



# MINUTES

## South Australian Local Government Financial Management Group Executive Committee

30 April 2021

At 9:30am – City of Prospect and 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

#### Members:

- Annette Martin, City of Charles Sturt
- Chris Birch, City of Prospect
- Grant Jennings, Whyalla City Council
- Karishma Reynolds, City of Burnside
- 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 Council
- Rebecca Baines, City of Tea Tree Gully
- Samantha Grieve, City of Playford
- Simon Zbierski, City of Campbelltown

#### Proxies:

Nil

#### Observers/Guests:

- Craig Mudge, District Council of Mount Remarkable
- Davin Lambert, LGFA
- Lokesh Anand, Town of Gawler

#### Secretariat:

- Patricia Coonan, TPS

*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

- David Harman (Treasurer), City of Marion
- Kate George, City of Salisbury
- Luke Harris, City of Mitcham
- Rebecca Muller, LGA

### 3. Presentations

#### 3.1 Davin Lambert, CEO, Local Government Finance Authority

Davin provided an update on what the LGFA is currently working on and the following was noted:

- LGIP Grants – the sector has been emailed about the funding. If Councils were successful, LGFA can offer a matching facility – 3 year CAD set up now and will be full three years from the settlement date. If Councils would like to discuss this facility, they are encouraged to contact the LGFA.
- The new loan application system is up and running and there have been applications received. A few teething issues have been worked through, and further feedback is always welcome.
- Real time banking – hoping to be able to send payments in real time to the sector. Working through issues with the software provider and should have it up and running by October, through new AusCo payments platform.
- Student Placement Program – Davin is working with the universities and the LGA to see if under graduate placements are a possibility in the sector. The LGFA will write to the Executive Committee prior to the next meeting. The FMG could set up a workgroup on this matter.
- Council Long Term Financial Plans will be a pre-requisite going forward to show financial sustainability.

### 4. Confirmation of Minutes

**Moved:** Clive Hempel  
**Seconded:** Chris Birch

***Recommendation:** That the minutes of the meeting held on 26 March 2021 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)

An update report was provided for discussion.

A sector-wide asset management and financial planning ‘Maturity Assessment Report’.

IPWEA has been commissioned to prepare a summary report for South Australia using the National State of the Assets (NSoA) data. A draft of the report is expected in the next couple of weeks.

A model Infrastructure and Asset Management Plan with model templates.

IPWEA is currently drafting the first batch of Information Papers which will consist of:

- Asset Management System (Policy, Strategy and Plan)
- Financial Projections for Long Term Financial Plans (LTFP)
- Levels of service

Once the draft versions are ready (again anticipated within the next couple of weeks) they will be workshopped/circulated to those member Councils that have indicated interest, this will include the Asset Management Working Group (through Annette and David) and members who indicated interest through the survey in January. Consultation on the drafts will be conducted via a combination of emails/workshops/online (depending on the focus area and the required level of engagement on each topic – some may need more than others). Once finalised and endorsed, the resources will be made available via the LGA website.

Annette advised that an email has also been received from Brendon Lyon from City of Marion regarding a pilot project with the Resilient South Councils to develop a tool set for Local Government Asset Managers and Finance Managers to gain a better understanding of the impact of climate change on Council assets. This will involve gaining an understanding of the impact on asset useful lives, maintenance costs and build back better options for renewal, upgrade and new. The project has recently undertaken a workshop with IPWEA SA, IPWEA NZ, State Government, CSIRO, The Insurance Council of Australia, DEW, LGA, SAFECOM and SECCA from which the outputs are currently being generated. They have also secured funding from the LGA via the LG Research and Development Scheme and the NDRGS. They indicated they felt there was a role for SALGFMG to provide input. Annette has indicated we are keen to be involved and to be kept informed on project outcomes

**Moved:** Simon Zbierski

**Seconded:** Sam Grieve

**Recommendation:** *That the SALGFMG Executive Committee notes the report.*

**CARRIED**

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

Alex advised that policies are currently being finalised by the LGA to provide consistency with pricing to be aligned to the ESCOSA standard. The cost of capital needs to be standardised throughout the sector. Alex will follow up with the LGA on the policies.

**Moved:** Simon Zbierski

**Seconded:** Mike Carey

**Recommendation:** *That the SALGFMG Executive Committee notes the verbal report.*

**CARRIED**

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

An update report was provided for discussion.

