

AGENDA

South Australian Local Government Financial Management Group Executive Committee

18 January 2019 at 9:30am

City of Onkaparinga – Council Office, Civic Area – Ramsay Place, Noarlunga Centre

1. Present

Executive Committee:

- Kate George (President), City of Salisbury
- Elizabeth Williams (Vice President), Alexandrina Council
- Alexander Oulianoff (Treasurer), Mount Barker District Council
- Angela Papatheodorakis, City of Port Adelaide Enfield
- Annette Martin, City of Charles Sturt
- Anthony Amato, Town of Gawler
- Chris Birch, City of Prospect
- David Harman, City of Marion
- Leta Northcott, City of Mitcham
- Norm Biggs, City of West Torrens
- Rajith Udugampola, Adelaide Plains Council
- Sarah Taylor
- Sonia Sghendo, City of Onkaparinga

Proxies:

- Joe Scordo, Light Regional Council (for Mark Lague)

Observers/Guests:

- Rebecca Muller, LGA
- Elise Woolcock, City of Playford
- Grace Pelle, City of Playford
- Tim Aplin, City of Salisbury
- Marc Sodomka, City of Port Adelaide Enfield

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

- Clive Hempel (Secretary), Mid Murray Council
- Craig Mudge, District Council of Mount Remarkable
- Mark Lague, The Barossa Council
- Mike Carey, Adelaide Hills Council
- Pep Piscioneri
- Simon Zbierski, City of Campbelltown
- Katy Bone, Town of Walkerville

3. Presentations

Nil

4. Confirmation of Minutes

Recommendation: That the minutes of the meeting held on 23 November 2018 be confirmed as a true and correct record.

5. Business Arising from the Minutes

Nil

6. Treasurer's Report

Treasurer's Report			
Action Items	Meeting	Responsible	Status
Purchase and setup XERO and Arlo.	27/04/18	Treasurer	Arlo setup complete. Xero setup complete – only a few areas left to update.
Commence legal action to recover unpaid sponsorship for 2017/18.	21/09/18	President/ Treasurer	In progress.

7. Projects/Work Groups – Update/Status

7.1 Asset Management – Katy Bone (Chairperson)

7.2 Costing Principles – Alex Oulianoff (Chairperson)

7.3 Events – Kate George (Chairperson)

7.3.1 March Conference – 15 March 2019, Adelaide Convention Centre

Events			
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	Seminar Workgroup	Facebook group created – yet to complete active testing.
Registration fees for Sponsors at Member rate for additional tickets.	23/11/18	Seminar Workgroup	Completed. To be discussed again during the review of the Sponsorship Proposal for 2019/20

7.4 Fees and Charges – Elizabeth Williams (Chairperson)

7.5 Financial Management Framework – Mark Lague (Chairperson)

7.5.1 Internal Control Survey (Tony Amato & Annette Martin Feedback)

Please see attached correspondence.

7.5.2 Model Financial Statements Contractual Agreement

Please see attached correspondence.

7.5.3 Related Party Disclosures

Tim Muhlhausler at SALGAG has been emailed and this item is on next week's SALGAG agenda regarding issues that we can perhaps communicate to the Members or adding a sample document/questionnaire on the website. The following is what has been added to the next SALGAG meeting:

- So we can provide assistance as needed are we able to know which Councils were qualified for the 17/18 Financials and why?
- Being the second year round for AASB124, if they feel there was some compliance or other issues with Councils audit in this area?

At the November 2018 FMG Conference as part of his presentation Tim Muhlhausler advised that there were less audit qualifications in 17/18, areas for Council assistance include issues on:

- Internal control
- Procurement
- Infrastructure assets not revalued regularly some more than 5 years
- FAGS not recognised on receipt
- ICT user access & Masterfile changes

In regard to compliance for AASB124, Tim advised that the MFS provided good information and examples for the FMG Members but could be better so that Councils consider inclusions of long term benefits for the KMPs.

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	In progress. Listed as an agenda item for SALGAG meeting next week.
Discuss what the restrictions are relative to note 10 and also if practical examples should be developed to cover what the restrictions are.	26/10/18	Financial Management Framework Workgroup	
Internal Controls survey to be sent to the Executive Committee for additions and feedback. Prepare survey monkey survey once all feedback is received and provide the link to the LGA for distribution via an LGA circular.	23/11/18	Mark Lague / Patricia Coonan	In progress.
Accounting for the urban tree fund - 12 responses that were received were all different. Issue to be raised at next meeting of the workgroup.	23/11/18	Financial Management Framework Workgroup	
Adjusting operating ratio has been added to the list of issues. Mark will provide a draft email to Patricia to send out to FMG Members.	23/11/18	Financial Management Framework Workgroup	Completed

