



South Australian Local Government Financial Management Group Inc

MINUTES

2017 Annual General Meeting

Date: Friday, 25 August 2017

Venue: Adelaide Zoo Sanctuary, Gate 1 Plane Tree Drive Adelaide SA 5000

Commenced: 9:05am

1. Apologies

- Alexander Brown
- Craig Mudge
- Ginny Moon
- Leta Northcott
- Lyn Fuller
- Mick Wetherall
- Nola O'Connell
- Pam Cummings
- Peter Fairlie-Jones
- Peter Ward
- Rajith Udugampola
- Vikki Purtle

2. Confirmation of Minutes

Moved: Annette Martin

Seconded: Kate George

Recommendation: *That the minutes of the SALGFMG AGM held on 26 August 2016 are confirmed as a true and correct record.*

CARRIED

3. Business Arising from Minutes

4. President's Report

Moved: Kate George
Seconded: Simon Zbierski

Recommendation: That the President's report be noted.

CARRIED

President's Report

Thank you for making the effort to attend our breakfast and AGM this morning as well as the events that have been held throughout the last year.

I would like to thank all of the people for their efforts in giving us another successful year for the FMG and in particular the support that I have received in my first year as President.

Firstly, our Executive Committee which is made up of individual people who have varied expertise in a large range of financial related areas. This dedicated group of people are willing to share their knowledge in finding solutions to many of our common problems that in turn helps improve Local Government finance in South Australia.

As in previous years I would like each of our Executive Committee Members to stand once I announce their names so we can recognise and acknowledge the work they have provided in the last 12 months.

- Vice President, Kate George – City of Salisbury
- Secretary, Karishma Reynolds – City of Burnside
- Treasurer, Marcus Smith – District Council of Mount Barker
- Anthony Amato – Town of Gawler
- Ray Barnwell – City of Marion
- Norm Biggs – City of West Torrens
- Chris Birch – City of Prospect
- Julie Campbell – Mid Murray Council
- Anna-Lucia Draper – City of Tea Tree Gully
- Diane Eckermann – City of Onkaparinga
- Anita Futterer – City of Playford
- Stephanie Juhas – City of Victor Harbor
- Mark Lague – The Barossa Council
- Gary Lewis - Town of Walkerville
- Gary Long – City of Prospect
- Annette Martin - City of Charles Stuart
- Craig Mudge – District Council of Mount Remarkable
- Leta Northcott – City of Unley
- Alex Oulianoff – Mount Barker Council
- Pep Piscioneri – Adelaide City Council

- Rajith Udugampola – Adelaide Plains Council
- Micheal Wetherall – City of Port Adelaide Enfield
- Elizabeth Williams – Alexandrina Council
- Eion Williamson – District Council of Grant
- Simon Zbierski – City of Campbelltown

It would be amiss for me not to also recognise the respective Councils that allow these members to commit their valuable time and resources to the FMG. Without this support toward our group our ability to deliver improvement to Local Government would be severely hampered.

Can everyone please put their hands together to acknowledge the Executive Committee for 2016/2017.

I wish to also acknowledge the following people that have not nominated for the next term Marcus Smith, Karishma Reynolds, Julie Campbell, Stephanie Juhas, Gary Lewis, Gary Long and Rajith Udugampola. I thank them for the contributions they have made on the Executive Committee.

The group also has close relationships with a number of people that have without a doubt aided in the success of the FMG.

- the LGA and Shane Sody
- the SA Local Government Auditors Group and its Chairperson , Tim Mulhausler
- our auditors from Creative Auditing, Ian McDonald and Nancy Tran
- Maria Hocking, who performs the Finance Officer role for the group
- Sabine Schuhrer from the University of Adelaide
- our website co-ordinator, Irene Scales
- FMG Members and other Local Government employees who have contributed on one of our many FMG working groups
- Nicol Mumford from Think Purple Solutions for her help in running our events; and
- Patricia Coonan from Think Purple Solutions for her continual high standard of work as our secretariat and event management coordinator. Patricia's professional approach in her role is recognised and appreciated by myself as president and I am sure by also many of our other members.

The Review of the Year for 2016/17 and our Main Projects

I would now like to provide a summary of the key projects that our working groups have focused on since our last AGM.

Seminars Group

The December 2016 workshop and conference was held at the Adelaide Oval which featured Olympian Gold medallist, Anna Meares. The program also featured presentations relating to ATO Future Reporting, Accounting Standards, Budgeting Behind the Scenes, SA's new Planning System, Small Councils and Financial Management, Victorian Rate Capping, Fraud, and ESCOSA's role in regulating the SA's water sector.

Our March conference was held at Glen Ewin Estate in Houghton, which included presentations from Debra Just, CEO of Willoughby City Council in NSW on Financial Sustainability, an update of the state's economy by Dean Pearson from the NAB, project management of two recent LG projects being the Fleurieu Aquatic Centre & Campbelltown's ARC. To complete the day we had the inspiring Steve Sammartino one of Australia's most respectful business technologists, who gave us an insight on the new disruptive digital age and how technology can transform Local Government.