### **Events**

The workgroup met on 15 April to discuss the August AGM and Conference and the following updates are provided:

- The Adelaide Zoo Sanctuary venue has now been confirmed
- The event will be held on Friday 6 August 2021
- The group is currently discussing presenters
- It was agreed that the AGM will be held during the lunch break

- The formal lunch will be held in the same room as the conference as there is only one large space available

The next meeting of the workgroup is due to be held following this Executive Committee meeting. Registration fees and sponsorship fees for the financial year will need to be set at that meeting and as usual the group is seeking delegation to set the fees, noting that any increase will not be significant.

### **Membership**

There have been no new Members sign up since the last meeting.

**Moved:** Kellie-Knight Stacey

**Seconded:** Grant Jennings

### **Recommendation:**

*That the SALGFMG Executive Committee:*

1. *Notes the report.*
2. *Delegates authorisation to the Events and Membership Workgroup to:*
  - a. *Set the fees for event registrations and sponsorship for 2021/22, noting that any increase will not be significant.*
  - b. *Finalise the 2021/22 Sponsorship Proposal, noting that changes will be minimal.*

**CARRIED**

<b>Events and Membership</b>			
<b>Action Items</b>	<b>Meeting</b>	<b>Responsible</b>	<b>Status</b>
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 the ATO is still working on the final fees and charges.

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

Mark advised that the LGA have emailed to confirm that the consultation phase for the Model Financial Statements has now concluded and any further comments from the Executive Committee today will need to be submitted urgently before the statements are sent to the Minister for Local Government. Executive Committee Members confirmed that feedback already submitted particularly in relation to the employee benefits note are sufficient.

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

Annette advised that she is still trying to receive information from FERU on feedback we provided on their reports.

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

Chris advised that the delay on data from the Grants Commission has now been completed. The June quarter has moved by 0.1 and the December number is still 0. March CPI released this week is 1.2.

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	The workgroup is discussing the six issues put forward. The Commission is doing a lot of work on data validation.
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 – Elizabeth Williams (Chairperson), Kate George (Deputy Chairperson)

Elizabeth advised that the group is currently working on the Local Government Information Management Framework. The framework will use Grants Commission data and the workgroup is working on the look and feel. A meeting was held recently, and Elizabeth conveyed the FMG's issues with Grants Commission data. There is significant work happening in the Grants Commission team at the moment and one key item is the ability for Councils to be able to insert comments with their data.

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

There is no specific update for this meeting.

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	Catch up will be held hopefully in May.

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

There is no specific update for this meeting.

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

Clive advised that he will lodge a ticket with the Plan SA support desk on behalf of the FMG with our issues so that we can reengage, particularly in relation to the credit cards issue.

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

An update report was provided for discussion as below:

### 1. Valuer General & Land Services SA Update

- VG pulling together different information GV for each council as each have different circumstances.
- Difficult to predict what the number of objections, preparing for 8,500 had about 3,500 prior year.
- Best to coordinate with VG any additional messaging to residents / members of parliament etc.
- VG to share communication regarding Independent Living Units
- RI scope was always to drive fairness, movements can be combination of General Valuation, RI & Supplementary projects.
- RI to be completed by 27<sup>th</sup> May – VG changes can happen up to midnight 30 June.
- If you do want to communicate relating to values, prudent for VG to fact check the communication.
- VG provided kits, links, videos. It's the best foundation to start for communicating with the community and stakeholders.
- Difficult to undertake RI with Covid-19 – had to pivot multiple times
- Revisits – progressing as usual. There should be no impediment to complete these. Reaching out to LGA's for data & lists of vacant land changes, happy to take them. – please Reach out to the VG for a status update.
- Taking note of notional values and aware of what is happening around peri urban areas and being proactive in this space. – Mt Barker notional updates will see some of these shortly VG Developing a fact sheet to be published very shortly.

### 2. RPSA Update

- Conference went well – 4 new board members and elected committee.
- Next board meeting 14/3.

### 3. SALGFMG Update – Fairly short meeting held, we discussed:

- Discussed VG Revaluation Initiative.
- State Government will be using Grants Commission Data for Benchmarking.
- Planning portal has gone live – much discussion around the reconciliation.
- Signing off on the draft financial statements.

### 4. LGA Update – Rebecca Muller

- Revaluation Initiative – LGA will assist with the development of consistent messaging in regard to valuation fluctuations.
- Model Rate Notice – updated and now on website.
- LG reform bill still before parliament, expect to be back in parliament sometime around May.
- FMG to assist with providing feedback on the ministers updated better practice model.

