



## South Australian Local Government Financial Management Group Inc

### MINUTES

#### 2018 Annual General Meeting

**Date:** Friday, 31 August 2018

**Breakfast:** 7:45am

**Guest Speaker Presentation:** 8:00am – Andrew Leunig

**AGM:** 9:00am to 10:00am

**Venue:** Adelaide Zoo Sanctuary, Gate 1 Plane Tree Drive Adelaide SA 5000

#### **Presentation:**

Andrew Leunig provided a presentation on Transforming Local Government: Technology & Business Model Innovation

#### **AGM**

**President:** I would like to acknowledge this land that we meet on today is the traditional lands for the Kurna people and that we respect their spiritual relationship with their country.

I also acknowledge the Kurna people as the custodians of the greater Adelaide region and that their cultural and heritage beliefs are still as important to the living Kurna people today.

#### **1. Apologies**

- Annette Martin
- Craig Mudge
- David Hope
- John Wright
- Leta Northcott
- Maggie Liu

#### **2. Confirmation of Minutes**

**Moved:** Kate George

**Seconded:** Elizabeth Williams

**Recommendation:** *That the minutes of the SALGFMG AGM held on 25 August 2017 are confirmed as a true and correct record.*

**CARRIED**

### **3. Business Arising from Minutes**

Nil

### **4. President's Report**

Thank you for making the effort to attend our breakfast and AGM this morning as well as the conference events that have been held throughout the last year.

I would like to thank all of the Members for their efforts in giving us another successful year for the FMG and in particular the continual support that I have received from the Executive Committee and Members.

Our Executive Committee is made up of individual people who have varied expertise in a large range of financial related areas that are employed in metro, regional and country Councils. This dedicated group of people are willing to share their knowledge in finding solutions to existing and new issues that confront our sector that in turn continually improves Local Government finance in South Australia.

As in previous years I would like each of our Executive Committee Members to stand once I announce their name, so we can recognise and acknowledge the time and effort that they have provided in the last 12 months.

- Vice President, Kate George – City of Salisbury
- Secretary, Elizabeth Williams – Alexandrina Council
- Treasurer, Alex Oulianoff – District Council of Mount Barker
- Anna-Lucia Draper
- Annette Martin – City of Charles Stuart
- Anthony Amato – Town of Gawler
- Chris Birch – City of Prospect
- Craig Mudge – District Council of Mount Remarkable
- Diane Eckermann – City of Onkaparinga
- Eion Williamson – Alexandrina Council
- Leta Northcott – City of Unley
- Mark Lague – The Barossa Council
- Micheal Wetherall – City of Port Adelaide Enfield
- Mike Carey – Adelaide Hills Council
- Norm Biggs – City of West Torrens
- Pep Piscioneri – Adelaide City Council
- Ray Barnwell – City of Marion
- Simon Zbierski – City of Campbelltown

I would also like to recognise the respective Councils that have allowed these Members to provide their valuable time and resources to the FMG. Without this support from these individual Councils toward our group our ability to deliver improvements to the Local Government financial sector would be severely hampered.

Can everyone please put their hands together to acknowledge the Executive Committee for 2017/2018.

I wish to also acknowledge the following people that have not nominated for the next term Ray Barnwell, Eion Williamson, Mick Wetherall and Anna-Lucia Draper. I thank them greatly for the contributions they have made on the Executive Committee.

The group also has close relationships with a number of people that have without a doubt aided in the success of the FMG.

- the LGA, Shane Sody and John Wright.
- the SA Local Government Auditors Group and its Chairperson , Tim Mulhausler
- our auditors from Creative Auditing, Ian McDonald and Nancy Tran
- Maria Hocking, who has performed the Finance Officer role for the group
- our website co-ordinator, Irene Scales
- FMG Members and other Local Government employees who have contributed on our many FMG working groups
- Nicol Mumford from Think Purple Solutions for her help in running our events; and
- Patricia Coonan from Think Purple Solutions for her high standard of work as our secretariat and event management coordinator. Patricia continues to provide our organisation with her professional services that is recognised and appreciated by myself as President and I am sure by all of our Members.

#### The Review of the Year for 2017/18 and our Main Projects

I would now like to provide a summary of the key projects that our working groups have focused on since our last AGM.

#### Seminars Group

The December 2017 workshop and conference was held at the National Wine Centre which featured Dr Adam Fraser giving us an insight of how organisations are adapting to the challenge of the evolving landscape of high performance.

The program also featured presentations relating to the Dog and Cat Online project, Caretakers Mode, Project updates of Internal Financial Controls and the GST Review on Fees & Charges, Collaborating for Effect, Land Services Department Commercialisation & Revaluation Initiative, Innovation Engagement & Organisational Performance, Rate Capping in Victoria, Financial Management & Sustainability Challenges in Local Government and the Psychology of Dishonesty.

