
- 3.7 Operating: Carry forwards total \$3.5M, which is higher than last financial year's figure of \$2.6M, and represents 2.9% of the revised operating budget, with \$855k relating to external grant funding (being 24% of the total operating carry forwards). Further analysis is provided in paragraph 3.12.
- 3.8 Summary financial information by asset category is detailed below. It should be noted that operating components of infrastructure projects are included in these summaries. Each section highlights key achievements and explanations for the need for carry forward funds.

3.9 Infrastructure Capital Expenditure

Budget Category	2019/20 Original Budget	2018/19 Carry Forward	Prior Period Timing Adjustments	Budget Reviews	Timing Adjustments into Future Periods	2019/20 Revised Budget	Requested Carry Forward		External Funds	Committed	Returned Funds
Infrastructure Capital											
Infrastructure Capital	34,667,600	5,400,300	1,360,000	234,500	(4,189,000)	37,473,400	6,102,300	16%	362,000	5,854,300	2,070,100
PF&E	2,439,000	626,800	-	125,000	-	2,940,800	514,500	17%	-	449,000	199,100
Strategic Projects -Other	6,760,000	414,600	3,874,000	581,000	(3,290,000)	8,339,600	665,400	8%	-	665,400	1,419,800
Sub Total of Infrastructure	43,866,600	6,441,700	5,234,000	690,500	(7,479,000)	48,753,800	7,282,200	14.9%	362,000	6,968,700	3,689,000
End of 2018/19						38,854,604	5,807,700	14.9%			

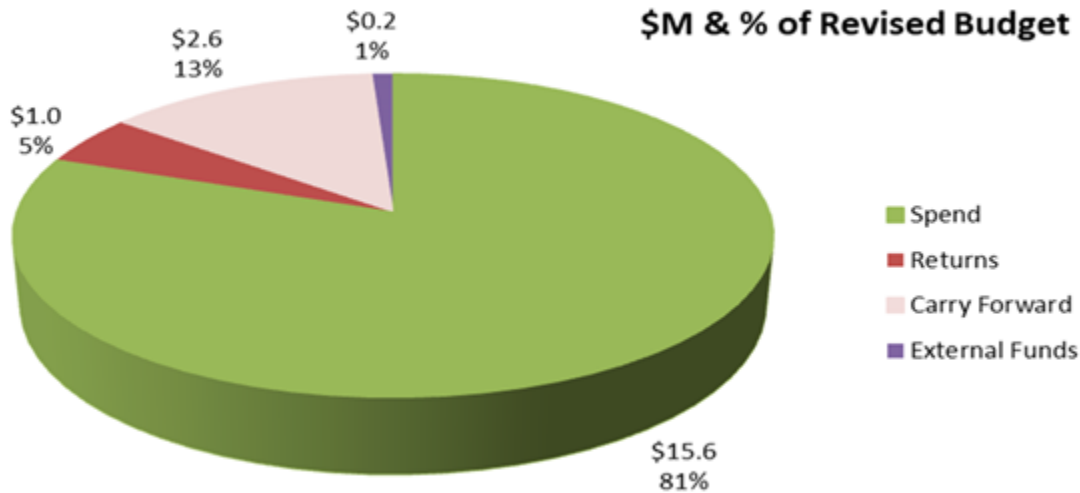
In alignment with previous years, the 14.9% carry forward is a significant achievement this year particularly in times of an unforeseen pandemic. A portion of the requested carry forward can be attributed to supply chain delays incurred as a result of the current pandemic. Items such as fleet and play elements were impacted by this. Despite this, some carry forwards are expected and aid in the continuous delivery of the Capital Works Program. Items such as landscape and tree planting are scheduled to cross financial years in an effort to optimise weather conditions and access to plant stock.

A noteworthy achievement for 2019/2020 is the construction of the new change room facility and athletics track at Bridgestone Reserve. With COVID-19 occurring in South Australia, the laying of the synthetic track was delayed and pending weather and the pandemic it is hoped will be laid later this year. In addition to this noteworthy project, significant civil works occurred at the Paddocks, Para Hills West, in alignment with the Paddocks Mater Plan. The site was opened up, creation of a viewing mound, new trails and wetlands improvement. With the ability to design and construct on site for a large portion of works, significant savings were able to be made and therefore \$1.2M associated with this program forms a large portion of the \$3.7M returned funds noted above.

Of the \$6.9M in commitments, a significant portion of this relates to the construction of a new \$1.1M shared-use bridge at Mawson Lakes which was delayed pending the approval to work within the waterway.

The paragraphs below (numbered 3.8.1 to 3.8.7) provide further detail per asset category.

3.9.1 Transportation



Asset Category	2019/20 Original Budget	2018/19 Carry Forward	Prior Period Timing Adjustments	Budget Reviews	Timing Adjustments into Future Periods	2019/20 Revised Budget	Requested Carry Forward		External Funds	Committed	Returned Funds
Transportation - Capital	19,375,600	829,300	800,000	1,632,000	(3,339,000)	19,297,900	2,594,900	13%	199,500	1,964,400	919,400
Transportation - Operating Components	97,000	-	-	-	-	97,000	-	0%	-	-	46,400
Total	19,472,600	829,300	800,000	1,632,000	(3,339,000)	19,394,900	2,594,900	13%	199,500	1,964,400	965,800

Key Achievements



Major Traffic Improvements Program

Council was successful in attaining grant funding to contribute towards the construction of two new roundabouts at the intersection of George Street and Ryans Road, and George Street and Belfree Drive, Greenfields. These are scheduled to progress to construction in late 2020.

Road Reseal Program




As part of the Road Reseal Program significant works occurred in 2019/2020 to upgrade and renew Mangrove Street, Kilda, and Kalina Avenue, Para Vista. Works at St Kilda included upgrading a segment of the tramline which runs through Mangrove Street. Various other works occurred across the City in alignment with the Asset Management Plan.

School Zones & Pedestrian Crossings Program


New crossings were installed at Carey Street, Salisbury, adjacent St Augustine Parish School, and Mawson Lakes Boulevard, Mawson Lakes, adjacent Endeavour College, to aid in safe crossing of roadways.

Bicycle Network Improvement Program

As part of the Gawler Greenway program of works, State Government provided contributing funding towards the delivery of segments of shared-use path between Kings Road and Greenfields Station, Parafield Gardens.

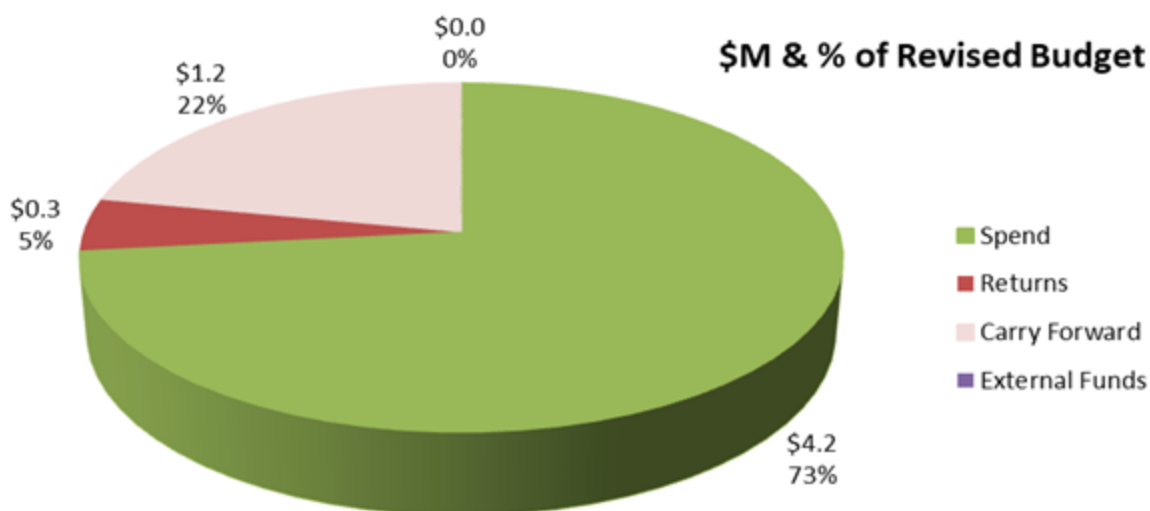
<u>Carry Forward Funds</u> (Recommendation 2) 	
<p><u>Mawson Lakes Shared Use Bridge</u></p> <p>The construction of a new shared-use bridge connecting Waterbrook Court and Riverside Street, Mawson Lakes, was delayed pending the formal approval to work within a waterway and weather conditions.</p>	\$1.2M
<p><u>City Wide Trails Program</u></p> <p>Whilst significant works occurred with the construction of various sections of trail and connections to the new underpass below Main North Road and Montague Road, the completion of this new underpass is pending the waterway being dry. It is anticipated this will be completed before end of this year.</p>	\$535k
<p><u>Digital Signage</u></p> <p>Time has been invested this financial year on undertaking structural assessments prior to the installation of new digital signage. The two digital signs will be undertaken in 2020/21 with the third approved as part of the 2020/21 budget.</p>	\$358k
<p><u>Other</u> – Refer Attachment 1</p>	\$543k
<u>Returned Funds</u> (Recommendation 3) 	
<p>Included within the returns for the Transportation Asset Category is \$363k associated with the Public Lighting Program. This is mostly associated with the LED Program which in 2020/21 is set to undertake a significant new direction which will result operational savings for the organisation. (Refer Attachment 2)</p>	Total: \$956k
<u>Budget Adjustments</u> (Recommendation 4) 	
<p><u>Transportation Planning Program</u></p> <p>With the proposed \$100M COVID-19 Capital Recovery Program, works commenced on preparing for this larger than normal program. This occurred to aid in the delivery in 2020/21.</p>	\$92k
<p><u>Bridge Program</u></p> <p>Due to significant failures, a series of boardwalks required rectification at Mawson Lakes. These works occurred as urgent repairs however are above the level of maintenance and therefore included within this report as new capital expenditure for funding.</p>	\$77k

<p><u>Bus Shelter Renewal and Stop Improvement Program</u></p> <p>Whilst undertaking the scheduled bus stop improvement activities, additional expenditure was incurred to align connecting paths, ramps and reinforcement of indented bus bay to reduce wear and tear from bus movement.</p>	\$72k
<p><u>Project Support Overhead</u></p> <p>Project Support Project Overheads has been expanded over the past few years to include a number of staff being capitalised as an overhead to project delivery in terms of actuals, however, budgets have been incorporated within individual budget bids. It has resulted in a shortfall across the years of \$2.163M which has been included within this report to be rectified. This expenditure resided within this asset category as historically this has been the largest valued program.</p>	\$2.2M
<p><u>Other</u> – Refer Attachment 3</p>	\$86k

<p><u>Other Adjustments</u> </p>	
<p><u>Offset within 2020/21 Program Budget Allocations (Recommendation 5)</u></p>	
<ul style="list-style-type: none"> The Road Reseal Program is a large schedule of works which is progressively delivered across the years. The works cross financial years and ensure continuity of works and maintenance of the City's road network. The \$413k overspend will be offset by the 2020/21 program contribution. 	\$413k
<ul style="list-style-type: none"> The upgrade of Diment Road was scheduled to occur across multiple years. The \$43k overspend will be offset by the 2020/21 contribution which will continue to see the roadway upgraded. 	\$43k
<ul style="list-style-type: none"> The Kerb Ramp Construction Program is delivered with the Footpath and Road Reseal Program. These works are progressively delivered throughout the year with this overspend to be offset by the 2020/21 contribution. 	\$21k
<ul style="list-style-type: none"> A minor overspend of \$5k within the Sportfield Lighting Program is expected can be covered by the following years budget. 	\$5k
<p><u>Amendment of Budget to align with expenditure (Recommendation 6)</u></p>	
<ul style="list-style-type: none"> As part of delivering the Footpath and Road Reseal Program, works occurred which are capital in nature and therefore it is requested to convert the current operating budget to capital to align with this. 	\$310k
<ul style="list-style-type: none"> Within the Public Lighting Program, \$8k of expense occurred associated with lighting which was maintenance in nature and therefore the conversion of capital budget to operating is requested. 	\$8k

<u>Successful Grant Funding (Recommendations 7)</u>	
<ul style="list-style-type: none"> • In June 2020 Council were successfully awarded and received \$500k grant funding towards the construction of a section of City Wide Trails, along the Little Para, Salisbury Park. This report includes the recommendation to create income and expenditure budgets in 2019/2020 and to carry forward the expenditure budget. Together with the declaration of the 2020/21 budgeted income and expenditure of \$535k. 	(\$500k)
<ul style="list-style-type: none"> • As reported, Works and Services, Resolution 0326/2020 (Nov 2019), Council was successfully awarded grant funding towards the construction of new roundabouts at Greenfields, whilst unsuccessful in the construction of a new roundabout at Kesters and Nelson Road, Para Hills. The creation of the associated income and expenditure budgets of \$575,000 is sought to complete the required budget adjustments for this program. 	\$575k

3.9.2 Drainage and Waterways



Asset Category	2019/20 Original	2018/19 Carry Forward	Prior Period Timing	Budget Reviews	Timing Adjustments	2019/20 Revised Budget	Requested Carry Forward	External Funds	Committed	Returned Funds	
Drainage & Waterways - Capital	4,455,000	1,752,700	-	-	(850,000)	5,357,700	1,090,000	20%	-	663,900	262,000
Drainage & Waterways - Operating Components	172,000	180,800	-	-	-	352,800	157,400	45%	-	-	18,400
Total	4,627,000	1,933,500	-	-	- 850,000	5,710,500	1,247,400	22%	-	663,900	280,400

Key Achievements



Watercourse Management Works Program

Substantial work occurred this financial year along segments of Dry Creek. This included works in Mawson Lakes to complement the creation of a newly defined underpass below Mawson Lakes Boulevard which was delivered as part of the City Wide Trails. The Watercourse Program delivered works to stabilise banks, minimise erosion and address dam access issues.

