

MINUTES

South Australian Local Government Financial Management Group Executive Committee

20 November 2020 at 9:30am
Via Zoom Virtual Conferencing

1. Present

Executive Committee:

Office Bearers:

- Elizabeth Williams (President), Alexandrina Council
- Alexander Oulianoff (Vice President), Mount Barker District Council
- Clive Hempel (Secretary), Mid Murray Council
- David Harman (Treasurer), City of Marion

Members:

- 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
- Mark Lague, The Barossa Council
- Mike Carey, Adelaide Hills Council
- Rajith Udugampola, Adelaide Plains
- Rebecca Baines, City of Tea Tree Gully
- Samantha Grieve, City of Playford
- Simon Zbierski, City of Campbelltown

Proxies:

- Leta Northcott, City of Mitcham for Luke Harris

Observers/Guests:

- Andrew Lamb, LGA
- Nathan Petrus, LGA
- Rebecca Muller, LGA
- Alex Brown, City of Unley
- Craig Mudge, District Council of Mount Remarkable
- Karen Quinn, District Council of Elliston
- Luke Colhane, Light Regional Council
- Monique Palmer, Town of Walkerville
- Morgan Kris, City of Unley

Secretariat:

- Patricia Coonan, TPS

2. Apologies

- Luke Harris, City of Mitcham

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.

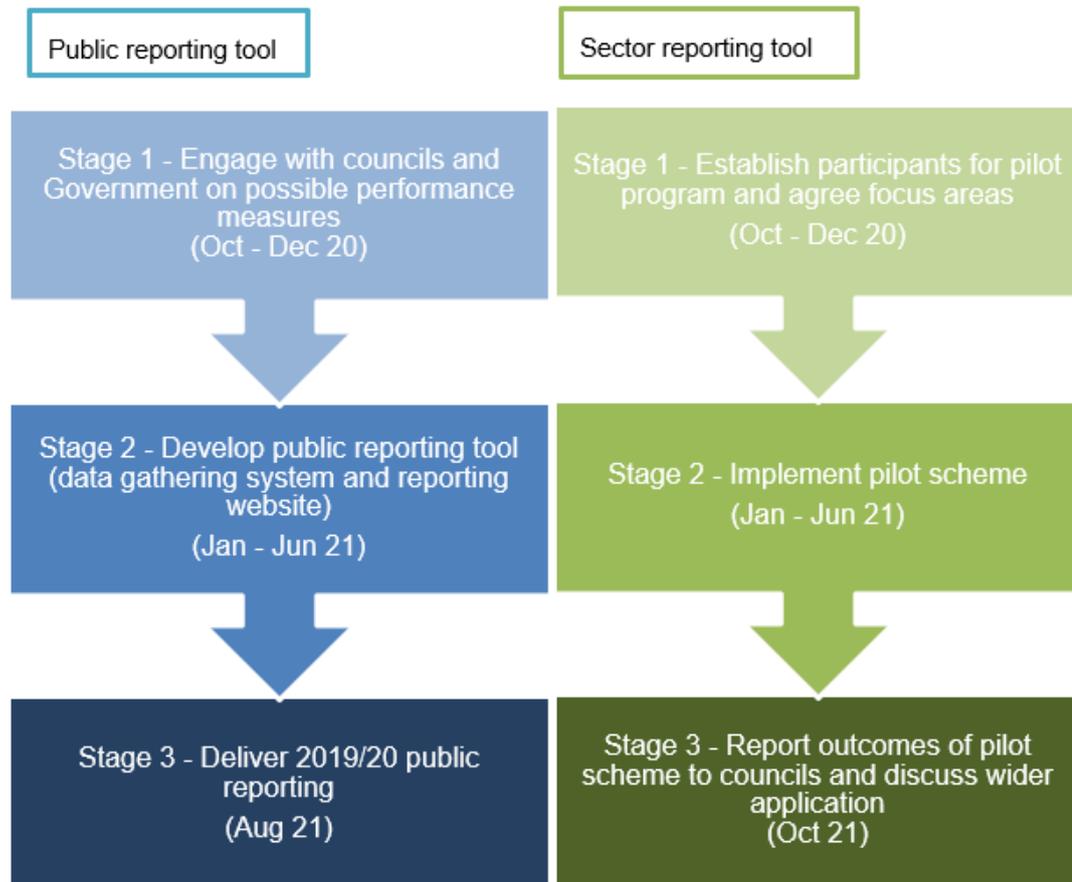
3. Presentations

3.1 Productivity Commission's Recommendations for Local Government and Performance Measurement Framework for Local Government – Nathan Petrus, Executive Director Member Services, Local Government Association of SA

Nathan provided an update on the Productivity Commission's Recommendations for Local Government and Performance Measurement Framework for Local Government and the following was noted:

- There are two work streams, one being a Public Reporting Tool and the other being a Sector Reporting Tool.
 - Public Reporting Tool – Objective is to measure and report the performance of SA Councils in order to provide the community with transparent performance information. Some key principles: rely on existing information, opportunity for Councils to explain data, easy to understand and administer. This information is available to the public already but is not centrally accessible and not necessarily targeted to the needs of the community.
 - Sector Reporting Tool – Objective is to provide detailed information about the costs of certain services, to enable participating Councils to better understand the efficiency of its services and drive continuous improvement. It is an opt-in approach, and the pilot program will be service areas chosen by GAROC and SAROC. It will build on existing networks with a longer-term focus.
- Possible measures will be:
 - Rates per property
 - Revenue by source
 - Expenditure by purpose (eg roads expenditure per km of road)
 - Expenditure per property
 - Operating surplus ratio
 - Net financial liabilities ratio
 - Asset renewal ratio
 - Information about the Council (eg size, demographics)
 - Governance indicators
- They are working closely with the government to ensure the website meets the needs of the sector and the public with \$1M being contributed through the state budget.
- The committee was pleased to hear that other bodies (Grants Commission for example) are being considered in this process. Councils don't want to be dealing with a duplication of data. Definitions for consistency of the data will need to be considered as well as timing of some of the indicators (budgeted vs actuals).
- Interpretation is an issue in terms of what Councils provide and the attribution side of it (moving costs) and there are some different ways of going about that. We need to improve the quality of the data that goes to the Grants Commission in particular. It is acknowledged that previous period data (historical) will have some anomalies, but the data can be cleansed going forward and historically.
- The committee would like to see the LGA play a role in this project as it will likely be very resource intensive. This will all be discussed following the outcomes of the pilot program.

Timelines and Process:



4. Confirmation of Minutes

Moved: Mike Carey

Seconded: Grant Jennings

Recommendation: *That the minutes of the meeting held on 30 October 2020 be confirmed as a true and correct record.*

CARRIED

5. Projects/Work Groups – Update/Status

5.1 Asset Management – Annette Martin (Chairperson), David Harman (Deputy Chairperson)

Annette advised that they are in discussions with the LGA on the asset management project and will be providing some feedback to the LGA on some of the information they have gathered shortly.

5.2 Costing Principles – Alex Oulianoff (Chairperson), Mark Lague (Deputy Chairperson)

There is no update for this meeting.

5.3 Events & Membership – Elizabeth Williams (Chairperson), Alex Oulianoff (Deputy Chairperson)

5.3.1 November Workshop & Conference – 26 and 27 November 2020

Patricia advised that the November event has been postponed due to the second wave of COVID-19. New dates of 4 and 5 February 2021 have been booked with the Adelaide Convention Centre.

Events and Membership			
Action Items	Meeting	Responsible	Status
Prepare an email for review of the President to be emailed to all on the Buddy List outlining the Buddy Program and any upcoming events.	28/02/20	Secretariat	

5.4 Fees and Charges – Elizabeth Williams (Chairperson), Clive Hempel (Deputy Chairperson)

Elizabeth advised that we are still waiting on a response from the ATO on the remaining fees and charges.

5.5 Financial Management Framework – Mark Lague (Chairperson), Clive Hempel (Deputy Chairperson)

5.5.1 Draft Model Financial Statements 2021 – comments, issues and feedback

Mark advised that the workgroup had a meeting yesterday with Alison Dobbie to touch base on any issues or refinements. If others have found items that they wish to raise with the group, it would be appreciated if they could be sent through to Mark so that the group can work on those early.

5.5.2 LGA Information Papers from 2015 – reviews to be reactivated

Mark advised that there are papers that still need to be reviewed. The group and the committee have been working on reviewing the papers and the papers that have been finalised are available on the LGA website. A handful of papers were put on hold because of the Reform Bill some of which can now be looked at and there will be some further work required to review these papers.

5.6 Fines Enforcement Recovery Unit – Annette Martin (Primary Contact)

There is no update for this meeting.

5.7 Local Government Price Index – Chris Birch (Chairperson), Michael Carey (Deputy Chairperson)

Chris advised that the group had a catch up with Peter and Alex from the Grants Commission last week. They are now looking at appointing a project person/consultant to run a process and tie it back to our action items. There is a lot of effort that goes into collecting the data and there are consistency issues that do get picked up by the Grants Commission, but this is very labour intensive. The Grants Commission will be driving the process of working through our action items and will consult with the LGA. There have been discussions around moving from the spreadsheet process to an online platform.

Local Government Price Index			
Action Items	Meeting	Responsible	Status
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	Chris has met with Peter Ilee, the workgroup will now discuss the six issues put forward.
Contact the Grants Commission to see if there is a guide for the return for how the administration allocations are being entered (operating expenses section). It would be valuable to have a consistent approach to provide to the Grants Commission.	25/10/19	LGPI Workgroup	Chris will discuss this with Peter Ilee.

