



**SOUTH AUSTRALIAN LOCAL GOVERNMENT
FINANCIAL MANAGEMENT GROUP INC**

**MINUTES ANNUAL GENERAL MEETING
Friday 31 August 2012
Botanic Gardens Restaurant, North Terrace
8.00 am**

1 Apologies

Craig Mudge, District Council of Mount Remarkable	Carol McAvaney, Clare & Gilbert Valleys Council
Ben Rasigate, Mid Murray Council	Stephen Faulkner, City of Unley
Maria De Angelis, City of Mitcham	Paul Francis, Adelaide Hills Council

2 Confirmation of Minutes of AGM 26 August 2011

M Smith moved and M Wetherall seconded that the minutes be confirmed as a true and correct record.

CARRIED

3 Business Arising from Minutes

There was no business arising.

4 Change to Constitution

N Tinning moved and E Williams seconded that the outlined changes to Section 5 of the SALGFMG Constitution be received. Clause 5.1 be amend to increase the number of committee members to: not more than twenty (20) Committee Members including the Office Bearers of the Group, together with not less than six (6) nor more than sixteen (16) members, who shall be elected at the Annual General Meeting.

CARRIED

5 President's Report

I would like to thank everyone for attending today and supporting our AGM and in fact all for all your support of FMG activities over the past year.

The financial management group executive are a group of volunteers who give up time from their busy work schedules to organise seminars, provide peer support, develop tools and publications, provide input into policy and in general advocate on behalf of the local government finance sector which is why I think it's important to take time to recognize the achievements over the year and to acknowledge those who have helped make it happen.

Review of the Year 2011/12

As we all know there was new legislation regarding the provision by auditors of an internal control opinion. In an attempt to limit the scope of the opinion and provide direction in the form of a framework FMG in conjunction with SALGAG Auditors group and in particular Tim Muhlhauser,,the LGA,,OLG,Coyle Consulting and Deloitte set out to develop a core library of

internal controls and framework to provide guidance to the sector, basically a roadmap for the Auditors to use when providing their opinion. The framework has now been finalised, been out for consultation with the next stage seeing the framework prescribed in the regulations. One must not underestimate the time that was spent on this project and I would like to particularly thank the working party many of whom were people from the general FMG membership who expressed an interest in progressing this work and who gave up countless hours of their time to work through this project. Hopefully we have come up with a framework that is workable and indeed flexible enough to cater for all councils and as all metro councils start to address this new legislative requirement from 1 July 2013 we will have opportunity to see if we have been successful.

FMG also continued to work with an LGA working group, who are part of a State-Local Government Joint Working Group with the Department of Treasury and Finance (DTF) to progress work on Local Government fees and charges set by statute with a view to establish annual indexation and, where appropriate and possible, full cost recovery.

Well we had some early wins on this project with indexation of a number of local government fees for 2012/13 and a recognition by Treasury about the importance of full cost recovery on fees for our sector. Currently a model to calculate the full cost of a service is being developed which will be used initially to focus on 4 fees including fees from the Development Act 1993, Land and Business (Sale and Conveyancing Act) 1994, Local Government (General) Regulations – Schedule 2 Prescribed Fees and Food inspection fees. This work is also quite timely given the recent legislative changes regarding roof truss inspections. I would like to acknowledge the work of Lee Ann Vincenzi from LGA and the FMG working group for all their efforts in progressing this project I would also like to pass on our best wishes to Lee Ann who had a serious fall recently and we wish her a speedy recovery. It seems housework is indeed dangerous.

Regular information was sent to our membership regarding the removal of Division 81 that is a listing of fees exempt from GST including an overview of the legislation, what it means and the link to the ATO website where people could find relevant information and flowchart to enable them to assess whether GST is applicable or not. With the removal of Division 81 councils will now have to go through a self assessment process to determine GST applicability on their local Government fees and charges. However it looks like on 28 June 2012 the GST regulations were further amended to list further fees and charges that are exempt from GST (including the kerbside collection of waste, green waste and recyclables); and extend, for another 12 months, Local Government fees and charges that were exempt from GST if they were included in a determination made by the Commonwealth Treasurer.

