

## AGENDA

### South Australian Local Government Financial Management Group Executive Committee

19 January 2018 at 9:30am

Council Chambers, Mount Barker District Council – 6 Dutton Road, Mount Barker

#### 1. Present

##### Executive Committee:

- Clive Hempel (President), Mid Murray Council
- Kate George (Vice President), City of Salisbury
- Alexander Oulianoff (Treasurer), Mount Barker District Council
- Elizabeth Williams (Secretary), Alexandrina Council
- Anthony Amato, Town of Gawler
- Chris Birch, City of Prospect
- Diane Eckermann, City of Onkaparinga
- Eion Williamson, District Council of Grant
- Leta Northcott, City of Unley
- Mark Lague, The Barossa Council
- Michael Wetherall, City of Port Adelaide Enfield
- Mike Carey, Adelaide Hills Council
- Norman Biggs, City of West Torrens
- Ray Barnwell, City of Marion
- Simon Zbierski, City of Campbelltown

##### Proxies:

NIL

##### Observers/Guests:

- Jonathan Crook, City of Tea Tree Gully
- Shane Sody, Local Government Association of SA
- Steph Jeuken, DACO

*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

- Annette Martin, City of Charles Sturt
- Craig Mudge, District Council of Mount Remarkable
- Pep Piscioneri, City of Adelaide

#### 3. Presentations

##### 3.1 10:30am: Declining Dog Revenue – Steph Jeuken, DACO

#### 4. Confirmation of Minutes

*Recommendation: That the minutes of the meeting held on 24 November 2017 be confirmed as a true and correct record.*

#### 5. Business Arising from the Minutes

Nil

#### 6. Treasurer's Report

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

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

#### 7. Projects/Work Groups – Update/Status

##### 7.1 Seminars – Clive Hempel (Chairperson)

- Conference – 16 March 2018:
  - Adelaide Convention Centre.
  - Theme: Bulletproof.
  - Draft program to be released week beginning 22 January.
  - Need to set fees.

Seminars			
Action Items	Meeting	Responsible	Status
Setup a Facebook group for the workgroup to see how it works.	31/03/17	Seminar Workgroup	<b>Facebook group created – yet to complete active testing.</b>
Discuss regional workshops	24/11/17	Seminar Workgroup	

##### 7.2 Membership & Communication – Diane Eckermann (Chairperson)

Membership & Communication			
Action Items	Meeting	Responsible	Status
Review the Executive Committee visiting Regional LGA meetings to discuss topical issues.	29/05/15	Membership Workgroup	<b>To investigate further.</b>
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	<b>Seminars Workgroup to trial Facebook Group.</b>

### 7.3 Rating and Valuation – Norm Biggs (Chairperson)

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	<b>LG R&amp;D funding to be applied for in 2018, if unsuccessful then consideration of funding jointly by FMG &amp; RPSA. Expressions of interest would be sought for the rewrite of the Rebate Information Paper.</b>

### 7.4 Local Government Price Index – Chris Birch

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	<b>Request for quote has been submitted.</b>

### 7.5 Newsletter / Website – Elizabeth Williams (Chairperson)

### 7.6 Financial Management Framework – Mark Lague (Chairperson)

#### 7.6.1 Draft 2018 Model Financial Statements

#### 7.6.2 Prudential Management – Project Capital Cost \$4m Index

- LGA information paper no 27, as at 2015 the amount was \$4.5m.

#### 7.6.3 Local Government (Financial Management) Variation Regulations 2017

- Will come into operation on 31 May 2018.
- Main change – delete "asset sustainability ratio" and substitute: asset renewal funding ratio and couple of other changes.

#### 7.6.4 Renewal of Model Financial Statements tender agreement (Clive Hempel)

- Approximately three years ago David Maxwell was appointed the successful tender for the preparation of the Model Financial Statements being for 3 years (expiring 30 June 2018) with an option to extend for another two years (one year at a time).
- The SALGFMG have been asked by the Local Government Association to provide feedback on the past performance of the supplier prior to the decision to either extend the current agreement by one year or to test the market with a new tender.

