

LOCAL GOVERNMENT ACT 1999

CENTENNIAL PARK CEMETERY AUTHORITY CHARTER

Amended Charter of a Regional Subsidiary

1. CENTENNIAL PARK CEMETERY AUTHORITY

1.1 Name

The name of the subsidiary shall be Centennial Park Cemetery Authority (hereinafter called 'the Authority').

1.2 Establishment

The Authority is a regional subsidiary established by the City of Mitcham and the Corporation of the City of Unley (hereinafter called 'the Constituent Councils') pursuant to section 43 of the Local Government Act 1999 (hereinafter referred to as 'the Act').

1.3 Purpose for which the Authority is established

The Authority is charged with responsibility for the care, protection, management, operation and improvement of the Centennial Park Cemetery ('Centennial Park') and associated services, in an efficient and effective manner. It is the intention of the Constituent Councils that the Authority shall be self-funding and with sound business management shall provide for an annual financial contribution to the Constituent Councils.

1.4 Centennial Park Cemetery

The Centennial Park Cemetery (hereinafter called 'Centennial Park') property is defined as being all the land comprised in certificates of title register book volume 2689, folio 41, volume 2689, folio 42, volume 3243, folio 122, volume 3597, folio 16 and volume 5565, folio 7.

1.5 Reference to Local Government Act 1999 ('the Act')

This Charter must be read in conjunction with Schedule 2 to the Act. The Authority shall conduct its affairs in accordance with Schedule 2 except as modified by this Charter.

1.6 Objectives of the Authority

The primary objective of the Authority is to ensure that the assets and facilities at Centennial Park are maintained and operated in an efficient manner delivering effective and sustainable service provision for the Constituent Councils, customers of Centennial Park and the community of South Australia. In achieving this primary objective the Authority will:

- 1.6.1 undertake the care, protection, management operation and improvement of Centennial Park;
- 1.6.2 manage Centennial Park facilities and services utilising sound business concepts;
- 1.6.3 establish and demonstrate ethical policies and standards, in accordance with the rights of customers and industry standards;
- 1.6.4 provide security of tenure for all interment licences through sound financial and business management;
- 1.6.5 pro-actively manage the business of Centennial Park in a competitive and changing environment;
- 1.6.6 undertake key strategic and policy decisions for the purpose of enhancing and developing Centennial Park; and
- 1.6.7 be financially self-sufficient.

1.7 Functions of the Authority

The functions of the Authority shall be to undertake any action, as appropriate, in pursuance of the objectives outlined in this Charter. Such actions will include, but not be limited to:

- 1.7.1 providing, equipping, operating and maintaining one or more public cemetery facilities, crematoriums, mausoleums and mortuaries;
- 1.7.2 providing, selling, leasing or hiring monuments, tombstones, trees, flowers and other things incidental to interment and memorialisation of cremated remains and burials;
- 1.7.3 promoting the services and facilities and carrying out any business or operation the Authority considers can enhance the value and render profitable any of the property, facilities or services;
- 1.7.4 establishing other works or understandings incidental to the establishment of cemetery, crematoriums, mortuaries and mausoleums; and
- 1.7.5 undertaking any or all of the functions set out in this Clause 1.7 beyond the area of the Constituent Councils, subject to the prior approval of the Constituent Councils.

1.8 Powers of the Authority

The powers of the Authority are those appropriate to the development and continuation of its objectives, consistent with its Strategic and Business Plans and directly related to its functions, inclusive of the following:

