

MINUTES

South Australian Local Government Financial Management Group Executive Committee

22 September at 9:30am

Mid Murray Council (Meeting Room 1), 49 Adelaide Road, Mannum SA

1. Present

Executive Committee:

- Clive Hempel (President), Mid Murray Council
- Kate George (Vice President), City of Salisbury
- Alexander Oulianoff (Treasurer), Mount Barker District Council
- Anna-Lucia Draper (Secretary), City of Tea Tree Gully
- Anita Futterer, City of Playford
- Annette Martin, City of Charles Sturt
- Chris Birch, City of Prospect
- Craig Mudge, District Council of Mount Remarkable
- Diane Eckermann, City of Onkaparinga
- Mike Carey, Adelaide Hills Council
- Norman Biggs, City of West Torrens
- Ray Barnwell, City of Marion
- Simon Zbierski, City of Campbelltown

Proxies:

- Grant Jennings (for Elizabeth Williams), Alexandrina Council

Observers/Guests:

- Marcus Smith, Mount Barker District Council
- Muhammad Jawad, Wakefield Regional Council
- Tony Secomb, Southern Mallee District Council

It is important to note that on occasion it may be necessary for the Executive Committee to discuss an item in confidence and in those circumstances, observers and guests will be asked to leave the room for that item.

2. Apologies

- Anthony Amato, Town of Gawler
- Eion Williamson, District Council of Grant
- Elizabeth Williams, Alexandrina Council
- Leta Northcott, City of Unley
- Michael Wetherall, City of Port Adelaide Enfield
- Mark Lague, The Barossa Council
- Pep Piscioneri, City of Adelaide
- Stephen Rufus, District Council of Orroroo Carrieton

3. Welcome to New Executive Committee Members

- Mike Carey
- Stephen Rufus will be welcomed at the October Executive Committee meeting

4. Presentations

Nil

5. Confirmation of Minutes

Moved: Kate George
Seconded: Craig Mudge

***Recommendation:** That the minutes of the meeting held on Friday, 28 July 2017 be confirmed as a true and correct record with an amendment to item 7.6 as discussed.*

CARRIED

6. Business Arising from the Minutes

Nil

7. Treasurer’s Report

- The August 2017 and September 2017 financial reports will be provided to the October Executive Committee meeting.

Moved: Mike Carey
Seconded: Norm Biggs

***Recommendation:** That the financial statements for July 2017 be noted.*

CARRIED

Moved: Kate George
Seconded: Anita Futterer

***Recommendation:** That the signatory authorisations be changed to the current President, Vice-President, Treasurer and Secretary thus removing all old signatories and that the Corporate Credit Card for Simon Zbierski be changed to Clive Hempel.*

CARRIED

Treasurer’s Report			
Action Items	Meeting	Responsible	Status
Investigate future options for an automated finance and event registrations system.	28/07/17	Treasurer	

8. Projects/Work Groups – Update/Status

8.1 Seminars – Clive Hempel (Chairperson)

- Clive provided an update.
- New FMG Branding
 - Banners
 - Styling

- Conference & Workshop – 7 & 8 December 2017 – National Wine Centre
 - Program confirmation is underway.
 - The committee discussed the registration fees.
 - The committee agreed that applications will be assessed by the Membership group for the \$100 rebate for participants attending FMG events.

Moved: Kate George
Seconded: Simon Zbierski

Recommendation: *That the future banner design be delegated to the Seminar Workgroup to work through design concepts.*

CARRIED

Moved: Kate George
Seconded: Alex Oulianoff

Recommendation: *An application will be assessed by the Membership Group for a \$100 (excluding GST) rebate where an individual is attending from a non-metro Council that is >100km from the conference venue.*

CARRIED

Moved: Anita Futterer
Seconded: Kate George

Recommendation: *That the fees for the December Workshop and Conference remain the same as 2016:*

CARRIED

Day 1 Workshop (includes Dinner – paying participants only)

- Member \$175
- Non-Member \$320

Day 2 Conference (includes the Day 1 Dinner – paying participants only)

- Member \$375
- Non-Member \$520

CARRIED

Seminars			
Action Items	Meeting	Responsible	Status
Setup a Facebook group for the workgroup to see how it works.	31/03/17	Seminar Workgroup	Facebook group created – yet to complete active testing.
Invite the Valuer-General to the next conference to discuss changes to the land valuations office.	28/07/17	Seminar Workgroup	
Provide further design concepts to the Executive Committee for consideration.	22/09/17	Seminar Workgroup	

8.2 Membership & Communication – Diane Eckermann (Chairperson)

- Diane provided an update.
- The buddy program has received some interest from the most recent newsletter.
- The committee discussed visits to Regional LGAs. Shane Sody to provide a list of the meeting dates and Executive Officer contacts for the Regional LGAs.
- The committee discussed the use of social media to make contact with Members.