Local Flooding Program

Works occurred across various locations this financial year as part of this program. Significant works occurred at Webb Reserve, Para Hills; Smith Road, Salisbury East and adjacent Pt Wakefield Road, Cavan. Works included the creation and modification of detention basins, plus water safely directed into existing waterways.

Major Flood Mitigation Projects

City of Salisbury was successfully awarded \$711k of grant funding from the State Government to aid in the delivery of the \$2.5M Pauls Drive, Valley View, flood mitigation project. This significant project is near complete and provides a new safe path of travel across Dry Creek.

Automated Flood Release Gates

Installation of 2 new automated flood release gates at The Paddocks Wetland and the Parafield Airport Drain weir was completed during 2019/2020. These gates and associated modifications will facilitate the rapid release of stormwater to provide increased flood protection prior to and/or during major events.

Carry Forward Funds (Recommendation 2) **Dry Creek Stormwater Management Plan**

\$470k was allocated in 2018/19 to commence stormwater modelling and planning associated with Dry Creek, this will help inform future priorities and responsibilities. Whilst this work commenced in 2019/2020, delays due to the pandemic occurred and has now been rescheduled for completion in 2020/21.

\$404k

Major Flood Mitigation Program

Due to storm event in 2019, the construction of the Pauls Drive, Valley View, new crossing and flood mitigation works encountered significant delays and the requirement to undertake portions of redesign. This project has since then has achieved completion enabling the opening of the roadway and crossing in August 2020.

\$338k


Greater Edinburgh Regional Drainage

The completion of this project was reliant upon the completion of the Northern Connector and associated land developments. The timing of these works was not within the control of the City, however it is proposed to be resolved in 2020/21.

\$229k


Other – Refer Attachment 1

\$118k

Returned Funds (Recommendation 3) 

Returned funds are a combination of successful tender savings and project efficiencies. (Refer Attachment 2)

\$280k


Budget Adjustments (Recommendation 4) **Drainage & Waterways Planning Program**

With the proposed \$100M COVID-19 Capital Recovery Program, works commenced on preparing for this larger than normal program. This occurred in relation to Dam Audit which will aid the delivery of future programs.

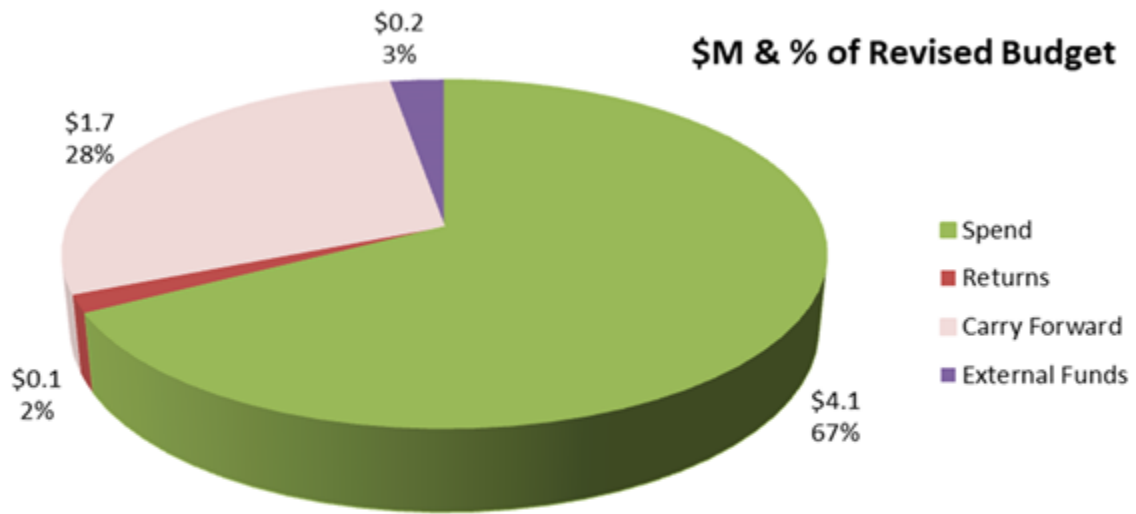
\$12k

Other – Refer Attachment 3

\$2k

<u>Other Adjustments</u> 	
<p><u>Amendment of Budget to align with expenditure</u> (Recommendation 6)</p> <ul style="list-style-type: none"> Works undertaken as part of the Local Flooding Program were above the original thought minor rectification and therefore can now be capitalised. It is proposed to transfer the accompanying operating budget to capital as part of this financial year close out. 	\$52k
<p><u>Successful Income</u> (Recommendation 8)</p> <ul style="list-style-type: none"> Through harvesting seeds of native plants, the on selling of these was able to achieve \$8k of unplanned income. This work occurs to support the supply of stock for the Watercourse Management Program and the community planting events. 	(\$8k)

3.9.3 Property and Buildings



Asset Category	2019/20 Original	2018/19 Carry Forward	Prior Period Timing	Budget Reviews	Timing Adjustments	2019/20 Revised Budget	Requested Carry Forward	External Funds	Committed	Returned Funds	
Property & Buildings - Capital	4,692,000	1,525,800	560,000	(1,407,500)	-	5,370,300	1,567,500	29%	162,500	1,559,000	90,100
Property & Buildings - Operating Components	564,000	101,800	-	-	-	665,800	148,800	22%	-	-	13,800
Total	5,256,000	1,627,600	560,000	- 1,407,500	-	6,036,100	1,716,300	28%	162,500	1,559,000	103,900

Key Achievements



Building Upgrade Program




Detail design and stakeholder engagement was a key focus this year in relation to the upgrade of the Operations Centre. This upgrade will follow similar change management processes and principles as utilised in the transition to the Salisbury Community Hub. This major upgrade will be tendered with construction commencing late 2020.

Building Renewal Program

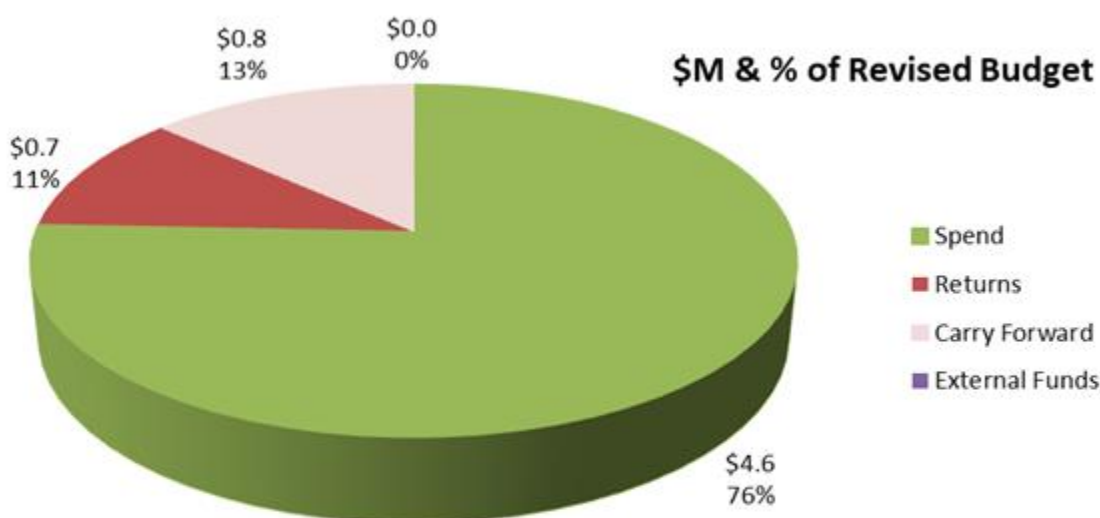
Whilst the pandemic inhibited the successful delivery of the 2019/2020 Building Renewal Program, detail design, engineering and planning approvals were able to be achieved enabling construction commencement. In addition to this, the planning of the 2020/21 Program of works commencement with concept plans developed for the renewal of the Cross Keys BMX Club, Unity Park, Pooraka and Para Hills Tennis Club, Twell Green, Para Hills.

Property & Buildings Planning Program

In order to effectively manage and maintain Council facilities, an audit of these facilities commenced in 2019/2020. This important audit informs the Asset Management Plan and associated future year's programs of work. This audit covers the 215 Council owned facilities across the City.

<u>Carry Forward Funds</u> (Recommendation 2) 	
<p><u>Building Renewal Program</u></p> <p>Whilst COVID-19 provided the ideal quiet environment to undertake building works it also resulted in delays in the supply of equipment and materials. Key sites for delivery include renewal works at Brahma Lodge Oval, Manor Farm, Salisbury East, Adams Oval, Salisbury North and Pooraka Tennis Club.</p>	\$793k
<p><u>Confidential Item - Land Acquisition</u></p> <p>With State Government Open Space grant funding attained, \$163k, to acquire a parcel of land to improve the recreational space for the community, this work commenced in 2019/2020 however to date has not been able to reach an agreed acquisition price. The result of this will be subject to a future report.</p>	\$325k
<u>Other</u> – Refer Attachment 1	\$449k
<u>Returned Funds</u> (Recommendation 3) 	
The minor balance of program funds has been included for return. (Refer Attachment 2)	\$103k
<u>Budget Adjustments</u> (Recommendation 4) 	
<p><u>Pratt Avenue Land Acquisitions</u></p> <p>In preparation to undertake a series of large scale flood mitigation works along Dry Creek, Pooraka, adjacent Pratt Avenue, three properties were acquired to enable this work to occur. With the request to fund these acquisitions and demolition of the three houses, estimates values were provided. Additional funding is required to cover all legal and acquisition costs, plus the additional expenditure associated with asbestos encountered as part of the demolition of the properties. Collectively this resulted in a \$96k shortfall.</p>	\$96k
<p><u>Property & Buildings Planning Program</u></p> <p>An audit of the City's vast building stock commenced in 2019/2020. This audit informs the Asset Management Plan and future programs of work. To attain the required level of detail an overspend of \$52k occurred. It is proposed to resolve this as part of the close out of the 2019/2020 financial year.</p>	\$52k
<u>Other</u> – Refer Attachment 3	\$24k

3.9.4 Parks and Streetscapes



Asset Category	2019/20 Original	2018/19 Carry Forward	Prior Period Timing	Budget Reviews	Timing Adjustments	2019/20 Revised Budget	Requested Carry Forward	External Funds	Committed	Returned Funds	
Parks & Streetscapes - Capital	4,958,000	1,044,200	-	10,000	-	6,012,200	807,400	13%	-	1,509,300	667,000
Parks & Streetscapes - Operating Components	60,000	-	-	-	-	60,000	-	0%	-	-	4,000
Total	5,018,000	1,044,200	-	10,000	-	6,072,200	807,400	13%	-	1,509,300	671,000

Key Achievements



Street Tree Program

Whilst the 2019/2020 Street Tree Program remains a work in progress with planting occurring in this optimum cooler climate, this was only able to happen following the successful completion of community engagement across this large program of in excess of 50 streets.

