

MINUTES

South Australian Local Government Financial Management Group Executive Committee

27 October 2017 at 9:30am

City of West Torrens, George Robertson Room
1st floor Civic Centre, 165 Sir Donald Bradman Drive, Hilton

1. Present

Executive Committee:

- Clive Hempel (President), Mid Murray Council
- Kate George (Vice President), City of Salisbury
- Alexander Oulianoff (Treasurer), Mount Barker District Council
- Anita Futterer, City of Playford
- Annette Martin, City of Charles Sturt
- Eion Williamson, District Council of Grant
- Elizabeth Williams, Alexandrina Council
- Mark Lague, The Barossa Council
- Michael Wetherall, City of Port Adelaide Enfield
- Mike Carey, Adelaide Hills Council
- Pep Piscioneri, City of Adelaide
- Ray Barnwell, City of Marion
- Simon Zbierski, City of Campbelltown

Proxies:

Nil

Observers/Guests:

- Andrew Ngo, City of Mitcham

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
- Chris Birch, City of Prospect
- Craig Mudge, District Council of Mount Remarkable
- Diane Eckermann, City of Onkaparinga
- Leta Northcott, City of Unley
- Norman Biggs, City of West Torrens
- Shane Sody, Local Government Association of SA
- Stephen Rufus, District Council of Orroroo Carrieton

3. Welcome to New Executive Committee Members

- Stephen Rufus was an apology.

4. Presentations

Nil

5. Confirmation of Minutes

Moved: Elizabeth Williams

Seconded: Kate George

Recommendation: That the minutes of the meeting held on Friday, 22 September 2017 be confirmed as a true and correct record.

CARRIED

6. Business Arising from the Minutes

Nil

7. Treasurer's Report

Moved: Ray Barnwell

Seconded: Elizabeth Williams

Recommendation: That the financial statements for September 2017 be noted.

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:
 - The committee agreed on a design for the banners.
 - Secretariat to confirm with the designer and have them printed in time for the conference.
- Conference & Workshop – 7 & 8 December 2017 – National Wine Centre:
 - Program to be issued shortly.
 - Registrations are open.

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.

8.2 Membership & Communication – Diane Eckermann (Chairperson)

- Clive provided an update on Diane’s behalf.
- Still investigating visiting Regional LGA meetings.
- The committee discussed writing a letter to Regional LGA’s outlining the benefits of the FMG and being an FMG Member. The letter could offer for FMG committee members to attend Regional LGA meetings.
- Need to review the Buddy list with the change of committee as some people have left and new members have come on board.
- A reminder needs to be issued for those members who are yet to renew their FMG membership.

Membership & Communication			
Action Items	Meeting	Responsible	Status
Review the Executive Committee visiting Regional LGA meetings to discuss topical issues.	29/05/15	Membership Workgroup	Letter to be drafted outlining benefits of FMG membership (website, Info Papers, Projects, Buddies etc).
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)

- No meetings have been held since the last Executive Committee 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	LG 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

- There is no update for this item at this time.

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)

- Elizabeth advised that the Spring newsletter will go out in the next few weeks.

8.6 Financial Management Framework – Mark Lague (Chairperson)

- Mark provided an update.
- The next meeting of the working group will focus on uniform presentation finances and building upgrade finance. For building upgrade finance, Councils will need a policy position and delegations to the Chief Executive Officer.

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 Better Practice Model is in place and Councils are likely to have an adjustment period.
- The formatting of the model needs to be corrected on the version on the LGA website. This will occur soon.

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)

- Elizabeth provided an update.
- Another update will be sent to the workgroup from the ATO shortly for feedback.

8.9 Costing Principles – Alex Oulianoff (Chairperson)

- Alex provided an update.
- ESCOSA returns are due by 30 November 2017.
- A meeting of the workgroup will be organised for early December and will focus on lessons and issues from the ESCOSA returns.

8.10 Asset Management – Pep Piscioneri (Chairperson)

- Pep provided an update.
- IPWEA have advised that they are happy for the FMG to be involved with anything they are looking at and/or considering. Pep will follow up with them to gauge how often they meet and gain an idea of what issues they are currently dealing with.

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	Completed

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

- Given Anna’s resignation, Kate George will now be the Chairperson for this group.
- Kate will be contacting John Comrie and David Maxwell, hopefully before the December conference to organise a meeting to discuss where to from here.
- IPWEA are still happy to have a co-branded model, however John Comrie’s involvement is unclear.

