

His Worship the Mayor
Councillors
CITY OF MARION



**NOTICE OF
SPECIAL GENERAL COUNCIL MEETING**

Notice is hereby given pursuant to the provisions under Section 83 of the Local Government Act 1999 that a General Council meeting will be held

Tuesday 12 July 2016

Commencing at 6.15pm

In the Council Chamber

Council Administration Centre

245 Sturt Road, Sturt

A copy of the Agenda for this meeting is attached in accordance with Section 83 of the Act.

Meetings of the Council are open to the public and interested members of this community are welcome to attend. Access to the Council Chamber is via the main entrance to the Administration building on Sturt Road, Sturt.

A handwritten signature in black ink, appearing to read "Tony Lines", with a long horizontal stroke extending to the right.

Tony Lines
A/CHIEF EXECUTIVE OFFICER

8 July 2016

**CITY OF MARION
SPECIAL GENERAL COUNCIL AGENDA
FOR MEETING TO BE HELD ON
TUESDAY 12 JULY 2016
COMMENCING AT 6.15PM**



1. OPEN MEETING

2. KAURNA ACKNOWLEDGEMENT

We acknowledge the Kurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3. DISCLOSURE

All persons in attendance are advised that the audio of this General Council meeting will be recorded and will be made available on the City of Marion website.

4. ELECTED MEMBER'S DECLARATION OF INTEREST (if any)

5. CORPORATE REPORTS FOR DECISION

Rate Rebates 2016-2017 SGC120716R01	3
Final Annual Business Plan (ABP) & Long Term Financial Plan (LTFP) SGC120716R02	10
BMX – State Funding Deed SGC120716R03	16
2016 Federal Election Promises SGC120716R04	33

6. MEETING CLOSURE

Council shall conclude on or before 9.30pm unless there is a specific motion adopted at the meeting to continue beyond that time.

**CITY OF MARION
SPECIAL GENERAL COUNCIL MEETING
12 JULY 2016**

Originating Officer: Kylie Jaggard, Team Leader Rating Services

Corporate Manager: Ray Barnwell, Manager Finance

General Manager: Vincent Mifsud, General Manager Corporate Services

Subject: Rate Rebates 2016-17

Reference No: SGC120716R01

REPORT OBJECTIVE AND EXECUTIVE SUMMARY:

That the Council review applications received from community service organisations requesting rate rebates in accordance with the Council's Rate Rebate Policy.

RECOMMENDATIONS (8):

DUE DATE

That:-

- | | | |
|----|--|--------------|
| 1. | The Schedule of Mandatory Rate Rebates (refer Appendix 1) be noted. | 12 July 2016 |
| 2. | Council resolves that a discretionary rate rebate of 25% be granted under Section 166(1)(j) of the Local Government Act, 1999 to Foodbank SA on the properties it occupies for the 2016-17 financial year. | 12 July 2016 |
| 3. | Council resolves that a discretionary rebate of 25% be granted under Section 166(1)(d) of the Local Government Act, 1999 to Suneden School on the property it occupies and uses for educational purposes for the 2016-17 financial year. | 12 July 2016 |
| 4. | Council resolves that a discretionary rate rebate of 25% be granted under Section 166(1)(g) of the Local Government Act, 1999 to Developing Alternative Solutions to Housing Inc (DASH) on the properties it occupies at 1/5 and 3/5 Finniss St Marion, 105 Nunya Ave, Morphettville, 348 & 348A Sturt Rd, Clovelly Park for the 2016-17 financial year. | 12 July 2016 |
| 5. | Council resolves that a discretionary rate rebate of 100% be granted under Section 166(1)(j) of the Local Government Act, 1999 to the Scout and Guide Organisations on the properties currently occupied by them for the 2016-17 financial year. | 12 July 2016 |

6. **Council resolves that a discretionary rate rebate of 50% be granted under Section 166(1)(j) of the Local Government Act, 1999 to The Abbeyfield Society (Marion) Inc on the property it occupies at 5 Lawrence Ave, Edwardstown for the 2016-17 financial year, subject to receipt by Council of a new rebate application request.** 12 July 2016
7. **Council resolves that a discretionary rate rebate of 50% be granted under Section 166(1)(j) of the Local Government Act, 1999 to the Plympton Glenelg RSL Sub Branch on the property it occupies at 464 Marion Rd, Plympton Park for the 2016-17 financial year, subject to receipt by Council of a new rebate application request.** 12 July 2016
8. **Council resolves that a discretionary rate rebate of 25% be granted under Section 166(1)(j) of the Local Government Act, 1999 to Prison Fellowship Australia (SA) on the property it occupies at 397C and 397E Diagonal Rd, Sturt for the 2016-17 financial year, subject to receipt by Council of a new rebate application request.** 12 July 2016

BACKGROUND:

The Local Government Act 1999 provides for rebates of rates, on either a mandatory (Sections 160 to 165) or discretionary (Section 166) basis of 100% or less. The discretionary rebate may, for example, apply where a not-for-profit community services organisation does not fall within the provisions for a mandatory rebate (under Section 161) but does fall within the discretionary rebate grounds. Section 161(3) of the Local Government Act 1999, as reflected in the Council's Rating Policy, sets a three part test for eligibility for a mandatory 75% rebate for a community service organisation:-

“161 – Rebate of rates - community services

- (1) The rates on land being predominantly used for service delivery or administration by a community service organisation will be rebated at 75 per cent (or, at the discretion of a council, at a higher rate).
- (3) For the purposes of this section, a community service organisation is a body that –
 - (a) is incorporated on a not-for-profit basis for the benefit of the public; and
 - (b) provides community services without charge or for a charge that is below the cost to the body of providing the services; and
 - (c) does not restrict its services to persons who are members of the body.”

The Act also stipulates what is regarded as a community service.

DISCUSSION:

Council periodically receives applications from organisations occupying property within the City of Marion requesting Mandatory or Discretionary Rebates.

All the applications have been considered in accordance with the relevant sections of the Local Government Act 1999 and the Rate Rebate section of Council's Rating Policy.

Appendix 1 summarises the mandatory and discretionary rebates.

INTERNAL ANALYSIS:

Legal / Legislative and Risk Management:

Mandatory Rebates

The Local Government Act provides for a number of mandatory 100% rebates, these rebates apply to land being used for the provision of health services, religious purposes, public cemeteries and the Royal Zoological Society of SA, and mandatory 75% rebates for educational purposes, community services, private schools and housing associations.

Discretionary Rebates

When considering granting any Discretionary Rebates, Council must also consider the provisions of the Rating Policy.

"The Council will in accordance with Section 166(1a) of the Act take into account the following matters when deciding whether to grant a discretionary rebate of rates of charges under Section 166(1) (d), (e), (f), (g), (h), (i) or (j).

- 18.6.4 the nature and extent of Council services provided in respect of the land for which the rebate is sought in comparison to similar services provided elsewhere in the Council's area;
- 18.6.5 the community need that is being met by activities carried out on the land for which the rebate is sought; and
- 18.6.6 the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons."