Netball Court Facilities

The renewal of the existing netball court at Salisbury Downs Oval was completed this financial year. In addition to this a new court was constructed at Salisbury North Oval which included an adjacent shelter and seating for community use.


Historical Cemetery Upgrade


The upgrade to the historical cemetery adjacent the Salisbury Community Hub was successfully completed in 2019/2020. This work included landscaping, fence renewals, irrigation and seating.


Fitness Equipment Program


The Fitness Equipment Program was a new program of works established formally in 2018/19. As part of this program new equipment was installed within Unity Park, Pooraka, and Springbank Boulevard Reserve, Burton.

Greenfields Wetlands – Kayak Access
 Construction of a grassed kayak access area to enable supervised kayak activities at Greenfields Wetlands is now completed. The experience of the wetlands from the water is very different to the experience from the board walks and has created another attraction for the wetlands. Supervised kayak activities will be managed by kayak rental/operators or schools that can supply their own kayaks. It is not intended for general public use.

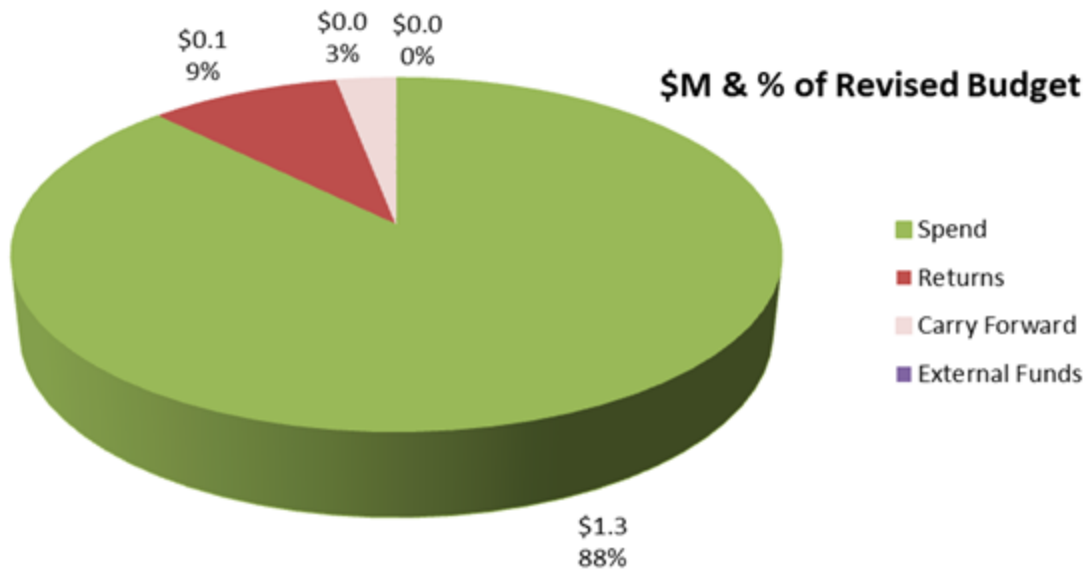
<u>Carry Forward Funds</u> (Recommendation 2) 	
<p><u>Street Trees Program</u> The Street Tree Program is a continuous program of works which is delivered to make best use of weather conditions and planting seasons. Progressive delivery of removals and planting of will continue into 2020/21</p>	\$257k
<p><u>Outdoor Furniture Program</u> A portion of the Outdoor Furniture Program needs to be completed in alignment with City Wide Trails. Due to the delays associated with City Wide Trails and the requirement to work within waterways when dry, the remaining Outdoor Furniture Program has been rescheduled to occur late 2020.</p>	\$150k
<p><u>Other</u> – Refer Attachment 1</p>	\$401k

<u>Returned Funds</u> (Recommendation 3) 	
<p>Through program savings and efficiencies there were various opportunities to return funds including \$229k associated with Street Tree Program where plant establishment costs will now be funded via future years budget in alignment with the timing of the actual expenditure. (Refer Attachment 2)</p>	\$671k

<u>Budget Adjustments</u> (Recommendation 4) 	
<p><u>Parks & Streetscape Planning Program</u> With the proposed \$100M COVID-19 Capital Recovery Program, works commenced on preparing for this larger than normal program. This occurred to aid in the delivery in 2020/21 however resulted in an overspend of \$34k.</p>	\$34k
<p><u>Irrigation Renewal & Reactivation Programs</u> A key site delivered was the renewal of irrigation at Harry Bowey, Salisbury Park. With not all condition of existing infrastructure evident as it's below ground, unexpected additional works were required to achieve the complete scope of works. An additional \$30k is required to cover the overspend associated with this program.</p>	\$30k

<u>Other Adjustments</u> 	
<p><u>Successful Income (Recommendation 7)</u></p> <ul style="list-style-type: none"> City of Salisbury was successful in an application for grant funding towards the Little Para Native Forest which will see the planting of 10,000 trees along sections of the Little Para. \$200k of income for this was received in June and his report includes the creation of income and expenditure budgets in the 2019/2020 financial year, and the associated carry forward of the expenditure budget into 2020/21 (which is in addition to the carry forwards detailed on attachment 1). Also included in the recommendation is the declaration of income and expenditure budgets of \$200,000 in 2020/21 in recognition of the early receipt of these grant funds. Wellbeing SA granted \$75k towards the creation of a community garden at the rear of the Para Hills Community Centre. \$7,500 of this income was received in 2019/2020 with the balance to be received in 2020/21. A \$75k income and expenditure budget is required to enable this community focused project to be achieved, with \$7,500 being recommended as part of this report, with the balance to be included in the first quarter budget review. 	<p>(\$200k)</p> <p>\$75k</p>
<p><u>Unsuccessful Grant Funding (Recommendation 9)</u></p> <ul style="list-style-type: none"> As reported in December 2019 via Works and Services Committee, Resolution 0363/2019, the application for cofounding towards the construction of an inclusive playspace at Patterson Court Paralowie was unsuccessful. The associated \$235k decrease in income and expenditure budgets is to now requested to be transacted, and allocate \$235k council funds to be carried forward into 2020/21 (in additional to carry forwards detailed above) Also reported in August 2019 via Works and Services Committee, Resolution 0247/2019, the application for grant funding towards the construction of an autism friendly playspace at Prettejohn Gully, Para Hills, was unsuccessful. The associated \$225k decrease in income and expenditure is now requested to be transacted. 	<p>(\$235) & \$235k additional carry forward</p> <p>(\$225)</p>

3.9.5 Salisbury Water



Asset Category	2019/20 Original	2018/19 Carry Forward	Prior Period Timing	Budget Reviews	Timing Adjustments	2019/20 Revised Budget	Requested Carry Forward	External Funds	Committed	Returned Funds	
Salisbury Water - Capital	1,187,000	248,300	-	-	-	1,435,300	42,500	3%	-	157,700	131,600
Salisbury Water - Operating Components	-	5,000	-	-	-	5,000	-	0%	-	-	5,000
Total	1,187,000	253,300	-	-	-	1,440,300	42,500	3%	-	157,700	136,600

Key Achievements




Groundwater Community Wells – Tank & Booster Pump


Construction of a new booster tank system at Pitman Park was completed in 2019/2020 and will be commissioned during the 20/21 irrigation season. This tank and booster pump system will contribute towards improved operational efficiencies and management of the groundwater well.


Salisbury Water Distribution Linkages

New distribution main linkages from Yalumba Dr to Castle Dr, Paralowie and Salisbury North Oval to Salisbury North Primary School were completed and commissioned in 2019/2020. These linkages will provide greater operational functionality so that water can be directed and supplied from other schemes in the event of any complications with a single scheme. These linkages will secure a number of minor users (eg. playgrounds and 1 school) in an area which is currently not serviced.

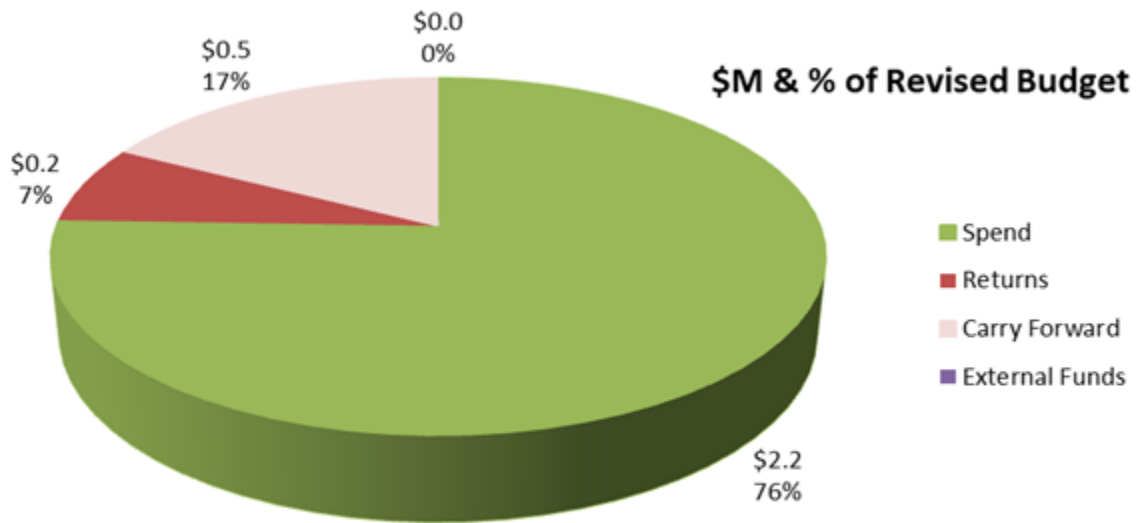
<p><u>Emergency Backup Supply Program</u></p> <p>As planned a further 2 of our 12 distribution pump stations have been retrofitted during the year, bringing the total to 8, with future year allocations for the remainder. The retrofit facilitates emergency power supply to ensure that we can continue to supply recycled water to customers during periods where power supply is interrupted due to faults in the electricity distribution network. This will enable rented transportable generators to be connected rapidly (without electricians) in order to ensure ongoing water supply to key Salisbury Water residential and non-residential customers.</p>
<p><u>Council Reserve Upgrades – Recycled Water Connection</u></p> <p>A new distribution main was constructed to connected recycled water supply to Allen Green Reserve, Para Hills West in conjunction with Council reserves/playgrounds upgrade program.</p>

<p><u>Carry Forward Funds</u> (Recommendation 2) </p>	
<p><u>Other</u></p> <p>Refer attachment regarding the request for the minor carry forward requested of \$43k due to work in progress.</p>	<p>\$43k</p>


<p><u>Returned Funds</u> (Recommendation 3) </p>	
<p>Returned funds for the Salisbury Water Business Unit are combination of minor budget savings across various programs, with \$56k of savings associated with no viable water licence allocations being available to purchase during 2019/2020. (Refer Attachment 2)</p>	<p>\$137k</p>

<p><u>Budget Adjustments</u> (Recommendation 4) </p>	
<p><u>Salisbury Water Asset Renewal</u></p> <p>With Salisbury Water renewing assets such as pumps upon failure, there was an increase in the occurrence of these unplanned failures and therefore \$120k is sought to offset this important spend. The renewal and replacement of assets enables this important infrastructure to effectively work and supply rewater across the City.</p>	<p>\$120k</p>
<p><u>Other</u></p> <p>As noted within the attached Budget Adjustment table, there is series of minor overspends which require funding to offset. These occurred during the delivery of the 2019/2020 program of works.</p>	<p>\$65k</p>


3.9.6 PF&E



Asset Category	2019/20 Original	2018/19 Carry Forward	Prior Period Timing	Budget Reviews	Timing Adjustments	2019/20 Revised Budget	Requested Carry Forward	External Funds	Committed	Returned Funds	
Plant, Furniture & Equipment - Capital	2,439,000	626,800	-	(125,000)	-	2,940,800	514,500	17%	-	449,000	199,100
Plant, Furniture & Equipment - Operating Components	24,000	-	-	-	-	24,000	-	0%	-	-	12,000
Total	2,463,000	626,800	-	- 125,000	-	2,964,800	514,500	17%	-	449,000	211,100


 **Key Achievements**

Plant & Fleet Programs
43 items of plant and fleet were successfully delivered and rolled out into the work place.

