

South Australian Local Government Financial Management Group Inc

MINUTES

2020 Annual General Meeting

Date: Friday, 28 August 2020

Breakfast: 7:00am Registrations for 7:15am

Guest Speaker Presentation: 7:30am – Michael Pascoe

AGM: 8:30am to 9:00am

Venue: Hall E, Adelaide Convention Centre, North Terrace, Adelaide

1. Apologies

- Mike Carey, Adelaide Hills Council
- Karishma Reynolds, City of Burnside
- James Tucker, City of Burnside
- Raffaella Brown, City of Burnside
- Lisa Gergos, Campbelltown City Council
- Ben Taylor, District Council of Ceduna
- Jane Griffiths, Centennial Park
- Annette Martin, City of Charles Sturt
- Theresa Nicolussi, Clare & Gilbert Valleys Council
- Meisha Quinn, District Council of Cleve
- Karen Quinn, District Council of Elliston
- Rebecca Muller, Local Government Association of SA
- John Howe, Mid Murray Council
- Max Murawsky, Mount Barker District Council
- Jeroen Zwijnenburg, City of Mount Gambier
- Craig Mudge, District Council of Mount Remarkable
- Fiona Stringer, Naracoorte Lucindale Council
- Sharon Perkins, City of Norwood Payneham & St Peters
- Grace Pelle, City of Playford
- Jack Tattoli, Port Pirie Regional Council
- Lynne Walden, Port Pirie Regional Council
- Matthew Coldwell, City of Salisbury
- Tony Secomb, District Council of Southern Mallee
- Judi Molineux, Tatiara District Council
- Dion Watson, District Council of Tumby Bay
- Sandra Vigar, Whyalla City Council
- Selena Garnaut, Wudinna District Council
- Bronwyn Breen, District Council of Yankalilla

President Kate George provided an acknowledgement of country:

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.

2. Confirmation of Minutes

Moved: Mark Lague
Seconded: Elizabeth Williams

***Recommendation:** That the minutes of the SALGFMG AGM held on 30 August 2019 are confirmed as a true and correct record.*

CARRIED

3. Business Arising from Minutes

Nil

4. President's Report (Kate George)

I would like to thank all of you for attending our Breakfast and AGM today, and also for those who are staying on for the conference, which we have needed to defer from earlier in the year. I am sure the conference today will be really memorable and follows our 30th anniversary two-day event in December last year. Supporting the events that the FMG holds is a great opportunity to grow your knowledge and your networks and supports an organisation that is there to support you.

I would like to start my report by thanking those who have helped make the last twelve months a successful one for the FMG, and especially to those who have supported me in my second year of Presidency.

Firstly, our Executive Committee, which is made up of Local Government finance staff who volunteer their time to steer the course of the FMG. Through the diversity of their expertise, and the Councils they represent, we are able to share knowledge and find solutions to existing and emerging issues in our sector and support excellence in Local Government finance in SA.

As has become tradition, I would like each of our Executive Committee Members to stand once I announce their name so that we can recognise and acknowledge the time and contributions they have provided over the last 12 months:

- Vice President, Elizabeth Williams – Alexandrina Council
- Treasurer, Alex Oulianoff – District Council of Mount Barker
- Secretary, Clive Hempel – Mid Murray Council
- Annette Martin – City of Charles Sturt
- Chris Birch – City of Prospect
- David Harman – City of Marion
- Karishma Reynolds – City of Burnside
- Luke Harris – City of Mitcham
- Mark Lague – The Barossa Council
- Mike Carey – Adelaide Hill Council
- Norm Biggs – City of West Torrens

- Rajith Udugampola – Adelaide Plains Council
- Sam Grieve – City of Playford
- Simon Zbierski – City of Campbelltown
- Sonia Sghendo – City of Onkaparinga
- Tony Amato – Town of Gawler

I would also like to thank each of their respective Councils who enable them to commit time and resources to the Group. Without this support we would not be able to do a lot of the things we currently do to help improve Local Government.