- 1.8.1 accumulation of surplus funds for investment purposes;
- 1.8.2 setting aside a reserve fund or funds clearly identified for the upkeep and/or replacement of fixed assets of the Authority or meeting any deferred liability of the Authority;
- 1.8.3 providing for a cash reserve development fund or funds clearly identified for future initiatives supported by the Strategic Plan;
- 1.8.4 providing for an investment reserve fund clearly identified for the Future Upkeep Obligations of the Authority. Such fund established under this subclause may be borrowed against, for a purpose that either generates an increase in recurrent revenue capable of fully servicing the borrowings and/or a reduction in ongoing operating costs equivalent to the cost of servicing the borrowings, provided that it shall be a condition precedent, that written approval of the Constituent Councils is first had and obtained;
- 1.8.5 entering into contracts, purchasing, selling, leasing, hiring, renting or otherwise acquiring or disposing of any personal property or interests therein;
- 1.8.6 purchasing, selling, leasing, hiring, renting or otherwise acquiring or disposing of any real property or interests therein, provided that it shall be a condition precedent, that the written approval of the Constituent Councils is first had and obtained;
- 1.8.7 in addition to overdraft facilities that may be required from time to time (and which must not exceed \$50 000 or such other amounts as may from time to time be approved by the Constituent Councils), the Authority may borrow funds from a registered bank or financial institution within Australia. Unless approved in writing in advance by the Constituent Councils any such borrowings must be matched by either an increase in recurrent revenue capable of fully servicing the borrowings and/or a reduction in ongoing operating costs equivalent to the cost of servicing the borrowings. Borrowings must not exceed \$300 000 or such other amount as may from time to time be approved by the Constituent Councils and must not be used for the purpose of funding operational costs unless approved in writing in advance by the Constituent Councils;
- 1.8.8 employing, engaging or dismissing the Chief Executive Officer of the Authority;
- 1.8.9 employing, engaging or retaining professional advisers to the Authority;
- 1.8.10 directly marketing the skills and expertise of its employees and its products and services;
- 1.8.11 charging fees for its services as established by resolution of the Board from time to time;
- 1.8.12 undertaking research, inspecting other facilities and undertaking study tours, provided that it shall be a condition precedent that Board Members undertaking

travel at the expense of the Authority must obtain the prior approval of the Constituent Councils; and

- 1.8.13 the power to do anything else necessary or convenient for or incidental to the exercise, performance or discharge of its powers, functions or duties.

1.9 **Common Seal**

- 1.9.1 The Authority will have a common seal, which may be affixed to documents requiring execution under seal and where affixed by the Board, must be witnessed by the Chair of the Board and the Chief Executive Officer.
- 1.9.2 The common seal must not be affixed to a document except to give effect to a resolution of the Board.
- 1.9.3 The Chief Executive Officer must maintain a register which records the resolutions of the Board giving authority to affix the common seal and details of the documents to which the common seal has been affixed with the particulars of persons who witnessed the fixing of the seal and the date that the seal was affixed.
- 1.9.4 The Board may by instrument under seal authorise a person to execute documents on behalf of the Authority.

1.10 **National Competition Policy**

- 1.10.1 The Authority is involved in a significant business activity as defined in the Clause 7 Statement prepared under the Competition Principles Agreement of the National Competition Policy.
- 1.10.2 The Authority will implement the principles of competitive neutrality by way of annual review of its business operations in the market place and application of the relevant principle or principles where that is appropriate to do so, unless the benefits to be realised through the application of the principles of competitive neutrality outweigh the costs associated with implementation as provided for in Part 4 of the Government Business Enterprises (Competition) Act 1996.

1.11 **Liability Guarantee**

- 1.11.1 The liabilities incurred or assumed by the Authority are guaranteed by the Constituent Councils.
- 1.11.2 The Authority shall pay an annual fee, to each Constituent Councils, on account of the guarantee under subclause 1.11.1.
- 1.11.3 The guarantee fee shall be fixed at \$100 000 to each of the Constituent Councils for the 2006-2007 financial year. Each year thereafter the fee shall be incremented by a percentage equivalent to the average labour cost increase of the two Constituent Councils for the previous financial year. This average is derived by combining the annual quantum percentage increases provided for by all the Councils' Enterprise Bargaining (EB) Agreements and dividing the result by the number of agreements in operation.

2. **BOARD OF MANAGEMENT**

The Constituent Councils understand the need for Centennial Park to continuously adjust to a highly competitive environment. The purpose of the Constituent Councils in establishing and maintaining the Authority is to create stakeholder value by creating an operating environment that will enable the Authority to focus on its business needs and re-establish a foundation for future growth and prosperity. Accordingly the Authority's corporate governance and management practices will continue to evolve as a publicly owned organisation competing in a changing commercial and competitive environment and governed by a Board.