Carry Forward Funds (Recommendation 2) 


Plant & Fleet Programs
With the occurrence of the COVID-19, items expected for delivery in 2020 encountered delays due to supply chain issues as a result of the pandemic. These outstanding items are scheduled to be required now within the first quarter of 2020/21.

\$515k

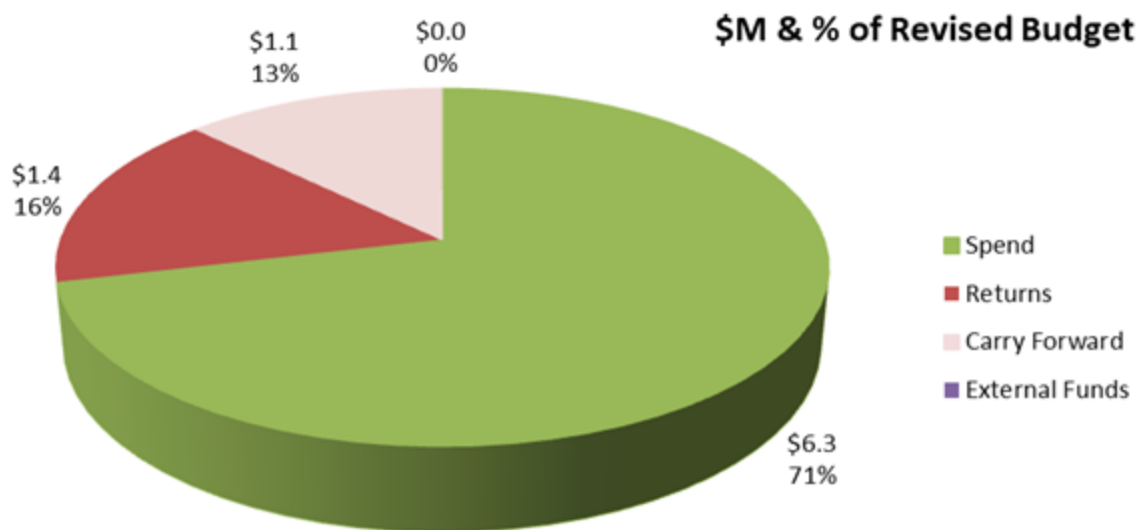
Returned Funds (Recommendation 3) 

Balance of program funds are nominated for return. Key savings were achieved with some vehicle replacement prices below original budget estimates. (Refer Attachment 2)

\$223k

<u>Other Adjustments</u> 	
<u>Successful Income (Recommendation 7)</u> <ul style="list-style-type: none">• Council was awarded grant funding in December 2019 for the purchase of a disability access ablutions transportable, to support community members with disabilities to attend functions and have accessible amenities available. Included in the report recommendations is the creation of an income and expenditure budget, with the expenditure budget to be carried forward into 2020/21 in addition to Recommendation 2.	\$125k

3.9.7 Strategic Projects - Other



Asset Category	2019/20 Original	2018/19 Carry Forward	Prior Period Timing	Budget Reviews	Timing Adjustments	2019/20 Revised Budget	Requested Carry Forward		External Funds	Committed	Returned Funds
Strategic Projects Other - Capital	6,760,000	414,600	3,874,000	581,000	(3,290,000)	8,339,600	665,400	8%	-	1,577,600	1,419,800
Strategic Projects - Operating Components	306,100	165,400	-	-	-	471,500	450,200	95%	-	-	-
Total	7,066,100	580,000	3,874,000	581,000	(3,290,000)	8,811,100	1,115,600	13%	-	1,577,600	1,419,800

Key Achievements



Bridgestone Athletics Facility

The construction of the new athletics facility at Bridgestone Reserve is clearly evident. The new changeroom facility reached Practical Completion in June. This new facility overlooks the new athletics track. The laying of the synthetic track was delayed due to the pandemic and pending this, together with climate, it is expected this will be laid late 2020.

Paddocks Master Plan Implementation




The implementation of the vision of the Paddocks Master Plan continued in 2019/2020 by way of clearing of vegetation, establishment of paths and wetlands realignment and creation of a viewing mound. Works at this site will continue in 2020/21 which will see the creation of a new native playground.

Salisbury City Centre Revitalisation

Community engagement occurred to inform the scope of future works to continue the upgrade of John and Church Street in 2020/21.

Salisbury Oval Master Plan Implementation

Community engagement occurred for this site also to inform the future direction and scope of works to enable construction to continue in 2020/21. A new playground will be a key outcome delivered in the new financial year.

<u>Carry Forward Funds</u> (Recommendation 2) 	
<p><u>Paddocks Master Plan Implementation</u></p> <p>The delivery of the vision of the Master Plan for the Paddocks, Para Hills West, has been progressively delivered. Whilst significant works occurred in 2019/2020 with vegetation clearing, track creation and wetland improvements, a portion of this work will continue to be delivered into the first quarter of 2020/21.</p>	\$365k
<u>Other</u> – Refer Attachment 1	\$300k
<u>Returned Funds</u> (Recommendation 3) 	
<p>Included within the itemised returns for the Strategic Other Projects category, \$1.2M of this is in relation to the Paddocks Master Plan Implementation. Works were able to be delivered well below the estimated values set in previous years. Savings were made by the ability to design and construct on site enabling works to continue to be delivered without the need to detail design and stop construction. (Refer Attachment 2)</p>	\$1.4M
<u>Other Adjustments</u> 	
<p><u>Offset within 2020/21 Program Budget Allocations</u> (Recommendation 5)</p> <ul style="list-style-type: none"> The \$2k minor overspend associated with the Burton Community Hub will be offset by the \$3M budget allocation in 2020/21. 	\$2k
<p><u>Amendment of Budget to align with expenditure</u> (Recommendation 6)</p> <ul style="list-style-type: none"> Minor works associated with the John St Improvement Program was maintenance in nature, therefore the \$2k associated budget with this is proposed to be transferred from capital to operating. 	\$2k

3.10 Strategic Projects – Community Hub

Asset Category	2019/20 Original Budget	2018/19 Carry Forward	Budget Reviews	2019/20 Revised Budget	Requested Carry Forward		External Funds	Committed	Returned Funds
Strategic Projects Community Hub - Capital	1,000,000	3,441,500	-	20,141,500	-	0%	-	-	-
Strategic Projects Community Hub - Operating Components	-	873,200	-	873,200	-	0%	-	-	-
Total	1,000,000	4,314,700	-	21,014,700	-	0%	-	-	-

Key Achievements **Salisbury Community Hub**

The Salisbury Community Hub was successfully opened to the public in 2019. This new facility was effectively in use prior to the onset of COVID-19. With the restrictions easing the hub is once again reopening more facilities and amenities to the community. The creation of the Burton Community Hub which is currently finalising community engagement, will follow a similar concept to the Salisbury Community Hub.

Budget Adjustments (Recommendation 4) **Salisbury Community Hub**

The minor \$3k overspend associated with the acquisition of the land to enable the construction of the Salisbury Community Hub has been included for formal approval to fund this minor variance.

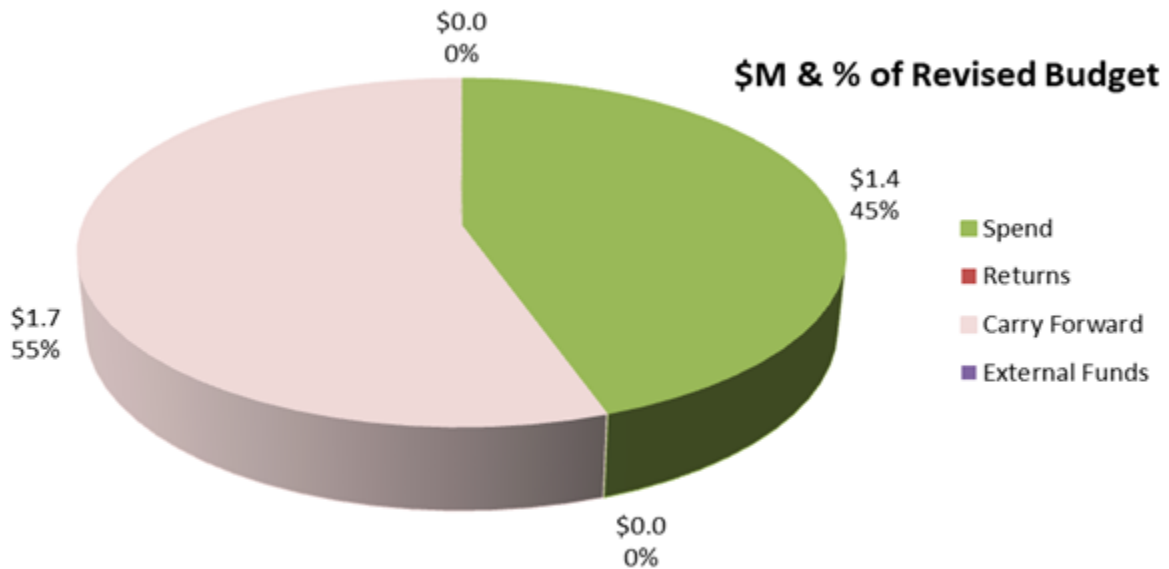
\$3k

Other Adjustments **Amendment of Budget to align with expenditure** (Recommendation 6)

- With the transition of the vision of the Salisbury Community Hub into fruition, the budget should be aligned to actual expenditure, requiring \$35k operating budget be transferred to capital as it is associated with the acquisition of the required land.

\$35k

3.11 Strategic Property



Asset Category	2019/20 Original	2018/19 Carry Forward	Prior Period Timing	Budget Reviews	Timing Adjustments	2019/20 Revised Budget	Requested Carry Forward		External Funds	Committed	Returned Funds
Strategic Property - Capital	-	1,798,500	-	1,298,900	-	3,097,400	1,711,100	55%	-	254,900	600
Strategic Property - Operating Components	15,500	21,400	-	-	-	36,900	21,400	58%	-	-	-
Total	15,500	1,819,900	-	1,298,900	-	3,134,300	1,732,500	55%	-	254,900	600


Key Achievements 

Civil and landscape construction is complete on the first of the Tranche 2 projects, Boardwalk at Greentree with 81% of the project site now sold. The remaining Tranche 1 projects are complete, with all sales and settlements completed. The Civil Contractor will start work at Hoyle Green in August with sales and marketing to commence late August. Feasibility work is continuing on Lake Windemere and Walkleys Road.

Carry Forward Funds (Recommendation 2) 

The nature and complexity of Strategic Property projects results in timelines extending over multiple financial years from initial feasibility through to full project completion. \$1.2M of the carry forward is associated with the development of Hoyle Green, Para Hills, which successfully progressed through feasibility into delivery.