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.
- One meeting has occurred since the last Executive Committee meeting.
- The “Sprint” sessions are continuing and are meeting DACO’s expectations.
- Some Councils are practicing loading in their dog data.
- Cash receipting – Andrew Lamb from the Dog and Cat Management Board is concerned about the legislation with Councils acting as agents for the collection of dog and cat fees on behalf of the DACO.
- Receipting will be a function within the DACO system.
- The system will have validation for concession card holders.

9. Correspondence

Nil

10. Confidential Discussion Items

Nil

11. Other Business

11.1 Office Bearers Vacancy – Secretary Position (Clive Hempel)

Due to the recent resignation of Anna-Lucia Draper, the FMG Secretary role is now vacant.

The SALGFMG Constitution states that:

5.9 Vacancies unfilled or arising in the Office Bearers or other Executive Committee Members may be filled by the Executive Committee by co-opting Members for the unexpired period of the term.

When referring to the constitution the Secretary will:

- Chair the meeting if the President and Vice President are not present at a meeting;
- Take minutes if the secretariat and the Vice President are absent;
- Be the Public Officer of the Group
https://www.cbs.sa.gov.au/assets/files/03_po_responsibilities.pdf; and
- Be responsible for obtaining insurance information for the Group to be provided to the Executive Committee for decision.

The group must not go without a Secretary for longer than one month, this requires us to appoint one at this meeting.

Moved: Simon Zbierski

Seconded: Mick Wetherall

Recommendation: That Elizabeth Williams be appointed Secretary of the Local Government Financial Management Group until the 2018 Annual General Meeting.

CARRIED

11.2 Improving State Government/Local Government Engagement (Clive Hempel)

- Project Title: Working Together with State and Local Government Engagement Project.
- A project of looking at the practical “how to” of working together between spheres of Government.
- This will start with a survey that will be sent out to both State and Local Government staff followed by a workshop of interested State and Local Government Staff. The outcomes will be a set of principles for engagement between State and Local Government and resources which might be in the form of a guide and or training manuals.
- Survey to be sent to all FMG Members.
- Survey will close on 7 November 2017.

11.3 Administering the Construction Industry Training Fund Levy for Council Construction/Works (Mark Lague)

- Best practice needs to be developed.
- It would be good to see if there is an easier/better way to do it.
- A Motion has been put to the LGA AGM asking the LGA to seek consideration by the State Government to change legislation to enact a simpler and efficient calculation or Council allocation of the Construction Industry Training Fund Levy – 3 examples have been put up as simpler methods.

11.4 Climate Risk and Sustainable Financial Management (Clive Hempel and Annette Martin)

- The LGA is holding a training session on 1 December re climate risk and sustainable financial management.
- This session will be for Council Staff.
- A session is also being held on 28 November for Council Members.
 - The LGA would like a Council speaker and possibly an FMG representative to speak for 20 to 25 minutes to provide examples of any initiatives that relate to the area of financial risk management and climate risks. The aim of the briefing is to emphasise why climate risk management is important for Councils to consider when discharging financial management responsibilities.
 - The committee discussed the possibility of a presentation and agreed that the timing and work commitments won't allow for it.
 - The committee also discussed that the FMG weren't consulted in relation to the paper and don't know the scope of the paper to be able to do a presentation justice.

11.5 Note 13 Financial Instruments (Annette Martin)

- The LGFA have advised that on their website they still have the consolidated loans and investment report available daily.
- They will have their programmer add the weighted average interest rate to this report.
- The new website will also keep a month-end snapshot of the Consolidated Loan and Investment report, so after the report is changed you will have a snapshot of the weighted average interest rate at the end of every month.

11.6 General Discussion Items

- Electricity suppliers and green power. What Councils are doing in this regard.
- The LGA has released a Circular in relation to collection of the NRM Levy.
- Library late fees infringements fines enforcements (FERU) – is it on the balance sheet? For most Councils it's not included on the balance sheet.
- How often do Councils issue a payment run for Creditors – an around the room discussion identified that all Councils are different.
- When a Council receives insurance payment on the loss/write off of an asset if minor amount the, proceeds are treated as recoupment income when minor but treated as proceeds on the disposal of an asset when material.

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.
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	Completed.

11. Next Meeting

24 November 2017 at City of Onkaparinga

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, Kate George: kgeorge@salisbury.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