Fleurieu Regional Aquatic Centre Authority

Wednesday, 22 May 2019

Contact for Apologies: Leonie Boothby, Executive Officer
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FILE: CO.197

Dear Member

NOTICE OF SPECIAL MEETING

Notice is hereby given pursuant to the Fleurieu Regional Aquatic Centre Authority Charter and Section **87(7)** of the Local Government Act, 1999, as amended that a Meeting of the **Fleurieu Regional Aquatic Centre Authority** has been called for:

DATE: **Monday 27 May 2019**

TIME: **2pm**

PLACE: **Alexandrina Council (11 Cadell St Goolwa) – Community Meeting Room**

Please find enclosed a copy of the Agenda for the meeting.

Yours faithfully

Leonie Boothby
Executive Officer

Please be advised that filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999

Fleurieu Regional Aquatic Centre Authority

Board Meeting Agenda

DATE & TIME: Monday 27 May 2019 at **2pm**

LOCATION: Alexandrina Council (11 Cadell St Goolwa) – Community Meeting Room

1. ATTENDANCE

Matt Grant (Chairperson)
John Coombe OAM (Deputy Chairperson)
Mark Easton (Independent Member) (via teleconference)
Councillor David Kemp
Councillor Melissa Rebbeck
Councillor Peter Charles (Deputy Elected Member Representative)

2. APOLOGIES

Nil

3. REPORTS

3.1 2018-19 Third Quarter Budget Review

3.2 Instrument of Authority

3.3 Local Government Workers Compensation Scheme Membership

3.4 Additional fee

4. CONFIDENTIAL REPORTS

4.1 Executive Officer Appointment

NEXT MEETING

To be determined

CLOSURE

Board Report

To:	**FRAC Authority Board**	**From:**	Executive Officer
Subject:	**3.1 2018-19 Third Quarter Budget Review**		
Meeting date:	27 May 2019		
Reference(s):	Local Government Act 1999		
	FRAC Authority Charter v2.0		
Consultation:	Area Manager, YMCA SA		
Attachments:	Nil		

PURPOSE

To provide a projection of the Fleurieu Regional Aquatic Centre Authority ('Authority') operating budget for 2018-19 identifying any variations sought to the Authority's original budget and the cumulative financial implications.

RECOMMENDATIONS

1. **That the Authority for the period ending 31 March 2019 adopts a Budget Review with Operating Expenses of $3,171,815, an operating deficit of $741,290 and estimated cash at end of reporting period of $868,069.**
2. **That the 2018-19 Annual Business Plan and Budget be amended to reflect the variances as authorised by the Authority.**
3. **That the Authority recommend the Budget Review (as at 31 March 2019) and the budget variations contained therein to the constituent Councils for endorsement.**

INFORMATION

Regulation 9(1)(b) and 9(2) of the Local Government (Financial Management) Regulations requires a budget review to include a revised forecast of the Authority's operating and capital investment activities compared with estimates set out in the budget.

The Authority Charter provides:

5. FINANCIALS

5.1 Budget

5.1.5 Quarterly reports summarising the financial position and performance of the Authority against the Budget must be prepared and presented to the Board at each ordinary meeting of the Board and copies provided to the Constituent Councils.

5.1.6 The Authority must reconsider its Budget in accordance with the Act in a manner consistent with the Act and may with the approval of the Constituent Councils amend its Budget for a Financial Year at any time before the year ends.

5.2 Financial Contributions

5.2.1 The Constituent Councils will contribute funds to the Authority as set out in the Budget adopted by the Authority and approved by the Constituent Councils.

5.2.2 The Constituent Councils may agree to provide the Authority with additional funds at any time on such terms and conditions, if any, as determined by the Constituent Councils.

DISCUSSION

The Budget Review comprises the following statements (please refer attached):

- Uniform presentation of finances
- Explanation of material variations
- Financial Statements
- Financial Indicators

The Budget Review contains year to date actuals to 31 March 2019 with forecast estimates for the period April to June 2019 to project year-end figures. The review identifies required amendments to the budget and explanations have been included for material variations.