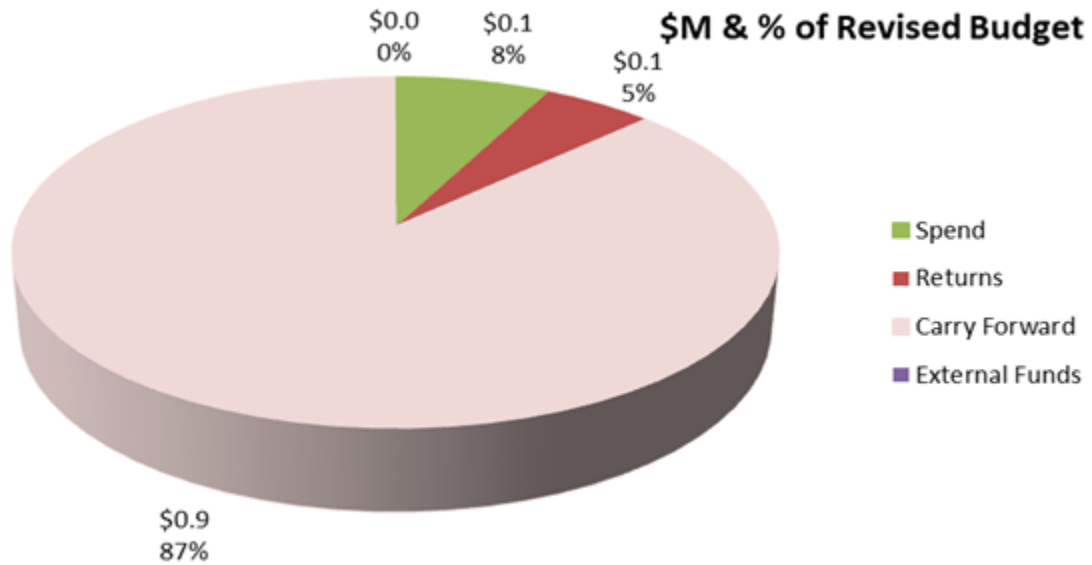
\$1.711k

Returned Funds (Recommendation 3) 

Balance of project funds not required have been included within the returns. (Refer Attachment 2)

\$0.1k

3.12 Information Services



Asset Category	2019/20 Original	2018/19 Carry Forward	Prior Period Timing	Budget Reviews	Timing Adjustments	2019/20 Revised Budget	Requested Carry Forward		External Funds	Committed	Returned Funds
							Amount	Percentage			
Information Technology - Capital	200,000	782,800	-	-	-	982,800	797,700	81%	-	266,500	57,000
Information Technology - Operating Components	56,000	19,700	-	-	-	75,700	124,000	164%	-	-	-
Total	256,000	802,500	-	-	-	1,058,500	921,700	87%	-	266,500	57,000


Key Achievements





Information Technology

The technology associated with the delivery of the Salisbury Community Hub was a focus for 2019. This included not only the delivery of technology within the Salisbury Community Hub, but the provisioning of a new data centre and an asset refresh of equipment in the secondary data centre. The outcome all this work has been to support the new flexible working styles which accompanied this fantastic community facility.

2020 saw Information Technology deliver an expanded remote access system and platforms which enabled the ability to work from home as a result of the City of Salisbury following state and federal advice for those that were able to should work at home. Tremendous support was provided to those working from home, and the systems implemented facilitated communication between teams to continue. This occurred in a very short time frame and required significant uplift in existing tool sets. This focus resulted in some scheduled Information Technology projects being delayed pending resource availability.

<u>Carry Forward Funds</u> (Recommendation 2) 	
<p><u>Smart City Projects</u></p> <p>With the occurrence of COVID-19, priorities relating to Information Technology changed to enable the organisation to effectively operate in the new environment of remote access and working. The Smart City Project will recommence in 2020/21 in alignment with the upgrade of John Street where technology opportunities relating to this are currently being explored.</p>	\$250k
<u>Other</u> – Refer Attachment 1	\$548k

<u>Returned Funds</u> (Recommendation 3) 	
Balance of project funds from successfully delivered projects have been included within the returns. (Refer Attachment 2)	\$57k

<u>Budget Adjustments</u> 	
<p><u>Lease to Buy Laptops (Recommendation 11)</u></p> <p>In preparation for transition to the Salisbury Community Hub, desktop infrastructure has been progressively updated to mobile devices to enable staff to work fluidly within the new environment. This principle of flexible working is applying across the organisation with transition occurring for staff working in other locations including the operations centre. Associated with this update in devices it the transition from leasing to purchase per Resolution 2612/2018.</p> <p>Since the First Quarter Budget Review a total of 55 devices have been purchased, requiring a capital budget of \$110,000, with expected disposal of \$18k at the end of asset life being net \$92k for the 55 devices. Had this equipment been leased, the total lease cost would have been \$125k. Associated with the change to flexible working 535 monitors have also been purchased for a cost of \$156,000 and had these monitors been leased the cost would have been \$175k.</p> <p>As budget has been set considering the lease commitments that remain, the recommendation is to create a capital budget to fund these purchases rather than partially funding through a transfer from the existing lease budget.</p>	\$266k

3.13 Confidential Items - Capital

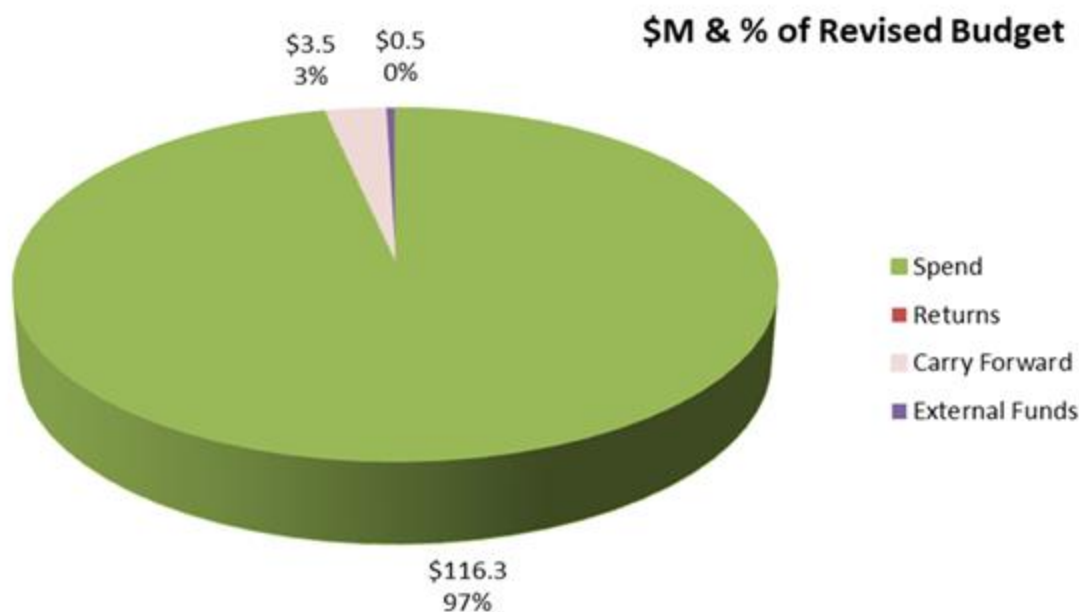
Asset Category	2019/20 Original Budget	2018/19 Carry Forward	Budget Reviews	2019/20 Revised Budget	Requested Carry Forward		External Funds	Committed	Returned Funds
Confidential Items - Capital	-	-	-	-	5,307,800	100%	-	738,500	-
Confidential Item - Operating Components	-	-	-	-	311,900	100.0%	-	-	-
Total	-	-	-	-	5,619,700	100%	-	738,500	-

Carry Forward Funds (Recommendation 2)Confidential Items

Subject to future report

\$5,620k

3.14 Operating



Budget Category	2019/20 Original Budget	2018/19 Carry Forward	Budget Reviews	2019/20 Revised Budget	Requested Carry Forward		External Funds	Committed	Returned Funds
Operating Expenditure	117,344,364	1,244,700	(12,818)	118,576,246	2,282,373	1.9%	546,812	-	-
Operating Components of Capital	1,294,600	1,367,300	-	2,661,900	1,213,700	45.6%	-	-	99,600
Total	118,638,964	2,612,000	(12,818)	121,238,146	3,496,073	2.9%	546,812	-	99,600

3.14.1 Operating Expenditure Carry Forward is \$3,496k, which is 2.9% of the revised operating budget, with many carry forwards resulting from the impacts of COVID-19. Major items include:

Operating Carry Forwards 2019/2020	
Business Transformation Fund <i>These funds were established to support the organisation transform its service delivery, with some one-off expenditure required in 2020/21, and noted in recommendation part 12 for allocation.</i>	\$397k
Sports & Community Clubs COVID-19 Recovery Support Package <i>These funds were provided through Council Resolution 0550/2020 with support continuing into the new financial year</i>	\$76k
Portable CCTV Trial <i>Trail is underway expected to conclude during 2020/21, focused on reducing illegal dumping, graffiti and hoon driving.</i>	\$59k
Local History <i>Walking Tours project has been delayed due to COVID-19</i>	\$57k

ITEM 6.1.1

National Disability Income Scheme <i>Fund are required to enable audit and support further program development</i>	\$75k
Strategic Development Projects <i>To enable website development which was a specific budget bid, and also continue land feasibility works currently in progress</i>	\$80k
OH&S and Risk & Governance Special Distribution Funds <i>These funds will be combined and directed into the “Council Ready Program” which is a 12 month project to consolidate the City of Salisbury’s emergency management planning, looking holistically across prevention, preparedness, response and recovery. As this project will be resourced through employee costs, there is a recommendation to convert these funds from consulting (Recommendation 13)</i>	\$111k
Innovation and Business Development <i>To support the ongoing program of work of the subcommittee these funds are recommended to be carried forward.</i>	\$75k
Elections <i>To fund election costs for the next Council election over the four year term</i>	\$153k
Training & Development Program <i>Training plan for 2019/2020 was deferred due to COVID-19</i>	\$155k
Organisational Development Plan <i>This plan was placed on hold due to COVID-19 and will recommence in 2020/21 financial year</i>	\$112k
Economic Development – Heritage Thematic Study <i>This funding was provided to inform the assessment of next steps including a local heritage register, with contract signed this work has yet to commence.</i>	\$60k
Economic Development – TTG Business Advisory <i>External funding received to provide business advisory into the City of Tea Tree Gully for the 2020/21 financial year</i>	\$182k
City Infrastructure Consulting Funds <i>Operations Centre Process Review and Reengineering to support new ways of working and adaption to hub style of work</i>	\$90k
Verge Mowing <i>Council approved trial variation to the program for the 2020 calendar year</i>	\$135k
Other – refer Attachment 1	\$465k
Total Operating (not associated with Infrastructure)	\$2,282k
Operating Components of Capital – <i>As detailed in Attachment 1</i>	\$1,214k
Total Operating	\$3,496k

Item 6.1.1

- 3.14.2 Elected Member Training of \$37k has been carried forward in line with council policy being that the balance of training budget not expended in the immediate proceeding year be carried forward for one year.

Minor Budget Adjustments

- 3.14.3 In preparing the carry forwards it has been identified that Elected Member training was not increased in the 2020/21 budget as had been resolved by Council in October 2019. The increase is equivalent to \$1,100.
- 3.14.4 There are other minor budget adjustments that are required for Community Capacity and Learning, with program funds having been overlooked at the time of developing the base operating budget for 2020/21.
- 3.14.5 The adjustments detailed in paragraphs 3.12.3 and 3.12.4 have been included in recommendation 14, and will be transacted through to the sundry projects fund taking the balance to (\$11,600) which will be considered again by Council when the First Quarter Budget Review is presented in November.

4 CONCLUSION / PROPOSAL

- 4.1 The level of carry forward funds at the completion of 2019/2020 is \$18.6M which is significantly higher than in the prior year (\$12.7M) with more carry forwards required in the transport, strategic property and strategic project categories as detailed within the report.
- 4.2 Following endorsement of the recommendation in this report these amounts will be included into the revised budget for 2020/21, and also be included in the 2019/2020 Financial Statements as a Reserve.