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.
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	Seminars Workgroup to trial Facebook Group.

8.3 Rating and Valuation – Norm Biggs (Chairperson)

- Norm provided an update.
- A meeting was held in August.
- The Valuer-General attended the meeting and discussed their commercialisation of BE services. Schedule to be provided soon to Councils.
- Advice from DPTI as at the end of August is that the program management for the revaluation initiative has not been advised of the project schedule as yet.
- Revising Rate Rebate Policy:
 - To be updated by Michael Kelledy.
 - Michael has provided quotes and different levels of how the work can be updated. Some suggestions have come back from the group that have been sent off to Michael for further consideration.
 - Can Revenue Professionals and the FMG provide a joint funding submission to the Local Government Research and Development Scheme?
 - The workgroup will discuss a possible shared model.

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	LGA R&D funding to be applied for in 2018, if unsuccessful then consideration of funding jointly by FMG & RPSA. Expressions of interest would be sought for the rewrite of the Rebate Information Paper.

8.4 Local Government Price Index – Chris Birch & Rajith Udugampola

- Chris reminded the committee that all Council Local Government Grants Commission returns need to be submitted by the 30 November 2017 to enable timely calculation of the LG Price Index.

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	Request for quote has been submitted.

8.5 Newsletter / Website – Elizabeth Williams (Chairperson)

- Clive provided an update on behalf of Elizabeth.
- The Winter 2017 Newsletter was released on 28 August 2017. The workgroup are now planning for the Spring 2017 edition with an estimated release date of mid-November 2017. The workgroup welcomes suggestions on content for the Spring 2017 edition.

8.6 Financial Management Framework – Mark Lague (Chairperson)

- Clive provided an update on Mark's behalf.
- Building Upgrade Finance Legislation – LGA circular 33.2:
 - The committee discussed opportunities to share policies and processes.
 - Mark to follow up on documentation that has been formulated by City of Salisbury Council, possibility of using this information for an article in a future FMG newsletter.
- AASB124 – Related Party Disclosures:
 - The committee discussed their experiences and ways to take a uniform approach and how we can learn from interstate information:
 - Workgroup to put together ideas from Councils to consider best practice.

Financial Management Framework			
Action Items	Meeting	Responsible	Status
Discuss ideas from Councils for best practice in relation to AASB124 Related Party Disclosures.	22/09/17	Financial Management Framework Workgroup	

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

- Annette provided an update.
- The new Better Practice Model has been adopted.
- Reformatting needs to occur to the framework version that is on the LGA website.

Internal Controls & Risk Management			
Action Items	Meeting	Responsible	Status
Add final Better Practice Model to the FMG website with a link and provide it to the membership once the LGA version has been reformatted.	28/07/17	Secretariat Annette Martin	Annette to organise with Patricia.

8.8 Fees and Charges – Elizabeth Williams (Chairperson)

- Clive provided an update on Elizabeth's behalf.
- There is a new key contact at BDO being Stephen Nisbet.
- Elizabeth met with Stephen on 26 August to get an update on the project and determine next steps.

- Stephen has been in contact with the ATO and has received further queries from them in regards to fees classified as Commercial Services these include hire fees, administration fees, caravan park fees and fees for professional services. These queries are currently being worked through.

8.9 Costing Principles – Alex Oulianoff (Chairperson)

- Alex provided an update.
- ESCOSA Reporting will occur in November. A meeting of the workgroup will be organised prior to November.

8.10 Asset Management – Pep Piscioneri (Chairperson)

- Pep was an apology and therefore no update was provided.

