



MINUTES

South Australian Local Government Financial Management Group Executive Committee meeting held on 31 March 2017 at 9:30am at the City of Salisbury (Council Chambers – 12 James Street, Salisbury)

1. Present

Committee:

- Clive Hempel (President)
- Kate George (Vice President)
- Marcus Smith (Treasurer)
- Karishma Reynolds (Secretary)
- Anna-Lucia Draper
- Annette Martin
- Craig Mudge
- Eion Williamson
- Gary Long
- Mark Lague
- Pep Piscioneri
- Rajith Udugampola
- Simon Zbierski

Via Teleconference

- Chris Birch
- Michael Wetherall

Proxies:

- Sunny Lim (Proxy for Anita Futterer)

Observers/Guests:

- Sabine Schuhrer, University of Adelaide
- Liz Villarino, City of Playford
- Dave Harman, City of Marion
- Irene Scales, City of Charles Sturt
- Neville Gasmier, Southern Mallee District Council

2. Apologies

- Stephanie Juhas
- Alexander Oulianoff
- Anita Futterer
- Anthony Amato
- Diane Eckermann
- Elizabeth Williams
- Gary Lewis
- Julie Campbell
- Leta Northcott
- Norm Biggs
- Ray Barnwell
- Shane Sody, Local Government Association of SA

3. Presentations

Nil

4. Confirmation of Minutes

Moved: Mark Lague

Seconded: Anna Lucia-Draper

Recommendation: That the minutes of the meeting held on Friday, 24 February 2017 as amended be confirmed as a true and correct record.

CARRIED

5. Business Arising from the Minutes

Nil

6. Treasurer's Report

Moved: Eion Williamson

Seconded: Simon Zbierski

Recommendation: That the financial statement for the month of February 2017 be noted.

CARRIED

Treasurer's Report			
Action Items	Meeting	Responsible	Status
Organise the appropriate licences for Cloud based QuickBooks Plus and discuss setup with the Finance Officer.	26/06/15	Treasurer	In Progress. Possibly going to use Xero.
Follow up the 60-90 day outstanding payments.	31/03/17	Treasurer	

7. Projects/Work Groups – Update/Status

7.1 Seminars – Clive Hempel (Chairperson)

- AGM – 25 August 2017 – Adelaide Zoo Sanctuary
- Conference & Workshop – 7 & 8 December 2017 – National Wine Centre
- Sponsorship 2017/18
 - Draft Sponsorship Proposal provided separately to Executive Committee for discussion.

Moved: Simon Zbierski

Seconded: Annette Martin

Recommendation: That the Sponsorship Proposal for 2017/18 as amended be adopted.

CARRIED

Seminars			
Action Items	Meeting	Responsible	Status
Prepare a design brief for the new FMG logo.	31/03/17	Seminar Workgroup	Completed.
Setup a facebook group for the workgroup to see how it works.	31/03/17	Seminar Workgroup	

7.2 Membership & Communication – Diane Eckermann (Chairperson)

- Diane is an apology for this meeting.
- Patricia advised that membership for 2016/17 has increased from the previous financial year.

Membership & Communication			
Action Items	Meeting	Responsible	Status
Review the Executive Committee visiting Regional LGA meetings to discuss topical issues.	29/05/15	Membership Workgroup	To investigate further.
Investigate buddying up two members of the Executive Committee per Council to help keep Councils up to date with FMG issues.	29/05/15	Membership Workgroup	Completed. Simon organising a list of Committee members for each Council.
LinkedIn, facebook or a website forum to be investigated with the help of Irene Scales before an information sharing platform is selected.	31/03/17	Membership Workgroup	

7.3 Rating and Valuation – Norm Biggs (Chairperson)

- Norm is an apology for this meeting.

Rating and Valuation			
Action Items	Meeting	Responsible	Status
Rate rebate policy – a possible LGR&D Scheme application to be prepared for funding to update the 2008 policy. Workgroup to seek a quote from Michael Kelledy (original author of the policy) to see how much it would cost to have the policy updated.	24/02/17	Rating & Valuation Workgroup	

7.4 Local Government Price Index – Chris Birch & Rajith Udugampola

- Chris and Rajith are both an apology for this meeting.

Local Government Price Index			
Action Items	Meeting	Responsible	Status
Speak with the SA Centre for Economics regarding forecasting and commentary for the LGPI and provide feedback to the Executive Committee.	18/03/16 & 29/04/16	Chris Birch / LGPI Workgroup	Forecasting model in place by Feb/March 2017 for the 2017/18 financial year. Request for quote has been submitted.