CO-ORDINATION

Officer: Executive Group
Date: 10/08/2020

SCHEDULE OF FUNDS CARRIED FORWARD FROM 2019/20 TO 2020/21

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2020/21		
		COUNCIL	EXTERNAL	TOTAL
WORKS IN PROGRESS				
INFRASTRUCTURE CAPITAL WORKS				
	Transportation			
13725	Major Traffic Improvement Program	113,100		113,100
13952	School Zones and Pedestrian Crossing Pr	3,700		3,700
14804	Bicycle Network Program	9,300		9,300
17190	City Wide Trails	335,600	199,500	535,100
21413	Carpark Program	135,200		135,200
21478	Public Lighting Program	142,300		142,300
23435	ML Interchange - Pedestrian & Cycle	1,159,300		1,159,300
24793	Louisa Rd/Deal Ct, Paralowie, Road Upgrade	41,500		41,500
25027	St Kilda Master Plan Stage 2 Implementation	7,100		7,100
25424	Digital Signage	357,600		357,600
25544	Main North Road, Service Road, Salisbury East	90,700		90,700
	Sub-Total	2,395,400	199,500	2,594,900
Total Revised Budget for Transportation				19,297,900
Carry Forward Percentage of Revised Budget for Transportation				13%
	Property & Buildings			
17598	Club / Sport Facilities Minor Capital Grants Program *	190,400		190,400
18097	Building Renewal Program *	793,200		793,200
20017	Building Upgrade Program *	17,100		17,100
20795	Confidential Item	162,500	162,500	325,000
21389	Priority Access Upgrades - Buildings	26,600		26,600
22518	Property & Buildings Planning Program	18,200		18,200
23282	CCTV Maintenance & Renewal Program	30,000		30,000
25077	Public & Community Artwork Program *	48,800		48,800
25430	Security System Upgrades	29,500		29,500
30045	Unity Park, Pooraka, NewToilet Facilities	88,700		88,700
	Sub-Total	1,405,000	162,500	1,567,500
Total Revised Budget for Property & Buildings				5,370,300
Carry Forward Percentage of Revised Budget for Property & Buildings				29%
	Drainage & Waterways			
16999	Local Flooding Program	21,200		21,200
22229	Major Flood Mitigation Projects	337,900		337,900
24871	Dry Creek Stormwater Management Plan	404,200		404,200
25415	Jones Road, Bolivar, Rehabilitation *	48,500		48,500
25417	Greater Edinburgh Regional Drainage	229,700		229,700
25419	Coleman Road Landfill Cap Improvements *	48,500		48,500
	Sub-Total	1,090,000	-	1,090,000
Total Revised Budget for Drainage & Waterways				5,357,700
Carry Forward Percentage of Revised Budget for Drainage & Waterways				20%

* These Capital Projects have Operating Components that are also requested carry forwards

** These Operating Components of Capital Projects related to projects that do not have a capital project carry forward

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2020/21		
		COUNCIL	EXTERNAL	TOTAL
	Parks & Streetscape			
17055	Outdoor Furniture Program	149,600		149,600
17080	Information Signage	36,000		36,000
17103	City Pride Renewal of Feature Landscapes	53,600		53,600
17147	Tree Screen Renewal Program	120,000		120,000
20018	Play Space/ Playground Renewal Program	76,600		76,600
21456	Reserve Upgrade Program	34,600		34,600
21515	Street Trees Program	257,000		257,000
25276	Irrigation Reactivation	1,300		1,300
25044	Inclusive Play Spaces Program	78,700		78,700
	Sub-Total	807,400	-	807,400
Total Revised Budget for Parks & Streetscape				6,012,200
Carry Forward Percentage of Revised Budget for Parks & Streetscape				13%
	Salisbury Water			
23447	Salisbury Waster Distribution Main Linkages	20,000		20,000
25173	Salisbury Water Groundwater Community Bores	22,500		22,500
	Sub-Total	42,500	-	42,500
Total Revised Budget for Salisbury Water				1,440,300
Carry Forward Percentage of Revised Budget for Salisbury Water				3%
	Strategic Projects			
21461	Strategic Project Preplanning *	177,400		177,400
23921	Salisbury Oval Master Plan Implementation	28,300		28,300
24797	Bridgestone Reserve Athletics Facility *	19,500		19,500
25058	Paddocks Master Plan Implementation	365,000		365,000
25445	Salisbury City Centre Land Development Strategy *	75,200		75,200
	Sub-Total	665,400	-	665,400
Total Revised Budget for Strategic Projects				29,825,800
Carry Forward Percentage of Revised Budget for Strategic Projects				2%
TOTAL - INFRASTRUCTURE CAPITAL WORKS		6,405,700	362,000	6,767,700
Total Revised Budget for Infrastructure Capital Works				67,304,200
Carry Forward Percentage of Revised Budget for Infrastructure Capital Works				10%

* These Capital Projects have Operating Components that are also requested carry forwards

** These Operating Components of Capital Projects related to projects that do not have a capital project carry forward

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2020/21		
		COUNCIL	EXTERNAL	TOTAL
STRATEGIC PROPERTY				
18001	Hoyle Green, Para Hills	1,152,500		1,152,500
19743	Lake Windemere, Salis Nth	48,000		48,000
23140	Salisbury Oval Residential *	400		400
25940	Boardwalk Greentree, Paralowie	510,200		510,200
TOTAL - STRATEGIC PROPERTY		1,711,100	-	1,711,100
Total Revised Budget for Strategic Property				3,134,300
Carry Forward Percentage of Revised Budget for Strategic Property				55%
TOTAL - CAPITAL WORKS				
		8,116,800	362,000	8,478,800
Total Revised Budget for Capital Works				70,438,500
Carry Forward Percentage of Revised Budget for Capital Works				12%
INFORMATION TECHNOLOGY				
11877	Integration Projects	30,000		30,000
20815	Time, Recording, Attendance Process	175,400		175,400
25017	Smart City Projects	250,000		250,000
25019	Migration of Websites from CMS Platform to Open Cities Platf	80,000		80,000
25142	Project & Contract System Improvements	62,300		62,300
25451	Implementation of An Asset Management Predictive Modelling	50,000		50,000
25452	Fleet Management System Upgrade *	50,000		50,000
25465	Phone System Renewal	100,000		100,000
TOTAL - INFORMATION TECHNOLOGY		797,700	-	797,700
Total Revised Budget for Information Technology				2,472,346
Carry Forward Percentage of Revised Budget for Information Technology				32%
PLANT, FURNITURE & EQUIPMENT				
22843	Plant & Fleet Replacement Program	479,500		479,500
20864	Fleet Purchase	35,000		35,000
TOTAL - PLANT, FURNITURE & EQUIPMENT		514,500	-	514,500
Total Revised Budget for Plant, Furniture & Equipment				2,964,800
Carry Forward Percentage of Revised Budget for Plant, Furniture & Equipment				17%
Confidential Items				5,307,800

* These Capital Projects have Operating Components that are also requested carry forwards

** These Operating Components of Capital Projects related to projects that do not have a capital project carry forward

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2020/21		
		COUNCIL	EXTERNAL	TOTAL
OPERATING	Capital Projects Operating Component			
	Property & Buildings			
17598	Club / Sport Facilities Minor Capital Grants Program *	30,000		30,000
18097	Building Renewal Program *	19,700		19,700
20017	Building Upgrade Program *	81,500		81,500
25077	Public & Community Artwork Program *	17,600		17,600
	Drainage & Waterways			
25141	Walpole Development Groundwater Monitoring **	62,000		62,000
25415	Jones Road, Bolivar, Rehabilitation *	30,000		30,000
22805	Coleman Road Landfill Cap Improvements *	65,400		65,400
	Strategic Projects			
21461	Strategic Projects Preplanning *	284,100		284,100
23914	Bridgestone Athletics Facility *	15,000		15,000
25433	Wellness Centres	100,000		100,000
25445	Salisbury City Centre Land Development Strategy *	51,100		51,100
	Strategic Property			
23140	Salisbury Oval Residential *	21,400		21,400
	Information Services			
25452	Fleet Management System Upgrade	7,000		7,000
25451	Implementation of Asset Mngt Predictive Modelling	100,000		100,000
25060	Disaster Recovery Planning 18/19 **	17,000		17,000
	Confidential Items			
	Confidential items	311,900		311,900
	Sub-Total	1,213,700	-	1,213,700

* These Capital Projects have Operating Components that are also requested carry forwards

** These Operating Components of Capital Projects related to projects that do not have a capital project carry forward

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2020/21		
		COUNCIL	EXTERNAL	TOTAL
	Operating			
520-563-3561	Business Transformation Fund	397,320		397,320
257-364-3100	Waterwatch Grant Funding		29,411	29,411
257-364-4010	Waterwatch Grant Funding		8,300	8,300
301-100-3200	City Pride Consultancy	16,000		16,000
301-100-3450	Vietnamese Boat People Memorial	20,000		20,000
301-384-3455	Sports&Comm. Clubs COVID-19 RSP - Community Grants	4,991		4,991
341-386-3452	Sports&Comm. Clubs COVID-19 RSP - Youth Sponsorship	18,750		18,750
386-150-3221	Sports&Comm. Clubs COVID-19 RSP - Community Events	20,000		20,000
386-150-3221	Sports&Comm. Clubs COVID-19 RSP - Events	32,500		32,500
254-362-3561	Portable CCTV Trial	59,000		59,000
326-234-3221	Community Capacity and Learning - Local History	57,000		57,000
328-473-3221	Library Community Learning Program - ACE Non Accredited		12,600	12,600
328-761-3221	Library Community Learning Program - ACE Accredited		21,000	21,000
350-100-3321	Age and Disability Programs	3,000		3,000
352-100-3601	Volunteer Services	4,500		4,500
352-100-3602	Volunteer Services	2,500		2,500
357-271-1530	Mindset for Life		40,700	40,700
363-822-3221	NDIS - Disability Programs		75,000	75,000
386-433-3221	CESP Grant - Pooraka Farm Family Fun Day		5,280	5,280
388-120-3221	Aboriginal Development and Reconciliation	9,000		9,000
388-121-3453	Aboriginal Development and Reconciliation	9,000		9,000
388-100-3100	Social Planning - Policy and Strategy Development	27,300		27,300
388-100-4010	Social Planning - Policy and Strategy Development	7,700		7,700
385-538-3221	Recreation Planning and Sports Development Framework	10,000		10,000
388-986-3221	Drug and Alcohol F/work - Comm. Safety Implementation Plan	17,350	7,650	25,000
420-100-3221	Strategic Development Projects - Website	25,000		25,000
420-455-3221	Strategic Dev Proj - Lake Windemere Environment Report	6,470		6,470
420-455-3221	Strategic Dev Proj - Lake Windemere Strategy	14,350		14,350
420-455-3221	Strategic Dev Proj - Procurement Project Management	12,870		12,870
420-455-3221	Strategic Dev Proj - Walkleys Road Environment Report	21,060		21,060
501-845-3221	Innovation & Business Development	75,000		75,000
504-100-3221	OH&S - Special Distribution Fund		52,800	52,800
560-219-3221	Risk & Governance - Special Distribution Fund		58,000	58,000
510-475-3554	Elected Member Training & Development	36,500		36,500
511-331-3221	Elections Budget	153,000		153,000
529-131-3200	Accounting Services - Technology One	32,000		32,000
560-100-3480	White Ribbon Event	20,000		20,000
560-255-3221	Drug and Alcohol Testing	11,400		11,400
560-219-3221	Preventative WHS Programs - Special Distribution Fund		39,000	39,000
560-219-3221	Perspex Screens for Public PC's - Special Distribution Fund		15,000	15,000
565-283-3227	Training & Development - Staff Training	140,000		140,000
565-283-3250	Training & Development - Staff Compliance Training	15,000		15,000
565-996-3200	Organisational Development Plan	112,000		112,000
580-127-3200	Community Perceptions Tracking & Customer Service Insights	15,000		15,000
581-522-3221	CoS Tourism & Marketing	45,000		45,000
650-347-3221	Economic Development - Heritage Thematic Study	60,000		60,000
653-821-3221	Ec Dev - Tea Tree Gully Business Advisory Services		182,071	182,071
805-100-3221	City Infrastructure Consulting Funds	90,000		90,000
868-528-3221	Verge Mowing Trial	135,000		135,000
	Sub-Total	1,735,561	546,812	2,282,373

TOTAL - OPERATING	2,949,261	546,812	3,496,073
TOTAL FUNDS CARRIED FORWARD FROM 2019/2020 TO 2020/21	12,378,261	908,812	18,594,873

* These Capital Projects have Operating Components that are also requested carry forwards

