



South Australian Local Government Financial Management Group Inc

MINUTES

2016 Annual General Meeting

Date: Friday, 26 August 2016

Breakfast: 7:45am

Guest Speaker Presentation: 8:15am – Senator Nick Xenophon

AGM: 9:00am to 10:00am

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

1. Apologies

- Chloe Brown
- Colin Davies
- Craig Mudge
- David Hope
- Geoff Hollitt
- Jane Fetherstonhaugh
- Judi Molineux
- Mark Heinrich
- Matthew Coldwell
- Michelle Tucker
- Sandra Brice
- Sean Corbin
- Steve Mathewson
- Stephanie Juhas

2. Confirmation of Minutes

Moved: Clive Hempel

Seconded: Kate George

Recommendation: *That the minutes of the SALGFMG AGM held on 28 August 2015 are confirmed as a true and correct record.*

CARRIED

3. Business Arising from Minutes

Nil

4. President's Report

I would like to thank all of you for attending our Breakfast and AGM today along with the other events we have held throughout the year.

I would like to start my report by thanking those people who have helped make the last 12 months such a successful one for the FMG. I would also like to thank the following people who have supported my last two years as President.

Firstly, our Executive Committee, which is such a valuable resource for Local Government to tap into.

As has become tradition, I would like each of our Executive Committee Members to stand once I announce their name so that we can recognise and acknowledge the work they have provided over the last 12 months:

- Vice President, Clive Hempel – Wakefield Regional Council
- Secretary, Karishma Reynolds – City of Burnside
- Treasurer, Marcus Smith – District Council of Mount Barker
- Tony 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 Tee tree Gully
- Dianne Eckermann – City of Onkaparinga
- Paul Francis – Adelaide Hills Council
- Anita Futterer – City of Playford
- Kate George – City of Salisbury
- Stephanie Juhas – City of Victor Harbour
- Mark Lague – The Barossa Council
- Gary Long – City of Prospect
- Annette Martin – City of Charles Sturt
- Alex Oulianoff – District Council of Mount Barker
- Pep Piscioneri - Adelaide City Council
- Ben Rasigatale – District Council of Karoonda East Murray
- Rajith Udugampola – Light Regional Council
- Peter Ward – District Council of Barunga West
- Mick Wetherall – City of Port Adelaide Enfield
- Elizabeth Williams – Alexandrina Council
- Eion Williamson - District Council of Grant

I would also like to thank each of their respective Councils who enable them to commit time and resources to the Group. Without this support we would not be able to do a lot of the things we currently do to help improve Local Government.

Can everyone please put their hands together to acknowledge the Executive Committee for 2015/2016.

I wish to thank Paul Francis, Peter Ward and Ben Rasigatale who have decided not to re-nominate for the next term. I thank them for the contribution they made during their year on the Committee and helping to provide a voice from a regional perspective.

I also would like to thank the following people who have worked with and assisted myself and 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, who is a regular attendee at our Committee meetings
- our website co-ordinator, Irene Scales
- those Members 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 finally, Patricia Coonan from Think Purple Solutions for the outstanding efforts she has put into the secretariat and event management coordination roles. It has truly being a blessing to have Patricia working for us. She has definitely made it easier for me to fill my role as President and for the group to run as smoothly as it does.

A Review of the Year for 2015/2016 and main projects

I will now provide a summary of the key projects that our working groups have focussed on since our last AGM.

Seminars Workgroup

This year's December workshop and conference was held again at the National Wine Centre, headlined by Victoria Cross recipient, Mark Donaldson. Also on the agenda were presentations relating to ICAC, Accounting Standards and Continuous Improvement, along with a engaging presentations from Dean Pearson from the NAB and the Mayor of Ipswich, Paul Pisasale.

Our March conference was held at the newly redeveloped Adelaide Convention Centre, with presentations from LGA CEO Matt Pinnegar, a tax update from Genesis Accounting, panel discussion on the Sampson Flat and Pinery bushfires as well as Gabrielle Kelly from the SAHMRI who discussed how local government can play a role in improving mental health and mental illness. The day ended with Steven Bradbury telling us his story and how it lead to him earning Australia's first gold in the Winter Olympics.