Financial indicators

The Local Government (Financial Management) Regulations 2011 Part 2, 5(1) requires that the Authority Long Term Financial Plan (LTFP) includes estimates and target ranges adopted by the Authority for each year of the LTFP with respect to an operating surplus ratio, a net financial liabilities ratio and an asset renewal funding ratio.

Operating Surplus/(Deficit) Ratio

The 2018-19 Original Budget was based on the financial operating model for the Authority in place at the time; with the Operating Surplus/(Deficit) Ratio budgeted annually at zero; noting that it may be less or greater than zero at year end should the operating result differ from the budget.

Constituent Councils recently endorsed the Authority recommendation that non-cash depreciation be applied from 1 July 2018; with the flow on effect of future budget deficits being in line with forecast annual depreciation expense (noting that it may be less or greater than that amount at year end should the operating result differ from the budget). This change to the financial operating model for the Authority will be reflected in the update to the LTFP as part of the budget process for 2019-20.

Net financial liabilities ratio

The Net Financial Liabilities Ratio indicates the extent to which the net financial liabilities of the Authority could be met by its annual operating revenue. The Net Financial Liabilities Ratio is forecast to be a negative percentage of total operating revenue due to:

- The Authority forecasting nil loan funding for the life of the plan; and
- The forecast balance of Current Cash & Cash Equivalents (which predominantly comprises accumulated Depreciation Reserve funds) being significantly higher than Total Liabilities (due to renewal and replacement of assets being minimal during the life of the plan).

Given the above, an alternate third financial sustainability ratio is provided below.

'Own Source Income Ratio'

This ratio is calculated as 'income excluding Council contributions' as a percentage of total Authority expenditure. The projected ratio for 2018-2019 is 57% (against an Original Budget target of 59%); the gradual increase in this ratio over the life of the LTFP will indicate improvement in the Authority's financial self-sustainability.

Asset Renewal Funding Ratio

The Asset Renewal Funding Ratio is not applicable for years in which no expenditure on renewal and replacement of assets is forecast; however, a target of 100% has been set over the remaining years of the plan.

RISK ASSESSMENT

Risks associated with the recommendation have been assessed as follows:

Governance - the recommendation meets the requirements of the Charter and legislation. Low risk.

BUDGET IMPLICATION

If approved by the Authority, these amendments will increase the Authority's forecast 2018-19 operating deficit as follows:

	Original Budget	**Q2 Forecast Budget**	**Q3 Forecast Budget**	**Variance (Q3 v Q2)**
Operating deficit	$0	$(776,459)	$(741,290)	$35,169
Operating deficit before Council contributions	$(1,326,696)	$(1,396,227)	$(1,361,058)	$35,169

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
THIRD QUARTER BUDGET REVIEW 2018-19

Yr end 2017-18 $000	UNIFORM PRESENTATION OF FINANCES	Note	Original Budget 2018-19	Approved Amendments 2018-19	Current Budget 2018-19	Proposed Amendments 2018-19	Projected Total 2018-19	Estimated Budget* 2019-20 $000	Estimated Budget* 2020-21 $000	Estimated Budget* 2021-22 $000
	OPERATING ACTIVITIES									
3,049,427	Operating Revenues	**1**	3,252,353	(815,068)	2,437,285	(6,760)	**2,430,525**	2,666,036	2,792,819	2,870,100
(3,041,439)	less Operating Expenses	**2**	(3,252,353)	38,609	(3,213,744)	41,929	**(3,171,815)**	(3,343,169)	(3,469,952)	(3,547,233)
7,988	**Operating Surplus/ (Deficit)**		**-**	**(776,459)**	**(776,459)**	**35,169**	**(741,290)**	**(677,133)**	**(677,133)**	**(677,133)**
	CAPITAL ACTIVITIES									
	less Net Outlays on Existing Assets									
-	Capital Expense on renewal and replacement of Existing Assets		-	-	-	-	**-**	-	-	31,596
(673,452)	less Depreciation, Amortisation and Impairment		(706,927)	29,794	(677,133)	-	**(677,133)**	(677,133)	(677,133)	(677,133)
(673,452)	**Net Outlays on Existing Assets**		**(706,927)**	**29,794**	**(677,133)**	**-**	**(677,133)**	**(677,133)**	**(677,133)**	**(645,537)**
681,440	**Net Lending/ (Borrowing) for Financial Year**		**748,767**	**(806,253)**	**(57,486)**	**35,169**	**(22,317)**	**-**	**-**	**(31,596)**
Financing transactions associated with net overall deficit, or applying overall net funding surplus are as follows:										
(696,249)	(Increase)/Decrease in Cash and Investments		(748,767)	806,253	57,486	(35,169)	**22,317**	-	-	31,596
14,809	Net Balance Sheet funding (debtors & creditors etc)			-	-	-	**-**			
(681,440)	**Financing Transactions**		**(748,767)**	**806,253**	**57,486**	**(35,169)**	**22,317**	**-**	**-**	**31,596**