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	

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

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	

## 7.8 Fees and Charges – Elizabeth Williams (Chairperson)

## 7.9 Costing Principles – Alex Oulianoff (Chairperson)

## 7.10 Asset Management – Pep Piscioneri (Chairperson)

## 7.11 Long Term Financial Plan – Kate George (Chairperson)

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	

## 7.12 Dog and Cat Management – Simon Zbierski (Chairperson)

## 8. Correspondence

Nil

## 9. Confidential Discussion Items

### 9.1 Long Term Financial Plan Model

## 10. Other Business

### 10.1 Tutor for Intermediate Financial Reporting Course

- Sabine Schuhrer of Adelaide University is looking for a Tutor.
- The course is Intermediate Financial Reporting.
- Topics include fair value, revenue recognition, leases, tax effect accounting, introduction to financial instruments, ethics, provisions, etc.
- Currently, available tutorials are:
  - Mondays: 8-9am and 9-10am
  - Tuesdays: 8-9am
  - Wednesdays: 5-6pm and 6-7pm
- Sabine is looking for someone suitable (accounting degree and CPA/CA or masters) who might be interested.

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	<b>Continue to investigate options.</b>
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	<b>Completed</b>
Add Davin Lambert to July Executive Committee meeting standing items so he can provide an LGFA update annually.	28/07/17	Secretariat	<b>Ongoing. Every Year.</b>

## 11. Next Meeting

23 February 2018 at Alexandrina Council

## 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](mailto:chempel@mid-murray.sa.gov.au).

- Asset Management Workgroup Chairperson, Pep Piscioneri: [p.piscioneri@adelaidecitycouncil.com](mailto:p.piscioneri@adelaidecitycouncil.com)
- Costing Principles Workgroup Chairperson, Alex Oulianoff: [aoulianoff@dcmtbarker.sa.gov.au](mailto:aoulianoff@dcmtbarker.sa.gov.au)
- Dog and Cat Management Chairperson, Simon Zbierski: [szbierski@campbelltown.sa.gov.au](mailto:szbierski@campbelltown.sa.gov.au)
- Fees and Charges Workgroup Chairperson, Elizabeth Williams: [elizabeth.williams@alexandrina.sa.gov.au](mailto:elizabeth.williams@alexandrina.sa.gov.au)
- Financial Management Framework Workgroup Chairperson, Mark Lague: [mlague@barossa.sa.gov.au](mailto:mlague@barossa.sa.gov.au)
- Internal Controls & Risk Management Workgroup Chairperson, Annette Martin: [amartin@charlessturt.sa.gov.au](mailto:amartin@charlessturt.sa.gov.au)
- Local Government Price Index Workgroup Chairperson, Chris Birch: [chris.birch@prospect.sa.gov.au](mailto:chris.birch@prospect.sa.gov.au)
- Long Term Financial Plan Workgroup Chairperson, Kate George: [kgeorge@salisbury.sa.gov.au](mailto:kgeorge@salisbury.sa.gov.au)
- Membership & Communication Workgroup Chairperson, Diane Eckermann: [diaeck@onkapinga.sa.gov.au](mailto:diaeck@onkapinga.sa.gov.au)
- Newsletter & Website Workgroup Chairperson, Elizabeth Williams: [elizabeth.williams@alexandrina.sa.gov.au](mailto:elizabeth.williams@alexandrina.sa.gov.au)
- Rating and Valuation Workgroup Chairperson, Norm Biggs: [nbiggs@wtcc.sa.gov.au](mailto:nbiggs@wtcc.sa.gov.au)
- Seminars Workgroup Chairperson, Clive Hempel: [chempel@mid-murray.sa.gov.au](mailto:chempel@mid-murray.sa.gov.au)