

## MINUTES

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

25 May 2018 at 9:30am

City of Charles Sturt (Room CC2-3, 72 Woodville Road, Woodville)

#### 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
- Anna-Lucia Draper, Town of Walkerville
- Annette Martin, City of Charles Sturt
- Anthony Amato, Town of Gawler
- Chris Birch, City of Prospect
- Craig Mudge, District Council of Mount Remarkable
- Leta Northcott, City of Unley
- Mike Carey, Adelaide Hills Council
- Ray Barnwell, City of Marion
- Simon Zbierski, City of Campbelltown

##### Proxies:

Nil

##### Observers/Guests:

- Donna Stubbs, City of Charles Sturt
- Allister Smith, City of Charles Sturt
- Samantha Grieve, City of Playford

*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

- Diane Eckermann, City of Onkaparinga
- Eion Williamson, District Council of Grant
- Mark Lague, The Barossa Council
- Michael Wetherall, City of Port Adelaide Enfield
- Norman Biggs, City of West Torrens
- Pep Piscioneri, City of Adelaide
- Sonia Sghendo (for Diane Eckermann)

### 3. Presentations

Nil

### 4. Confirmation of Minutes

**Moved:** Kate George

**Seconded:** Craig Mudge

**Recommendation:** That the minutes of the meeting held on 27 April 2018 be confirmed as a true and correct record.

**CARRIED**

### 5. Business Arising from the Minutes

### 6. Treasurer's Report

**Moved:** Elizabeth Williams

**Seconded:** Kate George

**Recommendation:** That the financial statements for April 2018 be noted.

**CARRIED**

Treasurer's Report			
Action Items	Meeting	Responsible	Status
Buy a gift for Maria and thank Maria formally.	27/04/18	President/ Secretariat	
Purchase and setup XERO and Arlo.	27/04/18	Treasurer	<b>In progress.</b>

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

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

##### 7.1.1 AGM to be held on 31 August 2018 at the Adelaide Zoo Sanctuary.

- All logistics for this event have now been booked.
- The flyer will be released soon.

##### 7.1.2 Workshop and Conference to be held on 29 and 30 November 2018 at Adelaide Oval.

- Keynote Speaker: Craig Reucassel, best known for his work on The Chaser.
- Committee Members are encouraged to provide suggestions for presentations:
  - Possible presentation for Workshop day: Insurance (Adam Jones, LGRS)

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>

## 7.2 Membership & Communication – Eion Williamson (Chairperson)

- No update, Eion was an apology for this meeting.

Membership & Communication			
Action Items	Meeting	Responsible	Status
Information Sharing Platform - LinkedIn, Facebook or a website forum to be investigated with the help of Irene Scales.	31/03/17	Membership Workgroup	<b>Seminars Workgroup to trial Facebook Group.</b>
Draft an application form for the engagement of distant FMG Members. The form will act as an 'expression of interest' for those members to request to attend FMG Executive Committee meetings free of travel expenses.	23/03/18	Clive Hempel	

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

- No update, no meetings have been held since the last FMG 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	<b>LG R&amp;D funding to be applied for in 2018, if unsuccessful then consideration of funding jointly by FMG &amp; RPSA. EOI's would be sought for the rewrite of the Rebate Information Paper.</b>

## 7.4 Local Government Price Index – Chris Birch

- The committee discussed the issues surrounding rate capping and how it will affect Councils.
- The FMG wants to ensure that its concerns are raised.
- Clive to organise a meeting with Lisa Teburea from the LGA with a few other Executive Committee Members to discuss how the FMG can influence the information.
- Chris advised that Chris Russell from the LGA has confirmed that the LGPI forecasting wasn't included in the final contract with the SA Centre for Economics. ESCOSA will likely do it on their behalf. Adelaide University will still do the price index. The FMG would like the forecasting tool to ensure the information is included in the Long Term Financial Plan's of Councils. The Grants Commission return also needs to be considered as a factor.

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>In progress.</b>
Organise a meeting with Lisa Teburea to discuss Rate Capping – how do we influence the information.	25/05/18	President	<b>In progress</b>

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

- The next edition will be the Winter edition.
- Tim Muhlhausler is happy to do an article re the AASB16 leasing standard.
- Mike Carey and Leta Northcott will provide a profile.
- Two further suggested articles:
  - Clarification around the income standards AASB15 Revenue from Contracts with Customers. Clive to approach Bentleys.
  - Privacy article – tax file numbers.

Newsletter / Website			
Action Items	Meeting	Responsible	Status
Speak with Tim Muhlhausler as SALGAG President about writing an article to help Members prepare for the AASB16 leasing standard: what needs to be collected and noted and what needs a decision.	23/03/18	Elizabeth Williams	<b>Completed</b>
Invite Bentleys to provide an article clarifying the income standards (what does it mean and how is it being treated).	25/05/18	President	<b>In progress</b>

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

### 7.6.1 Final version of the 2018 Model Financial Statements (and summary of changes) forwarded to the Minister

- A meeting will be organised in the next few weeks and will be held at Campbelltown Council. Simon will organise the date and time with Mark.