Our March conference was held at the Adelaide Convention Centre, which included presentations from Mayor Lorraine Rosenberg on “What Every Finance Professional Needs to know”, Justin Keenan from the Australian Accounting Standards Board covering “AASB Update and New Accounting Standards”. Dean Pearson from the National Bank presenting the topic “What can human behavior tell us about the Economy, Business, Consumers and Ourselves”. The Value of Independent Audit Committees by Greg Connor, City of Marion Audit Committee, have the ATO Flipped or Flopped on Exemptions for Vehicles by Kevin Smith of the Australian Tax College and LGITSA with IT Strategy Cryptocurrency and Blockchain. Our keynote speaker was Kristen Hansen who gave us an overview of how our brain works, peak mental performance and insights into problem solving.

This group spends considerable effort in the months leading up to each event to ensure the content is current and relevant as well as providing an environment of networking and professional development.

Once again, the events were supported with a high level of attendance that is a reflection of the great work of the group. I would like to thank all of the Members of the Seminars working group for their contributions.

Please note that the next conference and workshop will be at the Adelaide Oval on the 29th and 30th of November. The program for this event is just about finalised, which will include the continuation of the Thursday night dinner, so make sure you save these dates in your diaries.

### Fees and Charges

The working group chaired by Elizabeth Williams and with the assistance of BDO has undertaken the task of a GST review of fees and charges on behalf of all South Australian Councils. This has involved the collation of all SA Councils' existing fees and charges into one master generic list.

Due to the complexity, the ATO has required that five separate listings were to be lodged. Since lodgement, the working group has been working through and responding to queries from the ATO. The final result will be a comprehensive matrix that give us an ongoing, accurate and compliant listing of GST treatment for fees and charges.

This work would not have been possible without the funding from the Local Government Research and Development Scheme.

### Newsletter / Website Group

The group is also chaired by Elizabeth Williams, which continues to provide Members with several newsletters annually, the content continues to be of high quality and informative to our industry.

Approximately 9 months ago our website was updated, giving it a new look and feel, while retaining all the current valuable content.

### Financial Management Framework

Chaired by Mark Lague, this group has recently completed the annual review of the Model Financial Statements for 2018, providing valuable feedback prior to the final version that is sent to the Minister for approval. The group has also been working on the new standards being AASB16, AASB15 and AASB1058 and the implication of early adoption.

### Long Term Financial Plan

This group is chaired by Kate George. In late June the agreement was signed between the FMG and LG Solutions to provide a LTFP Model that is based on the requirements of South Australian Councils. During September the working group will be attending two meetings with LG Solutions where the new LTFP Model will be demonstrated. Once satisfied with the model features, appropriate user documentation will be prepared to accompany the model.

The group was successful in obtaining funding from the Local Government Research and Development Scheme to provide SA Councils with a new and improved FMG Long Term Financial Plan model.

#### Dog & Cat Management

Simon Zbierski has led a small group in contributing substantially to the development of the financial aspects of the system “Dog and Cats Online”. This single database now holds approximately 290,000 records of Dogs and Cats in South Australia.

#### Rating and Valuation

The Rating and Valuation group is chaired by Norm Biggs and consists of a combination of FMG and Revenue Professional SA members who have been working on common financial and rating issues. This group was used to provide the LGA in June with a response to the draft “Local Government (Rate Oversight) Amendment Bill”. Thank you to all the Councils that provided modeling of the potential impact of rate capping to their current LTFP, this information was forwarded to the LGA for analysis.

Due to the State Treasurer seeking ESCOSA’s advice on potential implementation matters relating to the proposed Rate Oversight Bill. The Commission has just earlier this week released a consultation paper, to engage with stakeholders to understand key issues, matters of process and other relevant considerations with written submissions required by 28 September. On the 14<sup>th</sup> of September FMG Executive Committee Members and the LGA will be meeting directly with ESCOSA in relation to the consultation paper. At this stage it is still planned to attend this meeting even in the light of the labor party making it public that they will be voting against the Bill.

#### Other

Thanks to Chris Birch, and his small group for their work involved in the updates of the Local Government Price Index, this enables Councils to access a valuable uniquely tailored indicator for our industry.

#### Executive Committee Meetings

Just a reminder that our Executive Committee meetings are usually held on the last Friday of the month, with all Members welcome to attend as observers. Times and locations of these meetings are available on our website. Please take time to read our agendas and minutes to gain an understanding of the current issues. If you have any questions or would like items to be included in a future meeting, please contact one of our Committee Members who will be happy to take the time to discuss these matters with you.

#### Sponsors

I also wish to acknowledge the 18 sponsors we have had during the 2017/2018 year.

We sincerely thank you for your support and look forward to working with you again in 2018/2019. We encourage our Members to continue to show their support to these organisations who support our sector.