*** Includes indexation**

Note explanations

Increases / decreases in 2018-19 Third Quarter Budget Review (**Q3**), as compared to Second Quarter Budget Review forecast (**Q2**).

1. Operating revenue is expected to decrease by $6,761. This can be attributed to:

Income	**Increase (decrease)**	**Explanation**
Interest	$4,366	Above budget interest earnings January to March 2019
Fleurieu Aquatic Centre (FAC) operating income	$(11,126)	**Increases:** (explanations provided for variances over $2k) ***Membership $11,959*** Reflects above Q2 forecast actual performance January to March $10,871 and increased forecast for April to June 2019 $1,088. Reflects success of January 2019 marketing campaign with membership 56 members ahead of forecast. ***Café $8,627*** Reflects above Q2 forecast actual performance January to March $4,927 and increased forecast for April to June 2019 $3,700. ***Children's programs $454*** ***Vacswim $409*** ***Sundry income $172*** ***Personal training $155*** **Decreases:** (explanations provided for variances over $2k) ***Swimming lessons $(13,303)*** Reflects below Q2 forecast actual performance January to March $(5,051) and reduced forecast for April to June 2019 $(8,252) in line with below budget enrolments. An internal winter retention campaign for swimming lessons will be run from May to July. ***Recreational swimming $(12,835)*** Reflects below Q2 forecast actual performance January to March $(10,835) and reduced forecast for April to June 2019 $(2,000) in line with year to date actual performance. Participation continues to grow as compared to previous year. As the member base grows, casual entry is reducing (natural change in buying to less casual and more memberships). ***Merchandise $(3,518)*** Reflects above Q2 forecast actual performance January to March $482 and reduced forecast for April to June 2019 $(4,000). ***Allied Health $(2,201)*** YMCA has been unable to recruit a casual Exercise Physiologist to enable implementation of an allied health program; as such no income or expense is forecast for Allied Health for 2018-19. ***Group fitness casual $(812)*** ***Hire charges $(129)*** ***Health Club casual $(104)***

2. Operating expenditure is expected to decrease by $(41,929). This can be attributed to:

Expenditure	Increase (decrease)	Explanation
FAC operating expenses	$(54,733)	**Decreases:** (explanations provided for variances over $2k) ***Operating expenses $(65,901):*** Variance reflects below Q2 forecast expense January to March for electricity $(25,166) and water $(26,023); and reduced forecast for April to June 2019 electricity $(6,269) and water $(8,550). Water variance relates to error in accruals in previous forecasts now corrected. Electricity variance reflects reduction in usage pricing in line with second year of contract. ***Administration expenses $(9,920):*** Variance reflects below Q2 forecast expense January to March for bank fees $(3,073) and marketing $(4,025); and reduced forecast for April to June 2019 bank fees $(1,350) and marketing $(1,500). Savings in marketing spend are attributable largely to group efficiencies with online marketing costs for major campaigns. ***Cost of goods sold $(3,654):*** Reflects below Q2 forecast expense January to March $(3,154) and reduced forecast for April to June 2019 $(500). ***Consumables $(2,417):*** Decrease in line with reduced forecast for swimming lessons. **Increases:** (explanations provided for variances over $2k) ***Salaries & wages $21,462:*** Q3 forecast reflects wage cost ratio of 62.3% for the year as compared to Q2 forecast of 60.7% and original budget of 56.9%. Actual 2017-18 was 62.4%. Reflects above Q2 forecast expense January to March $16,089 and increased forecast expense for April to June 2019 $5,373. Most significant increases are in core functions of lifeguarding, duty management and customer service which (to an extent) are not impacted by level of patronage. ***Cleaning expenses $3,534:*** Majority of expense relates to cleaning consumables $2,970. ***Staffing expenses $2,155:*** Increase in forecast cost for superannuation in line with forecast expenditure for salaries and wages.
Authority expenses	$12,804	**Decreases:** (explanations provided for variances over $2k) ***Board & Audit & Risk Management Committee expenses $(277):*** **Increases:** ***Administration expenses $11,719:*** • Advertising $2,573 below Q2 forecast – includes actuals for advertising for new EO and Independent Board Member recruitment • Insurance $500 above Q2 forecast – includes excess on claim (pool cover motor) • Consultants $10,250 above budget – BDO development of new costing model (competitive neutrality) in line with Board decision 22 Feb 2019 • Legal fees $3,540 - reflects actual cost for advice on contract extension and on development of new costing model by BDO. Also includes allowance for delivery of Board governance training (date to be determined). ***Authority contracts $1,203*** ***Software $160***