Council has previously approved discretionary rebates to the following community organisations:

Foodbank SA

Foodbank SA meets the requirement for a 75% mandatory rebate. In addition, Council in previous financial years has granted a discretionary rebate of 25% in accordance with Council's Rating Policy.

It is proposed that a 25% discretionary rebate be approved for 2016-17.

Suneden School

This organisation meets the requirement for a 75% mandatory rebate. In addition, Council in previous financial years has granted a discretionary rebate of 25% in accordance with Council's Rating Policy.

It is proposed that a 25% discretionary rebate be approved for 2016-17.

Developing Alternative Solutions to Housing Inc (DASH)

This organisation meets the requirement for a 75% mandatory rebate on properties at 1/5 and 3/5 Finnis St Marion, 105 Nunya Ave, Morphettville, 348 and 348A Sturt Rd, Clovelly Park. DASH provides emergency accommodation to youth.

It is proposed that in addition a 25% discretionary rebate be approved for 2016-17.

Scout and Guide Organisations:

The Scouting and Guide organisations do not meet the definition of community services set out in the Rate Rebate Policy and therefore do not qualify for a mandatory rebate. However, Council has previously granted discretionary rebate of up to 100%.

It is proposed that a 100% discretionary rebate be approved for 2016-17.

The Abbeyfield Society (Marion) Inc

This organisation does not meet the definition of Community Services set out in the Rate Rebate Policy and therefore does not qualify for a mandatory rebate.

A discretionary rebate of 50% to The Abbeyfield Society (Marion) Inc has previously been approved by Council, from 2004-05 through to the 2015-16 financial year.

It is recommended that the rebate be extended for the 2016-17 financial year subject to receipt by Council of a new application request.

Plympton Glenelg RSL Sub Branch

This organisation does not meet the definition of Community Services set out in the Rate Rebate Policy and therefore does not qualify for a mandatory rebate.

A discretionary rebate of 50% to the Plympton Glenelg RSL Sub Branch has previously been approved by Council, from 2004-05 through to the 2015-16 financial year.

It is recommended that the rebate be extended for the 2016-17 financial year subject to receipt by Council of a new application request.

Prison Fellowship Australia (SA)

This organisation does not meet the definition of Community Services set out in the Rate Rebate Policy and therefore does not qualify for a mandatory rebate.

A discretionary rebate of 25% to the Prison Fellowship Australia (SA) has previously been approved by Council for the 2009-10 through to the 2015-16 financial years.

It is recommended that the rebate be extended for the 2016-17 financial year subject to receipt by Council of a new application request.

Council Property - Leased

Under the provisions of the Local Government Act, Council must rate all Council owned property over which a lease has been granted.

However, the Recreation Grounds Rates and Taxes Exemption Act, 1981 exempts sporting and recreation clubs from Council Rates. The exemption will only apply where the total income (if any) derived by a club from the use of the land is used to maintain the club facilities at that site.

Financial Implications:

The nature of rebates is that the rate responsibility is shifted from one section of the community to another. The provision of discretionary rebates directly impacts on Council's finances.

CONCLUSION:

All applications for rate rebates have been reviewed individually in accordance with the relevant sections of the Local Government Act 1999 and with Council's Rating Policy.

Appendix 1: Schedule of Mandatory and Discretionary Rate Rebates

APPENDIX 1 - RATE REBATE REPORT 2016-17

Mandatory 100%		
Organisation	Rate \$	Rebate \$
Adelaide Society of The New Church Inc	1,507	1,507
Apostolic Church Aust Ltd	3,050	3,050
Baptist Churches of South Australia Inc	12,421	12,421
Brighton Christadelphian Ecclesia Inc	2,866	2,866
Catholic Church Endowment Society Inc	11,891	11,891
Churches of Christ in SA & NT Inc	14,405	14,405
City Of Marion	12,531	12,531
Community of Christ	2,536	2,536
Corp of Presiding Bishop of Latter-Day Saints	7,074	7,074
Good Shepherd Lutheran Church Hallett Cove Inc	6,890	6,890
Hallett Cove Parish	4,226	4,226
Hindu Society Of SA Inc	1,874	1,874
Islamic Society Of SA Inc	1,819	1,819
Lutheran Church Of Australia (SA) Inc	4,446	4,446
Lutheran Church of Australia SA & NT District Holding Ltd	2,646	2,646
Maranatha Christian Assembly & School Inc	4,042	4,042
New Apostolic Church Aust Pty Ltd	1,025	1,025
Oasis Family Church Inc	1,341	1,341
Park Holme Baptist Church Inc	3,013	3,013
Seaview Community Church Inc	2,425	2,425
Synod Diocese Murray Anglican Church	3,152	3,152
Synod Diocese Adelaide Anglican Church	6,357	6,357
The Salvation Army (SA) Property Trust	9,813	9,813
Uniting Church in Australia Property Trust SA	40,311	40,311
Total	161,658	161,658

Mandatory 75%		
Organisation	Rate \$	Rebate \$
Access 2 Place Housing Assoc	38,400	28,800
Accessible Housing Assoc Inc	61,414	46,061
Anglicare SA Housing Assoc	30,132	22,599
Anglicare SA Inc	43,085	32,314
Bedford Industries Inc	23,904	17,928
Catholic Church Endowment Society Inc	36,471	27,353
Common Equity Housing SA Ltd	23,095	17,321
Community Housing Ltd	7,607	5,705
Cornerstone Housing Ltd	46,360	34,770
Developing Alternative Solutions To Housing Inc	4,079	3,059
Eco Housing Co-Operative Inc	5,475	4,106
Eldercare Inc	66,144	49,608
Emmaus Christian College Inc	25,079	18,810
James Brown Memorial Trust Inc	12,154	9,116

Julia Farr Housing Assoc	48,440	36,330
Junction & Women's Housing Ltd	106,066	79,549
L Longfellow - Hallett Cove school building	1,268	951
Laura & Alfred West Cottage Homes	5,806	4,354
M D & L M Lucas - Hallett Cove school building	1,025	769
M I Davis - Hallett Cove school building	1,029	772
Minda Community Housing Assoc	2,536	1,902
Minda Inc	24,051	18,038
Mr J Boulderstone - Hallett Cove school building	1,139	854
Netherlands Aust Aged Services Assoc Inc	27,560	20,670
Olsberg Pty Ltd - Hallett Cove school building	1,139	854
Portway Housing Assoc Inc	4,593	3,445
Renton Holdings Pty Ltd	1,029	772
Resthaven Inc	48,948	36,711
RSL Poppy Day Housing Assoc - ILU	6,100	4,575
Salvation Army Housing Ltd	17,436	13,077
Southern Cross Care (SA & NT) Inc	26,917	20,188
St Martin De Porres Catholic School	7,717	5,788
Sunrise Christian School Inc	9,922	7,441
The Adelaide Benevolent & Strangers Friend Society	11,538	8,654
The Frederic Ozanam Housing Assoc Inc	44,849	33,636
The Salvation Army (SA) Property Trust	1,984	1,488
Trustee of Marist Bros. Southern Province	58,427	43,820
Unity Housing Co	146,296	109,722
Westminster School Inc	84,510	63,383
Westside Housing Association	26,268	19,701
Woodend Primary School	19,292	14,469
Total	1,159,283	869,462

