

South Australian Local Government Financial Management Group Inc

MINUTES

2021 Annual General Meeting

Date: Thursday, 2 September 2021

Time: 2:20pm

Venue: Adelaide Zoo Sanctuary

1. Apologies

- Morgan Kris, City of Unley
- Nancy Tran, Creative Auditing
- Ian McDonald, Creative Auditing
- Luke Harris, City of Mitcham
- Rebecca McCarthy, Port Augusta City Council
- Anne O'Reilly, Port Augusta City Council
- Karishma Reynolds, City of Burnside

2. Confirmation of Minutes

Moved: Kate George

Seconded: Clive Hempel

***Recommendation:** That the minutes of the SALGFMG AGM held on 28 August 2020 are confirmed as a true and correct record.*

CARRIED

3. Business Arising from Minutes

4. President's Report

I would like to start my report by thanking those who have helped make the last twelve months a successful one and supported me in my first year as President.

Firstly, our Executive Committee, which is made up of local government finance staff who, volunteer their time to steer the course of the FMG. Through the diversity of their expertise, and the councils they represent, we are able to share knowledge and find solutions to existing and emerging issues in our sector and support excellence in Local Government Finance in South Australia.

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 time, effort and contribution they have provided over the last 12 months:

- Vice President, Alex Oulianoff – District Council of Mount Barker
- Treasurer, David Harman – City of Marion
- Secretary, Clive Hempel – Mid Murray Council
- Annette Martin – City of Charles Sturt
- Chris Birch – City of Prospect
- Grant Jennings – Whyalla City Council
- Karishma Reynolds – City of Burnside
- Kate George – City of Salisbury
- Kellie Knight-Stacey – City of Victor Harbor
- Kevin Carter – City of Onkaparinga
- Luke Harris – City of Mitcham
- Mark Lague – The Barossa Council
- Mike Carey – Adelaide Hills Council
- Rajith Udugampola – Adelaide Plains Council
- Rebecca Baines – City of Tea Tree Gully
- Sam Grieve – City of Playford
- Simon Zbierski – City of Campbelltown

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 2020/2021.

I would also like to make a special acknowledgement of Karishma Reynolds. Karishma won't be renominating this year as she is on maternity leave but hopefully she will nominate for the following year.

I also would like to thank the following people who have worked with, assisted and supported the FMG:

- the LGA: Bec Muller
- the SA Local Government Auditors Group and its Chairperson, Tim Mulhausler
- our auditors from Creative Auditing, Ian McDonald and Nancy Tran
- our website co-ordinator, Irene Scales
- those Members who have contributed on one of our many FMG working groups
- and finally, Patricia Coonan from Think Purple Solutions for the outstanding efforts she has put into the secretariat and event management coordination roles. Patricia does a great job and has become a juggling master rescheduling a number of events at relatively short notice!

A Review of the Year for 2020/2021 and main projects

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

Events & Membership Workgroup

The last 12 months has seen a number of our planned events rescheduled due to changing requirements, however we have continued to deliver a worthwhile program of speakers and events.

Our two day event due to be held in November 2020 was rescheduled to 4 & 5th February this year and was well attended. Titled 'A Whole New World', it acknowledged change and reflected new ways of work, new technologies and new opportunities.

Held at the Adelaide Convention Centre, our keynote speaker Anthony Hart spoke about how to spot the signs of poor mind health, with his message resonating with the audience and reminding us to check in with our co-workers and family. Also featured was a Local Government Reform update from LGA President, Angela Evans, and an Economic Update from National Australia Bank. This was in addition to a number of occupation specific topics including model financial statements, accounting standards, e-invoicing, rates and risk management.

At the conference dinner we were kept in awe by the talented Magician Matt Tarrant and live music by 'All About Her'.

A lot of effort goes on behind the scenes to ensure that these events are of 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 contributions, particularly when rescheduling events.

Please note that the program for our next event is in progress, tentatively booked for 25 & 26 November.

Marketing and Communication Workgroup

This work group, chaired by David Harman, has reviewed our traditional newsletter format and proposed a new format that we'll look to trial in the 2021/22 year. This communication will continue to support our members to be informed about topics of interest in our sector and provide a platform for sponsor engagement.

Financial Management Framework Workgroup

Chaired by Mark Lague, this group once again provided feedback to the LGA on the 2022 Model Financial Statements and now the Local Government Review Bill has passed, will work through the remaining LGA Information Papers to review and update.

