



MINUTES

Finance Committee

held at

Council Administration Centre
Committee Room
180 Mort Street, Lithgow

on

Tuesday 18 June 2024

at 5:00 PM

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The Chairperson declared the meeting open at 5:00 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's communities reside and extended respect to our neighbouring nations.

2. Present

Present:

Councillor M Statham,
Councillor S Lesslie,
Councillor E Mahony,
Councillor S Ring.

Officers:

Craig Butler - General Manager
Ross Gurney - Director Finance & Governance
Jonathon Reid – Financial Services Manager
Shani Channing - Financial Accountant
Trinity Newton - Minutes
Sandra Politi - Property and Legal Services Officer

3. Apologies

Apologies were received from:

Councillor S McGhie
Councillor A Bryce

4. Declaration of Interest

There were no declarations of pecuniary interest made.

Procedural Motion

That Item 5.3 Policy 10.20 Leasing and Licencing be brought forward and dealt with at this point in the meeting.

MOVED: Councillor S Ring

SECONDED: Councillor S Lesslie

CARRIED

5. Staff Reports

5.3. Policy 10.20 Leasing and Licencing

It was noted that there are only a few properties included in Category B of the policy, there will be little impact on the budget or community.

The Committee discussed the availability of the financial assistance policy that is available for in cases of financial difficulty, this will give consistency to the overall process.

The Crown land minimum base rent is reviewed quarterly.

ACTION: The committee requested a future overview of commercial leases on Crown Lands that will give an understanding of the process.

A lease for Hassans Walls for events such as mountain bike riding, fun runs etc. would be beneficial as there is currently no clear process for the event holders.

This can be brought back to the appropriate forum regarding this matter. The procedures, fee structure etc are being addressed.

The Committee requested that the policy be reviewed to ensure that LCC are receiving appropriate recognition for these events locally? Are insurances in place for any incident or injury that may occur during these events.

Short term licences are issued for events..

ACTION / RECOMMENDATION

THAT the Finance Committee:

1. Note the report on Policy 10.20 Leasing and Licencing.
2. Note the Administration's recommended changes to Policy 10.20 which would be reported to the 22 July 2024 Council meeting to consider adoption.

MOVED: Councillor S Ring

SECONDED: Councillor S Lesslie

CARRIED

5.1. Investment Report May 2024

The Committee noted the Investment Report.

The Mayor queried the use of the Development Contributions reserve (\$2.1M balance) –what are the intentions for this fund?

- These will be utilised for the twelve month development contribution plan (Section 7.12) which was approved at the last Council meeting to be placed on exhibition.
- Land and buildings include the Land Bank which is being used for the Three Tree Hill housing development. It may also be used for the acquisition of other properties. The building reserve would be utilised for any admin building requirements following the office redesign assessment.

- Financial assistance grants – a reserve was created due to the upfront payment of the grant for the full year.

ACTION / RECOMMENDATION

THAT:

1. Investments of \$80,450,000 and cash of \$1,036,301 (of which approximately \$79M is restricted) for the period ending 31 May 2024 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. Zero Based Budgeting

The advantages and disadvantages of Zero Based Budgeting are outlined in the report and were discussed by the Committee.

The Committee had differing opinions on zero based budgeting.

Cr Mahony considered that this budgeting process was disruptive and had negative impacts.

Cr Ring thought that real costs are identified more effectively for each department with this process however the projects are better using other budgeting processes.

ACTION / RECOMMENDATION

THAT the Finance Committee do not support the zero based budgeting and noted the report.

MOVED: Councillor E Mahony

SECONDED: Councillor S Ring

CARRIED

5.3. Policy 10.20 Leasing and Licencing

This item was dealt with earlier in the meeting.

5.4. Local Government Remuneration Tribunal Determination 2024

This matter was deferred from the last council meeting and taken to the June Councillor Information Session.

Further context was included in the report outlining the committee meetings, weekend events etc Councillors attend, to give an indication of hours invested by Councillors.

The General Manager has estimated that the amount that Councillors are paid is less than that of the minimum wage within Australia.

