



AGENDA

**FOR FINANCE AND CORPORATE SERVICES COMMITTEE MEETING TO BE
HELD ON**

**21 JULY 2025 AT THE CONCLUSION OF THE POLICY AND PLANNING
COMMITTEE MEETING**

**IN LITTLE PARA CONFERENCE ROOMS, SALISBURY COMMUNITY HUB,
34 CHURCH STREET, SALISBURY**

MEMBERS

Cr B Brug (Chairman)
Mayor G Aldridge
Cr L Brug (Deputy Chairman)
Deputy Mayor, Cr C Buchanan
Cr J Chewparsad
Cr A Graham
Cr K Grenfell
Cr D Hood
Cr P Jensen
Cr M Mazzeo
Cr S McKell
Cr S Ouk
Cr S Reardon

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
Deputy Chief Executive Officer, Mr C Mansueto
General Manager City Infrastructure, Mr J Devine
General Manager City Development, Ms M English
General Manager Community Development, Ms B O'Brien
A/Manager Governance, Ms S Kinsella
Governance Support Officer, Ms M Prasad

APOLOGIES

LEAVE OF ABSENCE

Leave of absence for this meeting was previously granted to Cr M Mazzeo.

PRESENTATION OF MINUTES

Presentation of the Minutes of the Finance and Corporate Services Committee Meeting held on 10 June 2025.

REPORTS

For Decision

2.1.1 Certification of the 2024/25 Annual Financial Statements9

For Information

2.2.1 Council Finance Report - June 202515

QUESTIONS WITHOUT NOTICE

There are no Questions on Notice

MOTIONS ON NOTICE

There are no Motions on Notice

OTHER BUSINESS

(Questions Without Notice, Motions Without Notice, CEO Updates)

CLOSE



**MINUTES OF FINANCE AND CORPORATE SERVICES COMMITTEE MEETING HELD
IN LITTLE PARA CONFERENCE ROOMS, SALISBURY COMMUNITY HUB,
34 CHURCH STREET, SALISBURY ON**

10 JUNE 2025

MEMBERS PRESENT

Mayor G Aldridge
Cr L Brug (Deputy Chairman) (*Presided over the meeting*)
Deputy Mayor, Cr C Buchanan
Cr J Chewparsad
Cr K Grenfell
Cr D Hood
Cr P Jensen
Cr M Mazzeo (*via MS teams*)
Cr S McKell
Cr S Ouk
Cr S Reardon

STAFF

Chief Executive Officer, Mr J Harry
Deputy Chief Executive Officer, Mr C Mansueto
General Manager City Infrastructure, Mr J Devine
General Manager City Development, Ms M English
A/General Manager Community Development, Ms V Haracic
Manager Governance, Mr R Deco
Governance Support Officer, Ms M Prasad

The meeting commenced at 6.30pm.

The Deputy Chairman welcomed the Elected Members, members of the public and staff to the meeting.

APOLOGIES

Apologies have been received from Cr B Brug and Cr A Graham.

LEAVE OF ABSENCE

Nil.

PRESENTATION OF MINUTES

Moved Cr S Reardon
Seconded Cr C Buchanan

The Minutes of the Finance and Corporate Services Committee Meeting held on 19 May 2025, be taken as read and confirmed.

CARRIED

REPORTS

For Decision

2.1.1 Rating Strategy 2025/26

Moved Cr L Brug
Seconded Cr J Chewparsad

That Council:

1. Approves a rate increase based on 4.2% average increase in residential rates, and a 4.2% increase for Commercial and Industrial, and a 30% differential on the residential rate be applied to vacant land, as the basis for setting rates in 2025/26.

CARRIED

2.1.2 2025/26 Long Term Financial Plan and Annual Business Plan and Budget Public Consultation Report

Moved Mayor G Aldridge
Seconded Cr S Ouk

That Council:

1. Notes the 2025/26 Draft Long Term Financial Plan and Annual Business Plan and Budget Public Consultation Report.
2. Approves the draft response to the 2025/26 Long Term Financial Plan and Annual Business Plan and Budget consultation submission as contained in Attachment 1 to this report (Item 2.1.2, Finance and Corporate Services Committee, 10 June 2025).