2.1 **Role of the Board**

The Authority is a body corporate and in all things is governed by a Board, which is charged with the responsibility to manage the business and affairs of the Authority, ensuring that the Authority observes the objectives set out in this Charter.

2.2 **Functions of the Board**

- 2.2.1 Striving to position the Authority as the premier provider of cemetery services.

- 2.2.2 Formulating strategic plans and strategies aimed at improving the business of Centennial Park.
- 2.2.3 Providing professional input and policy direction to the Authority.
- 2.2.4 Ensuring strong accountability and stewardship of the Authority.
- 2.2.5 Monitoring, overseeing and measuring the performance of the Chief Executive Officer of the Authority.
- 2.2.6 Ensuring that a code of ethical behaviour and integrity is established and implemented in all business dealing of the Authority.
- 2.2.7 Subject to subclause 2.6.12, ensuring that the business of the Authority is undertaken in an open and transparent manner.
- 2.2.8 Allocating a financial contribution to the Constituent Councils in accordance with responsible business management practices.
- 2.2.9 Pay a guarantee fee in accordance with subclause 1.11.
- 2.2.10 Assisting in the development of strategic and business plans.
- 2.2.11 Developing and adopting a governance policy.
- 2.2.12 Exercising the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons.
- 2.2.13 Avoiding investments that are speculative or hazardous by nature.
- 2.2.14 Developing and giving effect to policies that reflect the Authority's responsibilities under the National Competition Policy and Trade Practices Act.

2.3 **Membership of the Board**

- 2.3.1 The Board shall consist of seven members who shall be appointed as follows:
 - 2.3.1.1 two representatives from amongst the elected members of the City of Mitcham—by resolution of their Council;
 - 2.3.1.2 two representatives from amongst the elected members of the City of Unley—by resolution of their Council;
 - 2.3.1.3 three independent representatives—appointed by a five member Panel (hereinafter called 'the Panel') comprised from time to time of the Mayors, or if a Mayor is or is to be a member of the Board then another elected representative of the relevant Constituent Council, and the Chief Executive Officers of the Constituent Councils and a principal partner in a leading Adelaide Law Firm agreed to by the Chief Executive Officers of the Constituent Councils and engaged for the purpose—who in the opinion of the Panel will add value by their abilities and experience to the effective performance of the Authority's business and management obligations.
- 2.3.2 Members appointed pursuant to subclauses 2.3.1.1 and 2.3.1.2 (hereinafter called 'elected members') shall be appointed for a term of two years provided that such appointment shall terminate upon an elected member ceasing to hold office as an elected member of one of the Constituent Councils.
- 2.3.3 Members appointed pursuant to subclause 2.3.1.3 (hereinafter called 'non-elected members') shall be appointed for a term of three years.
- 2.3.4 Should any casual vacancy occur it will be filled in the same manner as the original appointment.
- 2.3.5 The term of office of a member of the Board will cease upon the Council providing written notice to the Board Member and the Board, or upon the happening of any other event which would preclude the member remaining as a member of the Board in the same way as a member of a Council would be precluded by such event from holding office as an elected member of a Council.

