



**SOUTH AUSTRALIAN LOCAL GOVERNMENT
FINANCIAL MANAGEMENT GROUP INC**

**MINUTES ANNUAL GENERAL MEETING
Friday 26 August 2011
Adelaide Pavilion, Veale Gardens
at 8.45am**

1 Apologies

Wade Reynolds, City of Playford	Sean Cheritin, District Council Mount Remarkable
Robyn Dunstall, Alexandrina Council	Gary Button, City of Norwood Payneham and St Peters
Craig Mudge, District Council of Mount Remarkable	Allison Ashby, AME Recruitment
Colin Davies, The Flinders Ranges Council	Ian McDonald, Ian G McDonald Chartered Accountant
Nicola Tinning, City of Unley	Ben Rasigate, Mid Murray Council

2 Confirmation of Minutes of AGM 27 August 2010

P Fairlie-Jones moved and J Commons seconded that the minutes be confirmed as a true and correct record with the following corrections

Presidents Report – thank you to FMG Committee, Clive Hemple – should be Clive Hempel.

6 Auditors Report – date for appointment of Auditor should be 2010/2011 financial year (not 2011/12 as stated).

10 Handover R Dunstall welcomed and congratulated A Martin for being elected as the new president of SALGFMG for year 2010/11 (not 2011/12 as stated).

CARRIED

3 Business Arising from Minutes

Membership fees have been increased from \$88 to \$99 (incl GST) for 2011/12 financial year.

4 President's Report

Presidents report 2010/11

I would like to thank everyone for attending today and supporting our AGM and in fact all of our seminars and workshops we have held over the past year.

The FMG continues to work hard on behalf of its membership and the finance industry in Local Government in a busy environment in which we are always managing competing timeframes. This is why it's all the more rewarding when one goes back and reflects on what has been achieved over the past year.

Review of the Year 2010/11

The year started with the launch of the internal control tool that the FMG developed in conjunction with Deloitte, Coyle Consulting services and with assistance from the LGA and

Office State/Local government relations. With this new tool councils will have access to an on line application which will assist them in the regular review and reporting of financial internal controls. The next stage of this project is to re-examine the set of internal controls to identify the 'core' controls contained in the library. The controls will be mapped to the risks that the controls are designed to mitigate.

Thanks to the support of Tim Muhlhausler, the SALG Auditors group will be reviewing this core set of controls.

This change to the legislation will be significant for all councils and so we in conjunction with a number of key stakeholders will continue to look at ways we can help provide direction and assistance to councils in the absence of any real guidance being given when the legislation was put in place.

Throughout the year we proved engineers and accountants really can work together and attended the LGA AGM with IPWAE (SA) in October to operate the booth on promoting the Australian Infrastructure Financial management guidelines. We have also provided input into the Long term Financial Planning practise note and training programs being developed by IPWEA.

In November the annual review of the model set of accounts took place. This process allows us to continuously improve the model set of accounts and ensure we are up to date with changes in accounting standards relevant to our industry while also retaining a level of consistency that is important for our communities. Thanks Mike Carey and his working group, John Wright and David Maxwell for their tireless endeavours on improving the model statements package.

Early December saw the first of 2 very successful seminars held, "Beyond the Balance sheet – Strengthening our Communities" held at the Adelaide Entertainment centre and then more recently in March, "Open the Cellar door – Expand your Thinking" at the National Wine Centre with a number of excellent speakers and a great day of networking with colleagues. Many thanks to Peter Fairlie Jones, Linda Wride and the seminar group for all those hours in producing such high quality events

In an attempt to harmonise the model set of accounts with the long term financial plan model products, Coalface Software and Training Solutions was engaged to review and upgrade to version 3 of our Long Term Financial Plan (LTFP) software which I believe goes a long way to addressing many of the previous deficiencies in earlier versions. With financial assistance from the LGA the model was provided free to all S.A. councils. Coalface Software and Training Solutions has been appointed by the FMG as sole agents for the supply, training and support for this Model.

We also started a review of membership which currently stands at 184 and growing. As a first step we have now introduced a new member's pack which will be launched for 2011/12. We will formally recognize those members who have given extraordinary service to the sector. In fact today we will honour 2 of our membership who have met the high benchmarks set. As you are also aware one of the benefits of FMG membership is networking and now all members will receive a pin which will identify you as someone from within that network. Many thanks to Wade Reynolds and his working group, for all their efforts on this project.