5.8 Local Government Reform – Kate George (Chairperson)

Rebecca advised that the LGA is starting to turn their mind to the ramifications of the implementation of the Review Bill. The LGA governance area is starting to map out what the impacts will be. A table has been provided to the Executive Committee Members and it is asked that any feedback be provided (particularly around anything missed or the timing involved) back to the LGA in the next 3-4 weeks. Kate will look at organising a session with the workgroup to go through the document.

5.9 Long Term Financial Plan – Kate George (Chairperson), Samantha Grieve (Deputy Chairperson)

Kate advised that a follow up meeting needs to occur with LG Solutions, and it will likely be held virtually.

Long Term Financial Plan			
Action Items	Meeting	Responsible	Status
Speak with LG Solutions regarding updates to the instructions for the model per the latest updates made.	29/05/20	Kate George	

5.10 Marketing & Communications – David Harman (Chairperson), Kevin Carter (Deputy Chairperson)

David advised that he has now caught up with the previous Chairperson for a handover. Over the next week or so, information will be sent through to the workgroup members for the Summer edition of the newsletter.

5.11 Planning Portal – Clive Hempel and Samantha Grieve (Primary Contacts)

Clive advised that the list of SA Planning Training Fundamentals sessions has been received, however the registration page for the financial sessions shows that they have already been held. Clive will contact them and see if they can be held again or have the recordings made available. Clive has reached out to a few of the Councils to get a sense of what they think about the reconciliation with the planning portal. Clive will work through the feedback and see if he can provide some feedback to the committee.

5.12 Rating and Valuation – Simon Zbierski (Chairperson), Luke Harris (Deputy Chairperson)

There has been no meeting held since the last Executive Committee meeting.

Rating and Valuation			
Action Items	Meeting	Responsible	Status
Flat fee rate per rateable property – the cost of this service should be reviewed in terms of cost recovery.	24/04/20	R&V Workgroup	Discussed with Andrew Lamb
Adopting rate growth throughout the year rather than waiting until the end of the year.	24/04/20	Simon Zbierski	Discussed with RPSA
Explore options to prepare a submission on reforms of rating valuations of the rating system.	29/05/20	R&V Workgroup	

6. Treasurer's Report

David advised that a profit and loss statement from 1 July to 31 October is provided. Interest and investment income has now been corrected. Memberships and sponsorships are a bit low for the financial year, however renewals for both are still coming through. There is still some adjusting to do for the AGM and conference income and expenses.

Moved: David Harman

Seconded: Kate George

Recommendation: That the SALGFMG Executive Committee notes the report.

CARRIED

Finance			
Action Items	Meeting	Responsible	Status
Organise for the Executive Committee Office Bearers to be signatories on the NAB account.	25/09/20	Treasurer	Forms to be signed.

7. Correspondence

Nil

8. Other Business

Nil

9. Confidential Discussion Items

Nil

Other Business			
Action Items	Meeting	Responsible	Status
LGA Circular regarding the benefits of membership.	25/10/19	Secretariat	
Email proxy details to the Secretariat	25/09/20	All Committee Members	

10. Next Meeting

29 January 2021 – Mid Murray Council

11. Close

The meeting closed at 10:39am.

Standing and Future Items	Meeting	Frequency
Presentation from the Local Government Grants Commission	March	Annually
Sponsorship Proposal for the next financial year	April/May	Annually
AGM Matters and Recommendations: <ul style="list-style-type: none">• Constitution Draft• Membership Guidelines Draft for adoption• Membership Fees Recommendation to AGM• Honorary & Life Member Nominations• Auditor Approach Recommendation• Executive Committee Nominations	June	Annually
<ul style="list-style-type: none">• Davin Lambert – LGFA update• Constitution Recommendation to AGM• Auditor Appointment Recommendation to AGM• Honorary & Life Member Recommendation	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
<ul style="list-style-type: none">• Buddy List	October	Annually

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

FMG President, Elizabeth Williams: elizabeth.williams@alexandrina.sa.gov.au

- Asset Management Workgroup Chairperson, Annette Martin: amartin@charlessturt.sa.gov.au
- Costing Principles Workgroup Chairperson, Alex Oulianoff: aoulianoff@dcmtbarker.sa.gov.au
- Events & Membership Workgroup Chairperson, Elizabeth Williams: elizabeth.williams@alexandrina.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
- Marketing & Communications Workgroup Chairperson, David Harman: david.harman@marion.sa.gov.au
- Planning Portal Contacts: Clive Hempel and Samantha Grieve: chempel@mid-murray.sa.gov.au; sgrieve@playford.sa.gov.au
- Rating and Valuation Workgroup Chairperson, Simon Zbierski: szbierski@campbelltown.sa.gov.au