- 2.3.6 By resolution of two-thirds of the members present the Board may recommend—to the Constituent Councils in the case of elected members, and—to the Panel in the case of non-elected members, that the appointment of a member be terminated in the event of:
- 2.3.6.1 any behaviour of the member which in the opinion of the Board amounts to impropriety;
 - 2.3.6.2 serious neglect of duty in attending to the responsibilities of a member of the Board;
 - 2.3.6.3 breach of fiduciary duty to the Board;
 - 2.3.6.4 breach of the duty of confidentiality to the Board;
 - 2.3.6.5 breach of the conflict of interest rules of the Board; or
 - 2.3.6.6 any other behaviour which may discredit the Board.
- 2.3.7 Notwithstanding subclause 2.3.6 a member may at any time be removed from office as a member of the Board prior to the expiration of a term of appointment as follows:
- 2.3.7.1 an elected member—by resolution of the Constituent Council that appointed the member;
 - 2.3.7.2 a non-elected member—by resolution of the Panel.
- 2.3.8 Notwithstanding subclauses 2.3.6 and 2.3.7 the office of a member of the Board becomes vacant if the member:
- 2.3.8.1 dies; or
 - 2.3.8.2 completes a term of office and is not reappointed; or
 - 2.3.8.3 resigns by written notice addressed to the Constituent Councils and served on either of them; or
 - 2.3.8.4 becomes bankrupt or applies for the benefit of a law for the relief of insolvent debtors.
- 2.3.9 Members of the Board shall receive a fee for rendering service as a member of the Board determined by reference to the Guidelines for Agencies and Board Directors published from time to time by the Department of Premier and Cabinet for Government Boards and Committees (or such publication as may succeed such Guidelines). Such determination shall be made by the Panel upon recommendation of the Department and the fee shall be paid by the Authority.
- 2.3.10 Members of the Board shall receive from the Authority reimbursement of expenses properly incurred in performing or discharging official functions and duties as determined by the Board.
- 2.3.11 The Authority shall cause to be taken out a suitable policy of insurance insuring members of the Board and their spouses or another person who may be accompanying a member of the Board, against risks associated with the performance or discharge of their duties at official functions or on official business.

2.4 **Propriety of Members of the Board**

- 2.4.1 The principles regarding conflict of interest prescribed in the Act will apply to all members of the Board as if they were elected members of a Council.
- 2.4.2 The members of the Board will not be required to comply with Division 2, Chapter 5 (Register of Interests) of the Act.
- 2.4.3 The members of the Board will at all times act in accordance with their duties of confidence and confidentiality and individual fiduciary duties including honesty and the exercise of reasonable care and diligence with respect to the Board as required by Part 4, Division 1, Chapter 5 of the Act and Clause 23 of Part 2 of Schedule 2 to the Act.

2.5 **Chair of the Board**

- 2.5.1 The Panel shall appoint from amongst the non-elected members a Chair who shall hold office for a term of three years, unless that person resigns or an event occurs which would preclude that person remaining as a Board Member in the same way as such event would preclude an elected member from holding office as an elected member of a Council.
- 2.5.2 In the event that the Chair resigns or is no longer eligible to act as a Board Member prior to the expiration of that person's term, then the Panel shall appoint a new Chair who shall hold office for the balance of the original term.
- 2.5.3 The Chair shall preside at all meetings of the Board and, in the event of the Chair being absent from a meeting, the members present shall appoint a member from amongst the non-elected members present to preside.
- 2.5.4 In the event that the Chair is to be absent for an extended period (being a period in excess of two months), then the Board shall appoint a member from amongst the non-elected members to act as Chair in the absence of absent Chair for the period of the absence, such Acting Chair during such period to have the same powers, duties and obligations of the Chair in this Charter.

2.6 **Meetings of the Board**

- 2.6.1 The Board shall meet at least once every two months.
- 2.6.2 For the purpose of this subclause, the contemporary linking together by telephone, audio-visual or other instantaneous means ('telecommunications meeting') of a number of the members of the Board provided that at least a quorum is present, is deemed to constitute a meeting of the Board. Each of the Board Members taking part in the telecommunications meeting, must at all times during the telecommunications meeting be able to hear and be heard by each of the other Board Members present. At the commencement of the meeting, each Board Member must announce his/her presence to all other Board Members taking part in the meeting. A Board Member must not leave a telecommunications meeting by disconnecting his/her telephone, audio-visual or other communication equipment, unless that Board Member has previously notified the Chair of the meeting.