A lot of effort goes on behind the scenes to ensure that these events are of relevant interest to attendees and also provide a range of networking and professional development opportunities. So I would personally like to thank all members of this working group for their ongoing commitment and contribution.

Please note that the next conference and workshop will be at the Adelaide Oval on the 1st and 2nd of December. The program for this event is just about finalised, with the Thursday night gala dinner scheduled to return, so make sure you lock this one in your diaries.

Membership and Communication Workgroup

This work group, chaired by Stephanie Juhas has progressed a number of its actions during the year which will aim to improve our level of engagement with our membership. Keep an eye out in the coming months for further action in this space.

The group also are in the latter stages of helping to recognise our past Life and Honorary members with a virtual honour board being developed for our website.

Newsletter and Website Workgroup

During the year we provided 3 newsletters to our membership, providing great information for its readers, which highlighted a number of relevant topics and information affecting the industry.

Following recommendations from this group, the Committee have agreed to redesign our website to improve its usability and freshen up its look and feel.

Shortly we will be releasing a survey on various aspects of the FMG and I encourage you to provide your feedback to us.

I would like to acknowledge the work of the group which is chaired by our current Vice President, Clive Hempel.

Financial Management Framework Workgroup

Chaired by Mark Lague, this group once again provided feedback to the LGA on the 2016 Model Financial Statements and Information Paper on Depreciation and Related Issues. This input has enabled feedback to be provided that takes into account practical issues that affect Councils.

Internal Controls and Risk Management

During the year, Annette Martin's working group has done an amazing amount of work to review and refine all of the risks and controls contained in the Better Practice Model for Internal Financial Controls. After successfully obtaining LGA R&D funding, the group coordinated the rewrite of the introduction section of the Better Practice Model.

The updated document is currently being reformatted. Once endorsed by the Executive Committee, the intention is to consult with Councils and other key stakeholders before presenting to the Minister for Local Government for adoption, similar to the process used for the Model Financial Statements.

Fees and Charges Workgroup

Elizabeth William's group was also successful in receiving LGA R&D funding, engaging one of our sponsors to create a master list of fees and charges for SA Councils that will be used to obtain a class ruling on the correct GST treatment of this income. Just to explain the level of detail gone into this project to date, over 23,000 lines of fees from across all Councils have to be categorised to assist in classifying for GST purposes.

I also wish to acknowledge Chris Birch's contribution as the previous chair of this group to help get the project up and running.

Asset Management Workgroup

In its second year of operation, this workgroup which is chaired by Pep Piscioneri has been involved in clarifying and seeking guidance on Residual Values and componentisation.

The group has developed a guidance paper on the topic and are now planning to develop a scoping document to be provided to valuers to achieve a consistent approach to land and building valuations for all SA Councils.

Long Term Financial Plan Workgroup

This group, chaired by Anna-Lucia Draper has taken big steps in the last 12 months as it identified the need that a new solution was required to match the increased level of financial maturity of SA Councils. After surveying the membership to determine existing shortcomings and opportunities for improvement, the group undertook an Expression of Interest to determine what is available in the market.

The Group has also submitted an LGA R&D funding application which would significantly assist in providing a valuable and much needed solution for all SA Councils.

Other

The FMG are still involved in updates to the Local Government Price Index. Thank you to Chris and Raj for their work in maintaining this important comparative measure for the industry and for pursuing a forecasting model that is due to be released in the new calendar year.

The Costing Principles workgroup, chaired by Marcus Smith have been involved in considering issues relating to the cost of capital for CWMS and issues relating to ESCOSA.

Please remember 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. I encourage you to take the time to read our agendas and minutes to gain an understanding in what the group is up to. If you have any questions, any one of our Committee members would be happy to take the time to discuss these matters with you.

Sponsors

I also wish to acknowledge the 17 sponsors we have had during the 2015/2016 year. We sincerely thank you for your support and look forward to working with you most of you again in 2016/2017. 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

- Fuji Xerox Australia
- Local Government Solutions

Silver Sponsors

- Bentleys SA
- Technology One Ltd

Bronze Sponsors

- AME Recruitment
- BDO
- Coalface Software Solutions
- ControlTrack
- Dean Newbery and Partners
- Genesis Accounting
- Kemps Credit Solutions
- MAGIQ Software
- Maloney Field Services
- National Credit Management Limited
- Norman Waterhouse Lawyers
- UHY Haines Norton Chartered Accountants

Finally, today signifies the end of my 2 years in the role as President of the FMG. That time has flown by but has definitely been an enjoyable experience. I especially wish to thank Campbelltown Council for allowing me to take up this opportunity, the support of my boss Michelle Hammond and my Finance team for allowing me to undertake this role.