7.5 Newsletter / Website – Elizabeth Williams (Chairperson)

- The next Newsletter will be the Spring 2017 edition.
- Website access for Non-Members:
 - As the FMG website is undergoing a redesign it is appropriate to review the access of non-members to the various parts of the FMG website, currently the only area restricted is to the conference presentations. In comparison other professional organisations only allow access to their future events. Consideration could be given to restrict other areas such as the Resource Library, this area is known to be used by a number of consultants that are not members. Consideration will need to be given to SA Councils that do not have members and therefore would no longer have access to any new restricted areas.
- New look website:
 - All feedback from the last Executive Committee meeting and received via email has been provided to Irene Scales. -
- New look logo:
 - New FMG logo proposed.
 - The Committee discussed the Seminar Workgroup preparing a brief for the logo.
 - Would like two to three logo options that the Committee agrees to that can be sent to the Membership for feedback.
- Possible new products required if logo is approved:
 - Lanyards
 - Banners
 - Membership Pins
 - Compendiums
- Facebook, LinkedIn and Gmail:
 - Setting up a facebook group for FMG Members was discussed. The Committee would like the Seminar Workgroup to test a group first.
 - It was agreed that the President can set up an FMG Gmail account for use when sharing Google Docs.
 - LinkedIn, facebook or a website forum to be investigated by the Membership and Communications workgroup with the help of Irene Scales before an information sharing platform is selected.

Moved: Mark Lague

Seconded: Kate George

Recommendation: *That the resource library on the website be locked to non-members and that agendas and minutes on the website will no longer contain attachments. Full agendas including attachments will still be provided to the Executive Committee and Membership via email.*

CARRIED

Moved: Craig Mudge

Seconded: Annette Martin

Recommendation: *That option 3 as displayed at the meeting be the design style for the new look website and that content start to be migrated to the new website as soon as possible.*

CARRIED

Newsletter / Website			
Action Items	Meeting	Responsible	Status
Clive to draft an FMG survey and send it to the workgroup chairpersons.	31/07/15	Clive Hempel	Survey completed and will be sent out soon.

7.6 Financial Management Framework – Mark Lague (Chairperson)

- AASB124 – Related Party disclosures – share policy, process templates.
 - The Committee encourages Members to have a go adapting the draft Port Adelaide and Playford Council documents and be proactive in beginning to create their own policies and procedures.
 - Final policies from Playford and Port Adelaide will be shared with Members when they are finalised. Given they are still draft they are likely to be amended.
- Draft Model Financial Statements 2017 – LGA Circular 11.14 – feedback, then FMG can reconsider late April.
 - Mark will email the workgroup in relation to this matter.

Financial Management Framework			
Action Items	Meeting	Responsible	Status
AASB 124 to be discussed by the workgroup and report back to the Executive Committee meeting.	25/11/16	Financial Management Framework Workgroup	Work in progress. Distributed draft documents via March agenda.

7.7 Internal Controls & Risk Management – Annette Martin (Chairperson)

- The Workgroup met to go through all of the feedback provided for the Better Practice Model during the consultation process
- All final changes are being applied to the Better Practice Model. The Workgroup will then meet to go through it one more time.
- ControlTrack attended the last workgroup meeting and went through risk and control elements of the Tool and discussed pricing for Councils. There is a discount if Councils use both products. Implementation includes loading of risks and controls. Another meeting will be organised with ControlTrack to go through the workings of the product. Relevant pricing and migration information will be provided after the meeting. Priority is to have a low cost solution for Councils that encourages a risk based approach.

7.8 Fees and Charges – Elizabeth Williams (Chairperson)

GST Review of Fees and Charges project

- To date, queries have been received for and have been responded to:
 - Private works, waste and water
 - Permits and licences
 - Animals (dogs and cats, impounding registration etc)
- A response to Development queries has been drafted and is being currently being reviewed. BDO are also following up with specific Councils in regards to fees applicable to them.
- On 27 March queries were received for:
 - Community
 - Miscellaneous
 - Information services
- BDO are expecting to have provided responses to all queries received to date by 3 April.

- Commercial Services and Environment & Safety are the only categories left for the ATO to query. BDO expect that Commercial Services should be straight forward but expect Environment and Safety to be quite technical with all the other state laws that tie into it.

7.9 Costing Principles – Alex Oulianoff (Chairperson)

- Document was provided at the last meeting and is being worked on
- Several Council’s have CWMS income that gives them excess funds after deducting cash operating expenses and capital expenses and do not require increasing their fees by adding the cost of capital. Barossa Council is investigating an alternative option for costing to meet ESCOSA’s requirements. ESCOSA doesn’t expect that Council’s will conform to all their requirements in the 2017/18 financial year, they just want Councils to improve on the previous year’s situation.