**Next Meeting:** Tuesday, TBA – in consultation with Simon once he is back from leave. Next meeting agenda item regarding the Regional landscape levy – Andrew Lamb will be asked to attend next meeting.

### 5.12.1 Pursuing Unpaid Rates

An email was provided to the FMG from the LGA in relation to a Courts Administration Authority query in relation to Council placing a freeze on pursuing rate payers for non-payment of Council rates. The Court has observed a significant decrease in Civil lodgements due to this and is seeking an ETA as to when Councils may begin lodging again for recovery of debts for such things as unpaid rates.

Rating and Valuation			
Action Items	Meeting	Responsible	Status
Adopting rate growth throughout the year rather than waiting until the end of the year.	24/04/20	Simon Zbierski	Discussed with RPSA

## 6. Treasurer's Report

A profit and loss statement to 31 March 2021 was provided for discussion. There are still a few outstanding accounts to be paid that are currently being pursued.

**Moved:** Clive Hempel  
**Seconded:** Rebecca Baines

**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 have been signed and to be submitted to NAB.

## 7. Correspondence

Nil – The Executive Committee agreed to remove this item from future agendas as correspondence is usually dealt with under Other Business.

## 8. Other Business

Committee Members provided feedback on their individual Council's proposed rate increases. Karishma will compile some figures based on the feedback and circulate them to the committee.

## 9. Confidential Discussion Items

Nil

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

## 10. Next Meeting

28 May 2021 via Zoom

## 11. Close

The meeting closed at 11:52am.

Standing and Future Items	Meeting	Frequency
Presentation from the Local Government Grants Commission	April	Annually
Sponsorship Proposal for the next financial year	April/May	Annually
AGM Matters and Recommendations: <ul style="list-style-type: none"><li>• Constitution Draft</li><li>• Membership Guidelines Draft for adoption</li><li>• Membership Fees Recommendation to AGM</li><li>• Honorary &amp; Life Member Nominations</li><li>• Auditor Approach Recommendation</li><li>• Executive Committee Nominations</li></ul>	June	Annually
<ul style="list-style-type: none"><li>• Davin Lambert – LGFA update</li><li>• Constitution Recommendation to AGM</li><li>• Auditor Appointment Recommendation to AGM</li><li>• Honorary &amp; Life Member Recommendation</li></ul>	July	Annually
<ul style="list-style-type: none"><li>• New Committee Members</li><li>• Workgroup allocations</li><li>• Proxy/Deputy Chairperson for each of the Workgroups and Executive Committee meetings</li><li>• Meeting dates for next 12 months</li><li>• Event registration fees for the financial year</li></ul>	September	Annually
<ul style="list-style-type: none"><li>• Buddy List</li></ul>	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](mailto:elizabeth.williams@alexandrina.sa.gov.au)

- Asset Management Workgroup Chairperson, Annette Martin: [amartin@charlessturt.sa.gov.au](mailto:amartin@charlessturt.sa.gov.au)
- Costing Principles Workgroup Chairperson, Alex Oulianoff: [aoulianoff@dcmtbarker.sa.gov.au](mailto:aoulianoff@dcmtbarker.sa.gov.au)
- Events & Membership Workgroup Chairperson, Elizabeth Williams: [elizabeth.williams@alexandrina.sa.gov.au](mailto:elizabeth.williams@alexandrina.sa.gov.au)
- Fees and Charges Workgroup Chairperson, Elizabeth Williams: [elizabeth.williams@alexandrina.sa.gov.au](mailto:elizabeth.williams@alexandrina.sa.gov.au)
- Financial Management Framework Workgroup Chairperson, Mark Lague: [mlague@barossa.sa.gov.au](mailto:mlague@barossa.sa.gov.au)
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- Long Term Financial Plan Workgroup Chairperson, Kate George: [kgeorge@salisbury.sa.gov.au](mailto:kgeorge@salisbury.sa.gov.au)
- Marketing & Communications Workgroup Chairperson, David Harman: [david.harman@marion.sa.gov.au](mailto:david.harman@marion.sa.gov.au)
- Planning Portal Contacts: Clive Hempel and Samantha Grieve: [chempel@mid-murray.sa.gov.au](mailto:chempel@mid-murray.sa.gov.au); [sgrieve@playford.sa.gov.au](mailto:sgrieve@playford.sa.gov.au)
- Rating and Valuation Workgroup Chairperson, Simon Zbierski: [szbierski@campbelltown.sa.gov.au](mailto:szbierski@campbelltown.sa.gov.au)