Can everyone please put their hands together to acknowledge the Executive Committee for 2019/2020.

I would also like to make a special acknowledgement of Norm Biggs and Tony Amato who have served on the Executive Committee for 12 and 9 years, respectively. They will not be renominating as they will both be retiring in the coming months to take a well-earned break, pursue some personal interests, and for Tony he will be donning a new title of Nonno.

I also would like to thank the following people who have worked with and assisted myself and the FMG:

- the LGA: Rebecca Muller
- the SA Local Government Auditors Group and its Chairperson, Tim Mulhausler
- our auditors from Creative Auditing, Ian McDonald and Nancy Tran
- our website co-ordinator, Irene Scales
- those Members who have contributed on one of our many FMG working groups
- and finally, Patricia Coonan from Think Purple Solutions for the outstanding efforts she has put into the Secretariat and event management coordination roles. It has truly been a blessing to have Patricia working for us. She has definitely made it easier for me to fill my role as President and for the group to run as smoothly as it does.

A Review of the Year for 2019/2020 and Main Projects

I will now provide a summary of the key projects that our working groups have focussed on since our last AGM.

Events Workgroup

This year's December workshop and conference, titled "Back to the Future" was also a celebration of the 30th anniversary of the FMG. Held at the Adelaide Convention Centre, our keynote speaker Paul Barry had the audience transfixed with stories of the media industry. Also featured were presentations from Dr Matthew Butlin, Commissioner from the SA Productivity Commission, who provided his perspectives on Local Government Cost and Efficiency, sessions on data security, fraud and internal controls. At our anniversary dinner Henry Olonga shared his remarkable life story and entertained with his amazing voice.

As you would be aware our one-day conference, "Better. Faster. Stronger." is following on from the AGM today, and features Dan Gregory who will present on improving your own human performance. The day also features presentations from the Valuer General Katherine Bartolo, James Miller, CEO of Adelaide Plains Council, and Matt Pinnegar, CEO of the Local Government Association.

A lot of effort goes on behind the scenes to ensure that these events are of interest to attendees and also provide a range of networking and professional development opportunities. So, I would personally like to thank all members of this working group for their ongoing commitment and contributions.

Please note that the program for our next event is in progress and the save the date will be communicated soon.

Membership and Communication Workgroup

This work group, chaired by Tony Amato, has prepared three fantastic newsletters during the year, which support our members to be informed about topics of interest in our sector, continuing to keep our website content up to date, and focuses on our membership, including the buddy program, where each Executive Committee Member is assigned two buddies from regional Councils to act as a contact point for information and advice.

Financial Management Framework Workgroup

Chaired by Mark Lague, this group once again provided feedback to the LGA on the 2020 Model Financial Statements and has been working through LGA Information Papers to review and update. This input has enabled feedback to be provided that takes into account practical issues that affect Councils and ensures that the Model Financial Statements and Information Papers remain relevant and current.

Fees and Charges Workgroup

This group, chaired by Elizabeth Williams, has worked with BDO to apply to the ATO for a GST ruling on the fees and charges that SA Councils apply, with funding provided by the Local Government Research and Development Scheme. One ruling has been received and provided to our Members, and the other portion of fees covered by a second ruling is with the ATO. Once finalised, this project will result in GST rulings for all SA Councils to rely upon to ensure that GST treatment is correct across the sector.

Asset Management Workgroup

This group has been considering definitions for new and renewal, modern equivalents, and also working together with the LGA to establish a working party to focus on the improvement to Strategic Asset Management Plans. Originally chaired by Katy Bone, Annette Martin has taken on this workgroup. With the deadline for Council endorsement of S122 plan looming we are anticipating a high level of activity over the coming months.

Costing Principles

The Costing Principles workgroup, chaired by Alex Oulianoff, has continued to consider issues relating to the cost of capital for CWMS and issues relating to ESCOSA requirement.

