



MINUTES

Finance Committee

held at

Council Administration Centre
Committee Room
180 Mort Street, Lithgow

on

Tuesday 21 November 2023

at 5:00 PM

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The Chairperson declared the meeting open at 5:01 pm.

1. Acknowledgement of Country

The Mayor acknowledged Wiradjuri Elders past and present of the Wiradjuri nation - the original custodians of the land on which the Lithgow communities reside and extended respect to our neighbouring nations.

2. Present

Present: Councillor M Statham, Councillor S Lesslie, Councillor E Mahony, Councillor S Ring; Councillor A Bryce.

Officers: Ross Gurney - Director Finance and Governance, Jonathon Reid - Finance Services Manager, Sharni Channing - Management Accountant, Trinity Newton - Minute Taker.

3. Apologies

Apologies: Craig Butler – General Manager.

4. Declaration of Interest

The Mayor called for any declarations of interest.

There were no declarations of interest made.

5. Staff Reports

5.1. Investment Report October 2023

The Director Finance & Governance reported that while Council has total investments and cash of \$53,200,000, approximately \$51,850,000 of that amount is restricted (internally and externally). Therefore, those funds are not available for any purpose beyond that for which they have been restricted to.

The \$993K decrease in cash and investments is typical in the month of October due to lower cash receipts. Cash outflows continue to be managed to ensure that the timing of grant funding milestones matches the pace of works undertaken.

Council had sufficient cash and investments at 30 September 2023 to fund \$45.45M of externally restricted reserves and \$6.4M of internally restricted reserves.

ACTION / RECOMMENDATION

THAT:

1. Investments of \$53,200,000 (of which approximately \$51,850,000 is restricted) and cash of \$475,236 for the period ending 31 October 2023 be noted.
2. The enclosed certificate of the Responsible Accounting Officer be noted.
3. The commentary on cashflow and funding requirements for restricted reserves be noted.

MOVED: Councillor S Ring

SECONDED: Councillor S Lesslie

CARRIED

5.2. Policy 10.20 Leasing and Licencing - Categories

The Committee discussed Category B and Category C community use licences as defined in Policy 10.20.

The Committee agreed to defer Item 5.2 pending the provision of additional information and the attendance of the Property and Legal Services Officer at the next Committee meeting.

ACTION / RECOMMENDATION

THAT the Finance Committee defer this item to the first Finance Committee Meeting in the new year bringing:

1. Additional information concerning the number and type of leases on both Crown Land and community lands.
2. Clarification on Category C outlining what percentage of this income is levied as a fee.
3. Any licencing of reserves for nature based recreation.

MOVED: Councillor S Ring

SECONDED: Councillor E Mahony

CARRIED

5.3. Delegations Register

The Committee briefly discussed the Delegations Register report which will be presented to the 27 November Council meeting. Cr Ring will provide the Director Finance and Governance with further examples of Council Delegations Registers.

The Committee agreed to defer Item 5.3 pending the provision of additional information and a more detailed discussion at the next Committee meeting.

ACTION / RECOMMENDATION

THAT the Finance Committee defer this item until the first Finance Committee Meeting in the new year.

MOVED: Councillor S Ring

SECONDED: Councillor S Lesslie

CARRIED

5.4. 2023/24 Quarter One Budget Review

The Director Finance and Governance presented the key points included in the 2023/24 Quarter One Budget Review report.

The Director Finance & Governance has stated in the Quarterly Performance Report that Council's projected financial position at 30 June 2024 will be satisfactory, having regard to the original budget position.

The Director Finance & Governance stated that, if Quarter One total operating natural disaster claim income of \$14.846M is excluded, the 2023/24 projected budget consolidated operating result (before capital) is \$255K. This includes net (\$199K) of operational carryovers.

The Committee discussed the salary savings (\$420K). The 2023/24 salary savings target was based on recruitment trends (particularly delays in recruiting staff) at the time of budget development.

Staffing issues were discussed, and the Director of Finance and Governance outlined the difficulties filling vacant positions in the past several years.

Councillor Bryce left the meeting at 5:34pm.
Sharni Channing left the meeting at 5:34pm.

The total value of the Capital Works Program at the Quarter One review is \$52.042M. Review of the 2023/24 Capital Works Program is ongoing, and a number of projects are being reviewed for consideration by Council of budget adjustments at the Quarter Two review.

ACTION / RECOMMENDATION

THAT the Finance Committee note the 2023/24 Quarter One Budget Review which will be considered by Council at the 27 November 2023 Ordinary Meeting.

MOVED: Councillor S Ring

SECONDED: Councillor E Mahony

CARRIED

5.5. 2022/23 Financial Statements

The Director Finance and Governance presented the 2022/23 Financial Statements report which sets out the Annual Financial Statements reporting process.

ACTION / RECOMMENDATION

THAT the Finance Committee note that the audit of the 2022/23 financial statements has been completed.

MOVED: Councillor S Lesslie

SECONDED: Councillor E Mahony

CARRIED

5.6. 2023/24 SRV Program Update

The Committee requested clarification on key reasons for the SRV funding being unspent. The Director Finance & Governance stated that the key reason was due to the SRV decision being made by IPART very late and there was not sufficient time to plan. It is best to gain the maximum

value from the SRV expenditure, even if this requires placing funds in reserve for a larger program in 2024/25.

ACTION / RECOMMENDATION

THAT the Finance Committee note the update on progress towards achieving the outcomes of the 2023/24 Special Rate Variation expenditure program.

MOVED: Councillor E Mahony

SECONDED: Councillor S Lesslie

CARRIED

6. General Business

There were no general business matters raised.

7. Meeting Close

There being no further business the Chairperson declared the meeting closed at 5:47 pm.