Recognition should also go to Clive Hempel and the newsletter working group who produced the Focus on Finance winter edition newsletter in June

We provided feedback on a number of information papers and proposed changes to legislation including the draft regulations, power to charge interest, monitoring council budget performance and worked with the ATO in conjunction with other government agencies across Australia in developing a tool to assist users with the treatment of fees and charges following the removal of Division 81

We continued with our involvement over the LG price index thanks to Stephen Mounce and Milo Rubbo and continued to lobby via the LGA and metro CEOs for the state government to index the regulated LG fees such as property search fees and more importantly to have the fees revised to more accurately reflect the cost of service provision. However we still have a way to go.

We are also currently involved with the LGA and Grants commission on a project to improve the quality and timeliness of the grants commission's supplementary return. We always face the likelihood of having funding withheld if we don't get this right something I am sure we all wish to avoid so it's important we get those returns accurate and completed by 30 November each year.

Although we made minor improvements to our website we realised it time for a revamp. We are very conscious that our current site is not as flexible as we would like and we want a tool that enables us to more easily connect with our membership and ensure more regular updates are available on what is happening in the sector, especially for those where distance can be prohibitive.

To that end we will be sending out an online survey to capture your ideas for our new website design later this year.

So it's been a busy year that has gone all too quickly.

Like all projects FMG have been involved in there are many people to thank who work collaboratively with us on these projects for the benefit of our membership

Acknowledgments

I wish to firstly acknowledge the hard working FMG executive for their dedication and hard work during the year. The work is undertaken on a voluntary basis which in the busy work life of the finance professional with their own work commitments is always a difficult juggling exercise but I am sure you will agree enormously appreciated. The FMG executive for 2010/11 are the following, who I will list by name,

Vincent Mifsud	Ginny Moon
Milo Rubbo	Wade Reynolds
Stephen Mounce	Nicola Tinning
Mike Carey	Marcus Smith
Norm Biggs	Mick Wetherall
Peter Fairlie-Jones	Mark Lague
Elizabeth Williams	Clive Hempel
Simon Zbierski	

I would like to also formally acknowledge the contribution made to the FMG by Craig Mudge and Kay Butler who resigned from the Executive Committee during the year.

Can I ask the members of exec to please stand up so everyone can show their thanks and appreciation.

As mentioned the FMG is a voluntary group and consequently we rely heavily the co-operation, support and collaboration provided to us by many people who I also would like to acknowledge:

- the LGA (particularly Bill Furse who has since retired and now Shane Sody, Michael Barry,
- the Office of State/Local Government Relations and in particular John Wright
- the Local Government Grants Commission and Peter Illee
- the LGMA SA, who are our events co-ordinators and particularly Linda Wride our secretariat and Taryn Sexton
- Cleve Coyle, Phil Sarj, Rex Mooney, John Comrie and Pascal Marrot- Castellat who we have been involved with us on any one of a number of projects
- Tim Muhlhausler from the SA Local Government Auditors group
- Ian McDonald our Auditor
- Maria Hocking who provides our treasurer support

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- IPWEA (particularly Andrew Thomas president of IPWEA (SA) and Chris Champion and Leon Patterson from the national office)

Much of the work undertaken by the FMG is funded by our generous sponsors who through their support allow us to provide and be involved in many of the activities, project, seminars we are involved with on your behalf. I'd like to acknowledge the following sponsors for their contributions during the course of last year:-

Platinum Sponsors

Local Government Finance Authority

Gold Sponsors

APV Valuers and Asset Management

CPA Australia

UHY Haines Norton Chartered Accountants

Silver

National Credit Management Limited

Technology One Ltd

Bronze

AME Recruitment

Maloney Field Services

Coalface Software solutions

Deloitte

IBIS Information services

Mile End Office Furniture

Norman Waterhouse lawyers

Lastly I remind you of our upcoming conference: Staying ahead of the Game which will be held on 2 December at the Grand Chiffley South Terrace. We are trialling the idea of a 2 day conference with workshops held the day before on the 1st December on our LTFP software, model financial statements feedback and asset management to hopefully allow more of our regional and rural members to attend.

So we look forward to seeing you at the conference and more importantly I thank you for the support you have shown me as President over the year.

M Wetherall moved and M Lague seconded that the President's report be received.

CARRIED

5 Treasurer's Report

The audited financial report was presented by S Mounce. It was noted that FMG had originally budgeted for a slight deficit, but were pleased to report that the year had finished with a surplus of \$14,000. This was as a result mostly of funds received from sale of Long Term Financial Plan software, income from well patronised seminars and increase in membership fee.

S Mounce also highlighted that as suggested he had changed and improved the layout of the report.

M Rubbo moved and C Hempel seconded that the Treasurer's report be received.