This input enables Councils to provide feedback taking into account practical issues that affect Councils and ensure that the Model Financial Statements and Information Papers remain relevant and current.

Fees and Charges Workgroup

This group has continued to liaise with the ATO on a second GST class ruling for the remaining fees and charges that SA councils apply. Progress has been slow as we wait on the ATO to issue the second draft class ruling.

This project was made possible with funding from the LGA R&D scheme and once finalised, this project will result in a GST rulings for all SA Councils to rely upon to ensure consistent GST treatment across the sector.

Additionally, a submission was made to the ATO in relation to the proposed GST treatment of cemetery related fees.

Asset Management Workgroup

This work group, chaired by Annette Martin has been engaging with LGA and IPWEA on an Asset Management Integration project, compiling a suite of high level resources to increase asset management capability and capacity across the sector.

Additionally, a submission was made to the Australian Accounting Standards Board in regards to the measurement of assets and the determination of their value based on their current use by the entity rather than their 'highest and best' use as determined by the market.

Costing Principles

The Costing Principles workgroup, chaired by Alex Oulianoff, have continued to considering issues relating to the cost of capital for CWMS and issues relating to ESCOSA requirements.

Local Government Prince Index Group

The LGPI Work Group is chaired by Chris Birch and has been involved in the regular updates to the LGPI maintaining this important comparative measure for the industry, inclusive LGPI forecasts.

This work group has now also been tasked with reviewing the Grants Commission Purpose Code data given the heightened interest with the launch of the Councils in Focus website.

Rating & Valuation Workgroup

Thank you to Simon Zbierski for chairing this work group, which has representation from both the FMG and RPSA, and features a regular update from the Valuation Office.

Long Term Financial Plan Workgroup

Chaired by Kate George, this workgroup has met to review feedback on the LTFP model following its successful launch. The model from LG Solutions is designed as a next step in strengthening your Council's financial sustainability.

Planning Portal

Clive Hempel and Samantha Grieve have been engaging with PlanSA in regards to the financial and reconciliation aspects of their new portal.

Reform

This has been a particularly active area for FMG during 2020/21. FMG Executive have engaged with LGA and Office of Local Government on proposed reform initiatives as part of the Statutes Amendment (Local Government) Review Bill and Local Government Information Framework.

FMG made a submission on the Local Government Information Framework and Councils in Focus website focussing on: the proposed use of Grants Commission data as compared to its collected purpose; highlighting the variability between Councils; and the inherent difficulty in comparisons without an understanding of underlying service delivery and infrastructure levels.

We are pleased OLG took some of our feedback on board and note today is the launch of the Councils in Focus website.

It is important for our membership to remain active in this area to ensure that any reforms are appropriate for the sector.

New Work Group – Student Placement Program

A new work group has been formed, chaired by Luke Harris, this group is investigating the potential to collaborate with LGFA, LGA and universities on a student placement program for the sector.

Executive Committee Meetings

Our Executive Committee meetings are usually held on the last Friday of the month, with all members welcome to attend as observers. For the 2020/2021 year we trialed conducting half of our Executive Committee meetings virtually to enable greater participation. This has been interesting and the success variable depending on the IT setups at the hosting Councils. This is something the new Executive Committee will review.

Times and locations of meetings are available on our website. I encourage you to take the time to read our agendas and minutes to gain an understanding of the work being undertaken by the work groups and the status of current issues. 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

We acknowledged them earlier today and I would like to again mention the sponsors we have had during the 2020/2021 year and for continuing to support us through changing times.

We sincerely thank you for your support and look forward to working with you again in 2021/2022. 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 supporting us since our inception, they also support our annual conference dinner and provide attendance to FMG events for those from regional councils.

Gold Sponsors

- Credit Solutions
- LG Solutions
- RecWise

Silver Sponsors

- Bentleys SA
- TechnologyOne Ltd
- UHY Haines Norton

Bronze Sponsors

- Bee Squared Consultants
- Dean Newbery & Partners
- Galpins Accountants, Auditors & Business Consultants
- Genesis Accounting
- Norman Waterhouse Lawyers

I would also like to thank Alexandrina Council for supporting me to take on the role as President. I am proud to be part of the FMG that continues to be proactive and a highly regarded professional group within the Local Government industry.

Thank you.

Moved: Kate George

Seconded: Craig Mudge

Recommendation: That the President's report be noted.