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	<b>Mark has received information from John Wright, Tim Muhlhausler and David Maxwell. It is still confusing so it is recommended that a paper, guide or a table ideally needs to be prepared.</b>

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

- Elizabeth is having a meeting with BDO next week.
- We need to get the ATO to progress the ruling faster.

## 7.8 Costing Principles – Alex Oulianoff (Chairperson)

- Alex advised that there is no update at this stage.

## 7.9 Asset Management – Pep Piscioneri (Chairperson)

- No update, Pep was an apology for this meeting.

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

- Kate advised that there is a draft agreement with LG Solutions that is currently being reviewed.
- A phone hook-up was held last week with LG Solutions.
- Kate has provided a progress report for the LGR&DS project to the LGA and it has been placed on the LGA website.

Long Term Financial Plan			
Action Items	Meeting	Responsible	Status
Review the Coalface Long Term Financial Model and its future.	25/11/16	LTFP Workgroup	<b>To be looked at in June/July once agreement has been signed with LG Solutions. .</b>
Further request to LGA regarding the LGR&DS funding, developing the LG Solutions 'lite' model & finalise agreement.	22/09/17	LTFP Workgroup	<b>Agreement and pricing under negotiation with LG Solutions.</b>

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

- Simon advised that they are currently looking to provide details (a guideline) regarding how to treat cash payments / non DACO payments (BPay, telephone banking, Australia Post, remove link off website that goes to the Council payments section – needs to go to DACO).
- All dogs should be registered in the system by 28 May (the go live date).
- There are 3 or 4 Councils that still need to work through some issues.
- Dog and cat staff will receive calls about any issues with the data i.e. duplicates in the database.
- There may be double handling between current systems in Councils and DACO with dogs that get registered between DACO go live date (28 May) and 30 June. The DACO system doesn't take over officially in Councils until 1 July.
- Information papers from the Dog and Cat Management Board will be sent to the contacts at each Council.

Dog and Cat Management			
Action Items	Meeting	Responsible	Status
Draft scenario information on DACO for FMG Members: provide scenarios, impacts on Councils, cash handling options, impact on desexing of dogs, payments in advance etc.	23/03/18	Simon Zbierski and Kate George	<b>Completed.</b>

## 8. Correspondence

### 8.1 Letter from the LGA regarding Long Term Financial Plan Funding Conditions

The letter was noted.

## 9. Confidential Discussion Items

Nil.

## 10. Other Business

### 10.1 Professional Indemnity Policy Renewal Information

- The forms to renew the insurance were received yesterday from Local Government Risk Services.

**Moved:** Elizabeth Williams

**Seconded:** Mike Carey

***Recommendation:** That the Executive Committee authorises the Secretary to complete the 'Professional Indemnity Insurance Proposal Form' to renew the insurance on behalf of the FMG and provide the form to Local Government Risk Services.*

**CARRIED**

### 10.2 CFS and SES Vehicles on Asset Registers

- Shane Sody from the LGA contacted Clive re the Auditor-General in NSW undertaking an audit interstate regarding depreciation of Councils with respect to CFS and SES vehicles on asset registers.
- It was resolved that this was not an issue in SA, but what was is that some SA Councils may be incorrectly including CFS, SES and SA Ambulance buildings on their asset registers.

### 10.3 Land with an Easement

- Tony raised the issue of a parcel of land with an easement and having it transferred to Councils name because they can't find the owner.
- Is it a case of just writing to the Minister? It's a rateable property and an auction has been organised.
- Another option suggested is to take rating off the land and leave it orphaned.
- Once a property has gone through the S184 process and it fails to be sold, S185 allows for a Council to apply to the Minister and then it may be transferred to the Crown or the Council

### 10.4 Capital Project

- Tony raised the issue of capital projects that don't make a Council Budget and the best treatment of including those projects.
- The process needs to be transparent and should be included as part of the consultation commentary on the second quarter budget review (caretaker mode will apply for the first quarter budget review).

### 10.5 Credit Cards Audit

- Mike raised the credit cards audit issue and the Committee briefly discussed what their Councils had observed.

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.	23/06/17	President	<b>Completed</b>
Contact Chris James (President of LGITSA) to see how we can communicate and work together.	23/03/18	President	
Speak with the LGA regarding 'Outstanding Block Clearing Fees'	23/03/18	President	

## 11. Next Meeting

22 June 2018 at the City of Marion.

Standing Items	Meeting	Frequency
Sponsorship Proposal for the next financial year	March	<b>Annually</b>
AGM Matters and Recommendations: <ul style="list-style-type: none"> <li>• Constitution Adoption</li> <li>• Membership Guidelines Adoption</li> <li>• Membership Fees</li> <li>• Honorary &amp; Life Member Nominations</li> <li>• Auditor Appointment</li> <li>• Executive Committee Nominations</li> </ul>	June	<b>Annually</b>
Davin Lambert – LGFA update	July	<b>Annually</b>
<ul style="list-style-type: none"> <li>• New Committee Members</li> <li>• Workgroup allocations</li> <li>• Meeting dates for next 12 months</li> <li>• Event registration fees for the financial year</li> </ul>	September	<b>Annually</b>

## 12. Close

**For further information regarding topics raised at the FMG Executive Committee meetings, please see 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)
- 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)
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