Meetings of the Board will not be open to the public unless the Board so resolves.
- 2.6.3 The Chief Executive Officer shall within one calendar month following a local government periodical election, call a meeting of the members of the Board at which meeting:
 - 2.6.3.1 the time, date and place of regular bi-monthly meetings shall be determined; and
 - 2.6.3.2 the appointment of the Chair by the Panel recognised.
- 2.6.4 Subject to subclause 2.6.5, notice of every meeting shall be given in writing by the Chief Executive Officer to every member at least three clear working days prior to such meeting. The notice shall be accompanied by an agenda as provided for in the Act as if the Board were a Council and shall include at least the following standing items of business:
 - 2.6.4.1 Strategic Performance and Chief Executive Officer's report;
 - 2.6.4.2 Business Investment and Financial Monitoring and Control;
 - 2.6.4.3 Operational Management reports; and
 - 2.6.4.4 Governance and Compliance.
- 2.6.5 The Chief Executive Officer must at the written request of the Chair or any two members of the Board, call a special meeting of the Board. Notice of a special meeting must be given to all members of the Board at least four hours before the commencement of the meeting and must be accompanied by the agenda for such meeting and any written reports.
- 2.6.6 The Board may by resolution from time to time adjourn a meeting to a date and time to be fixed.

- 2.6.7 Every member of the Board, including the Chair, shall have a deliberative vote. The Chair shall not in the event of an equality of votes have a casting vote.
- 2.6.8 All matters must be decided by a majority of votes.
- 2.6.9 In the event of an equality of votes, the motion shall be lost.
- 2.6.10 Subject to subclause 2.4.1, all members present at a meeting shall vote.
- 2.6.11 The quorum of the Board or any committee appointed by the Board is ascertained by dividing the number of members in office by two, ignoring any fraction resulting from the division, and adding one.
- 2.6.12 The general provisions of Part 2 of the Local Government (Procedures at Meetings) Regulations, shall insofar as the same may be applicable and not inconsistent with this Charter, apply to the proceedings at and conduct of all meetings of the Board.
- 2.6.13 The Board may appoint Committees as it considers necessary and shall specifically define the duties of such Committees. Committees may consist wholly or partly of persons who are not members of the Board.
- 2.6.14 All Board Members must keep confidential all documents and any information provided to them for their consideration prior to a meeting of the Board.
- 2.6.15 The Chief Executive Officer must cause minutes to be kept of the proceedings of every meeting of the Board.
- 2.6.16 Where the Chief Executive Officer is excluded from attendance at a meeting of the Board, the person presiding at the meeting shall cause the minutes to be kept.
- 2.6.17 Any elected member from a Constituent Council may attend as an observer only, subject to any decision of the Board to consider any matter in confidence and to exclude such elected members from the meeting.

3. **CHIEF EXECUTIVE OFFICER AND APPOINTMENT OF OTHER STAFF**

In recognition that we operate in a highly competitive environment, the provision of executive leadership and management skills is critical to the ongoing well being of the Authority:

- 3.1 The Board shall appoint a Chief Executive Officer on a fixed term performance based employment contract, which does not exceed five years in duration. The Board may at the end of the contract term enter into a new contract not exceeding five years in duration with the same person.
- 3.2 In the absence of the Chief Executive Officer for any period exceeding one week, the Chief Executive Officer shall appoint a suitable person as Acting Chief Executive Officer. If the Chief Executive Officer does not make or is incapable of making such an appointment a suitable person must be appointed by the Board.
- 3.3 The Board delegates responsibility for day to day management of the Authority to the Chief Executive Officer, who will ensure that sound business and human resource management practices are applied in the efficient and effective management of the operations of the Authority.
- 3.4 The functions of the Chief Executive Officer shall include:
 - 3.4.1 ensuring that the decisions of the Board are implemented in a timely and efficient manner;
 - 3.4.2 providing information to assist the Board to assess the Authority's performance against its Strategic and Business Plans;
 - 3.4.3 appointing, managing, suspending and dismissing the other employees of the Authority;
 - 3.4.4 providing advice and reports to the Board on the exercise and performance of its powers and functions under this Charter or any Act;
 - 3.4.5 co-ordinating and initiating proposals for consideration of the Board including but not limited to continuing improvement of the operations of the Authority;
 - 3.4.6 ensuring that the assets and resources of the Authority are properly managed and maintained;