This group spends considerable effort in the months leading up to each event to ensure the content is relevant and interesting as well as providing an environment of networking and professional development. Good attendance numbers of all events held is a reflection of the great work of the group. I would like to thank all of members of this working group for their contributions.

Please note that the next conference and workshop will be at the National Wine Centre on the 7th and 8th of December. The program for this event is just about finalised, which will include the continuation of the Thursday night dinner, so make sure you save these dates in your diaries.

Fees and Charges

The working group chaired by Elizabeth Williams and with the assistance of BDO has undertaken the task of a GST review of fees and charges on behalf of all South Australian Councils. This has firstly involved the collation of all SA Councils' existing fees and charges into one master generic list. The initial application was lodged with the Australian Taxation Office (ATO) in December 2016 on behalf of the Local Government Association (LGA) for all South Australian Councils.

Due to the complexity, the ATO has advised that five separate listings were to be lodged, since lodgement the working group has been working through and responding to queries from the ATO. This information will be consolidated into a comprehensive matrix to ensure that an ongoing accurate and compliant listing of GST treatment for fees and charges is available. This work would not have been possible without the funding from the Local Government Research and Development Scheme.

Newsletter / Website Group

The group is also chaired by Elizabeth Williams, which continues to provide members with several newsletters annually, the content as always is relevant and informative to our industry.

In November the FMG website will be updated, to give it a new look and feel, while retaining all the current valuable content.

Financial Management Framework

Chaired by Mark Lague, this group has recently completed the review of the Model Financial Statements for 2017, providing feedback prior to the final version that is sent to the Minister for approval. The group has also provided guidance to Councils with the introduction of the new requirement of AASB 124 Related Party Disclosures.

Internal Controls & Risk Management

This group is chaired by Annette Martin and has been working over the last two years reviewing the Better Practice Model – Internal Financial Controls which now has been approved by the Minister of Local Government in July 2017. The new version of the document is less prescriptive and gives more flexibility for Councils to comply with the Internal Financial Control requirements. This work once again would not have been possible without financial assistance gained from the Local Government Research and Development Scheme.

Long Term Financial Plan

This group is chaired by Anna-Lucia Draper. The group firstly researched the requirements of SA Councils collecting information such as current usage of the different models, their strengths weaknesses and the future requirements of our members.

The group was successful in obtaining funding from the Local Government Research and Development Scheme and is presently in consultation with IPWEA with the aim to produce a new and improved FMG Long Term Financial Plan model.

Membership & Communication

Chaired by Dianne Eckermann this group has been rolling out the FMG Buddy Program, which is an initiative developed to connect with finance professionals in rural Councils. Often these Councils are a considerable distance from the city which can make networking and attending meetings and seminars/conferences difficult. We recognise that it can be beneficial to discuss topical issues with others working in the same field.

The Buddy Program assigns two FMG Executive Committee Members to each rural Council. When assistance is required the financial staff in the Council can contact one of their nominated Buddies to discuss issues and gain guidance.

Other

Thanks to Chris Birch and Rajith Udugampola for their work involved in the updates of the Local Government Price Index, this enables Councils to access a valuable uniquely tailored indicator for our industry.

The Rating and Valuation group is chaired by Norm Biggs, this is a recently formed group that consists of a combination of FMG and Revenue Professional SA members that work on common financial and rating issues.

The Costing Principals group is chaired by Alex Oulianoff and has been recently reviewing the maturity of the different Councils' costing systems in relation to Community Wastewater Management Schemes.

The Asset Management working group is chaired by Pep Piscioneri, they have been working on the review of the LGA Guidance Paper on Fair Value Measurement.

A number of our members are currently part of several working groups and the Board involved with the development of the future Dog & Cat On-Line system.

Executive Committee Meetings

Just a reminder that our Executive Committee meetings are usually held on the last Friday of the month, with all members welcome to attend as observers. Times and locations of these meetings are available on our website. Please take time to read our agendas and minutes to gain an understanding in what the group is up to. If you have any questions or would like items to be included in a future meeting, please contact one of our Committee Members who will be happy to take the time to discuss these matters with you.

Sponsors

I also wish to acknowledge the 18 sponsors we have had during the 2016/2017 year.

We sincerely thank you for your support and look forward to working with you again in 2017/2018. We would encourage our members to continue to show their support to these organisations who support our sector.

Platinum Sponsor

Local Government Finance Authority, who have been with us since Day 1.

Gold Sponsors

- LG Solutions

Silver Sponsors

- Bentleys SA
- TechnologyOne

Bronze Sponsors

- BDO
- Coalface Software Solutions
- ControlTrack
- Dean Newbery and Partners
- Galpins Accounts, Auditors & Business Consultants
- Genesis Accounting
- Kemps Credit Solutions
- MAGIQ Software
- JLL Infrastructure Advisory
- National Credit Management Ltd
- Norman Waterhouse Lawyers
- Pickles Auctions
- PKF Kennedy
- UHY Haines Norton Chartered Accountants

I would also like to thank the Wakefield Regional Council and now the Mid Murray Council for allowing me to take on the role as President.