7.10 Asset Management – Pep Piscioneri (Chairperson)

- Pep is an apology for this meeting.

Asset Management			
Action Items	Meeting	Responsible	Status
Develop a list of topics for the Executive Committee to consider for future conferences and workshops and for future agendas of the Executive Committee.	26/06/15	Pep Piscioneri	In progress.

7.11 Long Term Financial Plan – Anna-Lucia Draper (Chairperson)

- The workgroup has evaluated the three products that were provided.

Moved: Anna Lucia-Draper

Seconded: Kate George

Recommendation: *That the SALGFMG request an extension from the LGA on acceptance of the funding whilst the Long Term Financial Plan Workgroup investigates options with IPWEA and a long term financial plan model.*

CARRIED

Moved: Anna Lucia-Draper

Seconded: Kate George

Recommendation: *That the Long Term Financial Plan Workgroup enter into negotiations with the preferred supplier.*

CARRIED

Long Term Financial Plan			
Action Items	Meeting	Responsible	Status
Executive Committee to review the Long Term Financial Model Agreement in the new year with David Maxwell.	25/11/16	LTFP Workgroup	

8. Correspondence

- 8.1 Letter from the LGA – Authorisation and Consent for Class Ruling
- The letter was noted by the Executive Committee

9. Other Business

9.1 Gmail account for FMG (Alex Oulianoff)

9.2 Auditor-General v Private Sector Auditors Survey - survey responses need to be completed by Monday 3 April (Clive Hempel)

- LGA Circular 9.2: <http://www.lga.sa.gov.au/page.aspx?u=6733&c=75244>
- Dr Schuhrer’s research report is available here: <http://www.lga.sa.gov.au/page.aspx?u=6716&c=65592>
- The LGA survey is here: <https://www.lga.sa.gov.au/page.aspx?u=7000>

Other Business			
Action Items	Meeting	Responsible	Status
Possibility of having an Eyre Peninsula Financial Managers Group (sub group of LGFMG) to assist with keeping in touch with industry changes and Eyre Peninsula city counter parts - President to contact Michelle Tucker and advise her of the Executive Committee’s discussion and then contact Regional LGA’s to seek their feedback.	31/10/14	President	Continue to investigate options.
Email other states to ask what their issues are with residual values.	18/03/16	President	WA Finance Professionals have indicated a willingness to work together. Clive to follow up.
Campbelltown Council has a report from when they cleared the data for library penalties that could possibly be used as a model template. It would be useful for the Public Library Network to advise how many Councils, and what the amounts of the debt are overall, for example what is the debt for each individual Council and are there any significant debts for individual borrowers.	24/02/17	Simon Zbierski & President	Simon to provide Campbelltown’s report to the library board as a model for Councils that have debts.
Executive Committee Members to contact all Councils to see if there is anything the FMG can assist then with. Councils that were qualified may need assistance and those that weren’t may still benefit from assistance. Simon Zbierski to allocate a few Councils per Committee Member to contact. Secretariat to provide a list of all Councils and Members to Simon.	24/02/17	Simon Zbierski, Secretariat, Executive Committee Members	List provided by Secretariat to Simon to now allocate Committee Members to Councils.

10. Next Meeting

28 April 2017 – City of Tea Tree Gully

11. Close

For further information regarding topics raised at the FMG Executive Committee meetings, please see the contact details below:

FMG President, Clive Hempel: chempel@wakefieldrc.sa.gov.au

- Asset Management Workgroup Chairperson, Pep Piscioneri: p.piscioneri@adelaidecitycouncil.com
- Costing Principles Workgroup Chairperson, Alex Oulianoff: aoulianoff@dcmtbarker.sa.gov.au
- Dog and Cat Management Chairperson, Simon Zbierski: szbierski@campbelltown.sa.gov.au
- Fees and Charges Workgroup Chairperson, Elizabeth Williams: elizabeth.williams@alexandrina.sa.gov.au
- Financial Management Framework Workgroup Chairperson, Mark Lague: mlague@barossa.sa.gov.au
- Internal Controls & Risk Management Workgroup Chairperson, Annette Martin:
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- Local Government Price Index Workgroup Chairperson, Chris Birch: chris.birch@prospect.sa.gov.au
- Long Term Financial Plan Workgroup Chairperson, Anna-Lucia Draper: anna.draper@cttg.sa.gov.au
- Membership & Communication Workgroup Chairperson, Diane Eckermann:
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- Newsletter & Website Workgroup Chairperson, Elizabeth Williams:
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- Rating and Valuation Workgroup Chairperson, Norm Biggs: nbiggs@wtcc.sa.gov.au
- Seminars Workgroup Chairperson, Clive Hempel: chempel@wakefieldrc.sa.gov.au