- 3.4.7 ensuring that records required under the Act or any other legislation are properly kept and maintained;
- 3.4.8 exercising, performing or discharging other powers, functions or duties conferred on the Chief Executive Officer by or under the Act or any other Act, and performing other functions lawfully directed by the Board; and
- 3.4.9 achieving financial outcomes in accordance with adopted plans and budgets.
- 3.5 Delegations and sub-delegations:
 - 3.5.1 The Chief Executive Officer may delegate or sub-delegate to an employee of the Authority or a committee comprising employees of the Authority, any power or function vested in the Chief Executive Officer. Such delegation or sub-delegation may be subject to conditions or limitations as determined by the Chief Executive Officer.
 - 3.5.2 Where a power or function is delegated to an employee, the employee is responsible to the Chief Executive Officer for the efficient and effective exercise or performance of that power or function.
 - 3.5.3 A written record of delegations and sub-delegations must be kept by the Chief Executive Officer at all times.

4. **MANAGEMENT FRAMEWORK**

In recognition of its corporate responsibilities the Authority will develop and implement management practices that will reflect a planned approach in the conduct of its business affairs.

4.1 **Strategic Plan**

The Authority shall:

- 4.1.1 prepare a Strategic Plan with a minimum operational period of three years which sets out the goals, objectives, strategies and priorities of the Authority;
- 4.1.2 control and administer the functions and powers of the Authority having regard to the Strategic Plan;
- 4.1.3 review the Strategic Plan annually and adding a further year to the plan in accordance with subclause 4.1.1; and
- 4.1.4 submit the Strategic Plan, including outcomes of the annual review to the Constituent Councils for their approval.

4.2 **Business Plan**

The Authority shall:

- 4.2.1 prepare a Business Plan for at least the following three year period linking the core business activities of Centennial Park to strategic, operational and organisational requirements with supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period;
- 4.2.2 review the Business Plan annually; and
- 4.2.3 submit the Business Plan to the Constituent Councils for their approval.

(See Clause 24, Part 2, Schedule 2 to the Act for the contents of the Business Plan.)

4.3 **Annual Budget**

- 4.3.1 The Authority shall prepare and, after 31 May but before 30 June in each year, adopt an annual operating budget to give a financial effect to its Strategic and Business Plan for the ensuing year.
- 4.3.2 The Authority must submit the draft budget to the Constituent Councils in time for it to receive appropriate consideration by the Councils prior to adoption by the Authority.
- 4.3.3 The Authority must provide a copy of its budget to the Constituent Councils within five business days after adoption.

- 4.3.4 The Authority must make provision, as part of its annual operating budget, for the investment reserve fund for the Future Upkeep Obligations.
- 4.3.5 The Authority shall, as part of its annual operating budget, prepare a capital expenditure budget providing for the replacement/improvement of fixed assets of the Authority and the provision of facilities for the memorialisation of cremated remains and burials. The total of the annual capital expenditure budget shall not exceed the amount of depreciation and amortisation expense for the year. Depreciation and amortisation shall be calculated in accordance with generally accepted accounting principles and generally agreed depreciation rates. Any capital expenditure in excess of the amount of depreciation and amortisation expense must receive prior approval of both Constituent Councils.
- 4.3.6 Monthly reports summarising the financial position, performance and explanation of variations shall be prepared and presented to the Board and copies provided to the Constituent Councils.
- 4.3.7 From 30 September to 31 May (both dates inclusive) in the relevant financial year the Authority must reconsider its annual budget at least three times at intervals of not less than three months. The first such meeting shall consider the audited Financial Statements prepared under Clause 4.5.
- 4.3.8 Operating Surplus and Financial Contributions:
- 4.3.8.1 The Authority shall pay a financial contribution to the Constituent Councils each financial year.
- 4.3.8.2 The extent of any financial contribution in any one year shall not exceed a maximum of 2% of the Authority's Net Sales Turnover for the twelve months to 31 May of that year. Any financial contribution shall be distributed equally amongst the Constituent Councils. Net Sales turnover is defined as 'Sales Income (net of Goods and Services Tax) less Funeral Directors' discounts and commissions paid.'
- 4.3.8.3 Not later than 31 May in each year the Board may make a submission indicating any sound business reasons as to why the financial contribution should not be distributed in accordance with subclause 4.3.8.2. Whilst such a business case may be tendered by the Board it is at the absolute discretion of the Constituent Councils and requires the agreement of both Councils as to whether the obligation to distribute a financial contribution (fully or partially) is foregone in that year.