CARRIED

2.1.3 Budget Update

Moved Cr C Buchanan
Seconded Cr P Jensen

That Council:

1. Approves the Consolidated Budget Summary and Proposed Budget Adjustments to the Consolidated Summary as contained in Attachments 1 and 2 (new items subsequent to Public Consultation) to this report (Item 2.1.3, Finance and Corporate Services Committee, 10 June 2025).
2. Notes modified Capital budget bids for items approved by Council (amendments subsequent to Public Consultation):
 - PSR001323 Outdoor Sports Court Renewal Program – the 2026/27 capital budget of \$160k be brought forward from 2026/27 into 2025/26 to enable the renewal of the three practice cricket wickets at Salisbury Downs Oval as per Council Resolution 0889/2025 May 2025.
 - TRN001334 School Zones and Pedestrian Crossings – deferral of the 2025/26 capital budget of \$262.5k to 2026/27 resulting from the deferral of Salisbury Heights Primary School Kiss and Drop project as per Council Resolution 0889/2025.
3. Approves the removal of Capital budget bid (amendments subsequent to Public Consultation):
 - PFN001385 3 x Pool Fleet Vehicles – removal of the 2025/26 capital budget of \$135k and operating component of \$15k in line with the decision to transfer City Infrastructure vehicles with low utilisation into the vehicle pool.
4. Delegates to the Chief Executive Officer authority to transfer funds from the Chief Executive Officer Consulting budget to other areas of the business as required, and to report transactions made using this delegation via quarterly reviews, as per paragraph 3.10 of this report (Item 2.1.3, Finance and Corporate Services, 10 June 2025).

CARRIED

QUESTIONS ON NOTICE

There were no Questions on Notice.

MOTIONS ON NOTICE

There were no Motions on Notice.

OTHER BUSINESS

(Questions Without Notice, Motions Without Notice, CEO Update)

There were no Other Business Items.

ORDERS TO EXCLUDE THE PUBLIC

2.4.1 NAWMA (Northern Adelaide Waste Management Authority) Third Quarter Budget Review 2024/25

Moved Mayor G Aldridge
Seconded Cr S McKell

That the Finance and Corporate Services Committee:

1. *Orders that pursuant to Section 90(2) and (3)(j)(i) and (j)(ii) of the Local Government Act 1999, that it is appropriate and necessary to exclude the public for the consideration of Agenda Item 2.4.1 NAWMA (Northern Adelaide Waste Management Authority) Third Quarter Budget Review 2024/25 with the exception of the following persons:*

- *Chief Executive Officer*
- *Deputy Chief Executive Officer*
- *General Manager City Infrastructure*
- *A/General Manager Community Development*
- *General Manager City Development*
- *Manager Governance*
- *Governance Support Officer*
- *Audit and Risk Manager*
- *Team Leader Accounting Services*
- *Manager Field Services*
- *Manager Urban, Recreation and Natural Assets*
- *Manager Strategic Development Projects*

On the basis:

- *it relates to information the disclosure of which would divulge information provided on a confidential basis by or to a Minister of the Crown, or another public authority or official (not being an employee of the Council, or a person engaged by the Council); and*
 - *information the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
 - *non-disclosure of the matter and discussion of this item in confidence would protect information that was provided to Council in confidence.*

*the public's interest is best served by not disclosing the **NAWMA (Northern Adelaide Waste Management Authority) Third Quarter Budget Review 2024/25** item and discussion at this point in time.*

CARRIED

The meeting moved into confidence at 6.33pm.

The meeting moved out of confidence and closed at 6.34pm.

CHAIRMAN.....

DATE.....

ITEM	2.1.1
	FINANCE AND CORPORATE SERVICES COMMITTEE
DATE	21 July 2025
HEADING	Certification of the 2024/25 Annual Financial Statements
AUTHOR	Melissa Hamilton, Team Leader Accounting Services, Business Excellence
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities
SUMMARY	This report provides a summary of the 2025 end of financial year reporting process and seeks Council's authorisation for both the Mayor and the Chief Executive Officer to sign the certificate certifying the 2025 Annual Financial Statements in their final form once completed.

RECOMMENDATION

That Council:

1. Authorises the Mayor and Chief Executive Officer to sign the Council Certificate as shown in Attachment 1 of the report (Item 2.1.1, Finance and Corporate Services Committee, 21 July 2025) certifying the Annual Financial Statements for the financial year ended 30 June 2025, following the Audit and Risk Committee's review of these Statements which is scheduled to occur on 14 October 2025.

ATTACHMENTS

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

1. 2025 Annual Financial Statements Council Certificate

1. BACKGROUND

- 1.1 Section 127 of the *Local Government Act 1999* requires that a Council must prepare financial statements and notes in accordance with the standards prescribed by the regulations, and other statements or documentation relating to the financial affairs of the Council required by the regulations for each financial year.
- 1.2 A key component of meeting this legislative obligation is that the Mayor and the Chief Executive Officer must certify the Annual Financial Statements, the format of which is governed by Regulation 14 of the *Local Government (Financial Management Regulations) 2011*.