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
THIRD QUARTER BUDGET REVIEW 2018-19

Yr end 2017-18 $000	**STATEMENT OF COMPREHENSIVE INCOME**	**Original Budget** 2018-19	**Approved Amendments** 2018-19	**Current Budget** 2018-19	**Proposed Amendments** 2018-19	**Projected Total** 2018-19	**Estimated Budget*** 2019-20 $000	**Estimated Budget*** 2020-21 $000	**Estimated Budget*** 2021-22 $000
	INCOME								
1,672,661	User Charges	1,910,037	(110,459)	1,799,578	(11,126)	**1,788,452**	2,056,053	2,185,306	2,239,310
1,367,052	Grants, subsidies and contributions	1,326,696	(706,928)	619,768	-	**619,768**	592,603	586,353	607,360
9,714	Investment Income	15,620	2,319	17,939	4,366	**22,305**	17,380	21,160	23,430
3,049,427	**TOTAL INCOME**	**3,252,353**	**(815,068)**	**2,437,285**	**(6,760)**	**2,430,525**	**2,666,036**	**2,792,819**	**2,870,100**
	EXPENSES								
2,367,987	Materials, contracts & other expenses	2,545,426	(8,815)	2,536,611	(41,929)	**2,494,682**	2,666,036	2,792,819	2,870,100
673,452	Depreciation, amortisation & impairments	706,927	(29,794)	677,133	-	**677,133**	677,133	677,133	677,133
3,041,439	**TOTAL EXPENSES**	**3,252,353**	**-** **38,609**	**3,213,744**	**(41,929)**	**3,171,815**	**3,343,169**	**3,469,952**	**3,547,233**
7,988	**OPERATING SURPLUS/(DEFICIT)**	**-**	**(776,459)**	**(776,459)**	**35,169**	**(741,290)**	**(677,133)**	**(677,133)**	**(677,133)**
	Amounts specifically for new or upgraded assets	41,840	-	41,840	-	**41,840**			
7,988	**NET SURPLUS/(DEFICIT)**	**41,840**	**(776,459)**	**-** **734,619**	**35,169**	**(699,450)**	**(677,133)**	**(677,133)**	**(677,133)**
	Other Comprehensive Income		-	-	-	**-**			
7,988	**TOTAL COMPREHENSIVE INCOME**	**41,840**	**(776,459)**	**-** **734,619**	**35,169**	**(699,450)**	**(677,133)**	**(677,133)**	**(677,133)**

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
THIRD QUARTER BUDGET REVIEW 2018-19