** These Operating Components of Capital Projects related to projects that do not have a capital project carry forward

ACCOUNT NO	DESCRIPTION	FUNDS RETURNED TO COUNCIL 2019/20			
		COUNCIL-001	EXTERNAL	Operating-750	TOTAL
CAPITAL WORKS					
INFRASTRUCTURE CAPITAL WORKS					
Transportation					
13600	Minor Traffic Improvements	2,000		24,500	26,500
13725	Major Traffic Improvements Program	250,000			250,000
14498	Council Funded Footpath Program			9,100	9,100
21478	Public Lighting Program	362,500			362,500
21558	Sportsfield Lighting Assistance	1,100			1,100
22118	Bituminous Footpaths & Shared use Paths	53,200			53,200
23473	Renewal of Sound Attenuation Walls	33,100			33,100
23435	ML Interchange - Pedestrian & Cycle	110,000			110,000
25437	Footpath Trading Pedestrian Protection	59,100	31,000		28,100
25485	Speed Limit Bin Stickers			12,800	12,800
30068	The Strand Bridge Hand Rail	79,400			79,400
	Sub-Total	950,400	31,000	46,400	965,800
Total Revised Budget for Transportation					19,394,900
Carry Forward Percentage of Revised Budget for Transportation					5%
Property & Buildings					
18097	Building Renewal Program	3,000		13,800	16,800
19799	Land Acquisitions Miscellaneous	36,300			36,300
20017	Building Upgrade Program	44,100			44,100
24940	Sport Club Add Solar Installs	6,700			6,700
	Sub-Total	90,100	0	13,800	103,900
Total Revised Budget for Property & Building					6,036,100
Carry Forward Percentage of Revised Budget for Property & Building					2%
Drainage & Waterways					
16999	Local Flooding Program			18,400	18,400
17205	Watercourse Management Works	44,200			44,200
22229	Major Flood Mitigation	209,900			209,900
25673	Pump Maintenance & Renewal	7,900			7,900
	Sub-Total	262,000	0	18,400	280,400
Total Revised Budget for Drainage & Waterways					5,710,500
Carry Forward Percentage of Revised Budget for Drainage & Waterways					3.7%
Parks & Streetscape					
17055	Outdoor Furniture Program	6,100			6,100
17080	Information Signage	7,200			7,200
17103	Renewal of Feature Landscape	13,800			13,800
17147	Tree Screen Renewal Program	17,300			17,300
21409	Outdoor Sports Surface Renewal	68,200			68,200
21456	Reserve Upgrade Program	65,800			65,800
21515	Street Tree Program	229,400			229,400
22120	Reserve Fencing Program	1,600			1,600
25026	Dog Parks for Small Dogs	1,800		4,000	5,800
25044	Inclusive Play Spaces Program	148,800			148,800
25046	Fitness Equipment Program	21,600			21,600
24754	Greenfields Wetlands Kayak Access	16,400			16,400
25429	Salisbury Downs & Salisbury North Netball Courts	68,700			68,700
25246	Historical Methodist Cemetery Upgrade	300			300
	Sub-Total	667,000	0	4,000	671,000
Total Revised Budget for Parks & Streetscape					1,440,300
Carry Forward Percentage of Revised Budget for Parks & Streetscape					5%
Salisbury Water					
22159	Salisbury Water Disinfection System	1,100			1,100
25306	Salisbury Water Licence Purchase	56,800			56,800
25306	Salisbury Water Signage	5,000			5,000
25308	Salisbury Water Distribution Main Linkages	41,400			41,400
25170	Salisbury Water Emergency Power Supply	12,800			12,800
25172	Salisbury Water Quality Monitoring	14,500		5,000	19,500
	Sub-Total	131,600	0	5,000	136,600
Total Revised Budget for Salisbury Water					1,440,300
Carry Forward Percentage of Revised Budget for Salisbury Water					1%

25035	Strategic Projects (Including SCH)				
	Salisbury City Centre Revitalisation	201,700			201,700
25058	Paddocks Master Plan Implementation	1,208,500			1,208,500
25441	John Street Improvement Plan	9,600			9,600
	Sub-Total	1,419,800	0	0	1,419,800
Total Revised Budget for Strategic Projects					29,825,800
Carry Forward Percentage of Revised Budget for Strategic Projects					4%
24575	Strategic Property				
	Mallee Road, Paralowie Infrastructure	600			600
	Sub-Total	600	0	0	600
Total Revised Budget for Strategic Property					3,134,300
Carry Forward Percentage of Revised Budget for Strategic Property					0%
20003	Information Technology				
	Organisational and Usage of Dataworks	3,600			3,600
25018	Information Security & Disaster Recovery Planning	22,000			22,000
23917	eServices Upgrade	14,100			14,100
25217	SCH - Concierge Application	17,300			17,300
	Sub-Total	57,000	0	0	57,000
Total Revised Budget for Information Technology					1,058,500
Carry Forward Percentage of Revised Budget for Information Technology					5%
20772	Plant, Furniture & Equipment				
	Building & Furniture Renewal Program	38,400			38,400
20864	Fleet Purchase	31,100			31,100
22843	Plant & Fleet Replacement Program	64,200			64,200
22397	New Fleet Acquisition	65,400		12,000	77,400
	Total	199,100	0	12,000	211,100
Total Revised Budget for Plant, Furniture & Equipment					2,964,800
Carry Forward Percentage of Revised Budget for Plant, Furniture & Equipment					3%

ACCOUNT NO	DESCRIPTION	Budget Adjustments 2019/20			
		COUNCIL-001	EXTERNAL	Operating-750	TOTAL
INFRASTRUCTURE PROGRAM					
Transportation					
22515	Transportation Planning Program	(91,700)			
20548	Bridge Program	(76,500)			
22852	Bus Shelter Renewal & Improvement Program	(71,700)			
21291	Project Support Overhead	(2,142,100)			
25588	Bolivar Road Collapse	(51,300)			
13952	School Zones & Pedestrian Crossing	(21,500)			
14804	Bicycle Network Improvement Program	(12,800)			
	Sub-Total	(2,467,600)	0	0	(2,467,600)
Total Revised Budget for Transportation					19,394,900
Carry Forward Percentage of Revised Budget for Transportation					-13%
Drainage & Waterways					
22512	Drainage & Waterways Planning Program	(12,200)			(12,200)
25010	Automated Flood Release Gates	(1,700)			(1,700)
	Sub-Total	(13,900)	0	0	(13,900)
Total Revised Budget for Drainage & Waterways					5,710,500
Carry Forward Percentage of Revised Budget for Drainage & Waterways					0%
Property & Buildings					
24209	Pratt Avenue Land Acquisitions	(96,100)			(96,100)
22518	Property & Buildings Planning Program	(51,700)			(51,700)
23914	CCTV Community Buildings	(8,400)			(8,400)
22801	Salisbury Swimming Pool Remediation Works	(4,600)			(4,600)
20795	Land Acquisitions			(7,700)	(7,700)
25041	Pooraka Mens Shed Improvement	(3,500)			(3,500)
	Sub-Total	(164,300)	0	(7,700)	(172,000)
Total Revised Budget for Property & Buildings					6,036,100
Carry Forward Percentage of Revised Budget for Property & Buildings					-3%
Parks & Streetscape					
25140	Parks & Streetscape Planning Program	(33,800)			(33,800)
17040	Irrigation Renewal Program	(29,800)			(29,800)
	Sub-Total	(63,600)	0	0	(63,600)
Total Revised Budget for Parks & Streetscape					6,072,200
Carry Forward Percentage of Revised Budget for Parks & Streetscape					-1%
Salisbury Water					
20874	Salisbury Water Asset Renewal	(119,900)			(119,900)
25171	Salisbury Water ReWater Connections	(40,600)			(40,600)
25303	Salisbury Water Planning Program	(13,000)			(13,000)
25174	Salisbury Water Pump Stations	(11,700)			(11,700)
	Sub-Total	(185,200)	0	0	(185,200)
Total Revised Budget for Salisbury Water					1,440,300
Carry Forward Percentage of Revised Budget for Salisbury Water					-13%
Strategic Projects (Including SCH)					
22256	Salisbury Community Hub Land Acquisition	(3,000)			(3,000)
25233	Operational Readiness			(190,900)	(190,900)
	Sub-Total	(3,000)	0	(190,900)	(193,900)
Total Revised Budget for Strategic Projects					29,825,800
Carry Forward Percentage of Revised Budget for Strategic Projects					-1%

ITEM	6.1.2
	BUDGET AND FINANCE COMMITTEE
DATE	17 August 2020
HEADING	Treasury Report for Year Ended 30 June 2020
AUTHORS	Kate George, Manager Financial Services, Business Excellence Tim Aplin, Senior Accountant, Business Excellence
CITY PLAN LINKS	4.4 Embed long term thinking, planning and innovation across the organisation.
SUMMARY	This report, in accordance with the Local Government Act 1999 and Council's Treasury Management Policy, provides Council with a summary of the investment performance and loan facilities for the 2020 Financial Year.

RECOMMENDATION

1. Information be received.

ATTACHMENTS

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

1. Treasury Policy

1. BACKGROUND

- 1.1 In accordance with Section 140 *Local Government Act 1999* and the Treasury Policy this report details the investment performance of Council funds for the year ended 30 June 2020.
- 1.2 Members may wish to note that Local Government in South Australia is in the unique position of having its own finance authority the Local Government Finance Authority (LGFA), with State Government guaranteeing its operation.

2. CONSULTATION / COMMUNICATION**2.1 External**

- 2.1.1 Information has been sourced from the Local Government Finance Authority (LGFA) with respect to an estimate of the yearly applicable to all deposits in interest rate terms.

3. REPORT

3.1 Borrowings

3.1.1 Council's borrowings are a mix of fixed term borrowings with the choice of fixed or variable interest rates, and variable term borrowings in the form of cash advance facilities (CAD's), all of which are held with LGFA

3.2 Fixed Term Borrowings

3.2.1 The table below details Councils Fixed Term Borrowings at the year ended 30 June 2020. It shows an overall net decrease in fixed term borrowings of \$1.95M from 30 June 2020, with no additional fixed term borrowings established during the 2020 Financial Year.

Reference	Amount Borrowed	Date Established	Maturity	Interest Rate	Principal Balance 30/6/2020	Principal Balance 30/6/2019	Reduction in Principal	Annual Repayment Amount	Interest Paid
LGFA 0258	\$ 3,218,000	15/06/2005	15/06/2020	6.26%	\$ -	\$ 318,854	\$ 318,854	\$ 333,902	\$ -
LGFA 0259	\$ 1,463,000	15/06/2006	15/06/2021	6.70%	\$ 148,606	\$ 287,735	\$ 139,129	\$ 156,115	\$ 16,986
LGFA 0260	\$ 4,811,000	15/06/2007	15/06/2022	7.01%	\$ 961,294	\$ 1,394,490	\$ 433,196	\$ 523,489	\$ 90,293
LGFA 0263	\$ 9,000,000	15/06/2010	15/06/2025	6.58%	\$ 4,005,581	\$ 4,662,523	\$ 656,942	\$ 953,104	\$ 296,162
LGFA 0264	\$ 5,889,000	15/06/2011	15/06/2026	6.80%	\$ 3,073,546	\$ 3,476,279	\$ 402,732	\$ 632,387	\$ 229,655
Total	\$ 24,381,000				\$ 8,189,027	\$ 10,139,880	\$ 1,950,854	\$ 2,598,997	\$ 633,096

3.2.2 Not included in the above loan schedule is a \$500,000 debenture loan that was secured in November 2016 for special purpose borrowings; however this is offset by a corresponding \$500,000 loan receivable. The current balance of this loan and the receivable is \$408,373.

3.3 Variable Term Facilities – CAD's

3.3.1 As detailed in the below table, Council's CAD's had no outstanding balances as at 30 June 2020, nor at 30 June 2019. However it should be noted that during the financial year Council did need to draw down to a maximum of \$3.8M over the April/May period, however this was repaid by end of month May. The total interest cost of this drawdown was \$7.6k. Further, at the time of preparation of this report there was a drawdown of \$8M on our CAD facilities, which is currently accruing interest.

3.3.2 Members may wish to note that the interest rate applicable to CAD's at the time of the preparation of this report is 2.20% as compared to 2.95% at the same time in 2019. Further the extent of any draw down on our CADs is correlated to the delivery of the infrastructure program, the impact of the COVID-19 support measures, receipts of grant funding, and timing of rate revenue receipts.