2. EXTERNAL CONSULTATION / COMMUNICATION

2.1 Council's external Auditors for the 2025 End of Financial Year, BDO.

3. DISCUSSION

3.1 The format of the certification of Council's Annual Financial Statements is governed by Regulation 14 of the *Local Government (Financial Management) Regulations 2011*, which states:

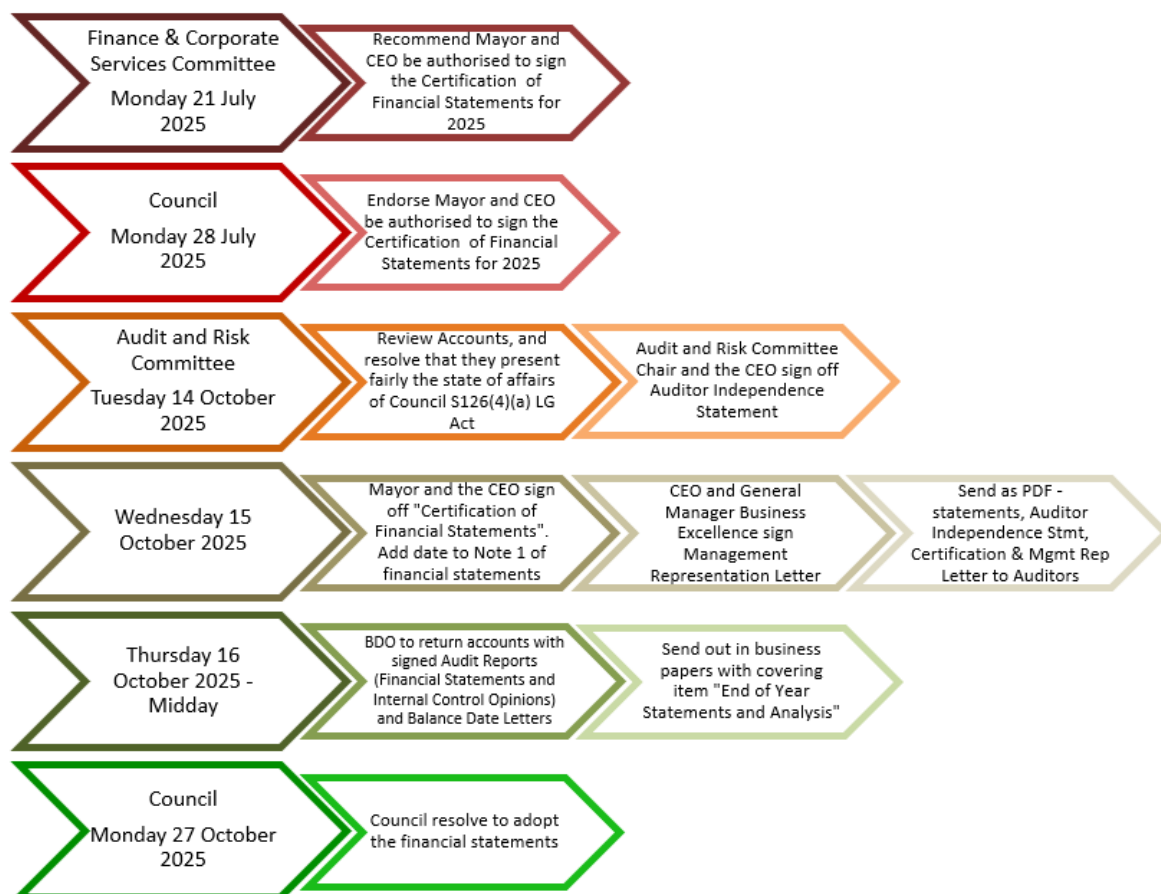
The financial statements of a council, council subsidiary or regional subsidiary must include a statement, in a form determined by the Minister, signed by:

- (a) *the chief executive officer and the principal member of the council;*
- (b) *... certifying that—*
- (c) *the financial statements comply with relevant legislation and Australian Accounting Standards; and*
- (d) *the financial statements present a true and fair view of the*
 - (i) *financial position; and*
 - (ii) *results of the operations; and*
 - (iii) *cash flows,**of the council, council subsidiary or regional subsidiary (as the case may be) for the financial year; and*
- (e) *internal controls implemented by the council, council subsidiary or regional subsidiary (as the case may be) provide a reasonable assurance that its financial records are complete, accurate and reliable and were effective throughout the financial year; and*
- (f) *the financial statements accurately reflect the accounting and other records of the council, council subsidiary or regional subsidiary (as the case may be) and;*
- (g) *—*
 - (i) *in the case of a council—the chief executive officer and the principal member;*
 - (ii) *...*

have been authorised by the council, council subsidiary or regional subsidiary (as the case may be) to certify the annual financial statements in their final form.