7.6 Local Government Price Index – Chris Birch (Chairperson)

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	Awaiting result of the Rate Capping Bill to determine whether a forecasting indicator is required.
Work on a set of definitions for data that feeds into the LGPI and supply it to the Grants Commission for their consideration.	21/09/18	LGPI Workgroup	

7.7 Long Term Financial Plan – Kate George (Chairperson)

Long Term Financial Plan			
Action Items	Meeting	Responsible	Status
When the LTFP LG Solutions Lite Model is released, Councils to be notified.	21/09/18	LTFP Workgroup	

7.8 Membership & Communication – Craig Mudge (Chairperson)

Work has just commenced on the Summer Newsletter, with release anticipated to be the last week of February.

Work on updating the buddy list will commence soon with initial emails to be sent out before the FMG conference in March.

Membership & Communication			
Action Items	Meeting	Responsible	Status
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	

7.9 Rating and Valuation – Simon Zbierski (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	Revenue Professionals SA have applied for LG R&D funding for the rewrite of the Rebate Information paper.
Speak with the LGA regarding “Charge’s against the land”, such as Outstanding Block Clearing Fees and charges under the SA Health Act. Can these be placed on the assessment (rate notice) and charged fines/interest?	23/03/18	Rating & Valuation Workgroup	
Provide FMG submission to ESCOSA regarding the South Australian Local Government Rate Oversight Scheme Guidelines.	21/09/18	President	

7.10 DACO Update – Simon Zbierski and Clive Hempel

8. Correspondence

Nil

9. Confidential Discussion Items

Nil

10. Other Business

10.1 New Venue for July Meeting (Currently Barossa)

10.2 Timing of Annual Property Valuation Data – Proposed Circular (Kate George)

10.3 Nomination Forms to be Released for Executive Committee Vacancies (Kate George)

10.4 Home/Aged Care Assistance ATO Contractors

Other Business			
Action Items	Meeting	Responsible	Status
Prepare a letter of thanks for Anna-Lucia Draper who has resigned from the Executive Committee.	22/06/18	Secretariat	In progress for all outgoing Executive Committee Members.
Home/Aged Care Assistance ATO Contractors Issue – add to January agenda.	23/11/18	Secretariat	Completed
That the FMG prepares a submission detailing areas of interest for potential funding to the Local Government Research and Development Scheme for consideration in the Scheme's future Business Plan.	23/11/18	President	
That the FMG prepares a submission to the LGA with regards to the publication of credit card expenditure under the Local Government (Ratepayer Protection and Related Measures) Amendment Bill.	23/11/18	Annette Martin	

11. Next Meeting

22 February 2019 – Adelaide Hills Council

Standing and Future Items	Meeting	Frequency
Sponsorship Proposal for the next financial year	March	Annually
AGM Matters and Recommendations: <ul style="list-style-type: none"> • Constitution Draft • Membership Guidelines Draft • Membership Fees Recommendation to AGM • Honorary & Life Member Nominations • Auditor Appointment Recommendation to AGM • Executive Committee Nominations 	June	Annually
<ul style="list-style-type: none"> • Davin Lambert – LGFA update • Constitution Recommendation to AGM • Membership Guidelines adoption 	July	Annually
<ul style="list-style-type: none"> • New Committee Members • Workgroup allocations • Proxy/Deputy Chairperson for each of the Workgroups and Executive Committee meetings • Meeting dates for next 12 months • Event registration fees for the financial year 	September	Annually
DACO Update	Every Meeting	Every Meeting

12. Close

For further information regarding topics raised at the FMG Executive Committee meetings, please see contact details below:

FMG President, Kate George: kgeorge@salisbury.sa.gov.au.

- Asset Management Workgroup Chairperson, Katy Bone: KBone@walkerville.sa.gov.au
- Costing Principles Workgroup Chairperson, Alex Oulianoff: aoulianoff@dcmtbarker.sa.gov.au
- Events Workgroup Chairperson, Kate George: kgeorge@salisbury.sa.gov.au
- Fees and Charges Workgroup Chairperson, Elizabeth Williams: elizabeth.williams@alexandrina.sa.gov.au
- Financial Management Framework Workgroup Chairperson, Mark Lague: mlague@barossa.sa.gov.au
- Local Government Price Index Workgroup Chairperson, Chris Birch: chris.birch@prospect.sa.gov.au
- Long Term Financial Plan Workgroup Chairperson, Kate George: kgeorge@salisbury.sa.gov.au
- Membership & Communication Workgroup Chairperson, Craig Mudge: finance@mtr.sa.gov.au
- Rating and Valuation Workgroup Chairperson, Simon Zbierski: szbierski@campbelltown.sa.gov.au