Again we have continued with our very successful seminar series, one in December, “Staying ahead of the Game” and again in March “Swimming between the Flags” with great opportunities provided for networking, learning and fun. The December conference was our first attempt at a 2 day event with workshops held on day one. Due to the success of this event we will again hold a workshop preceding this year’s December conference.

I wish to acknowledge Peter Fairlie Jones and the seminar working group and our secretariat support Linda Wride who spend hours drinking coffee at early morning meetings organizing these seminars.

I would also like to acknowledge our wonderful sponsors who through their support of our industry allow us to continue to put on high quality events which are accessible to our membership at low cost.

This year we also started a revamp of our website www.salgfmg.org.au and our intention is to provide more regular online updates on projects and activities undertaken by the FMG as well as the ability to register online for our seminars. We are hoping to launch it at the December conference. I would like to acknowledge the work of Clive Hempel and the newsletter/web working group who have been progressing the project. This group were also responsible for the Focus on Finance newsletter which you would have received in June on issues topical in the sector.

From 2006 to 2011 the LGA issued a number of Financial Sustainability Information Papers. These Papers have now been updated (and the range of Papers broadened) to take account of legislative changes, emerging improvements in good financial governance and other developments. FMG although overwhelmed with the 30 or so information papers that were sent

to with relatively short turnaround time managed to divide them up amongst ourselves so we could provide some feedback into the updates that were prepared.

We also continue to have representation with the Grants commission on a project to improve the quality and timeliness of the grants commission's supplementary return and continued our support of the LG price index and updates to model financial statements

Our membership group led by Simon Sbierski proactively took on the role of increasing our membership with some 31 new members over 2011/12 and a resolve to ensure a FMG member is in every council – we are nearly there with current total membership at 185. We are also looking at how we can increase opportunities for rural councils to participate more actively and exploring options for subsidies to assist with travel.

So it has been a busy year that has gone all too quickly with many people to thank for their continued support and commitment to improving financial management in councils in SA. Firstly the hard working FMG executive, thank you for your dedication and hard work during the year. The FMG executive for 11/12 were the following, who I will list by name and ask them all to please stand.

Vincent Mifsud	Nicola Tinning
Milo Rubbo	Marcus Smith
Stephen Mounce	Mick Weatherall
Norm Biggs	Mark Lague
Peter Fairlie-Jones	Clive Hempel
Elizabeth Williams	Annette Pianezzola
Simon Sbierski	Tony Amato
Ginny Moon	Jeff Jones

I would like to also formally acknowledge the contribution made to the FMG by Mike Carey who resigned from the Executive Committee early in the year and in particular acknowledge the contribution he made in relation to development of the model financial statements.

I would like to thank Stephen Mounce and Milo Rubbo both who will be retiring from the FMG executive and who both have been instrumental in the ongoing management and development of the LG price index. Stephen has also been our treasurer and Milo our secretary for a number of years and have both been active contributors to many FMG activities and projects. I personally will miss them both very much and sincerely thank them for their contribution.

I also would like to acknowledge:

- the LGA (particularly Shane Sody and Lee Ann Vincenzi)
- the Office of State/Local Government Relations and in particular John Wright and Bruce Fleming
- the Local Government Grants Commission and Peter Illee and Thi Le
- the LGMA SA, who are our events co-ordinators and particularly Linda Wride our secretariat and Taryn Sexton
- The SA Local Government Auditors group and in particular its Chairperson, Tim Mulhausler
- Ian McDonald our Auditor
- Maria Hocking who provides our treasurer support
- And Sabine Schuhrer from University of Adelaide who recently started coming too our meetings

Much of the work undertaken by the FMG is funded by our generous sponsors who through their support allow us to provide many of the activities, project, seminars we are involved with on your behalf. I'd like to acknowledge the following sponsors for their contributions during the course of last year:-

Platinum Sponsors
Local Government Finance Authority

Gold Sponsors
APV Valuers and Asset Management
CPA Australia
UHY Haines Norton Chartered Accountants

Silver
National Credit Management Limited
Technology One Ltd
Chameleon

Bronze
AME Recruitment
Maloney Field Services
Coalface Software solutions
Deloitte
PKF Chartered Accountants and Business Advisors
Norman Waterhouse lawyers

Lastly I thank you for the support you have shown me as President over the year and remind you that we have executive meetings on last Friday of every month as published in our agendas. Any FMG member is most welcome to attend those meetings as an observer or participate in any projects we are working on – just either email myself or Linda.