- 3.2 In accordance with the legislation the Council is responsible for preparing accurate annual financial statements. This is not the responsibility of the external auditor. The external auditor's role is limited to forming an opinion as to whether the statements present fairly, in all material respects, the Council's financial position for the respective reporting period. Accordingly, the Council Certificate is located prominently at the start of the statements.
- 3.3 The following process and associated timeframes have been prepared consistently with previous years and legislative requirements outlined above to ensure the Audit and Risk Committee and Council certification process integrates with the legislative requirements:

Sign off Process 2025 Financial Year



- 3.4 Application of the above process will ensure that the legislative requirements governing the preparation, review, certification and endorsement of the Annual Financial Statements for 2025 are satisfied.
- 3.5 A copy of the 2025 Annual Financial Statements Council Certificate complying with Regulation 14 of the *Local Government (Financial Management) Regulations 2011* is attached for information.

4. FINANCIAL OVERVIEW

4.1 Nil.

5. CONCLUSION / PROPOSAL

5.1 In order to satisfy the legislative requirements governing the preparation of the 2025 Annual Financial Statements it is recommended that Council authorise the Mayor and the Chief Executive Officer to sign the Council Certificate certifying the Annual Financial Statements for year ended 30 June 2025, following the Audit and Risk Committee's review of the Statements at its meeting on 14 October 2025.

City of Salisbury

General Purpose Financial Statements for the year ended 30 June 2025

Council certificate

Certification of Financial Statements

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

In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2025 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.

John Harry
Chief Executive Officer

15 October 2025

Gillian Aldridge
Mayor

15 October 2025

ITEM	2.2.1
	FINANCE AND CORPORATE SERVICES COMMITTEE
DATE	21 July 2025
HEADING	Council Finance Report - June 2025
AUTHORS	Sadaf Hashim, Accountant, Business Excellence Melissa Hamilton, Team Leader Accounting Services, Business Excellence
CITY PLAN LINKS	4.4 We plan effectively to address community needs and identify new opportunities
SUMMARY	This report provides key financial data as at 30 June 2025 for information of Council.

RECOMMENDATIONThat Council:

1. Notes the report.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Council's adopted Treasury Policy requires that a report be prepared detailing fixed borrowings and variable borrowings at the end of the preceding month, together with all investments held, their terms and interest rates. Also included is a summary of Reserve Balances and Rates and Debtor Information. The policy requires that the timing of these reports be November, February and May, with the end of year report as soon as practical as part of the end of financial year reporting.

2. EXTRNAL CONSULTATION/ COMMUNICATION

- 2.1 Nil.

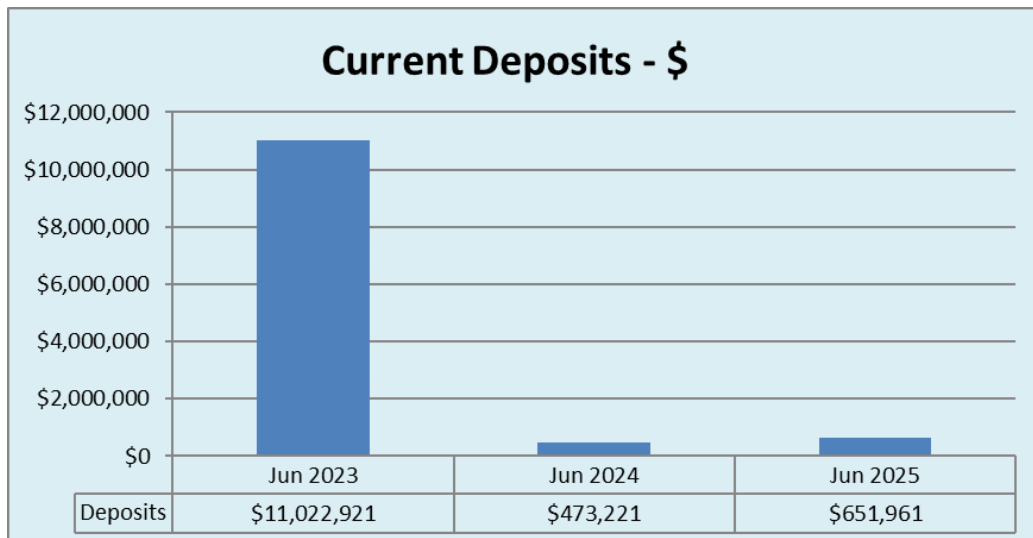
3. DISCUSSION

- 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 are invested in accordance with the Council's Treasury Policy. These investments are split between short term deposits with the Local Government Finance Authority (LGFA) (with variable maturity dates from 30-60 days) or at call with the National Australia Bank or Local Government Finance Authority (whichever offers the better interest rates).