Mandatory 75% and Discretionary 25%		
Organisation	Rate \$	Rebate \$
Developing Alternative Solutions To Housing Inc	5,181	5,181
Foodbank of South Australia Inc	10,400	10,400
Geddes Building Services Pty Ltd & Mr I Stewart (Foodbank)	3,939	3,939
Suneden Intellectually Disabled Childrens Inc	8,727	8,727
Total	28,247	28,247

Discretionary 100%		
Organisation	Rate \$	Rebate \$
Dover Gardens Guide Assoc	1,020	1,020
The Scout Assoc of South Australia	12,371	12,371
Total	13,390	13,390

Discretionary 50%		
Organisation	Rate \$	Rebate \$
Plympton Sub-Branch Returned & Services League	3,695	1,848
The Abbeyfield Society (Marion) Inc	3,234	1,617
Total	6,929	3,464

Discretionary 25%		
Organisation	Rate \$	Rebate \$
Ms J & E Kakas - Prison Fellowship Australia (SA)	2,014	503
Total	2,014	503

SUMMARY		
	Rate \$	Rebate \$
Mandatory 100%	161,658	161,658
Mandatory 75%	1,159,283	869,462
Mandatory 75% & Discretionary 25%	28,247	28,247
Discretionary 100%	13,390	13,390
Discretionary 50%	6,929	3,464
Discretionary 25%	2,014	503
TOTAL	1,371,521	1,076,726

**CITY OF MARION
SPECIAL GENERAL COUNCIL MEETING
12 JULY 2016**

Originating Officer: David Harman, Financial Accountant

Acting Corporate Manager: David Harman, Financial Accountant

General Manager: Vincent Mifsud, General Manager Corporate Services

Subject: Annual Business Plan 2016/17 and Long Term Financial Plan

Report Reference: SGC120716R02

REPORT OBJECTIVES & EXECUTIVE SUMMARY:

The purpose of this report is to:-

1. Seek Council's approval to make the necessary changes required to the Annual Budget (Annual Business Plan - ABP) and Long Term Financial Plan (LTFP) figures and financial statements to reflect its decision as resolved at the 28 June General Council meeting (GC280616R10) to change the average rate increase in the 2016/17 Annual Budget and Long Term Financial Plan 2016/17 to 2025/26 documents to 2.50% (down from 2.75%).
2. Provide an updated ABP 2016/17 – Budgeted Income Statement (Appendix 1) and LTFP 2016/17 to 2025/26 – Budgeted Funding Statement (Appendix 2) for Council's endorsement.

Following the General Council meeting on 28 June 2016 (GC280616R08) the State Government has advised of its decision to increase the EPA Solid Waste Levy by an additional \$14 per tonne from 1 September 2016 resulting in a total increase of \$19/tonne (NB: The draft ABP 2016/17 was based upon a forecast increase in the EPA Solid Waste Levy of \$5/tonne, which was consistent with recent annual increases and the previous estimates advised by the EPA) – the impact of this additional increase for the ABP 2016/17 is estimated to be \$210k. The ABP 2016/17 and LTFP 2016/17 to 2025/26 have been appropriately updated to reflect this additional EPA Solid Waste Levy increase, as well as incorporating the reduction in operating revenue (Rates reduction) and the additional operating and capital expenditure from the various resolutions endorsed at the 28 June 2016 General Council meeting.

The following table summarises the changes that have been made to the ABP 2016/17 and LTFP 2016/17 to reflect this:-

		2016/17 \$000s	LTFP \$000s
Operating Revenue			
Rates - Decrease from 2.75% down to 2.50%	GC280616R10	(173)	(11,821)
Operating Revenue Total		(173)	(11,821)
Operating Expenditure			
Oaklands Crossing Campaign	GC280616R06	15	15
Mitchell Park Sports and Community Club - O&M - commencing 2019/20	GC280616R07	0	521
Mitchell Park Sports and Community Club - Interest - commencing 2019/20	GC280616R07	0	2,118
EPA Solid Waste Levy - Increased by \$14/tonne from 1 September 2016	SCG120716R02	210	5,260
Operating Expenditure Total		225	7,914
Capital			
Mitchell Park Sports and Community Club redevelopment - 2018/19	GC280616R07	0	10,000
Capital Total		0	10,000
Net Unfavourable Impact (Operating + Capital)		398	29,735
Loan funding			
Mitchell Park Sports and Community Club - New Borrowings	GC280616R07	0	(10,000)
Mitchell Park Sports and Community Club - Principal Repayments	GC280616R07	0	6,547
Net Loan movements		0	(3,453)
Net Decrease in Cash		398	26,282

In summary the inclusion of all the above items results in a decrease of \$398k in the funding (Cash) result for 2016/17 and a decrease of \$26.282 million in the funding (Cash) position over the 10-year term of the LTFP.

Considering these additional inclusions, Council still has some capacity available to potentially undertake other projects over the course of the LTFP, subject to appropriate consideration of funding capacity assessments and prudential management (due diligence) processes.

RECOMMENDATIONS (2):**DUE DATE****That Council:**

- | | |
|---|--------------|
| 1. Authorise Administration to make the necessary changes to the 2016/17 Annual Budget and Long Term Financial Plan 2016/17 to 2025/26 figures and financial statements to reflect the decision as resolved (GC280616R10) to change the average rate increase in the Annual Budget and Long Term Financial Plan to 2.50%. | 12 July 2016 |
| 2. Adopt, as presented the revised 2016/17 Annual Business Plan – Budgeted Income Statement in Appendix 1 and the revised Long Term Financial Plan 2016/17 to 2025/26 – Budgeted Funding Statement in Appendix 2. | 12 July 2016 |

CONCLUSION:

This report summarises the changes made to the ABP 2016/17 and LTFP 2016/17 to 2025/26 to reflect the resolutions made at the General Council meeting on 28 June 2016 and the subsequent receipt of a State Government advice, advising of an additional \$14/tonne increase to the EPA Solid Waste Levy. It also provides a revised ABP 2016/17 – Budgeted Income Statement (Appendix 1) and Long Term Financial Plan 2016/17 to 2025/26 (Appendix 2) to reflect these changes and Council's resolution to change the average rate increase in the Annual Budget and LTFP to 2.50% (down from 2.75%).