V Mifsud moved and E Williams seconded that the President's report be received.

CARRIED

6 Treasurer's Report

The audited financial report was presented by S Mounce. The year finished with significant increase in surplus of \$39,000 compared to \$14,000 previous year. This was due to: increase in membership, two very successful seminars, continuing support from sponsors, major focus on Long Term Financial Plan and lots of In Kind support. Total net assets \$178,000. S Mounce thanked M Hocking and I McDonald for their contribution and support.

V Mifsud and P Fairlie-Jones seconded that the Treasurer's report be received.

CARRIED

7 Election of Office Bearers and Management Committee Members for 2012/13

Linda Wride announced that single nominations were received for the positions of President, Vice President, Secretary and Treasurer and the following appointments were made:

- President – *Annette Martin, City of Charles Sturt*
- Vice President – *Vince Mifsud, City of Marion*
- Secretary – *Nicola Tinning, City of Unley*
- Treasurer – *Marcus Smith, District Council of Mount Barker*

The following members were elected as Committee Members:

Anthony Amato, City of Burnside	Ryan McDonald, City of Tea Tree Gully
Norman Biggs, City of West Torrens	Karishma Dutta, City of Onkaparinga
Annette Pianezzola, Adelaide City Council	Mick Wetherall, City of Port Adelaide Enfield
Peter Fairlie-Jones, City of Salisbury	Elizabeth Williams, Alexandrina Council
Clive Hempel, Wakefield Regional Council	Simon Zbierski, City of Campbelltown
Jeff Jones, City of Playford	Eion Williamson, District Council of Grant
Mark Lague, The Barossa Council	Damien Jenkins, Rural City of Murray Bridge
Ginny Moon, City of Prospect	

S Mounce moved and C Hempel seconded that the returning officers report be received and that all committee members be duly elected.

CARRIED

8 Appointment of Auditor

S Mounce thanked Ian Mc Donald for providing the audit services for 2011/12 and recommends that Ian McDonald is re-appointed as Auditor for the 2012/2013 financial year.

C Hempel moved and P Fairlie-Jones seconded that Ian McDonald be appointed as Auditor for the 2012/2013 financial year.

CARRIED

9 Setting of Fees

There was no proposed increase of fees for 2013/14 – fees to remain at the 2012/13 figure of \$99 (inclusive of GST).

S Zbierski moved and V Mifsud seconded that membership fees not be increased for 2013/14.

10 General Business

10.1 Honorary Membership

A Martin reported that for first time last year 2 life members were nominated for the FMG and that this year is the first time we have a nomination for honorary membership and that it was with great pleasure she announced Cleve Coyle for honorary membership.

Cleve joined South Australian Local Government in 1989 as the Management Accountant for the City of Unley and became a Committee Member of the Local Government Financial Management Group (FMG) soon after it was formed. He was a Committee Member for around 14 years, serving as the Secretary/Vice President for about eight years and President for two years. He worked on many projects and found it rewarding being part of a team where everyone contributed to advancing the objectives of the FMG. Because Committee Members had full time workloads there were many breakfast and after hour's meetings to discuss Committee work. He found the benefit was not all one way because he and his council were kept up to date with the latest developments in Local Government and the FMG was influential in guiding many new initiatives that were being introduced such as AAS27.

Cleve left the Committee in 2003 when he travelled to South Africa to assist their National Government in reforming South African Local Government. He remained a member of the FMG during this time (4.5 years) and used his experience with the Group to assist forming a similar group in South Africa. When he returned to South Australia in 2007 he set up his own business and it was not long before he was undertaking projects for the FMG and in particular worked on the internal control framework and pilot projects undertaken in rural councils.

P Fairlie-Jones moved and N Tinning seconded that Cleve Coyle receive honorary membership of SALGFMG.

CARRIED

Close of Meeting

A Martin thanked everyone for attending and I welcome the new Executive for 2012/13 whose first meeting will be Friday 28 September. She reminded everyone of the upcoming conference which will be held on 6 and 7 December at the Stamford Grand, Glenelg and noted that it would be a two day event with workshop on Day 1 and Conference on Day 2 following on from last year's success.

Meeting closed at 10.00 am