Asset Management			
Action Items	Meeting	Responsible	Status
Send a letter to IPWEA in relation to an FMG representative for IPWEA.	28/07/17	Pep Piscioneri	

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

- Anna provided an update.
- Specifications that were put together by a sub-committee of the workgroup for the model were provided to John Comrie.
- John has advised that he won't be able to continue with the project and that Rex Mooney and/or Dennis Whitford could do the work, John is able to give advice free of charge.
- Clarity is required as to if IPWEA still wants to be involved.
- Anna to organise a meeting to clarify what John is seeking.
- LG Solutions:
 - Anna spoke with them to see if we can negotiate pricing on behalf of all interested SA Councils. LG Solutions is keen to start working on some modelling.

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	
Seek clarity on IPWEA's involvement and work with LG Solutions to negotiate on pricing for their model.	22/09/17	LTFP Workgroup	

8.12 Dog and Cat Management – Simon Zbierski (Chairperson)

- Simon provided an update.
- The 3rd 'Sprint' of 6 is currently underway.
- A meeting will be held on Monday to discuss the financial aspects of the system.
- Quotes are being received for postage etc. for registration notices, sourcing dog tags and printing houses etc.
- Further resources are being designated to the project towards the end of the year.

9. Correspondence

Nil

10. Confidential Discussion Items

Nil

11. Other Business

11.1 FinPro Conference – Victoria

- Leading Transformation Conference.
- 18-20 October 2017, Mantra Lorne.
- The committee discussed sending a representative.

Moved: Simon Zbierski

Seconded: Craig Mudge

***Recommendation:** That Kate George be the SALGFMG representative attending the Victorian FinPro conference under reciprocal arrangement.*

CARRIED

11.2 Meeting Dates & Locations for 2017-2018

- 27 October 2017 – City of West Torrens
- 24 November 2017 – City of Onkaparinga
- 19 January 2018 – Mount Barker District Council
- 23 February 2018 – Alexandrina Council (Strathalbyn Office)
- 23 March 2018 (instead of 30 March) – Campbelltown City Council
- 27 April 2018 – Barossa Council
- 25 May 2018 – City of Charles Sturt
- 22 June 2018 – City of Marion
- 27 July 2018 – District Council of Mount Remarkable (start meeting at 11am)
- 21 September 2018 – City of Salisbury

11.3 Working Group Members for 2017-2018

- The committee discussed membership for each of the working groups.
- Secretariat to update the groups and issue them to the membership to see if any Members would like to join any of the groups.

11.4 Email from City of Darwin Finance

- City of Darwin Finance would like a representative from their group to attend the SALGFMG December Conference and Workshop.

11.5 Email from Peter Ward – Note 13

- Peter emailed the group to discuss the section where Councils report their Weighted Average Interest Rate. What is the method of calculation – weighted approach as at 30 June.
 - The committee agreed that the LGFA could possibly provide it for all SA Councils, Annette Martin to communicate this request to the LGFA.

11.6 Performance Excellence Program (Kate George)

- Kate discussed with the Committee how the City of Salisbury had difficulties mapping their G/L to the NSW Grants Commission codes.

11.7 Membership Kits and Pins (Clive Hempel)

- The committee agreed that the old compendiums with the old logo currently in stock can be used for new members until they run out.
- The committee agreed that the old membership pins with the old logo can be given away at events or recycled.

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.
Invite Peter Ilee to a future Executive Committee meeting to discuss Grants Commission payments once meeting locations are known for 2017/18.	23/06/17	President	
LGFA economic update to be sent out to FMG Members when it's received monthly. Also add to the FMG website & newsletters.	28/07/17	Secretariat	
Add Davin Lambert to July Executive Committee meeting standing items so he can provide an LGFA update annually.	28/07/17	Secretariat	
Contact City of Darwin Finance and discuss a reciprocal arrangement for events.	22/09/17	President	
Contact the LGFA to discuss the method of calculation for Note 13 (Weighted Average Interest Rate) – weighted approach as at 30 June. Could the LGFA provide or create a spreadsheet.	22/09/17	Annette Martin	

11. Next Meeting

To be confirmed.

12. Close

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

FMG President, Clive Hempel: chempel@mid-murray.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: amartin@charlessturt.sa.gov.au
- 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: diaeck@onkaparinga.sa.gov.au
- Newsletter & Website Workgroup Chairperson, Elizabeth Williams: elizabeth.williams@alexandrina.sa.gov.au
- Rating and Valuation Workgroup Chairperson, Norm Biggs: nbiggs@wtcc.sa.gov.au
- Seminars Workgroup Chairperson, Clive Hempel: chempel@mid-murray.sa.gov.au