Local Government Price Index Group

The LGPI workgroup is chaired by Chris Birch, and has been involved in the regular updates to the LGPI maintaining this important comparative measure for the industry. During the year, the workgroup worked with the LGA to finalise the agreement for the ongoing compilation of the index, including a forecast LGPI.

Rating & Valuation Workgroup

Thank you to Simon Zbierski for chairing this workgroup, which has representation from both the FMG and RPSA, and features a regular update from the Valuation Office.

Long Term Financial Plan Workgroup

There has been limited activity during the year following the significant work over the previous two years culminating in the successful launch of the LTFP Lite model in 2018/19, and Councils continuing to take up this product from LG Solutions. For those Councils who have not yet considered this model, I encourage you to review the new model as a next step in strengthening your Council's financial sustainability, noting that LG solutions are running a virtual session in coming weeks.

Reform

During the 2019/20 year the FMG Executive engaged with the SA Productivity Commission with respect to the Commission's inquiry into Local Government and prepared a submission on behalf of our membership. Further we have engaged with the Office of Local Government and prepared a submission regarding their Local Government reform agenda and have participated on their working party.

More recently the Local Government Review Bill has been introduced to Parliament, and we have prepared a submission to the Office of Local Government highlighting our concerns with respect to the rate capping elements of the bill.

I encourage our membership to remain active in this area to ensure that any reforms are appropriate for the sector.

Executive Committee Meetings

Please remember that our Executive Committee meetings are usually held on the last Friday of the month, with all members welcome to attend as Observers. In recent months the Executive Committee has resolved that 50% of these meetings will be conducted virtually to enable greater participation. Times and locations of these meetings are available on our website. I encourage you to take the time to read our agendas and minutes to gain an understanding of the work being undertaken by the work groups and the status of current issues. If you have any questions, any one of our Committee members would be happy to take the time to discuss these matters with you.

Sponsors

I also wish to acknowledge the 20 sponsors we have had during the 2019/2020 year.

We sincerely thank you for your support and look forward to working with you again in 2020/2021. We would encourage our Members to continue to show their support to these organisations who support our sector.

Platinum Sponsor

- Local Government Finance Authority, who have been supporting us since our inception, and in the 2019/20 year expanded their sponsorship to enable greater attendance to FMG events from regional Councils.

Gold Sponsors

- LG Solutions

Silver Sponsors

- Bee Squared Consultants
- Bentleys SA
- Datacom Solutions
- Technology One Ltd
- UHY Haines Norton Accountants

Bronze Sponsors

- Assetic
- ControlTrack
- Control Z
- Dean Newbery and Partners
- Galpins Accountants, Auditors & Business Consultants
- Genesis Accounting
- JLL
- Credit Solutions (previous Kemps Credit Solutions)
- MAGIQ Software
- Noble Business Systems Consulting
- Norman Waterhouse Lawyers
- Pickles Auctions
- Public Private Property

I am also pleased to advise that we have a new Gold sponsor for this financial year, RecWise and am glad that Paul has been able to make the time to attend our breakfast today. Also, we are most appreciative of Credit Solutions (previously Kemps Credit Solutions) increasing their sponsorship from Bronze to Gold, with Gail joining us here today.

I would also like to thank the City of Salisbury for supporting me in my second and final year as President. As always, I am proud to be part of the FMG that continues to be proactive and a highly regarded professional group within the Local Government industry.

Thankyou.

Moved: Clive Hempel

Seconded: Alex Oulianoff

Recommendation: That the President's report be noted.

CARRIED

5. Treasurer's Report (Alex Oulianoff)

Despite the challenges we are now facing, the 2020 financial year was another successful year for the SALGFMG and its Members with higher attendance at our December conference, increased sponsorship and with our major project "Fees and Charges" nearing completion.

Earlier this year we had to make the decision to defer the March conference to today. As a result, the SALGFMG ended the year with a higher than budgeted Operating Surplus of \$56,728 and with \$260,587 in cash and cash equivalents.

Copies of the Audited Financial Statements have been provided and are available on each of your tables.