Yr end 2017-18 $000	STATEMENT OF FINANCIAL POSITION	Original Budget 2018-19	Approved Amendments 2018-19	Current Budget 2018-19	Proposed Amendments 2018-19	Projected Total 2018-19	Estimated Budget* 2019-20 $000	Estimated Budget* 2020-21 $000	Estimated Budget* 2021-22 $000
	ASSETS								
	Current Assets								
890,386	Cash & Cash Equivalents	1,639,153	(806,253)	832,900	35,169	**868,069**	868,069	868,069	836,473
8,052	Trade & Other Receivables	8,052	-	8,052	-	**8,052**	8,052	8,052	8,052
898,438	TOTAL CURRENT ASSETS	1,647,205	(806,253)	840,952	35,169	**876,121**	876,121	876,121	844,525
	Non-current Assets								
20,201,376	Infrastructure, Property, Plant & Equipment	19,494,449	29,794	19,524,243	-	**19,524,243**	18,847,110	18,169,977	17,524,440
20,201,376	TOTAL NON-CURRENT ASSETS	19,494,449	29,794	19,524,243	-	**19,524,243**	18,847,110	18,169,977	17,524,440
21,099,814	**Total Assets**	**21,141,654**	**(776,459)**	**20,365,195**	**35,169**	**20,400,364**	**19,723,231**	**19,046,098**	**18,368,965**
	LIABILITIES								
	Current Liabilities								
93,006	Trade and Other Payables	93,006	-	93,006	-	**93,006**	93,006	93,006	93,006
93,006	**Total Liabilities**	**93,006**	**-**	**93,006**	-	**93,006**	**93,006**	**93,006**	**93,006**
21,006,808	**NET ASSETS**	**21,048,648**	**(776,459)**	**20,272,189**	**35,169**	**20,307,358**	**19,630,225**	**18,953,092**	**18,275,959**
	EQUITY								
(61,753)	Accumulated Surplus	(19,913)	(776,459)	(796,372)	35,169	**(761,203)**	(1,438,336)	(2,115,469)	(2,792,602)
21,068,561	Capital Contribution	21,068,561	-	21,068,561	-	**21,068,561**	21,068,561	21,068,561	21,068,561
21,006,808	**TOTAL EQUITY**	**21,048,648**	**(776,459)**	**20,272,189**	**35,169**	**20,307,358**	**19,630,225**	**18,953,092**	**18,275,959**

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
THIRD QUARTER BUDGET REVIEW 2018-19

Yr end 2017-18 $000	STATEMENT OF CHANGES IN EQUITY	Original Budget 2018-19	Approved Amendments 2018-19	Current Budget 2018-19	Proposed Amendments 2018-19	Projected Total 2018-19	Estimated Budget* 2019-20 $000	Estimated Budget* 2020-21 $000	Estimated Budget* 2021-22 $000
	Accumulated Surplus								
- 69,741	Balance at Beginning of Period	(61,753)	-	(61,753)	-	**(61,753)**	(761,203)	(1,438,336)	(2,115,469)
7,988	Change in financial position resulting from operations	41,840	(776,459)	(734,619)	35,169	**(699,450)**	(677,133)	(677,133)	(677,133)
(61,753)	**Balance at End of Period**	**(19,913)**	**(776,459)**	**(796,372)**	**35,169**	**(761,203)**	**(1,438,336)**	**(2,115,469)**	**(2,792,602)**
	Capital Contribution								
21,068,561	Balance at Beginning of Period	21,068,561	-	21,068,561	-	**21,068,561**	21,068,561	21,068,561	21,068,561
21,068,561	**Balance at End of Period**	**21,068,561**	**-**	**21,068,561**	**-**	**21,068,561**	**21,068,561**	**21,068,561**	**21,068,561**
21,006,808	**TOTAL EQUITY AT END OF REPORTING PERIOD**	**21,048,648**	**(776,459)**	**20,272,189**	**35,169**	**20,307,358**	**19,630,225**	**18,953,092**	**18,275,959**