APPENDIX 1: Annual Business Plan 2016/17 – Budgeted Income Statement
APPENDIX 2: Long Term Financial Plan 2016/17 to 2025/26 – Funding Statement

Budgeted Income Statement

CITY OF MARION			
Budgeted Income Statement			
Budget 2015/16 \$'000	3rd Review 2015/16 \$'000		Budget 2016/17 \$'000
		Operating Revenue	
68,489	68,386	Rates - General	70,829
1,569	1,573	Rates - NRM Levy	1,628
1,630	1,741	Statutory Charges	1,751
1,633	1,796	User Charges	1,599
6,324	5,839	Grants/Subsidies	7,211
270	702	Investment Income	265
770	843	Reimbursements	619
536	553	Other Revenue	384
315	315	Share of Profit/(Loss) SRWRA	324
81,536	81,748	Total Operating Revenue	84,610
		Operating Expenditure	
32,139	31,833	Employee Costs	33,021
14,561	17,705	Contractor Services	16,886
4,668	4,727	Materials	5,193
1,343	700	Finance Charges	948
13,821	13,877	Depreciation	14,020
6,104	6,278	Other Expenses	6,889
72,636	75,120	Total Operating Expenditure	76,957
8,900	6,628	Operating Surplus/(Deficit) before Capital Revenues	7,653
-	-	Capital Grants and Contributions	-
1,500	1,500	Physical resources received free of charge	1,500
10,400	8,128	Net Surplus/(Deficit) resulting from Operations	9,153

Budgeted Funding Statement

	ABP&B 2016/2017 \$000's	2017/2018 \$000's	2018/2019 \$000's	2019/2020 \$000's	2020/2021 \$000's	2021/2022 \$000's	2022/2023 \$000's	2023/2024 \$000's	2024/2025 \$000's	2025/2026 \$000's
(a) Operating Revenue										
Rates										
General	70,829	73,326	75,911	78,587	81,357	84,225	87,194	90,268	93,450	96,744
Other	1,628	1,669	1,711	1,754	1,798	1,843	1,889	1,936	1,984	2,034
Statutory Charges	1,751	1,795	1,840	1,886	1,933	1,981	2,031	2,082	2,134	2,187
User Charges	1,599	1,639	1,680	1,722	1,765	1,809	1,854	1,900	1,948	1,997
Operating Grants and Subsidies	7,211	5,766	5,893	6,023	6,157	6,294	6,434	6,578	6,725	6,876
Investment Income	265	260	260	260	260	260	260	260	260	260
Reimbursements	619	634	650	666	683	700	718	736	754	773
Net Gain - Equity Accounted Investments	324	334	344	354	365	376	387	398	410	423
Other	384	395	404	414	424	435	446	457	468	480
	84,610	85,818	88,693	91,666	94,742	97,923	101,213	104,615	108,133	111,774
(b) Operating Expenses										
Employee Costs	33,021	33,720	34,297	34,687	35,380	36,088	36,810	37,547	38,298	39,064
Contractual Services	16,886	16,544	17,789	18,422	18,675	19,110	19,779	20,122	20,702	21,298
Materials	5,193	5,292	5,425	5,561	5,701	5,844	5,991	6,141	6,295	6,453
Finance Charges	948	1,317	1,613	1,898	1,722	1,545	1,383	1,213	1,043	893
Depreciation	14,020	14,580	15,190	15,797	16,429	17,087	17,771	18,483	19,222	19,991
Other	6,889	6,335	6,831	6,663	6,830	7,001	7,545	7,365	7,549	7,738
<i>Less</i>	76,957	77,788	81,145	83,028	84,737	86,675	89,279	90,871	93,109	95,437
Operating Surplus/(Deficit) before Capital Revenues	7,653	8,029	7,547	8,638	10,004	11,248	11,933	13,744	15,024	16,337
<i>Add</i>	Capital Revenue	1,500	5,500	11,500	1,500	1,500	1,500	1,500	1,500	1,500
<i>Equals</i>	Net Surplus/(Deficit) resulting from operations	9,153	13,529	19,047	10,138	11,504	12,748	13,433	15,244	17,837
	Adjust for non-cash items									
<i>Add</i>	Depreciation	14,020	14,580	15,190	15,797	16,429	17,087	17,771	18,483	19,222
<i>Less</i>	Share of Profit Equity Accounted Investments (excl div)	324	334	344	354	365	376	387	398	410
<i>Equals</i>	Funding available for Capital Investment expenditure	22,849	27,776	33,894	25,581	27,569	29,459	30,818	33,329	37,405
	Capital									
<i>Less</i>	Capital Expenditure - Renewal	13,673	17,765	15,647	17,142	17,650	17,891	20,722	19,838	19,249
<i>Less</i>	Capital Expenditure - New	4,925	12,452	24,205	3,921	4,950	4,873	4,981	5,091	4,294
<i>Less</i>	Capital - contributed assets	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
<i>Equals</i>	Net Overall funding Surplus/(Deficit)	2,751	(3,941)	(7,458)	3,018	3,469	5,195	3,615	6,900	11,984

Budgeted Funding Statement

Funding transactions associated with accommodating the above net overall funding deficit (or applying the net overall funding surplus) are as follows:

		2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
	Loans										
	Loan Principal Receipts (Net)	-	6,960	10,000	-	-	-	-	-	-	-
Less	Loan Principal Payments	1,400	1,444	1,657	2,581	2,726	2,381	2,508	2,642	2,107	2,216
	Loans - Increase/(Decrease)	(1,400)	5,516	8,343	(2,581)	(2,726)	(2,381)	(2,508)	(2,642)	(2,107)	(2,216)
	Movement in level of cash, investments & accruals										
Less	Reserves Transfer from/(Transfer to)	(2,031)	(1,520)	(2,813)	(3,658)	(3,764)	(3,873)	(3,985)	(4,101)	(4,220)	(4,343)
	Funding Surplus/(Deficit)	(680)	55	(1,928)	(3,221)	(3,021)	(1,059)	(2,878)	157	4,053	5,425
Equals	Funding Transactions	(2,751)	3,941	7,458	(3,018)	(3,469)	(5,195)	(3,615)	(6,900)	(10,380)	(11,984)
	Closing Cash Balance	21,747	23,321	24,206	24,644	25,386	28,200	29,307	33,566	41,838	51,606
	Reserve Account Balance*	17,369	18,889	21,702	25,360	29,124	32,997	36,982	41,083	45,303	49,646

* Note - the Reserve Account Balance includes the Asset Sustainability Reserve, the Open Space Reserve and the Grants & Carryover Reserve

**CITY OF MARION
SPECIAL GENERAL COUNCIL MEETING
12 JULY 2016**

Originating Officer: John Valentine, Manager Strategic Projects

General Manager: Abby Dickson, General Manager City Development
Vincent Mifsud, General Manager Corporate Services

Subject: BMX State Funding Deed

Report Reference: SGC120716R03

REPORT OBJECTIVES

To consider the State Government funding deed to contribute \$2 million towards the development of a UCI (Union Cycliste Internationale) standard BMX facility at Majors Road, O'Halloran Hill.

EXECUTIVE SUMMARY

The State Government announced on Saturday 25 June \$2 million funding towards an international standard BMX facility at Majors Road O'Halloran Hill. The BMX facility is to be developed on the land previously occupied by the Department of Planning Transport and Infrastructure (DPTI) as a temporary depot for the duplication of the Southern Expressway. The site is owned by the Department of Water and Natural Resources.

The City of Onkaparinga has resolved to allocate \$750,000 towards the BMX facility and the City of Marion resolved to allocate \$750,000 at its 14 June 2016 Council meeting.