- 3.2 Investments are selected considering which delivers the best value, having regard to investment returns, transaction costs and other relevant factors. It should be noted that there is a bonus paid on deposits with the LGFA each year, and whilst the percentage varies from year to year, typically it is around 0.20%.

3.3 Investments as at 30 June 2025

Date	Institution	%	Term-Days	Maturity	Value
30 Jun 2025	LGFA	4.15	At Call	30-June-2025	205,224
30 Jun 2025	NAB	4.05	At Call	30-June-2025	446,737
30-Jun-2024	473,221			30-Jun-2025	651,961



- 3.4 Cash has slightly increased compared to June 2024, primarily due to the timing of Financial Assistance and Untied Local Roads Grant (FA&ULR) payments, where 50% of 2025/26 FA&ULR has been received in 2024/25, compared to no advanced payment of the 2024/25 FA&ULR received in 2023/24. In contrast, 100% of the 2023/24 FA&ULR was received in advance in 2022/23, with relatively fewer Cash Advance Debenture (CAD) repayments required that year. Despite the temporary boost from early grant payments, the cash balance remains significantly lower in both June 2024 and 2025 compared to June 2023, as funds were used to deliver the Infrastructure Program and to meet higher repayments of Cash Advance Debenture (CAD) borrowings.
- 3.5 As at 30 June 2025, Council has needed to draw down on existing CAD facilities to a total of \$38.4M, with an outstanding balance of \$2.5M as at 30 June 2025. This has resulted in an average drawn down position of \$4,562k for the year, and associated interest expense of \$169k as at 30 June 2025. This is detailed further in paragraph 2.17.
- 3.6 The Council's cash holdings and borrowings are monitored closely and when necessary, we will continue to draw down on the existing CAD facilities, noting there are appropriate levels of facilities available to manage any cash shortfalls.

3.7 Reserves as at 30 June 2025

	Opening Balance as 1/07/2024	Transfer to Reserves	Transfer from Reserves	Current Balance
Open Space Reserve	1,994,043	756,061	-	2,750,104
Car Parking Reserve	1,030,527	47,310	-	1,077,837
Property Disposal Reserve	3,827,983	-	1,200,000	2,627,983
Mausoleum Perpetual Care Fund	1,082,160	49,680	-	1,131,840
Salisbury Memorial Park Reserve	991,527	45,519	-	1,037,046
Developer and Public Infrastructure Reserve	2,371,800	531,730	206,000	2,697,530
Salisbury Water Business Unit Reserve	2,748,824	-	-	2,748,824
Northern Futures Fund Reserve	286,361	13,146	-	299,507
Business Transformation Reserve	2,933,534	83,489	2,387,314	629,709

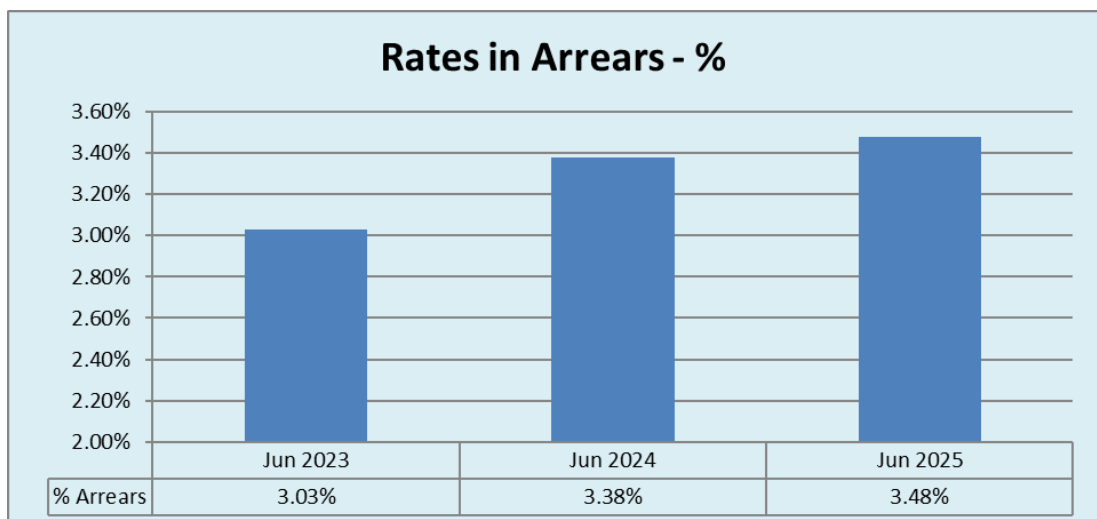
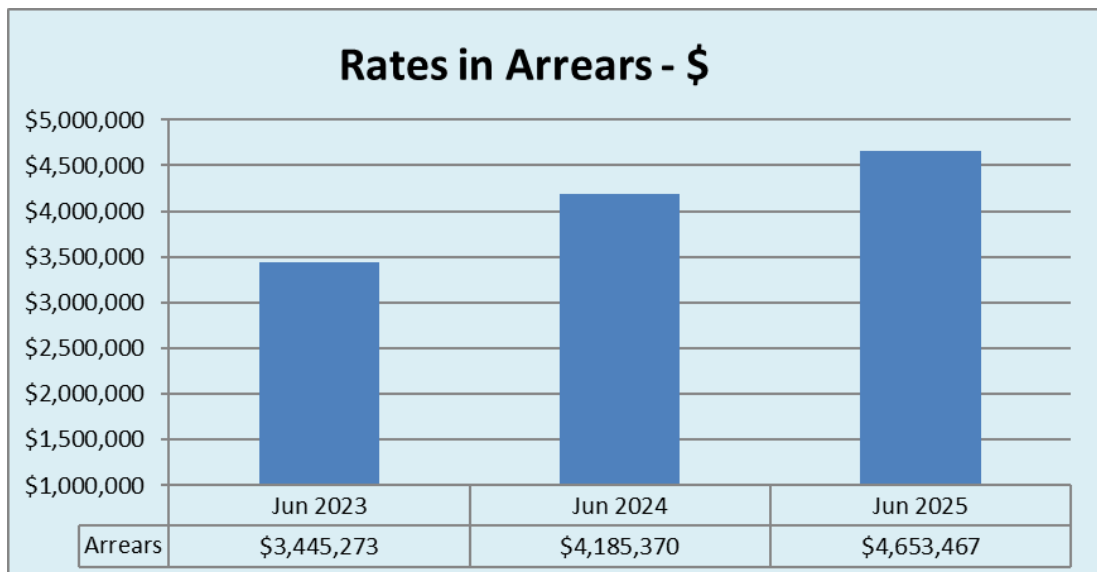
**Reserves to be finalised as part of the end of financial year processes*