Yr end 2017-18 $000	STATEMENT OF CASH FLOWS	Original Budget 2018-19	Approved Amendments 2018-19	Current Budget 2018-19	Proposed Amendments 2018-19	Projected Total 2018-19	Estimated Budget* 2019-20 $000	Estimated Budget* 2020-21 $000	Estimated Budget* 2021-22 $000
	CASH FLOWS FROM OPERATING ACTIVITIES								
1,653,403	Receipts	3,252,353	(815,068)	2,437,285	(6,760)	**2,430,525**	2,666,036	2,792,819	2,870,100
(957,154)	Payments	(2,545,426)	8,815	(2,536,611)	41,929	**(2,494,682)**	(2,666,036)	(2,792,819)	(2,870,100)
696,249	**Net Cash provided by (or used in) Operating Activities**	**706,927**	**(806,253)**	**(99,326)**	**35,169**	**(64,157)**	**-**	**-**	**-**
	CASH FLOWS FROM INVESTMENT ACTIVITIES								
	Receipts								
-	Amounts specifically for new or upgraded assets	41,840	-	41,840	-	**41,840**	-	-	-
-	Purchase of Renewal/Replacement Assets		-	-	-	**-**			(31,596)
-	**Net Cash provided by (or used in) Investing Activities**	**41,840**	**-**	**41,840**	**-**	**41,840**	**-**	**-**	**(31,596)**
696,249	**Net Increase (Decrease) in Cash Held**	748,767	(806,253)	(57,486)	35,169	**(22,317)**	-	-	(31,596)
194,137	Cash & cash equivalents at beginning of period	890,386	-	890,386	-	**890,386**	868,069	868,069	868,069
890,386	**Cash & cash equivalents at end of period**	**1,639,153**	**(806,253)**	**832,900**	**35,169**	**868,069**	**868,069**	**868,069**	**836,473**

	Original Budget 2018/19	Projected Budget 2018/19	Estimated Budget 2019/20	Estimated Budget 2020/21	Estimated Budget 2021/22
Operating Surplus Ratio					
Operating Surplus	-	(741,290)	(677,133)	(677,133)	(677,133)
Revenues	3,252,353	2,430,525	2,666,036	2,792,819	2,870,100
Projected Operating Surplus Ratio	***0%***	***-30%***	***-25%***	***-24%***	***-24%***
Target Operating Surplus Ratio	*0%*		*0%*	*0%*	*0%*
Net Financial Liabilities					
Total Liabilities	93,006	93,006	93,006	93,006	93,006
Less: current cash & cash equivalents	(1,639,153)	(868,069)	(868,069)	(868,069)	(836,473)
current trade & other receivables	(8,052)	(8,052)	(8,052)	(8,052)	(8,052)
non current other financial assets					
non-current financial assets	-	-	-	-	-
Net Financial Liabilities	(1,554,199)	(783,115)	(783,115)	(783,115)	(751,519)
Total Operating Revenue	3,252,353	2,430,525	2,666,036	2,792,819	2,870,100
Projected Net Financial Liabilities Ratio	***-48%***	***-32%***	***-29%***	***-28%***	***-26%***
Target Net Financial Liabilities Ratio	*(46)%-(84)%*		*(46)%-(84)%*	*(46)%-(84)%*	*(46)%-(84)%*
Own Sourced Income Ratio					
Income excluding council contributions	1,925,657	1,810,757	2,073,433	2,206,466	2,262,740
Total expenditure	3,252,353	3,171,815	3,343,169	3,469,952	3,547,233
Projected Own Sourced Income Ratio	***59%***	***57%***	***62%***	***64%***	***64%***
Target Own Sourced Income Ratio	*59%*		*62%*	*64%*	*64%*
Asset Renewal Funding Ratio					
Expenditure on renewal/replacement of assets	-	-	-	-	31,596
Sale of replaced assets	-	-	-	-	-
Net renewal/replacement of assets	-	-	-	-	31,596
Asset Management Plan amount	-	-	-	-	28,465
Projected Asset Renewal Funding Ratio	***n/a***	***n/a***	***n/a***	***n/a***	***111%***
Target Asset Renewal Funding Ratio	*n/a*	*n/a*	*n/a*	*n/a*	*100%*

Board Report

To:	**FRAC Authority Board**	**From:**	Executive Officer
Subject:	**3.2 Instrument of authority**		
Meeting date:	27 May 2019		
Reference(s):	Local Government Act 1999		
	FRAC Authority Charter v2.0		
Consultation:	Tanom Legal		
Attachments:	Nil		

PURPOSE

To facilitate execution of an instrument of authority required for the Chairperson to execute documents on behalf of the Fleurieu Regional Aquatic Centre Authority (Authority) in accordance with a resolution of the Board that the document should be so executed

RECOMMENDATION

That the Board resolves to:

1. **authorise any person occupying the office of Chairperson of the Authority's Board of Management to execute documents on behalf of the Authority in accordance with a resolution of the Board that the document should be so executed; and**
2. **give effect to the authority granted to the Chairperson under paragraph 1 by executing an instrument of authority under the common seal of the Authority in accordance with clauses 37(1) and 37(2) of Schedule 2 to the *Local Government Act 1999*.**

INFORMATION

It has come to the attention of the Executive Officer that an instrument of authority is required for the Chairperson to execute documents on behalf of the Authority in accordance with a resolution of the Board that the document should be so executed.