CARRIED

5. Treasurer's Report

The Treasurer provided a verbal update on the income and expenses for the financial year.

Moved: Kate George

Seconded: Grant Jennings

Recommendation: That the Treasurer's report and audited financial statements for 2020/21 be noted.

CARRIED

6. Election of Office Bearers and Executive Committee Members

Notice was given to all FMG Members that the term of office of the Executive Committee Members was due to expire and nominations were called from Members. Twenty Two (22) nominations have been received and all retiring Executive Committee Members are eligible for re-election. As I call out the nominees, it would be most appreciated if those who are with us today could please come and stand next to the stage.

| Position: | Full Name: | Council: |
|------------------|---------------------------|--------------------------------------|
| President | Elizabeth Williams | Alexandrina Council |
| Secretary | Clive Hempel | Mid Murray Council |
| Treasurer | David Harman | City of Marion |
| Vice President | Alexander Oulianoff | Mount Barker District Council |
| Committee Member | Alexander Brown | City of Unley |
| | Angela Papatheodorakis | City of Port Adelaide Enfield |
| | Annette Martin | City of Charles Sturt |
| | Chris Birch | City of Prospect |
| | Craig Mudge | District Council of Mount Remarkable |
| | Grant Jennings | Whyalla City Council |
| | Julie Scoggins | City of Mount Gambier |
| | Kate George | City of Salisbury |
| | Kellie-Knight Stacey | City of Victor Harbor |
| | Kevin Carter | City of Onkaparinga |
| | Lisa Gilmartin | City of West Torrens |
| | Luke Harris | City of Mitcham |
| | Mark Lague | The Barossa Council |
| | Mike Carey | Adelaide Hills Council |
| | Rajith Udugampola | Adelaide Plains Council |
| | Rebecca Baines | City of Tea Tree Gully |
| Samantha Grieve | City of Playford | |
| Simon Zbierski | Campbelltown City Council | |

Moved: Ray Barnwell

Seconded: Eion Williamson

Recommendation: *That in accordance with the South Australian Local Government Financial Management Group Constitution, the Membership declares the Executive Committee Members duly elected from midnight tonight and will conclude at midnight on the day of the next Annual General Meeting.*

CARRIED

7. Appointment of Auditor

The President thanked Ian McDonald and Nancy Tran for their auditing services.

Moved: Clive Hempel

Seconded: Kellie Knight-Stacey

Recommendation: *That Ian McDonald be provided with a letter of engagement as Auditor of the SA Local Government Financial Management Group for the 2021/22 financial year, subject to Ian's acceptance.*

CARRIED

8. Constitution

Recommended changes to the Constitution were circulated to the membership for feedback. At the July Executive committee meeting, minor feedback was considered from Members. Presented as part of the agenda is the final draft. The final draft is now put to the group for adoption.

Moved: Clive Hempel

Seconded: Kate George

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

CARRIED

9. Setting of Fees

Moved: Mike Carey

Seconded: David Harman

Recommendation: *That no changes be made to the Membership Fees for 2021/22.*

CARRIED

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 Kate George and offer her Honorary Membership.

Kate George has been a member of the FMG since 2008 and became a committee member in 2014 (with Peter Fairlie-Jones retiring). Prior to joining the city of Salisbury as Manager Management Accounting, Kate worked in various manufacturing industries holding leadership roles in automotive, packaging, food, and the mining industry, having started her career in superannuation and media.

With the amalgamation of the finance function at Salisbury, and the departure from the service provider model, Kate assumed the role of Manager Financial Services in 2012, where she has utilised her diverse commercial experience to make significant changes to the City of Salisbury's finance function, and has driven a customer focused and responsive approach.

Kate was Vice President of the FMG from August 2016 and stepped into the role of President in 2018. During her Presidency Kate was a strong advocate engaging with ESCOSA, the LGA, the Office of Local Government, and the South Australian Productivity Commission to help shape and inform the Local Government Reform agenda.

During her membership Kate has participated in a number of initiatives including the revision of the Better Practice Model for Internal Financial Controls, DACO online, contributed to the development and delivery of our conferences and workshops through her involvement in the events committee, and with financial assistance from the LGA R&D scheme worked with LG Solutions and the LTFP work group to develop the Lite LTFP model which is a purpose built model for SA councils.

Moved: Craig Mudge
Seconded: Rajith Udugampola

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

CARRIED

11. Close