CARRIED

6 Election of Office Bearers and Management Committee Members for 2011/12

Linda Wride announced that single nominations were received for the positions of President, Vice President, Secretary and Treasurer and the following appointments were made:

- President – *Annette Martin, City of Charles Sturt*
- Vice President – *Vince Mifsud, City of Marion*
- Secretary – *Milo Rubbo, City of Mitcham*

- Treasurer – *Stephen Mounce, City of Onkaparinga*

The following members were elected as Committee Members:

Anthony Amato, City of Burnside	Ginny Moon, City of Prospect
Norman Biggs, City of West Torrens	Marcus Smith, The District Council Mt Barker
Mike Carey, Adelaide City Council	Nicola Tinning, City of Unley
Peter Fairlie-Jones, City of Salisbury	Mick Wetherall, City of Port Adelaide Enfield
Clive Hempel, Wakefield Regional Council	Elizabeth Williams, Alexandrina Council
Jeff Jones, City of Playford	Simon Zbierski, City of Campbelltown
Mark Lague, The Barossa Council	

J Commons moved and M Wetherall seconded that the returning officers report be received and that all committee members be duly elected.

CARRIED

7 Appointment of Auditor

S Mounce thanked Ian Mc Donald for providing the audit services for 2010/11 and recommends that Ian McDonald is re-appointed as Auditor for the 2011/2012 financial year.

M Wetherall moved and M Lague seconded that Ian McDonald be appointed as Auditor for the 2011/2012 financial year.

CARRIED

8 Setting of Fees

There was no proposed increase of fees for 2012/13 – fees to remain at the 2011/12 figure of \$99 (inclusive of GST). N Biggs moved and S Mounce seconded that a membership joining fee of \$25 to be introduced from 1/7/2011.

CARRIED

9 General Business

9.1 Changes to Constitution

M Smith moved and G Moon seconded that the outlined change to section 4 of the FMG constitution be received. “4.1.2 **Committee member** – a member who is appointed to serve on the Committee by election at the Annual General Meeting. The Existing 4.1.2 **Honorary Member** to become 4.1.3 and 4.1.3 **Life Member** to become 4.1.4.”

CARRIED

9.2 Life Membership

Under our constitution we are able to recognise life membership. Our policy indicates to achieve this one must have either served a minimum of 3 years as President or at least 15 years as a member of the Executive. As hard as that may be to achieve we have 2 nominations.

Justin Commons, Director Corporate Services City of Prospect

Justin was a member of FMG executive for 6 years, 3 of those as president commencing in 2002. Justin’s term on the Executive especially as President was at the time of the LGA Financial Sustainability Inquiry and the 68 recommendations which at the time, he provided leadership, involvement in, or responsibility for, significant change that emanated from those Inquiry Recommendations.

He was involved in or had oversight of projects such as:

- SA Local Government Price Index

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- Long Term Financial Plan Spreadsheet (various iterations)
 - Financial Management Framework
 - Model Set of Annual Financial Statements
 - Financial sustainability performance indicators
 - Development of the FMG Website
 - Infrastructure and Asset Management Plan templates

He gave Presentations at CPA Graduate Careers Conferences and Careers and Employment Expos promoting Local Government's "Shape Your World" opportunities to over 500 graduate and/near graduate Accountants.

He established strong relations with the LGA, Office LG/State relations and LG Corporate Services during this reform period as well as forging a relationship with the LGMA to provide establish a Joint Professional Secretariat. Justin Commons as President left very big shoes to fill.

M Mifsud moved and M Wetherall seconded that Justin Commons receive life membership of SALGFMG.

CARRIED

Our second nominee is Peter Fairlie-Jones, Director Finance City of Salisbury

Peter was an inaugural member of the FMG Executive back when it started in 1989 and so have served on the Executive for over 20 years .He has served in a number position including President over that time and has provided leadership, guidance and support for a myriad of projects, particularly on asset accounting and management issues and more particularly worked on the steering committee of IPWEA for the Australian Infrastructure Financial Management Guidelines. He represented FMG on OLG/LGA Accounting Committee and the National Local Government Financial Management Forum for a number of years. He also played an integral part in the development of the LTFP model and financial sustainability indicators.

He is currently Chair of the Seminars group and has contributed to the high standard of our conferences, particularly the food and wine!

I think we can all be especially proud of the wine selections he has made and we have enjoyed over the years.

Peter is almost an icon in the world of LG finance and I trust he will continue with his role on the Executive for many more years.

E Williams moved and D Hope seconded that Peter Fairlie Jones receive life membership of SALGFMG

CARRIED

Meeting closed at 9.15am