A suitable instrument is provided as Appendix A and subject to Board consideration a copy on letterhead will be duly executed in accordance with clauses 37(1) and 37(2) of Schedule 2 to the Local Government Act 1999 (please refer below).

37—Common seal and execution of documents
(1) The common seal of a subsidiary must not be affixed to a document except in pursuance of a decision of the board of management, and the affixing of the seal must be attested by the signatures of two board members.
(2) The board of management may, by instrument under the common seal of the subsidiary, authorise a board member, or other person (whether nominated by name or by office or title) to execute documents on behalf of the subsidiary subject and limitations (if any) specified in the instrument of authority.

RISK ASSESSMENT

Risks associated with the recommendation have been assessed as follows:
Governance - the recommendation meets the requirements of legislation. Low risk.

BUDGET IMPLICATION

Nil.

Appendix A: Instrument of authority

A person occupying the office of Chairperson of the Board of Management (**Board**) of the Fleurieu Regional Aquatic Centre Authority (**Authority**) is authorised to execute any document on behalf of the Authority in accordance with a resolution of the Board that the document should be so executed.

This instrument is made under the common seal of the Authority pursuant to a resolution of the Board on 27 May 2019.

Board member's signature	Board member's signature
Print name	Print name
Date	Date

Example

Board Report

To:	**FRAC Authority Board**	**From:**	Executive Officer
Subject:	**3.3 Local Government Association Workers Compensation Scheme**		
Meeting date:	27 May 2019		
Reference(s):	Local Government Act 1999		
	FRAC Authority Charter v2.0		
Consultation:	Nil		
Attachments:	Nil		

PURPOSE

To seek Board endorsement for the Fleurieu Regional Aquatic Centre Authority (Authority) to register as a member of the Local Government Association Workers Compensation Scheme.

RECOMMENDATION

That the Authority register as a Member of the Local Government Workers Compensation Scheme.

INFORMATION

The Authority Charter requires:

6.6.1 The Authority shall register with the Local Government Mutual Liability Scheme and the Local Government Workers Compensation Scheme and comply with the rules of the schemes.

To date, the Authority has not been an employer with the current Executive Officer originally engaged as a contractor and more recently as an employee under the auspice of Alexandrina Council. With the Authority looking to engage a new Executive Officer directly as an employee, the above Charter requirement is now relevant.

RISK ASSESSMENT

Risks associated with the recommendation have been assessed as follows:
Governance - the recommendation meets the requirements of the Charter. Low risk.

BUDGET IMPLICATION

Membership cost is understood to be 1% of salaries and wages. Assuming that fees are charged on a pro rata basis, costs for 2018-19 will be minimal. An adjustment to the 2019-20 budget can be made as part of the First Quarter Budget Review.

Fleurieu Regional Aquatic Centre Authority

Board Report

To:	FRAC Authority Board	**From:**	Executive Officer
Subject:	**3.4 Additional Fees 2018-19: Swim for Life**		
Date:	27 May 2019		
Reference(s):	FRAC Authority Charter v2.0		
Consultation:	YMCA SA		
Attachments:	Nil		

PURPOSE

The purpose of this report is to propose fees for the Fleurieu Aquatic Centre (FAC) Swim for Life program.

RECOMMENDATION

That the Fleurieu Regional Aquatic Centre Authority adopt the following 2018-19 and 2019-20 Fleurieu Aquatic Centre fees for the Swim for Life program; noting that the fees include GST:

Fee	2018-19 Fee	2019-20 Fee
Adults 50 years and over	$7.00	$7.00

DISCUSSION

The Authority Charter sets out the functions, powers and duties of the Authority to be exercised in the performance and furtherance of its objects and purposes. These functions and powers include (clause 2.1.10) 'to set and charge fees for the use of facilities and services at the Aquatic Centre'.