I would now like to thank Nancy Tran and Ian McDonald from Creative Auditing for their ongoing support by providing their auditing services free of charge once again for our end of Financial Year Statements.

Moved: Elizabeth Williams

Seconded: David Harman

Recommendation: *That the Treasurer's report and audited financial statements for 2019/20 be noted.*

CARRIED

6. Election of Office Bearers and Executive Committee Members (Returning Officer: Patricia Coonan)

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. 18 nominations have been received and all retiring Executive Committee Members are eligible for re-election.

Position:	Full Name:	Council:
President	Elizabeth Williams	Alexandrina Council
Vice President	Alexander Oulianoff	Mount Barker District Council
Secretary	Clive Hempel	Mid Murray Council
Treasurer	David Harman	City of Marion
Committee Member	Annette Martin	City of Charles Sturt
	Chris Birch	City of Prospect
	Grant Jennings	Whyalla City Council
	Karishma Reynolds	City of Burnside
	Kate George	City of Salisbury
	Kellie-Knight Stacey	City of Victor Harbor
	Kevin Carter	City of Onkaparinga
	Luke Harris	City of Mitcham
	Mark Lague	The Barossa Council
	Mike Carey	Adelaide Hills Council
	Rajith Udugampola	Adelaide Plains Council
	Rebecca Baines	City of Tea Tree Gully
	Samantha Grieve	City of Playford
	Simon Zbierski	Campbelltown City Council

Moved: David Hope

Seconded: Rob Adam

Recommendation: *That the Returning Officer's report be noted and that all Executive Committee Members be duly elected commencing today until the 2021 Annual General Meeting.*

CARRIED

7. Appointment of Auditor

Moved: Clive Hempel
Seconded: Rob Adam

Recommendation: *That Ian McDonald be provided with a letter of engagement as Auditor of the SA Local Government Financial Management Group for the 2020/21 financial year.*

CARRIED

8. Constitution

Recommended changes to the Constitution were circulated to the membership for feedback. At the July Executive Committee meeting, feedback was considered from Members and presented in the AGM agenda papers is the final draft. The final draft is now put to the group for adoption.

Moved: Elizabeth Williams
Seconded: Rob Adam

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

CARRIED

9. Setting of Fees

Moved: Alex Oulianoff
Seconded: Rajith Udugampola

Recommendation: *That no changes be made to the Membership Fees for 2020/21.*

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 Mark Lague and offer him Honorary Membership.

Mark started his career with Olympic General Products soon taken over by Pacific Dunlop, having numerous roles over 11 years from stock records clerk, accounts payable, accounts supervisor to branch accountant working in 5 divisions in SA and during this time obtaining his qualifications.

He then worked as financial controller for 2 years with Schrader Automotive. And really valued the manufacturing roles as they provided a good understanding cost accounting and also spending time in the working world that sits outside of Local Government.

After a short stint of contract accounting work at Dairy Vale his LG work began in 1993 at the District Council of Mallala for 16 years as Accountant and then Finance Manager with numerous other corporate services roles supported by a small team, gaining a healthy respect for our regional cousins and what they do with less resources.

For the last 11 years he has enjoyed working as Manager Financial Services at The Barossa Council sharing accounting, finance and rates work with such a great team and organisation.

As the LG sector has ongoing legislative, AASBs reviews and changes along with best practice initiatives, he appreciates networking with other Councils as the reciprocal benefits are unending. Sharing knowledge with others from way back with the implementation of AAS27, recognition of infrastructure assets, long term financial planning, financial sustainability, audit committees, just to name a few.

Mark has been a member of the SALGFMG for 27 years and the last 10 years on the FMG Executive Committee contributing to the following working and reference groups:

- Financial Management Framework,
- Membership & Communication,
- Asset Management, and
- Costings Principals.

Moved: Alex Oulianoff

Seconded: Rajith Udugampola

Recommendation: That Mark Lague be offered Honorary Membership in recognition of his significant contributions to the Group.

CARRIED

11. Close