- 3.8 Reserves are a device used to ensure that Council has sufficient funds allocated for specific purposes. Transfers to the Reserves represent amounts received as either contributions, interest adjustments and/or property disposal proceeds. Transfers from the Reserves represent the amounts being allocated to specific projects, or to reduce loan borrowing requirements.
- 3.9 As at 30 June 2025, key movements include the Returned Funds of the Developer Funded Program \$199k into the Developer and Public Infrastructure Reserve, relating to works that were either not required or not completed in the 2023/24 financial year, offset by the 2024/25 allocation of \$206k approved through the budget process. Additionally, \$217k in contributions received from various developers were transferred to the Developer and Public Infrastructure Reserve. Other significant contributions include \$649k in Open Space Reserve Contributions. Further movements include a transfer of \$2.4M from the Business Transformation Reserve to fund Business Transformation project expenses, and a Property Disposal Reserve transfer of \$1.2M related to a confidential item (resolution 0784/2024), with the remaining balance of the reserve retained to support working capital requirements.
- 3.10 Other smaller movements are associated with the interest totaling \$661k which is applied on the balances of the Reserves monthly based on the LGFA at call rate at the beginning of the month, with the Property Disposal Reserve and the Salisbury Water Business Unit Reserve being the only exceptions.

3.11 Recovery of Rates as at 30 June 2025

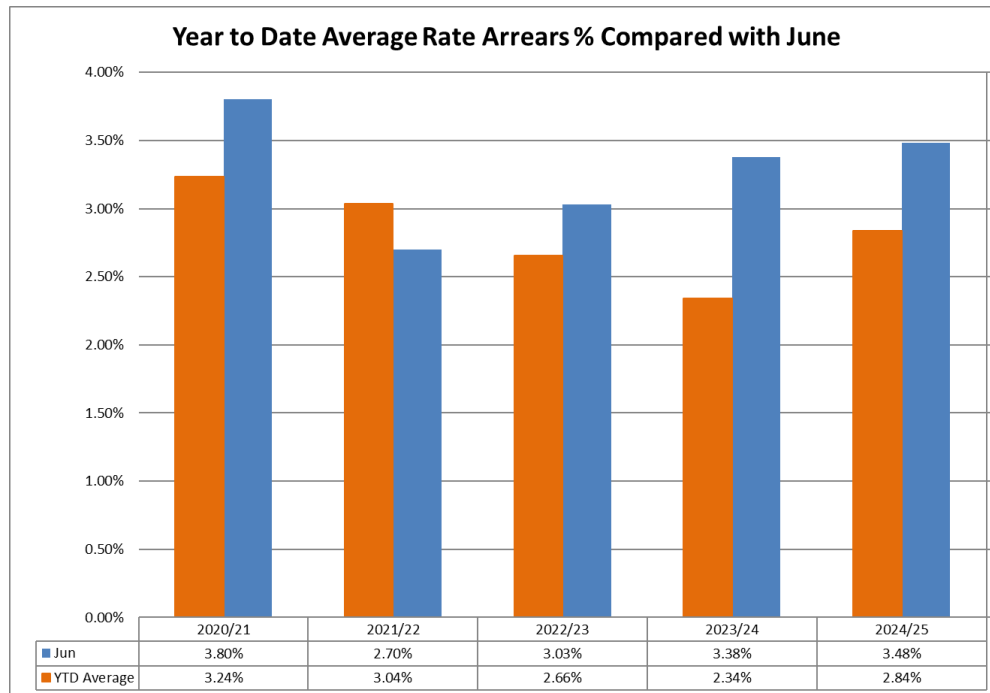
	No of Accounts	\$	%
Outstanding Balance as at 30 June 2025*		2,345,243	1.78%
Outstanding Balance as at 30 June 2024*		2,073,534	1.70%
Outstanding Rates Arrears as at 30 June 2025	5,449	4,653,467	3.48%
Outstanding Rates Arrears as at 30 June 2024	5,354	4,185,370	3.38%

