



# MINUTES

Finance Committee Meeting

held at

Council Administration Centre  
Committee Room  
180 Mort Street, Lithgow

on

Monday 12 August 2019

at 4:30 pm

# ORDER OF BUSINESS

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<b>1. Present.....</b>	<b>3</b>
<b>2. Apologies .....</b>	<b>3</b>
<b>3. Declaration of Interest.....</b>	<b>3</b>
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<b>4.1. Legal Budget - Min. No. 19-153.....</b>	<b>3</b>
<b>4.2. Audit Action List .....</b>	<b>3</b>
<b>4.3. July Performance Reporting to OLG .....</b>	<b>4</b>
<b>4.4. 2019/20 Revenue Policy .....</b>	<b>4</b>
<b>4.5. Discussion Paper - Loan Borrowings - Min. No. 19-136 .....</b>	<b>5</b>
<b>4.6. August Council Meeting - Review of Finance &amp; Assets Reports .....</b>	<b>5</b>
<b>4.7. Investment Report July 2019 .....</b>	<b>6</b>
<b>5. General Business .....</b>	<b>6</b>
<b>6. Meeting Close .....</b>	<b>6</b>

The Chairperson declared the meeting open at 4:38 pm.

## **1. Present**

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Present: Councillor S Lesslie, Councillor S Ring, Councillor R Thompson

Officers: Andrew Muir (Acting General Manager), Ross Gurney (CFIO), Trinity Newton (Minutes)

## **2. Apologies**

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Councillor W McAndrew and Graeme Faulkner – General Manager

## **3. Declaration of Interest**

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There were no Declarations of Interest.

## **4. Staff Reports**

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### **4.1. Legal Budget - Min. No. 19-153**

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CFIO reviewed and the Committee discussed the report presented.

Cr Lesslie requested information on amounts paid to Mr Joseph Dalzell.

A/GM gave information in relation to procurement of a panel of Code of Conduct reviewers.

#### **ACTION / RECOMMENDATION**

THAT the legal budget report be noted.

**MOVED: Councillor S Ring**

**SECONDED: Councillor R Thompson**

**CARRIED: Unanimously**

### **4.2. Audit Action List**

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Cr Lesslie left the meeting at 4:47pm.

The Committee discussed the Audit Action List:

- Cr Ring requested an example of a business case document for a better understanding of the process.
  - Cr Ring queried a number of the internal audit actions:
    - Risk Management – the review of financial purchasing delegations has been completed.
    - Training – clarification of training needs.
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- Contractor Non-Compliance - ensuring consistency in managing any contractor non-compliance.
- Contract and Project Variations – clarified that the audit action relates to variations after tender approval.
- Cr Ring queried a number of the internal audit actions:
  - Re-instatement of the Audit, Risk and Improvement Committee (ARIC) and the Finance Committee’s role in covering the ARIC functions while the Committee is not convened.
  - Monthly reconciliations- clarification of audit action.
  - Daily banking reconciliation- clarification of audit action.
  - Review of journal entries - clarification of audit action.

The CFIO stated that there are a number of sector-wide audit actions relating to policies and controls.

#### **ACTION / RECOMMENDATION**

THAT progress towards completing 2019/20 audit actions be noted by the Committee.

**MOVED:** Councillor S Ring

**SECONDED:** Councillor R Thompson

**CARRIED:** Unanimously

#### **4.3. July Performance Reporting to OLG**

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The CFIO informed the committee that a request has been sent to the OLG in relation to cessation of monthly reporting. The OLG requested additional information on projected performance indicators for the General Fund. Council is awaiting further advice from the OLG.

#### **ACTION / RECOMMENDATION**

THAT the July Performance report to the OLG be noted by the Committee.

**MOVED:** Councillor S Ring

**SECONDED:** Councillor R Thompson

**CARRIED:** Unanimously

#### **4.4. 2019/20 Revenue Policy**

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The CFIO presented the 2019/20 final Operational Plan Revenue Policy.

A review of Council’s rating categories will be conducted in the 2019/20 year, including the rating of energy generation businesses. Rating of forestry lands was also discussed. There has been no update on this issue.

#### **ACTION / RECOMMENDATION**

THAT the 2019/20 Revenue Policy report be noted.

**MOVED:** Councillor R Thompson

**SECONDED:** Councillor S Ring

**CARRIED:** Unanimously

#### **4.5. Discussion Paper - Loan Borrowings - Min. No. 19-136**

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CFIO presented the discussion paper resulting from min. 19-136.

Discussion covered the following issues:

- Cullen Bullen Sewage Scheme – potential need for additional funding.
- The implications of the cost of borrowings and borrowing capacity.

Cr Ring asked the CFIO to review the format of the Loan Borrowings report.

#### **ACTION / RECOMMENDATION**

THAT the Discussion Paper on Loan Borrowings be noted.

**MOVED:** Councillor R Thompson

**SECONDED:** Councillor S Ring

**CARRIED:** Unanimously

#### **4.6. August Council Meeting - Review of Finance & Assets Reports**

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The Committee reviewed and discussed the following Finance and Assets Council reports.

- Carryovers / Revotes for Inclusion in the 2019/20 Budget – Cr Ring queried the revote requests for the Community Services Conference and Youth Forum. The CFIO will obtain additional information on these proposed events.
- Policy Review Policy 8.7 investment Policy
- Arts OutWest (report to be completed) – Cr Ring discussed the recommendations of the report.
- Policy Review Policy 1.4 Tendering Policy
- Tender Delegations Report
- Gifts and Benefits Statement of Business Ethics
- Referral of Financial Reports for External Audit.
- Review of Policy 8.6 Hardship Policy

#### **ACTION / RECOMMENDATION**

THAT the Committee note the recommendations included in the August Council Meeting Finance and Assets reports as listed above which will be considered by Council at the 26 August 2019 meeting.

**MOVED:** Councillor S Ring

**SECONDED:** Councillor R Thompson

**CARRIED:** Unanimously

#### **4.7. Investment Report July 2019**

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##### **ACTION / RECOMMENDATION**

##### **THAT**

1. Investments of \$27,930,000 and cash of \$749,670 for the period ending 31 July 2019 be noted.
2. The enclosed certificate of the Responsible Accounting Officer be noted.

**MOVED:** Councillor S Ring

**SECONDED:** Councillor R Thompson

**CARRIED:** Unanimously

#### **5. General Business**

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There was no General Business raised.

#### **6. Meeting Close**

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Next Meeting: Monday 9 September 2019 at 4:30 pm in the Committee Room.

There being no further business the Chairperson declared the meeting closed at 05:44 pm.