YMCA proposes the addition to the Fleurieu Aquatic Centre product offering, of a program marketed as 'Swim for Life'. The product has been suggested in response to registered customer need from older adults who are able to swim but would like some guidance and more of a social aspect to 'going for a swim'. This program is considered to not be in competition to the Masters Swimming SA program as it is mainly focused on training to compete rather than social swimming. YMCA currently runs this program at the Valleys Fitness & Lifestyle Centre in the Clare Valley.

The Swim for Life program will offer social swim sessions with informal stroke correction and advice from a qualified instructor for adults 50 years and over. Sessions will be 45 minutes in length and YMCA would like to implement the program from 31 May 2019 (please refer attached draft marketing information).

It is proposed that the cost be $7 (incl. GST) per session (casual basis, not included in memberships). This fee is in line with the casual adult pool admission of $7 (from 1 July) and the Strength for Life group fitness program (currently $7 and moving to $7.10 from 1 July). The revenue for this activity will be included in Recreational Swimming.

RISK ASSESSMENT

The proposal is in line with the Charter objectives and requirements. *Low risk.*

BUDGET IMPLICATION

This additional fee is anticipated to have a positive, though not material, impact on the operating budget for 2018-19 and for 2019-20.

SWIM FOR LIFE

Social swim sessions with informal stroke correction and advice from a qualified instructor for adults 50 years and over!

When: Fridays, starting 31st May 12:30pm-1:15pm
Where: Held in lanes 1 & 2 of the 25m pool
Cost: $7 per session (casual basis, not included in memberships)

Limited spots available. Call the Centre on 7078 4150 for more information.

4 Ocean Road Chiton, SA 5211
P: 08 7078 4150
E: fleurieuaquatic@ymca.org.au
/FleurieuAquaticCentre
www.fleurieuaquaticcentre.com.au

Fleurieu Aquatic Centre

YMCA

Fleurieu Regional Aquatic Centre Authority

Board Report

To:	FRAC Authority Board	**From:**	Executive Officer
Subject:	**Executive Officer Appointment**		
Meeting date:	27 May 2019		**Item 4.1**
Reference(s):	Local Government Act 1999		
	FRAC Authority Charter v2.0		
Consultation:	Nil		
Attachments:	Nil		

CONFIDENTIAL ITEM – Public agenda version

PURPOSE

The purpose of this report is to consider the appointment of a part-time Executive Officer for the Fleurieu Regional Aquatic Centre Authority.

RECOMMENDATIONS

1. That pursuant to Sections 90(2) and (3) (a) and (h) of the *Local Government Act 1999,* the Board orders that the public be excluded from the meeting on the basis that the Board considers it necessary and appropriate to act in a manner closed to the public in order to receive, discuss and consider information in relation to agenda item *4.1 Executive Officer Appointment* and the Board is satisfied that the meeting should be conducted in a place open to the public is outweighed in relation to the matter because receiving, considering and discussing the report and associated documentation contains/involves:

   (a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead); and

   (h) legal advice.

   Substantiation:

   Matters are likely to be raised and discussed that relate to the personal affairs of the preferred applicant and are deemed to not be in the public interest. The agenda item, pursuant to Section 90(3)(h) of the Local Government Act 1999 ("the Act") includes information that must be considered in confidence to ensure that information that relates to legal advice; is not divulged.

2. That pursuant to Sections 91(7) and (9) of the Local Government Act 1999 (SA) (Act), the Board orders that the report, minutes, attachments and associated documents of the Board meeting held on 27 May 2019 in relation to confidential item *4.1 Executive Officer Appointment* having been considered and dealt with by the Board on a confidential basis under Part 3 of the Act, be kept confidential and not available to the public for a period of twelve months from the date of this confidentiality order, or until the instrument of engagement is executed, whichever occurs first; and

   In accordance with above and Section 91(9)(c) of the Local Government Act 1999, authorises the Executive Officer to review and revoke the order.