**The calculation of the outstanding balance is comprised of the amount outstanding at the time of the report, offset by payments for rates that have been received in advance. In previous reports, these amounts had also included Water Debtors and comparison data has been adjusted accordingly.*



3.12 The level of Council Rates in arrears as at 30 June 2025 has increased to 3.48% which is above the target maximum level for Rates Arrears of 2.5% noting that final quarter rate installment was due on the 1 June 2025, so typically the balance at the end of June is higher than target. The increase generally reflects the current cost-of-living pressures across not only increases in Council rates but other living expenses.

3.13 Rate arrears are cyclical in nature in that they peak in the month rate installments fall due, and then trend downwards for the next two months, meaning that the rate arrears level at a point in time may be distorted, and that the average rate arrears normalises the cyclical impacts. The graph below depicts the average year to date rate arrears, with the average to June 2025 being 2.84%, which is slightly above the target of 2.5%.



3.14 Other Debtors as at 30 June 2025

Debtor Type	Current	30 – 60 days	60 - 90 days	Over 90 days	Total
Sundry	354,748	116,280	41,470	181,378	693,876
Salisbury Water	72,962	9,498	-	-	82,460
Inflammable Undergrowth	-	-	-	4,901	4,901
Health Licensing Fees	9,553	3,320	2,448	9,514	24,835
Property Management	217,894	12,750	4,793	3,683	239,120
TOTAL	655,157	141,848	48,711	199,476	1,045,192

3.15 The above aged analysis represents Council's Sundry debtors as at 30 June 2025. The total Sundry debtors current balance of \$694k includes various debts, all of which are a normal part of Council's operations and are expected to be paid in the upcoming period.

3.16 The above aged analysis also represents other amounts that are owing to Council from a variety of sources that are outstanding as at 30 June 2025. Debts outstanding greater than 90 days account for 19% of the total outstanding balance. Debts that are outstanding for greater than 30 days are subject to Council's debt collection procedures, which include internal follow up and ultimately legal action through Council's debt collection agency should debts remain outstanding.