Platinum

Local Government Finance Authority (who have been supporting us from day 1)

Gold

LG Solutions

Silver

Bentleys

TechnologyOne

UHY Haines Norton

Bronze

BDO

Coalface Software Solutions

Control Track

Dean Newbery & Partners

Galpins

Genesis Accounting

JLL Infrastructure Advisory Pty Ltd

Kemps Credit Solutions

MAGIQ

Norman Waterhouse Lawyers

Pickles Auctions

PKF

Public Private Property

I would also like to thank the Mid Murray Council for allowing me to take on the role as President. As always, I am proud to be part of the FMG that continues to be proactive and highly regarded as a professional group within the Local Government industry.

Thankyou.

**Moved:** Mark Lague

**Seconded:** Pep Piscioneri

**Recommendation:** *That the President's report be noted.*

**CARRIED**

**5. Treasurer's Report**

Treasurer Alex Oulianoff provided a brief of the FMG's financial position and end of financial year findings.

**Moved:** Kate George

**Seconded:** Elizabeth Williams

**Recommendation:** *That the Treasurer's report and audited financial statements for 2017/18 be noted.*

**CARRIED**

## 6. Election of Office Bearers and Executive Committee Members

### Returning Officer's Report (Patricia Coonan) – FMG Executive Committee 2018/2019

(Not less than ten (10) nor more than twenty six (26) Committee Members including the 4 Office Bearers)

Notice was given to all Members that the term of office of the Executive Committee Members of the South Australian Local Government Financial Management Group was due to expire and nominations were called from Members. 21 nominations have been received and all retiring Executive Committee Members are eligible for re-election. As I call out the nominees, it would be most appreciated if they could please come and stand next to the stage.

Position:	Full Name:	Council:
President	Kate George	City of Salisbury
Secretary	Clive Hempel	Mid Murray Council
Treasurer	Alexander Oulianoff	Mount Barker District Council
Vice President	Elizabeth Williams	Alexandrina Council
Committee Member	Angela Papatheodorakis	City of Port Adelaide Enfield
	Annette Martin	City of Charles Sturt
	Anthony Amato	Town of Gawler
	Chris Birch	City of Prospect
	Craig Mudge	District Council of Mount Remarkable
	David Harman	City of Marion
	Katy Bone	Town of Walkerville
	Leta Northcott	City of Mitcham
	Mark Lague	The Barossa Council
	Mike Carey	Adelaide Hills Council
	Norman Biggs	City of West Torrens
	Pep Piscioneri	City of Adelaide
	Rajith Udugampola	Adelaide Plains Council
	Samantha Grieve	City of Playford
	Sarah Taylor	City of Unley
	Simon Zbierski	Campbelltown City Council
Sonia Sghendo	City of Onkaparinga	

I have a recommendation:

**Recommendation:** That in accordance with the South Australian Local Government Financial Management Group Constitution, the Membership declares the Executive Committee Members duly elected for a term of one year to conclude at the 2019 Annual General Meeting.

Can I ask someone to move this recommendation? And Second?

**Moved:** Anita Futterer

**Seconded:** Marcus Smith

Can I please have a show of hands in support of this recommendation? Against?

I declare the recommendation **CARRIED**.

**7. Appointment of Auditor**

**Moved:** Elizabeth Williams

**Seconded:** Simon Zbierski

***Recommendation:** That Ian McDonald be provided with a letter of engagement as Auditor of the SA Local Government Financial Management Group for the 2018/19 financial year.*

**CARRIED**

**8. Constitution**

**Moved:** Alex Oulianoff

**Seconded:** Elizabeth Williams

***Recommendation:** That the Constitution be adopted as amended.*

**CARRIED**

**9. Setting of Fees**

**Moved:** Kate George

**Seconded:** Anna-Lucia Draper

***Recommendation:** That the Membership fees for 2018/19 be increased from \$120 (incl. GST) to \$125 (incl. GST) for renewing Members and from \$145 (incl. GST) to \$150 (incl. GST) for new Members. It is to be noted that there was no membership fee increase in 2017/18.*

**CARRIED**

**10. Membership**

In accordance with the Group's Membership Guidelines, Honorary Membership is open to a person who has served the Group in such a way that the Executive Committee have granted the Member this distinction. This year the Executive Committee would like to acknowledge the contributions of Michael Wetherall and offer him Honorary Membership.

Following 8 years in the banking industry Mick commenced his Local Government career in April 1987 (I think the abacus was just being phased out!!!) with the City of Port Adelaide. Mick undertook a variety of roles ranging from administering a nursing home/hostel, budget accountant, asset management accountant and finance manager.



Mick joined the FMG in 2008 and since that time has worked on the following committees and groups:

- Seminars & conferences
- Asset Management
- Internal Controls & Risk Management
- Rating & Valuations
- Valuer General Consultative Committee
- Financial Management Framework

Mick is now taking a well deserved 12 months of long service leave and has resigned from his position at the City of Port Adelaide Enfield effective end of July 2019. We wish him very well on his next adventure.

**Moved:** Kate George  
**Seconded:** Alex Oulianoff

***Recommendation:*** *That Mick Wetherall be offered Honorary Membership in recognition of his significant contributions to the Group.*

**CARRIED**

**11. Close**