Reference	Facility Amount	Date Established	Expiry Date	Rate	Outstanding 30/6/2020	Outstanding 30/6/2019	Movement
LGFA 0235	\$ 2,130,000	15/06/2009	15/06/2024	Variable	\$ -	\$ -	\$ -
LGFA 0261	\$ 2,850,000	16/06/2008	16/06/2023	Variable	\$ -	\$ -	\$ -
LGFA 0262	\$ 570,000	15/06/2010	15/06/2025	Variable	\$ -	\$ -	\$ -
LGFA 0265	\$ 11,367,000	17/06/2013	17/06/2028	Variable	\$ -	\$ -	\$ -
LGFA 0267	\$ 12,000,000	15/07/2019	15/07/2034	Variable	\$ -	\$ -	\$ -
LGFA 0268	\$ 50,000,000	15/06/2020	15/06/2023	Variable	\$ -	\$ -	\$ -
Total	\$ 78,917,000				\$ -	\$ -	\$ -

- 3.3.3 It should be noted that Council's CAD facilities have significantly increased as a result of the establishment of the \$50M CAD in June 2020 that is to support the organizations cash flow in relation to potential deferred payment dates for rates due to the COVID 19 support measure. This facility is for a short term and as it is for a specific purpose and as such should be treated as an 'extraordinary' facility, that is not normal for our routine operations or cash flow requirements.
- 3.3.4 Further not included in the above table is the \$21.4M CAD facility that Council approved in May 2020, to enable the delivery of the 2019/20 and 2020/21 budgets, and there have been no significant impacts that necessitate a revision of these borrowing requirements at this time. The \$21.4M CAD settled on the 15 July 2020 and as such is not part of the June 2020 end of financial year borrowing facilities, noting that the level of CAD facilities at the time of preparing this report is \$100,317,000.
- 3.3.5 In accordance with the current Treasury Policy we balance the mix of fixed and variable borrowings so that neither fixed debt or variable facilities represent less than 20% of our total facilities. Noting that the \$50M facility is extraordinary in nature, it is appropriate to disregard this in the calculations for year ended 30 June 2020, with fixed term facilities represented 22%, and variable term facilities represented 78% of the total facilities, which is in line with the current endorsed Treasury Policy.
- 3.3.6 As raised with the Audit Committee in November 2019, when Item 4.2.3 Treasury Policy was considered, there is a need to reconsider how the treasury mix percentages are calculated, and also the appropriate mix of facilities. With interest rates being at historical lows and to best support the organisational cash flow, it may be appropriate to remove the floor on fixed term borrowings, which will require a review of the treasury policy and consideration of the Audit Committee.
- 3.3.7 Should this review not be undertaken it is likely that the 2020/21 treasury performance report will show Council operating outside of the existing policy parameters. As an additional \$21.4 CAD facility was settled in July 2020 to support the cash flow requirements of the 2020/21 budget (as resolved by Council (0549/2020), these percentages become 14% and 86% respectively for fixed and variable.

3.4 Investments – At Call and Fixed Term Deposits

- 3.4.1 Council holds two types of investments, 24 hour at call funds and fixed term deposits, with the funds being held either with the LGFA or the National Australia Bank (NAB).
- 3.4.2 24 Hour at Call - The table below shows the respective balances as at 30 June 2020 and 2019. These funds are held to cover cash disbursements planned to occur over the coming month.

Investment Type	30/06/2020		30/06/2019	
	Interest Rate *	Balance	Interest Rate *	Balance
24 Hour At Call LGFA	0.80%	\$ 733,761	1.60%	\$ 99,858
NAB Professional Funds	0.75%	\$ 1,087,108	1.75%	\$ 17,621,698
Total At Call		\$ 1,820,869		\$ 17,721,556
<p>* The LGFA interest rate includes an additional 0.35% (0.35% for the 2019 Financial Year) which the LGFA has advised is a estimate of the likely value of the yearly bonus in interest rate terms applicable to all deposits for 2020. The actual percentage will not be known until October 2020, however the LGFA has advised it should be similar to the 2019 amount.</p>				

- 3.4.3 Fixed Term Deposits - The fixed term deposits are made for a period of 30, 60, or 90 days, and are based on predicted cash inflows and outflows over the period. All term deposits are held with the LGFA.

Investment Type	Maturity Date	Interest Rate *	30/06/2019	30/06/2020
Fixed	30/08/2019	2.25%	\$ 10,000,000	\$ -
Fixed	NA	NA		\$ -
Total			\$ 10,000,000	\$ -
<p>* The LGFA interest rate includes an additional 0.35% (0.35% for the 2019 Financial Year) which the LGFA has advised is a estimate of the likely value of the yearly bonus in interest rate terms applicable to all deposits for 2020. The actual percentage will not be known until October 2020, however the LGFA has advised it should be similar to the 2018 amount.</p>				

- 3.4.4 As can be seen in the above tables, the cash position has decreased significantly to \$1.8M at 30 June 2020 as compared to \$27.7M as at June

2019, as a result of the delivery of the Infrastructure program with significant projects resulting in a larger program than is typical. Further there have been no recent sales from Property Developments.

- 3.4.5 Further, Council decided in April 2020 to decrease creditor payment terms from 30 days from invoice date to 14 days to support the business sector which has been impacted by Covid-19. This has meant all creditors are now being paid in advance of our standard terms of 30 days resulting in cash outflows occurring earlier than originally planned. Further the waiving of various fees and charges, commercial rent and sporting club rent for the period April to June 2020 has had an impact on June's balance. The deferred payment due date for fourth quarter rates for those meeting the Covid-19 hardship policy, has also resulted in lower cash inflows in May and June, however this is a relatively minor impact.
- 3.4.6 The current cash position was expected, but has been negatively impacted by the impacts of Covid-19 and whilst there are cash holdings, Council has been in a drawn down CAD position with a maximum exposure of \$3.8M (detailed in para 3.3.1) over the 2020 financial year.
- 3.4.7 It is expected that over the first quarter of 2021 Council will draw down further on the CAD facilities as this quarter is traditionally very high with delivery of infrastructure projects necessitating higher creditor payments and also once off yearly payments such WorkCover and Insurance Premiums. Further, our cash receipts in July and August are very low with the first installment of rates not due until early September.
- 3.4.8 Cash outgoings in July 2020 totalled \$16.5M, with \$14.2M paid to creditors, and \$3.1M in payroll and on cost payments, noting that these amounts include our yearly insurance and WorkCover premiums which are significant but planned outflows.
- 3.4.9 The cash holdings and borrowings will be monitored closely and when necessary we will draw down further on existing CAD Facilities, however as noted this is expected.

4. CONCLUSION / PROPOSAL

- 4.1 Council investments and borrowings have been managed in accordance with Council's Treasury Policy, and the information provided is as required by the policy.

CO-ORDINATION

Officer: Executive Group
Date: 10/08/2020



Treasury Policy

Policy Type:	Policy		
Approved By:	Council	Decision No:	2010/2128, 2011/327, 2013/1927, 1026/2016, 2173/2017, 0333/2019
Approval Date:	23 March 2010	Last Reapproval Date:	25 November 2019
Review Date:	November 2021	Internal Reference No.:	
Department:	Business Excellence	Division:	Financial Services
Function:	7 - Financial Management	Responsible Officer:	Manager, Financial Services

A - PREAMBLE

1. This policy provides clear direction to management, staff and Council in relation to the treasury function. It underpins Council's decision-making regarding the financing of its operations as documented in its annual budget and long-term financial plan and associated projected and actual cash flow receipts and outlays.
2. Council is committed to adopting and maintaining a Long-term Financial Plan and operating in a financially sustainable manner.
3. Section 3 of the Local Government Act, 1999, requires Councils to act in a way that is effective, efficient and accountable. This is especially important when managing monies acquired by Council in order to benefit the Community.

B – POLICY PURPOSE/OBJECTIVES

1. This Treasury Management Policy establishes a decision framework to ensure that:
 - Funds are available as required to support approved outlays;
 - Interest rate and other risks (e.g. liquidity and investment credit risks) are acknowledged and responsibly managed;
 - The net interest costs associated with borrowing and investing are reasonably likely to be minimised on average over the longer term.
 - Further it clarifies the treatment of surplus funds, identified through Budget Reviews

C - POLICY STATEMENT

1. **Treasury Management Strategy**
 - 1.1. Council's operating and capital expenditure decisions are made on the basis of:
 - Identified community need and benefit relative to other expenditure options;

- Cost effectiveness of the proposed means of service delivery; and,
 - The affordability of proposals having regard to Council's long-term financial sustainability (including consideration of the cost of capital and the impact of the proposal on Council's Net Financial Liabilities and Interest Cover ratios).
- 1.2. Council manages its finances holistically in accordance with its overall financial sustainability strategies and targets. This means Council will:
- Maintain target ranges for its Net Financial Liabilities ratio;
 - Generally only borrow funds when it needs cash and not specifically for particular projects;
 - Apply any funds that are not immediately required to meet approved expenditure (including funds that are required to be expended for specific purposes but are not required to be kept in separate bank accounts) to reduce its level of borrowings or to defer and/or reduce the level of new borrowings that would otherwise be required.
 - Apply surplus contained within the Sundry Projects Fund, following adjustments for variations to existing estimates, to a reduction in borrowings. Any new bids/projects arising through the year are to be referred to the budget planning process for the subsequent year, unless they are of sufficient urgency, in which case Council may finance such projects by reducing/cancelling an existing budgeted project, or approving an increase to the borrowing requirement.
- 2. Interest Rate Risk Exposures**
- 2.1. Council has set range limits for both fixed and variable interest rate borrowings in order to minimise net interest costs on average over the longer term and at the same time manage interest rate movement risks within acceptable limits.
- 2.2. **Fixed Interest Rate Borrowings**
- To ensure an adequate mix of interest rate exposures, Council will structure its portfolio of borrowings to maintain on average in any year, not less than 20% of its facilities in the form of fixed interest rate borrowings.
 - In order to spread its exposure to interest rate movements, Council will aim to have a variety of maturity dates on its fixed interest rate borrowings over the available maturity spectrum.
- 2.3. **Variable Interest Rate Borrowings**
- Council will structure its portfolio of borrowings to maintain not less than 20% of its facilities in any year in the form of variable interest rate borrowings.
 - Council will utilize long-term variable interest rate borrowing facilities, such as the LGFA's Cash Advance Debenture, that require interest payments only and that enables any amount of principal to be repaid or redrawn at call. The redraw facility will provide Council with access to liquidity when needed.
- 3. Investments**
- 3.1. Council funds that are not immediately required for operational needs and cannot be applied to either reduce existing borrowings or avoid the raising of new borrowings will be invested. The balance of funds held in any operating bank account that does not provide investment returns at least consistent with 'at call' market rates shall be kept at a level that is no greater than is required to meet immediate working capital requirements.

- 3.2. Council funds available for investment will be lodged 'at call' or, having regard to differences in interest rates for fixed term investments of varying maturity dates, may be invested for a fixed term. In the case of fixed term investments the term should not exceed a point in time where the funds otherwise could be applied to cost-effectively either defer the need to raise a new borrowing or reduce the level of Council's variable interest rate borrowing facility.
- 3.3. When investing funds, Council will select the investment type which delivers the best value, having regard to investment returns, transaction costs, and other relevant and objectively quantifiable factors.
- 3.4. Council management may from time to time invest surplus funds in:
- Deposits with the Local Government Finance Authority; and/or
 - Bank interest bearing deposits
 - Bank accepted/endorsed bank bills
 - State/ Commonwealth Government Bonds
- 3.5. Any other investment requires the specific approval of Council.
- 4. Reporting**
- 4.1. During the year Council will receive a report detailing total fixed borrowings and variable fixed borrowings at the end of the preceding month, together with all investments held, their term and interest rate. Timing of these reports will be November, February, May, unless there is an opportunity to report earlier, with the end of year reported as soon as practicable as part of our end of year reporting. (*Council Resolution, Item No. 734 dated 28 November 2011*)
- 4.2. At least once a year Council shall receive a specific report regarding treasury management performance relative to this Policy. The report shall highlight:
- For each of Council's borrowings and investments - the quantum of funds, its interest rate and maturity date, and changes in the quantum since the previous report; and,
 - The proportion of fixed interest rate and variable interest rate borrowings at the end date of the reporting period along with key reasons for significant variances compared with the targets specified in this policy.

D - LEGISLATION

For Borrowings

Local Government Act, 1999 (Sections 44, 122 and 134)

Local Government (Financial Management) Regulations 2011

For Investments

Local Government Act, 1999 (Sections 47, 139 and 140)

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