As always I am proud to be part of the FMG that continues to be proactive and highly regarded as a professional group within the Local Government industry.

Thankyou.

New Logo

The FMG has recently undergone a review of its logo. The current FMG logo has been present for quite a number of years and the Executive Committee felt that it was time to refresh this logo for a number of reasons but most importantly for flexibility in design and print.

As you are aware, all Members were sent a survey to vote for their favourite FMG logo. There was a choice between a new logo with two colour variations and the old logo.

The logo chosen by 67% of the Membership was the new logo with blue text.

The new logo depicts the shape of South Australia to reinforce its SA presence. The colours are bold and vibrant and reflect the states colours. This logo is a modernised version of the current logo.

We are very excited with the new logo and are looking forward to now undertaking a re-branding process. The re-branding will occur across all documentation and the website for the FMG.

5. Treasurer's Report

Moved: Alex Oulianoff

Seconded: Mark Lague

***Recommendation:** That the Treasurer's report and audited financial statements for 2016/17 be noted.*

CARRIED

6. Election of Office Bearers and Executive Committee Members

Notice was given to all Members that the term of office of the Executive Committee Members of the South Australian Local Government Financial Management Group was due to expire and nominations were called from Members. All retiring Executive Committee Members are eligible for re-election. 21 nominations have been received as follows:

| Position: | Full Name: | Council: |
|------------------|---------------------|--------------------------------------|
| President | Clive Hempel | Wakefield Regional Council |
| Vice President | Kate George | City of Salisbury |
| Treasurer | Alexander Oulianoff | Mount Barker District Council |
| Secretary | Anna-Lucia Draper | City of Tea Tree Gully |
| Committee Member | Anita Futterer | City of Playford |
| Committee Member | Annette Martin | City of Charles Sturt |
| Committee Member | Anthony Amato | Town of Gawler |
| Committee Member | Chris Birch | City of Prospect |
| Committee Member | Craig Mudge | District Council of Mount Remarkable |
| Committee Member | Diane Eckermann | City of Onkaparinga |
| Committee Member | Eion Williamson | District Council of Grant |
| Committee Member | Elizabeth Williams | Alexandrina Council |
| Committee Member | Leta Northcott | City of Unley |
| Committee Member | Mark Lague | The Barossa Council |

| | | |
|------------------|-------------------|---------------------------------------|
| Committee Member | Michael Wetherall | City of Port Adelaide Enfield |
| Committee Member | Mike Carey | Adelaide Hills Council |
| Committee Member | Norman Biggs | City of West Torrens |
| Committee Member | Pep Piscioneri | City of Adelaide |
| Committee Member | Ray Barnwell | City of Marion |
| Committee Member | Simon Zbierski | Campbelltown City Council |
| Committee Member | Stephen Rufus | District Council of Orroroo Carrieton |

In accordance with the SALGFMG Constitution, I declare these Executive Committee Members duly elected for a term of one year to conclude at the 2018 Annual General Meeting.

Moved: Elizabeth Williams
Seconded: David Hope

Recommendation: *That the Returning Officer's report be noted and that all Executive Committee Members be duly elected commencing today until the 2018 Annual General Meeting.*

CARRIED

7. Appointment of Auditor

Moved: Eion Williamson
Seconded: Diane Eckermann

Recommendation: *That Ian McDonald be provided with a letter of engagement as Auditor of the SA Local Government Financial Management Group for the 2017/18 financial year.*

CARRIED

8. Constitution

Moved: Simon Zbierski
Seconded: Kate George

Recommendation: *That the Constitution be adopted as amended.*

CARRIED

9. Setting of Fees

The 2017/18 Fees were adopted at the 2016 AGM and given the new membership cycle now starts on 1 September each year, the 2017 AGM does not need to pass a resolution this year for membership fees.

10. Membership

In accordance with the Group's Membership Guidelines, Honorary Membership is open to a person who has served the Group in such a way that the Executive Committee have granted the Member this distinction. This year the Executive Committee would like to acknowledge the contributions of Simon Zbierski and offer him Honorary Membership.

After commencing his career in Local Government back in 1998, Simon joined the FMG Executive Committee temporarily in 2005 to cover his boss' maternity leave, which provided great exposure to the benefits of being part of the Group. In 2010 he joined the group on a more permanent basis as a general committee member. In 2013 he was tapped on the shoulder to take on the role of Vice President before becoming President 2 years later, serving in this role from 2014 to 2016.

Across his years of service, Simon has contributed to the following FMG working groups:

- Seminar Committee
- Membership & Communication
- Long Term Financial Plan
- Internal Controls & Risk Management
- Financial Management Framework
- Asset Management
- Rating & Valuation

And more recently been representing the FMG on the DACO project group.

Moved: Annette Martin

Seconded: Mike Carey

Recommendation: That Simon Zbierski be offered Honorary Membership in recognition of his significant contributions to the Group.

CARRIED

11. Close

The Annual General Meeting concluded at 9:35am.