The Office for Recreation and Sport (ORS) provided a funding deed on Thursday 30 June for consideration. The deed is in a standard format that is used by the State Government. The Schedule attached to the deed is specific to the BMX facility and details, amongst other matters, the purpose of the funding and a range of special conditions in relation to:

- The formation of a Project Steering Committee (PSC)
- The PSC developing the project methodology, scope, design, cost and related matters
- The \$2 million State funds being used for the BMX track component in the first instance
- Council obtaining, if required, any necessary funds if the project exceeds \$3.5 million
- The PSC developing and agreeing a management model, roles and responsibilities of the parties and determining whole of life costs
- Council securing a long term lease over the land
- Council obtaining all relevant development approvals
- Construction to commence by 30 June 2017 and be completed by 31 December 2017

The development of the BMX track will need to be managed within the \$3.5 million project fund or additional funding obtained if the cost of the track and facilities exceeds \$3.5 million.

RECOMMENDATIONS (5)**DUE DATES****That Council:**

- | | |
|--|----------------------|
| 1. Note the contribution of \$750,000 from the City of Onkaparinga towards the development of an international standard BMX facility at Majors Road, O'Halloran Hill. | 12 July 2016 |
| 2. Approve the funding deed between the Minister for Recreation and Sport and the City of Marion and authorise the Mayor and Chief Executive Officer to sign the deed and to affix the Council seal. | 12 July 2016 |
| 3. Authorise the Chief Executive Officer to negotiate minor amendments to the deed where necessary to enable the progress of the project. | 12 July 2016 |
| 4. Authorise the Chief Executive Officer to appoint a staff member to the Project Steering Committee. | 12 July 2016 |
| 5. Note that a prudential management review for the project detailing the capital cost, whole of life costs and on-going management roles and responsibilities will be developed for Council's consideration. | February 2017 |

BACKGROUND

At the 14 April 2015 Council (GC140415R02) meeting the following was adopted:

1. "Endorse investigations being undertaken with peak sporting bodies, relevant clubs, funding bodies and agencies to seek partnering opportunities for the development of plans and potential funding solutions for the following sports infrastructure:
 - Options for new soccer pitches and a BMX track in the South
 - Indoor multipurpose Stadium 4-8 Court (SA regional standard)
 - Edwardstown Oval Masterplan
 - Mitchell Park Sports and Community Club building upgrade
2. Note that consultation plans will be brought to Council for consideration after initial investigations are undertaken with peak sporting bodies, relevant clubs and agencies.
3. That potential funding opportunities relevant to the above sports infrastructure be actively pursued as they arise."

Following successful grant applications to the Office for Recreation and Sport and the City of Marion Community Grants Program, BMX SA commenced a feasibility and concept planning project to investigate potential sites to accommodate a UCI standard BMX facility, develop concept designs and identify the projected cost of development.

The feasibility study identified land on Majors Road, O'Halloran Hill as an appropriate site for BMX. The identified site is owned by the State Government (Department of Environment Water and Natural Resources) and was previously in use as a depot site for the duplication of the Southern Expressway.

Very broad concept plans for 3 types of tracks, (regional, national and international) were developed and then a cost estimate prepared by Rider Levett Bucknall. The cost estimates for the 3 track types were \$5.7 million (regional track), \$7.6 million (national track) and \$7.75 million (international track).

These cost estimates do not allow for the reuse of materials and equipment from the existing clubs, ie starting gates and lighting, staging of development, the BMX entry level track and pump track being developed by others, or for equipment and facilities for national and international events to be brought in for specific events.

The cost estimate also does not make allowance for required fill to build the track that could be obtained at little or no cost, ie potentially from the Darlington South Road project.

The feasibility study included designs for a pump track and entry level BMX track. The State Government deed does not include these elements. These elements will need to be developed separately and it should be noted that BMXSA and the Hallett Cove and Happy Valley BMX clubs have substantial expertise and ability in the development of such tracks.

The State Government announced \$2 million funding towards the development of a BMX facility on 25 June, 2015. The City of Onkaparinga and the City of Marion have each committed \$750,000 towards the development of the BMX facility resulting in a project fund of \$3.5 million.

The progression of the project will be regularly reported to Council's Infrastructure Committee, the design and estimated capital costs will be subject to Council's consideration. A comprehensive prudential management review will be developed for consideration by the Audit Committee and Council. The prudential management review will consider the capital cost, whole of life costs and on-going management roles and responsibilities and how these will be funded.

A Project Steering Committee (PSC) will be established under the deed with representatives from Recreation and Sport, the Cities of Marion and Onkaparinga, BMXSA and the Hallett Cove and Happy Valley BMX clubs.

ANALYSIS

The Funding Deed deals with a number of matters including:

- Application of funding
- Unexpended moneys
- Administration of the deed
- Provision of financial information
- Obligations of Council
- Insurance and audit
- Publicity

The deed is in a standard format where the State Government provides funding towards a project and the schedule attached to the deed contains special conditions that relate specifically to the BMX project.

The special conditions, (conditions precedent) include:

- The formation of a Project Steering Group (PSC)
- The PSC developing a project methodology, scope, design, cost, tenders process and evaluation and other related matters
- The \$2 million State funds being used for the BMX track component in the first instance
- Council obtaining, if required, any necessary funds if the project exceeds \$3.5 million
- The PSC developing and agreeing a management model, roles and responsibilities of the parties and determining whole of life costs

- Council securing a long term lease over the land
- Council obtaining all relevant development approvals

Subject to the above conditions precedent being met

- Council must commence construction by 30 June 2017, with construction to be completed by 31 December 2017
- Council will repay funds to the State if the total cost of the project is less than \$3.5 million

These special conditions require Council to be the contracting party for the development of the project, Council therefore will be carrying the risks associated with project delivery. It should be noted that whilst Council will bear the risk (as with all projects that Council delivers) the special conditions states that Council needs to obtain (not finance) additional funds if the project exceeds \$3.5 million, refer clause 5.1.4 of the Deed The special conditions (clause 5.1.5) also states that the funding for the whole of life costs needs to be acceptable to Council.

Financial Implications

Contributions from the State Government and Cities of Onkaparinga and Marion have established a project fund of \$3.5 million. The design and cost of the BMX facility will need to be managed within the project fund however if more funds are required these will need to be obtained (not necessarily be financed by the City of Marion) to enable the project to proceed.

The deed requires the State funds to be spent on the BMX track and not the 'additional' elements of the entry level BMX track and pump track. As stated above the Hallett Cove and Happy Valley BMX clubs have significant expertise and ability to develop such tracks.

A prudential management review will be brought to Council for consideration which will deal with the following matters:

- Design and capital costs
- On-going management model, roles and responsibilities
- Whole of life costs
- Funding capacity
- Risk management

CONCLUSION

The Hallett Cove and Happy Valley BMX clubs and BMX SA have a shared vision to develop an international standard BMX facility that will cater for current and future need of the sport in southern Adelaide.

Funding from the State Government and the Cities of Onkaparinga and Marion have established a project fund of \$3.5 million to develop an international standard BMX facility at Majors Road, O'Halloran Hill.

The progress of the project is subject to a number of conditions precedent that must be met before the commencement of construction, this includes a management model, roles and responsibilities of the parties and funding for whole of life costs that are acceptable to Council. These matters will be incorporated into a prudential management review for consideration by the Audit Committee and Council.