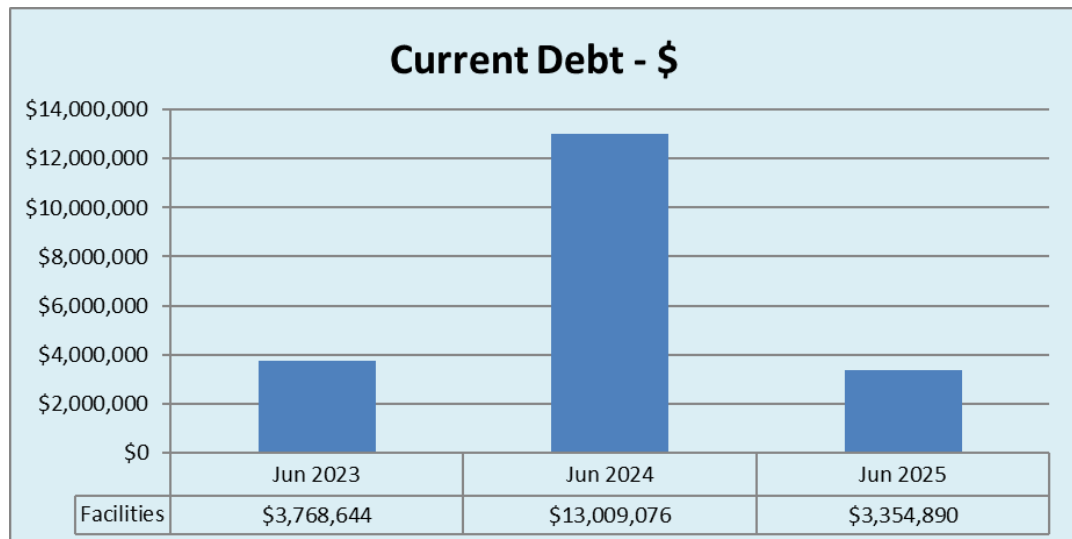
3.17 Loan Schedule as at 30 June 2025

Debenture Loans	
Principal Outstanding as at 1 July 2024	2,359,077
Loans Raised Year to Date	0
Repayments of Principal Year to Date	1,504,187
Loan Principal Outstanding - Debenture Loans	854,890
Cash Advance Debenture Borrowings (CADs)	
Total CAD's available	44,767,000
Current CAD's drawdown amount year to date	2,500,000
Balance of CAD's available	42,267,000
Interest Payments (Debenture Loans and CADs)	
Interest Payments - Debenture Loans	121,487
Interest Payments - CAD's	168,180
Total Interest Payments	289,667

3.18 The above Loan Schedule summarises the position on loans taken for Council purposes. Fixed Term Borrowings detail total movements this financial year, with payments to be made half yearly; payments have occurred in November and December 2023 and in May and June 2025.

3.19 Council has drawn down on its existing cash advance debenture (CAD) facilities during the financial year with a balance of \$2.5M outstanding as at 30 June 2025. This has resulted in a total interest expense of \$168,180 during the 2024/25 financial year. Further, the "Cash Advance Debenture Available Facility" has decreased from \$45,337k to \$44,767k in the current report due to the maturity of one of the Council's CAD facilities on 15 June 2025. Currently there are sufficient facilities to meet Council's borrowing requirements, with further consideration of loan borrowing requirements to be reported to Council in the coming months.

3.20 The table below shows the level of fixed term loans and drawn down debt held by Council at the same time for the last three financial years. Whilst there has been a continued low level of fixed term debt, Council's borrowings increased significantly during the 2023/24 year due to the utilisation of CADs in the absence of an advance payment of the 2024/25 Financial Assistance and Untied Local Roads (FA&ULR) grant. In contrast, early receipt of FA&ULR grants in both 2022/23 and 2024/25 financial years supported cash flow and enabled the repayment of CADs, resulting in lower debt levels at June 2023 and June 2025. The ongoing low fixed term debt position reflects Council's strategy to utilise property development proceeds to offset borrowing in prior years, and to rely on CADs which are drawn down as required in line with the timing of capital program delivery.



3.21 Net Financial Liabilities Ratio Comparison



3.22 The graph above shows the net financial liabilities ratio (NFL) comparison for the 2024 and 2025 financial years at the time of preparation of each Council finance report, with the 2024 end of financial year result being 20.5% which later updated to the audited amount of 27%. Council's approved range for the NFL is less than 70% as approved for the 2025 budget year which is represented by the green shaded area on the graph.

3.23 It should be noted that when the ratio is below zero, that this represents a net financial assets position, which is when the financial assets (cash, receivables and financial assets) are greater than total liabilities. Effectively this means that a negative ratio is favourable. When financial assets are less than total liabilities it results in a net financial liability position, and a positive ratio.

3.24 As can be seen, the trend is that early in both financial years, Council is in a strong net financial assets position. This reflects higher levels of cash holdings and trade receivables compared to trade payables and debt. As the financial year progresses, cash holdings are reduced as the infrastructure program is delivered, resulting in a net financial liability position.

3.25 The budgeted ratio for net financial liabilities in 2024/25 is 59.4%. The ratio is calculated as financial liabilities less financial assets (i.e. net financial liabilities), divided by operating revenue. At the end of the 2024/25 financial year, Council is in a net financial liability position with a ratio of 9.9%, which is well within the endorsed range of <70%. Furthermore, this is lower than the 2023/24 financial year's liability ratio of 27%, primarily due to the early receipt of the 2025/26 FA&ULR grant in 2024/25 and lower borrowings, compared to no early grant receipt and higher borrowings — including fixed term loans and cash advances — in the 2023/24 financial year.

4. FINANCIAL OVERVIEW

4.1 Nil.

5. CONCLUSION / PROPOSAL

5.1 The analysis above demonstrates that Council is currently in a sound financial position with Net Financial Liabilities within the approved range. It should be noted that Council currently has appropriate levels of borrowing facilities to manage any cash shortfalls that may result.

5.2 Whilst this report provides only a summary of key financial data as at 30 June 2025, the full financial results for the financial year will be reported on as part of the 2025 Annual Financial Statements which will be presented to Council in October 2025.