(See Clause 25, Part 2, Schedule 2 to the Act for the contents of the budget.)

4.4 **Performance Progress Reports**

In addition to its Annual Report the Authority shall submit to the Constituent Councils as soon as possible after 31 December in each year a Performance Progress Report detailing achievement against its Strategic and Business Plans and its Budget for the first half of the financial year.

4.5 **Financial Standards and Reporting**

4.5.1 The Authority will have prepared annually audited Financial Statements comprising a Balance Sheet, Operating Statement and Funds Statement in accordance with Australian Accounting Standards and Regulations.

4.5.2 The Financial Statements shall be on a consolidated basis and forwarded to the Constituent Councils by no later than 30 September following the preceding financial year.

(See Regulations 8 and 9, Local Government (Financial Management) Regulations 1999 in relation to particular accounting practices.)

4.6 **Annual Report**

4.6.1 The Authority shall before 31 October each year, produce an Annual Report summarising the activities, achievements and financial performance of Centennial Park.

4.6.2 The Annual Report shall have reasonable regard to the need to protect commercial advantage whilst recognising a responsibility to ensure adequate public disclosure and accountability.

4.6.3 Copies will be forwarded to the Constituent Councils and shall be made available to the public on request.

4.7 Audit

4.7.1 The Authority shall appoint a duly registered Auditor in accordance with the Act and Regulations.

4.7.2 The Auditor will have the same powers and responsibilities as set out in the Act in relation to a Council.

4.7.3 The audit of Financial Statements of the Authority, together with the accompanying report from the Auditor, shall be submitted to both the Board and the Constituent Councils by 30 September in each year.

4.7.4 The Authority must cause adequate and proper books of account to be kept in relation to all the affairs of the Authority.

4.7.5 The books of account, accounting practices and management shall be audited at least once per year.

4.7.6 The Authority's books of account must be available for inspection by any member of the Board or representative of any Constituent Council at any reasonable time on request.

4.7.7 The Board shall establish an audit committee to be comprised of five persons nominated by the Board and approved by the Constituent Councils, two of whom must be professionally qualified officers, one each from the staff of the Constituent Councils. The Audit Committee shall function in respect to the Authority in the same way, the context permitting, as section 126 (4) of the Act applies to Councils.

4.8 Insurance and Superannuation Requirements

4.8.1 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.

4.8.2 The Authority shall advise Local Government Risk Management Services of its insurance requirements relating to Local Government Special Risks including buildings, structures, vehicles and equipment under the management, care and control of the Authority.

4.8.3 The Authority shall register with the Local Government Superannuation Scheme and comply with the rules of the Scheme.

4.9 Finance

4.9.1 The Authority must establish and maintain a bank account with such banking facilities and at a bank to be determined by the Board.

4.9.2 The Board will develop and maintain appropriate policies for all financial transactions.

4.9.3 The Chief Executive Officer must act prudently in the handling of all financial transactions for the Authority and must provide quarterly financial and corporate reports to the Board and if requested, the Constituent Councils.

5. GENERAL PROVISION

5.1 Withdrawal

5.1.1 Subject to the Act and this Charter a Constituent Council may withdraw from the Authority with the approval of the Minister.

5.1.2 A Constituent Council which intends to withdraw from the Authority shall give to the Board written notice of such intention, specifying the date of intended withdrawal. The notice shall be a minimum three months notice expiring on 30 June of the subsequent financial year.