Appendix 1: Funding Deed between the Minister for Recreation and Sport and the City of Marion

DATED

DAY OF

FUNDING DEED

BETWEEN

MINISTER FOR RECREATION AND SPORT

(Minister)

-AND-

CORPORATION OF THE CITY OF MARION

(ABN 37 372 162 294)

(COUNCIL)



**Government
of South Australia**

CROWN SOLICITOR

Level 9, 45 Pirie Street, Adelaide SA 5000

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SCHEDULE

DEED dated _____ day of _____

PARTIES:

MINISTER FOR RECREATION AND SPORT a body corporate pursuant to the *Administrative Arrangements Act 1994* (SA) of Level 10, 1 King William Street, Adelaide, South Australia, 5000 ("**Minister**")

AND

CORPORATION OF THE CITY OF MARION (ABN 37 372 162 294), a body corporate pursuant to the *Local Government Act 1999* (SA) of 245 Sturt Road, Sturt, South Australia, 547 ("**Council**")

IT IS AGREED:

1. FUNDING

- 1.1 Subject to the conditions of this deed, the Minister will pay an amount of money specified in the Schedule (**Funding**) to **Council**.
- 1.2 The Funding is payable in a lump sum and in the manner set out in the Schedule.

2. APPLICATION OF FUNDING

Council must only use the Funding for the purpose of developing a regional level, UCI Standard BMX facility (**Purpose**). The Purpose is more fully described in the Schedule.

3. UNEXPENDED MONEYS

- 3.1 For the purposes of this deed, the **Funding Period** is the period commencing on 1 July 2016 and will continue until 31 December 2017.
- 3.2 At the end of the Funding Period **Council** must provide a report on the level of any unexpended Funding and **Council** must repay any part of the Funding which is unexpended at the end of the Funding Period to the Minister, unless the Minister gives written approval for **Council** to retain the money.

4. GST

- 4.1 The parties acknowledge that compliance with obligations or the grant of rights under this deed by **Council** will be a Taxable Supply as defined in the GST Law and **Council** will be liable to pay GST on the Taxable Supply.

- 4.2 In addition to the Funding the Minister will pay an amount calculated by multiplying the Funding by the rate at which GST is levied at the time of this deed (**GST payment**).
- 4.3 If the Funding is payable in instalments, the GST payment will be payable in proportionate instalments.
- 4.4 The Minister is not liable to pay the GST payment or any instalment of the GST payment unless **Council** has delivered to the Minister a valid Tax Invoice under GST Law, referable to the Funding (or instalment of the Funding) and associated GST payment.
- 4.5 For the purpose of this clause, **GST Law** has the meaning attributed to it in the *A New Tax System (Goods and Services Tax) Act 1999*.

5. **ADMINISTRATION OF DEED**

Any power or discretion exercisable by the Minister under this deed may be exercised by the person for the time being in the position of Executive Director of Office for Recreation and Sport in the Department of Transport, Planning and Infrastructure (**Department**).

6. **PROVISION OF FINANCIAL INFORMATION**

- 6.1 **Council** must provide the Minister with appropriate and regular information, records and reports as the Minister may request from time to time about:
 - 6.1.1 the administration and financial affairs of **Council**;
 - 6.1.2 the progress of and any change to the authorised scope of the Purpose;
 - 6.1.3 any significant changes to the nature and scope of the activities conducted by **Council**;
 - 6.1.4 any other matter relevant to the granting of assistance;
 - 6.1.5 any other funding or financial assistance promised or received from any source other than the Minister;
 - 6.1.6 **Council's** management of the Funding, including, but not limited to, the economic and efficient use of resources to achieve the outcomes of the Purpose; and
 - 6.1.7 the performance of **Council's** undertakings and obligations under this deed.
 - 6.2 The information provided by **Council** must be sufficient for the Minister to make an informed judgement about:
 - 6.2.1 **Council's** ongoing financial position and its resources and expertise in relation to the Purpose;
 - 6.2.2 **Council's** performance in managing public moneys, acquiring and using resources economically and efficiently and in achieving specified objectives in relation to the Purpose;
 - 6.2.3 the overall effectiveness of the Funding throughout the Funding Period;
-

- 6.2.4 compliance with legislation and generally accepted accounting principles; and
- 6.2.5 compliance with **Council's** constitution and the conditions of this deed.
- 6.3 **Council** must permit any officer authorised by the Minister:
 - 6.3.1 to enter **Council's** premises and to have access to all accounting records, equipment, documents and information in possession of **Council**; and
 - 6.3.2 to interview employees of **Council** on matters pertaining to the operations of **Council**.

7. OBLIGATIONS OF COUNCIL

Council must:

- 7.1 use the Funding only for the purpose for which the Funding was made;
- 7.2 maintain accounting records of the Funding in accordance with generally accepted accounting principles;
- 7.3 ensure that any activity carried out by **Council** in connection with **Council's** use of the Funding complies with the laws from time to time in force in South Australia;
- 7.4 comply with its constitution;
- 7.5 comply with the reporting requirements in the Schedule;
- 7.6 prepare financial statements in accordance with Australian Accounting Standards at the end of the Funding Period and submit the financial statements, signed by **Council's** Chief Executive Officer, to the Minister no later than one calendar month after the expiry of the Funding Period;
- 7.7 where the Funding is in excess of One Million Dollars, prepare financial statements in the nature of a general purpose financial report; and
- 7.8 where requested by the Minister, provide management accounts, annual reports, financial statements and any other information or documents relevant to **Council's** operations to the Department;
- 7.9 use best endeavours achieve the Project Milestones and the reporting requirements within the timeframes set out in the Schedule;
- 7.10 open and maintain a separate bank account to be used only for the Purpose;
- 7.11 upon receipt, deposit the Funding into the separate bank account;
- 7.12 apply any interest received on the Funding to the Purpose;
- 7.13 comply with the special conditions set out in the Schedule; and
- 7.14 prepare financial statements in the nature of a general purpose financial report.

8. TERMINATION

- 8.1 If **Council** fails to comply with this deed, the Minister may:
-

- 8.1.1 require **Council** to repay either the whole or a portion of the Funding (whether expended or not);
- 8.1.2 withhold all future funding from **Council**;
- 8.1.3 pursue any legal rights or remedies which may be available to the Minister; and
- 8.1.4 terminate or curtail any program or project conducted by the Minister of which the Purpose conducted by **Council** is part.
- 8.2 The Minister may review any decision made pursuant to this clause if **Council** is able to satisfy the Minister that **Council** has complied with the conditions of this deed.
- 8.3 Nothing in this deed is to be taken to limit the Minister's discretion to determine whether and how any program or project of the Minister is to be conducted, except if and to the extent that the Minister gives an express undertaking in that regard.

9. **INSURANCE**

Council must comply with the insurance obligations specified in the Schedule (if any).

10. **AUDIT**

- 10.1 The Minister may direct **Council** to arrange for the financial accounts relating to the Funding to be audited at **Council's** expense.
- 10.2 The Minister may specify the minimum qualifications to be held by a person appointed to conduct the audit.

11. **ASSIGNMENT**

Council must not assign, novate or encumber any of its rights or obligations under this deed.