I hope that my time as President has helped lead to some positive outcomes for Local Government. The Group's proactive approach and willingness to help the network helps us to be seen as a leader in the Local Government industry. While I will continue to remain on the Committee, I wish our incoming President, Clive, Vice President, Kate and the rest of the Executive Committee all the best for the upcoming year and I am sure that the FMG will continue to be a well respected and highly regarded organisation.

Moved: Elizabeth Williams
Seconded: Alex Oulianoff

Recommendation: That the President's report be noted.

CARRIED

5. Treasurer's Report

Moved: Alex Oulianoff
Seconded: Elizabeth Williams

Recommendation: That the Treasurer's report and audited financial statements for 2015/16 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 were eligible for re-election. 26 nominations were received as follows:

Position:	Full Name:	Council:
President	Clive Hempel	Wakefield Regional Council
Vice President	Kate George	City of Salisbury
Treasurer	Marcus Smith	Mount barker District Council
Secretary	Karishma Reynolds	City of Burnside
Committee Member	Alexander Oulianoff	Mount Barker District Council
Committee Member	Anita Futterer	City of Playford
Committee Member	Anna-Lucia Draper	City of Tea Tree Gully
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	Gary Lewis	Town of Walkerville
Committee Member	Gary Long	City of Prospect
Committee Member	Julie Campbell	Mid Murray 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	Norm Biggs	City of West Torrens
Committee Member	Pep Piscioneri	Adelaide City Council
Committee Member	Rajith Udugampola	Light Regional Council
Committee Member	Ray Barnwell	City of Marion
Committee Member	Simon Zbierski	Campbelltown City Council
Committee Member	Stephanie Juhas	City of Victor Harbor

In accordance with the SALGFMG Constitution, the Returning Officer declared these Executive Committee Members duly elected for a term of one year to conclude at the 2017 Annual General Meeting.

Moved: Peter Ward
Seconded: Tony Amato

Recommendation: *That the Returning Officer's report be noted and that all Executive Committee Members be duly elected for the 2016/17 financial year.*

CARRIED

7. Appointment of Auditor

Moved: Marcus Smith
Seconded: Karishma Reynolds

Recommendation: *That Ian McDonald be provided with a letter of engagement as Auditor of the SA Local Government Financial Management Group for the 2016/17 financial year.*

CARRIED

8. Constitution

Moved: Diane Eckermann
Seconded: Eion Williamson

Recommendation: *That no changes be made to the Constitution.*

CARRIED

9. Setting of Fees

Moved: Ray Barnwell
Seconded: Kate George

Recommendation: *That the Membership fees for 2017/18 not be increased and stay at \$120 (incl. GST) for renewing members and \$145 (incl. GST) for new members.*

CARRIED

10. Membership

Moved: Mark James
Seconded: Karishma Reynolds

Recommendation: *That no changes be made to the Membership Guidelines.*

CARRIED

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 Nicola Tinning and offer her Honorary Membership.

Nicola commenced on the FMG Executive Committee in 2004, she has been an active advocate for the group over many years which includes the role of Secretary for a couple of terms. Whilst not a current member of the Executive Committee, Nicola remains a member of the Seminar Workgroup, a role she thoroughly enjoys. In recent times Nicola has presented twice at FMG conferences, and has been involved in a number of initiatives such as the:

- development of model financial statements;
- review of financial indicators;
- development of financial internal controls framework; and
- financial management.

Nicola has also participated in the development and review of a number of information papers prepared by the LGA.

Nicola hopes to continue her role with the Seminar Workgroup and will remain a strong advocate of the FMG, but it is now time for another member from Unley to gain the benefit and support of being part of the Executive Committee of such an active and well respected Group.

Moved: Clive Hempel
Seconded: Annette Martin

Recommendation: That Nicola Tinning be offered Honorary Membership in recognition of her significant contributions to the Group.

CARRIED