- 5.1.3 The withdrawal of any Constituent Council does not extinguish the liability of that Constituent Council for the payment of its contribution towards any actual or contingent deficiency in the net assets of the Authority at the end of the financial year in which such withdrawal occurs.
- 5.1.4 The withdrawal of any Constituent Council does not extinguish the liability of that Constituent Council to contribute to any loss or liability incurred by the Authority at any time before or after such withdrawal in respect of any act or omission by the Authority prior to such withdrawal.
- 5.1.5 In determining the benefit to or obligation of the withdrawing Constituent Council a qualified Valuer, who is a member of the Australian Property Institute agreed to by the Constituent Councils, shall in valuing the Authority take into account, in addition to all other relevant matters, the assets held by the Authority and the future earning capacity of the Authority.
- 5.1.6 Payment by or to the withdrawing Constituent Council must be fully paid by 30 June of the financial year following 30 June of the year in which the withdrawal occurs unless there is common agreement of alternative payment arrangements by the Constituent Councils.

5.2 **New Members**

Subject to the provisions of the Local Government Act 1999, this Charter may be amended by the Constituent Councils to provide for the admission of a new Constituent Council or Councils, with or without conditions, in accordance with section 43 of the Act.

5.3 **Winding-Up**

- 5.3.1 Subject to the provisions of the Act, the Authority shall not be wound-up except by a resolution of each of the Constituent Councils passed at respective special meetings, of which one month's notice has been given, called for the purpose and agreed to by a two-thirds majority of members present at each meeting.
- 5.3.2 Should the Board of the Authority request the Constituent Councils to consider dissolving the Authority or should one of the Constituent Councils request the other Constituent Council to consider dissolving the Authority then the Councils or Council as the case may be shall call a special meeting in accordance with subclause 5.3.1 hereof.
- 5.3.3 On a winding-up of the Authority, the surplus assets or liabilities of the Authority, as the case may be, shall be distributed between or become the responsibility of the Constituent Councils equally.

5.4 **Direction by Constituent Councils**

- 5.4.1 The establishment of the Authority does not derogate from the power of the Constituent Councils to jointly act in any manner prudent to the sound management and operation of the Authority, provided that the Constituent Councils have first agreed by resolution of each Constituent Council as to the action to be taken.
- 5.4.2 For the purpose of subclause 5.4.1, any direction given by the Constituent Councils must be in writing to the Chief Executive Officer of the Authority.

5.5 **Outsourcing**

In the observance of the objectives of the Authority, the discharge of its functions and the exercise of its powers, the Board may, with the agreement of each of the Constituent Councils, outsource all or part of the management of Centennial Park or any of the other assets of the Authority.

5.6 **Review of Charter**

- 5.6.1 The Authority must review this Charter at least once in every three years.
- 5.6.2 This Charter may be amended by resolution of the Constituent Councils.
- 5.6.3 The Chief Executive Officer must ensure that the amended Charter is published in the *Gazette* and a copy of the amended Charter provided to the Minister.
- 5.6.4 Before the Constituent Councils vote on a proposal to alter this Charter they must take into account any recommendation of the Board.

5.7 Disputes Between Constituent Councils

- 5.7.1 The Constituent Councils agree to work together in good faith to resolve matters requiring their direction or resolution.
- 5.7.2 Should the Constituent Councils be unable to resolve a matter within 21 days of the matter being presented, the matter will be referred for arbitration by the President or nominee of the Institute of Arbitration.
- 5.7.3 Notwithstanding subclause 5.7.2 the Constituent Councils will be bound by the decision of the Arbitrator (except in relation to any decision relating to the acquisition or disposal of any real property) and will endeavour to work together in good faith in the implementation of that decision.

5.8 Suspension of Constituent Council

Should either Constituent Council be suspended by the Minister of Local Government and an Administrator appointed then such Administrator shall either in person or by proxy exercise the same number of votes on the Board and on the Panel as if the Council was not a suspended Constituent Council.

Dated 9 November 2006.

R. MALCOLM, Chief Executive Officer, City of Mitcham

M. WITHERS, Chief Executive Officer, City of Unley