12. **PUBLICITY**

- 12.1 Subject to clause 12.2, **Council** must not make or permit a public announcement or media release to be made about any aspect of this deed without first obtaining the Minister's consent.
- 12.2 Nothing in clause 12.1 derogates from the operation of the *Not-for-profit Freedom to Advocate Act 2013* or constraints Council receiving funding from engaging in political and policy advocacy

13. **CONSENT**

If **Council** requires the Minister's consent under this deed, the Minister may, in its absolute discretion, give or withhold its consent (subject to any provision in this deed to the contrary) and if giving consent, the Minister may impose any condition on that consent that it considers appropriate. The Minister's consent will not be effective unless it is in writing and signed.

14. **ENTIRE DEED**

- 14.1 This deed incorporates any schedules and annexures.
- 14.2 This deed contains the entire agreement between the parties with respect to its subject matter and supersedes any prior agreement, understanding or representation of the parties on the subject matter.

15. **PROPER LAW**

The laws in force in South Australia apply to this deed.

16. **JURISDICTION OF COURTS**

- 16.1 The courts of South Australia will have exclusive jurisdiction to determine any proceeding in relation to this deed.
- 16.2 Any proceeding brought in a Federal Court must be instituted in the Adelaide Registry of that Federal Court.

17. **COMPLIANCE WITH LAWS**

Council must comply with the laws in force in South Australia in the course of performing its obligations under this deed.

18. **NOTICES**

- 18.1 A "notice" means a notice in writing or a consent, approval or other communication required to be in writing under this deed.
- 18.2 Addresses for notices are set out in the Schedule.
- 18.3 A notice must be signed by or on behalf of the sender addressed to the **Council** and:
- 18.3.1 delivered to the **Council's** address;
 - 18.3.2 sent by pre-paid mail to the **Council's** address;
 - 18.3.3 transmitted by facsimile to the **Council's** address; or
 - 18.3.4 sent by email to the **Council's** address.
- 18.4 A notice given to a person in accordance with this clause is treated as having been given and received:
- 18.4.1 on the day of delivery if delivered before 5.00 pm on a business day, otherwise on the next business day;
 - 18.4.2 if sent by pre-paid mail, on the third business day after posting;
 - 18.4.3 if transmitted by facsimile and a correct and complete transmission report is received on the day of transmission: on that day if the report states that transmission was completed before 5.00 pm on a business day, otherwise on the next business day, provided that if the **Council** receives a notice by facsimile transmission that is illegible, the **Council** must notify the sender immediately and the sender must continue to retransmit the notice until the **Council** confirms that it has
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received a legible notice. The rules in relation to transmission reports as stated above apply; or

18.4.4 if sent by e-mail, upon production of a receipt/sent notification, but if notification is received after 5.00pm it shall be deemed to be received on the next Business Day.

18.5 A party may from time to time notify its change of address or facsimile number by written notice to the other party.

19. **WAIVER**

19.1 Any waiver of any provision of this deed is ineffective unless it is in writing and signed by the party waiving its rights.

19.2 A waiver by either party in respect of a breach of a provision of this deed by the other party is not a waiver in respect of any other breach of that or any other provision.

19.3 The failure of either party to enforce any of the provisions of this deed at any time must not be interpreted as a waiver of that provision.

20. **MODIFICATION**

Any modification of this deed must be in writing and signed by each party.

21. **SEVERANCE**

21.1 Each word, phrase, sentence, paragraph and clause of this deed is severable.

21.2 If a court determines that a part of this deed is unenforceable, invalid, illegal or void, that part may be severed.

21.3 Severance of a part of this deed will not affect any other part of it.

22. **READING DOWN**

Where a word, phrase, sentence, paragraph, clause or other provision of this deed would otherwise be unenforceable, illegal or void, the effect of that provision will, so far as possible, be limited and read down so that it is not unenforceable, illegal or void.

23. **AUDITOR-GENERAL**

23.1 Nothing in this deed derogates from the powers of the Auditor-General under the *Public Finance and Audit Act 1987* (SA).

23.2 Without limiting the previous sub-clause, **Council** acknowledges the Auditor-General's obligations and powers under sections 32 and 34 of the *Public Finance and Audit Act 1987* (SA).

24. PUBLIC DISCLOSURE

- 24.1 The Minister may disclose this deed and/or information in relation to this deed in either printed or electronic form to the public or to a particular person as a result of a specific request.
- 24.2 Nothing in this clause derogates from:
- 24.2.1 **Council's** obligations under any provision of this deed; or
- 24.2.2 the provisions of the *Freedom of Information Act 1991* (SA).

EXECUTED AS A DEED

SIGNED for and on behalf of the MINISTER FOR)
RECREATION AND SPORT

by)
 a person authorised to do so, in the presence of:)

.....
 Witness

[Print Name:]

THE COMMON SEAL of the CORPORATION)
OF THE CITY OF MARION was affixed to this Deed)
 in accordance with section 38 of the *Local*)
Government Act 1999 (SA) and witnessed by:)

.....
 Mayor

[Print Name]

.....
 Chief Executive Officer

[Print Name]

SCHEDULE

1. **PURPOSE**

The purpose of the Funding is to enable the development of a regional level, UCI Standard BMX facility on land described as Certificate of Title Volume 6088Folio 96 ("**Land**").

The purpose of the project is to provide a joint facility for the Cove and Happy Valley BMX clubs and other regional users. The facility will also have the capacity to host National Level BMX events.

2. **FUNDING**

The Minister will pay to **Council** the sum of two million dollars (\$2,000,000) plus GST.

3. **MANNER OF PAYMENT**

Subject to the Special Conditions, upon receipt of a Tax Invoice from the **Council**, the Minister will pay the Funding in one lump sum instalment into a separate bank account set up by Council for the Purpose, and/or must ensure that the Funding at all times remains identified and accountable. Council must not access or expend any of the Funding except in accordance with the Special Conditions and with the written approval of the Minister.

4. **INSURANCE**

Council must effect and maintain a Public Liability policy of insurance for an amount not less than twenty million dollars (\$20,000,000).

5. **SPECIAL CONDITIONS**

5.1 Council acknowledges and agrees that Council must not draw down, use or expend any of the Funding or commence the redevelopment and construction of the regional level, UCI Standard BMX facility unless the following conditions have been satisfied:

- 5.1.1 The establishment of a Project Steering Committee (**PSC**) made up of representatives from Marion Council, Onkaparinga Council, State Government, Cove BMX Club, Happy Valley BMX Club, BMX SA;
 - 5.1.2 The project methodology, scope, design, cost, design and construction contingencies, tender process and evaluation has been determined and approved by the **PSC**;
 - 5.1.3 Council agrees to allocate the Funding towards the construction of the BMX track component of the project in the first instance. The Minister agrees that any unspent funds from construction of the BMX track can be used to contribute towards the other components of the Project set in in Item 1;
 - 5.1.4 Council obtaining any necessary funds over the \$3.5 million project allocation necessary for completion of the regional level, UCI Standard BMX facility;
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- 5.1.5 The PSC developing and agreeing a management model, with roles and responsibilities of the various parties identified and agreed and funding for the whole of life costs, acceptable to the City of Marion, for the ongoing maintenance and management of the project set out in Item 1;
 - 5.1.6 Council has secured a long term lease over the Land;
 - 5.1.7 Council has first obtained all development approvals and any other approvals necessary for the carrying out of the project and the Purpose; and
 - 5.1.8 Council has provided a copy of these to the Minister.
- 5.2 As soon as practicable after all of the Conditions Precedent in clause 5.1 have been satisfied Council must commence construction of the project comprising the Purpose by no later than 30 June 2017 and must complete the project to the satisfaction of the Minister (and provide a certificate of practical completion to the Minister) by no later than 31 December 2017;
- 5.3 provided to the Minister written confirmation of the commencement of the redevelopment and construction as soon as it has commenced (and not later than 1 July 2017). For the purposes of this clause 5.3, commencement of redevelopment and construction will be the date on which 'break ground' is achieved on the Land;
- 5.4 if the actual cost of the redevelopment or construction is less than the total funding provided by all parties, repay to the Minister a percentage of the Minister's Funding on the basis of the percentage of the total funding the Minister's Funding represents;
- 5.5 Council must comply with all written directions from the Minister in relation to the Purpose including in relation to the development and construction of the project comprising the Purpose.

6. REPORTING REQUIREMENTS

Without limiting any other reporting requirements in this Deed, the Council must provide the following reports to the Minister:

- 6.1 annual financial statements prepared in accordance with Australian Accounting Standards, signed by the **Council's** Chief Executive Officer, by the end of October in each year of the Funding Period for the previous financial year. The financial statements must include receipt of the Funding and details and evidence of the expenditure of the Funding by the **Council** for the previous financial year as against the Purpose;
- 6.2 Council must provide quarterly status reports and a final report against the Project Milestones by the following due dates. Status Report templates will be provided electronically by the Office for Recreation and Sport at least three (3) weeks prior to their due date.

Report	Due Date
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Status Report 1 (period July – September 2016) & Project Annual Financial Statement (as set out in Item 6.1 of the Schedule)	31 October 2016
Status Report 2 (period October – December 2016)	31 January 2017
Status Report 3 (period January – March 2017)	20 April 2017
Status Report 4 (period April – June 2017)	20 July 2017
Status Report 5 (period July – September 2017) & Project Annual Financial Statement (as set out in Item 5.1 of the Schedule)	31 October 2017
Final Report in the form of: (a) Project Financial Statement Report as set out in clause 7.11 of this Deed; and (b) Copy of the Certificate of Practical Completion	31 December 2017

6.3 Any other reports as required by the Minister from time to time.

7. **ACKNOWLEDGEMENT OF FUNDING**

The **Council** must provide the following appropriate public acknowledgment of the SA Government's funding contribution toward the Project:

7.1 signage acknowledging the SA Government support must be placed in a prominent position at the construction site for a period from the commencement of the Project to six months after Project completion; and

8. **NOTICES**

Minister

Executive Director
Office for Recreation and Sport
27 Valetta Road, Kidman Park, SA, 5025

PO Box 219, Brooklyn Park, SA, 5032

Fax: 1300 714 990

Email: ORSGrants@sa.gov.au

Council

Chief Executive Officer
Corporation of the City of Marion

245 Sturt Road, Sturt, SA, 5047

Fax: 8375 6699

Email: adrian.skull@marion.sa.gov.au

**CITY OF MARION
SPECIAL GENERAL COUNCIL MEETING
12 JULY 2016**

Originating Officer: Craig Clarke, Unit Manager Communications

Manager: Kate McKenzie, Manager Corporate Governance

General Manager: Vincent Mifsud, General Manager Corporate Services

Subject: 2016 Federal Election Promises

Report Reference: SGC120716R04

REPORT OBJECTIVES:

The purpose of this report is to identify the election promises made by the major parties during the 2016 Federal election campaign which directly impact on the City of Marion.

EXECUTIVE SUMMARY:

The City of Marion was the beneficiary to more than \$45 million in direct promises made by the major parties in Boothby, Hindmarsh and Kingston during the 2016 Federal election campaign.

Contributing \$40 million to fixing Oaklands crossing and \$4 million towards upgrading the Edwardstown Soldiers Memorial Ground headlined the spending commitments made by the Liberals.

In contrast, Labor promised \$845,000 towards upgrading the Coastal Walking Trail and \$100,000 to resurface the Hallett Cove Netball Courts.

At the time of preparing the report, the results of the July 2 election generally, and the seat of Hindmarsh in particular, are unclear. The results will impact on the delivery of the commitments.

RECOMMENDATIONS (2)

DUE DATES

That Council:

- | | |
|--|-----------|
| 1. Write to the Members for Boothby, Hindmarsh and Kingston to congratulate them on their election and seek confirmation of the election commitments and the timing of their delivery. | July 2016 |
| 2. Write to the local Federal Members who will not be continuing to thank them for their service to the City of Marion. | July 2016 |

DISCUSSION

The federal election resulted in significant announcements for the three seats – Boothby, Hindmarsh and Kingston – which cover the City of Marion.

Results

The result of the July 2 election is:

Boothby	Liberal Nicolle Flint has been elected, replacing Andrew Southcott who has retired. The primary vote was: Liberal 41.9 per cent, Labor 24.63 per cent, Nick Xenophon Team (NXT) 20.24 per cent and Greens 8.21 per cent.
Kingston	Labor's Amanda Rishworth was re-elected for a fourth consecutive term. The primary vote was: Labor 50.14 per cent, Liberal 24.16 per cent, NXT 16.85 per cent, and Greens 5.53 per cent.
Hindmarsh	At the time of preparing this report, the outcome of this seat is unknown. It is a contest between sitting Liberal MP Matt Williams and Labor's former member Steve Georganas.

The result of the Federal election and, ultimately who will form government also remains unknown at this time with counting continuing in up to 10 seats across Australia late last week. The outcome will decide whose election promises will be implemented.

Local election promises

The major parties made the following local election commitments:

Boothby

Party	Promise	Value
Liberal	Funding towards grade separation at Oaklands crossing	\$40 million
Liberal	Extend Tonsley rail line to link Flinders Medical Centre and Flinders University	\$43 million
Liberal	Install nine CCTV cameras at Oaklands Recreation Plaza	\$37,000
Liberal	Upgrade Warradale Park Tennis Club	\$250,000

Kingston

Party	Promise	Value
Labor	Resurface the Hallett Cove Netball Club	\$100,000
Labor	Rebuild the Hallett Cove Coastal Walking trail from Heron Way Reserve to desalination plant.	\$845,000

Hindmarsh

Party	Promise	Value
Liberal	Upgrade of Edwardstown Soldiers Memorial Recreation Ground (with matching funding from the City of Marion)	\$4 million
Liberal	Investigate upgrading of Marion Rd from Anzac Hwy to Cross Rd	\$2 million
Labor	No specific policy initiatives identified for Marion	

Although the promises have been made, precise details around their delivery and timing have yet to be announced. This can be expected at a later date.

However, Council may wish to consider writing to the parties to clarify the details around the election commitments.

CONCLUSION:

The City of Marion is represented by three federal seats. The city has benefited from significant election promises during the campaign. The outcome of the election will decide which promises will be implemented.