ACTION / RECOMMENDATION

That the Finance Committee accept the report and note the recommendation proposed for the 24 June 2024 Council meeting:

THAT Council:

1. Set the remuneration in 2024/25 for Councillors (2023/24 is \$11,914).
2. Set the remuneration in 2024/25 for the Mayor (2023/24 is \$25,230).
3. Set the 2024/25 car lease payable by the Mayor (2023/24 is nil).

MOVED: Councillor S Lesslie

SECONDED: Councillor S Ring

CARRIED

5.5. Delivery Program 2022-2026 and Operational Plan 2024-2025

There have been quite a number of changes to the draft Capital Works Program.

With regard to natural disaster restoration works, contractors are ready to however, projects will be brought to Council for approval when the funding is approved.

Managers and Directors are closely monitoring their projects and the works that are able to be completed.

The election timing may also cause disruption to tender processes.

The stormwater renewal SRV fund allocation is proposed be placed in a reserve fund to ensure that funding is available when required. Cupro St project is funded, the Main & Calero Street project is separate and is to be determined if grant funding will be sought or if it will be funded from the SRV program. This will go to the new Council for a decision on how to progress this project.

Discussion was held with regard to the interment levy that the government is proposing to implement on Council. Council is against this new fee, however, it is planned to proceed.

ACTION / RECOMMENDATION

That the Finance Committee note the recommendation proposed for the 24 June 2024 Council meeting.

THAT Council:

1. Note that the 2024/25 Operational Plan has been updated to include actions identified in submissions from Round 1 of the community engagement for the 2024/25 operational plan.
2. Adopt the 2024/25 Draft Operational Plan, consisting of the following documents:

- Combined 2022/23 - 2025/26 Delivery Program and Draft 2024/25 Operational Plan;
 - The draft 2024/25 operational budget and Capital Works Program with the SRV Program included; and
 - Draft 2024/25 SRV Program.
3. Approve the changes to the 2024/25 operating budget and capital works program.
 4. Respond to the submissions received, providing a copy of the Council report.
 5. Note that the 2024/25 budget includes \$5.6M of savings and additional income strategies, to be implemented as part of the Financial Sustainability Plan.

MOVED: Councillor E Mahony

SECONDED: Councillor S Ring

CARRIED

5.6. Making of Annual Rates and Charges 2024/2025

The General Manager stated that this is a complex, technical report that has a large amount of legislated information contained within it.

The rationale was outlined for rate changes for Marrangaroo / Lithgow and the Parking Special Rate.

The Committee discussed Cr Ring`s opinion that the \$23 per year increase be applied to the entire LGA not just Lithgow Residential sub-category.

The Committee noted that there is still a rates harmonisation process to proceed in the coming years.

ACTION / RECOMMENDATION

That the Finance Committee note the recommendation proposed for the 24 June 2024 Council meeting.

THAT Council:

1. Adopt the maximum rate of interest payable on overdue rates and charges for the period 1 July 2024 to 30 June 2025 (inclusive) as 10.5% per annum.
2. Adopt the following Integrated Planning and Reporting (IPR) documents:
 - a) Fees & Charges 2024/25
 - b) Revenue Policy 2024/25
 - c) Rating Maps 2024/25
3. Endorse the NSW Government's Interment Service Levy to be placed on public exhibition for 28 days.
4. Declares a category and sub-category of ordinary rate for each proposed category and sub category set out in columns 2 and 3 of the Rates Categorisation Table in this Report on the corresponding basis set out in Column 4 of the table.
4. Make the Rates and Annual charges for the 2024/25 rating year as detailed in the 2024/25 Revenue Policy and as listed in the tables within this report.
5. Endorse the following changes to the rating structure from 1 July 2024:

- a) Include all Marrangaroo properties within the Residential Other category
- b) Cease levying the Parking Special Rate and absorb the notional income across the whole rating base

MOVED: Councillor S Ring

SECONDED: Councillor E Mahony

CARRIED

6. General Business

There was no general business raised.

7. Meeting Close

There being no further business the Chairperson declared the meeting closed at 5:51 pm.