



MINUTES

Finance Committee

held at

Video/Phone Conference

on

Monday 11 May 2020

at 4:30 pm

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The Chairperson declared the meeting open at 4:30pm.

1. Present

Present: Councillor W McAndrew, Councillor S Ring, Councillor R Thompson

Officers: Craig Butler - General Manager, Ross Gurney - CFIO, Trinity Newton - Minutes

2. Apologies

All being present there were Nil Apologies.

3. Declaration of Interest

There were nil declarations of interest.

4. Staff Reports

4.1. Draft 2020/21 Budget & Capital Works Program

Report by Chief Financial and Information Officer

The CFIO stated that the draft 2020/21 budget will be presented to Council with a General Fund operating deficit (before capital) of only (\$75K). The consolidated operating result (before capital) is a surplus of \$216K. The draft budget has been impacted by the COVID-19 environment.

Lithgow Halloween needs to be removed from the draft operational business cases. The CFIO will distribute an updated draft business cases document.

The Committee discussed the draft 2020/21 capital works program and operating business cases which included:

- The WHS Safety Day;
- Three new positions proposed in the water and sewer directorate;
- Cyber Security Program Fees - security audit to test LCC's ability to cope with cyber attack;
- Conservation Management Plan - Lithgow Valley Pottery Site;
- Glanmire toilet block demolition;
- Gumnut Childcare facility upgrade;
- Eskbank House - \$165,000 project which is largely grant funded;
- List of priorities for the footpath construction program;
- Water mains renewal – plans for the \$750K budget;
- Discussion regarding how capital projects are tracking for 2019/20; some projects will be transferred to the 2020/21 capital program and there will be some carryovers; transferred projects include Lithgow Resource Recovery Centre and Cullen Bullen Sewage;
- Burton St pathway – Farmers Creek Masterplan works may be carried over due to closeness to end of financial year;
- Some positions in the draft budget are included for a first full year;
- One month extension from the OLG to endorse the 2020/21 Operational Plan – considered at the Council meeting in May for final adoption in July; and
- Information session to be scheduled for 18 May 2020 - to discuss the budget 2020/21.

ACTION / RECOMMENDATION

THAT the Committee note the information presented on the draft 2020/21 budget and the Delivery Program 2017/21 and Operational Plan 2020/21 report which will go to the 18 May Information Session and then be considered by Council at the May meeting.

MOVED: Councillor W McAndrew

SECONDED: Councillor S Ring

CARRIED: Unanimously

4.2. COVID-19 LG Economic Stimulus Package

Report by Chief Financial and Information Officer

Emergency Services Levy Funding - will be the key amount of stimulus that Council will initially receive.

After end of May, when instalment period is over, the impact on rates collections will be able to be assessed.

Cullen Bullen Sewage – 2020/21 loan – possibility of obtaining loan pricing from TCorp.

Late change to draft budget and factored in an increase but not to the extent of the increase that was received.

CFIO outlined the expected loss of revenue due to Covid 19 – for 2019/20, the budget impact is estimated at net \$138K.

ACTION / RECOMMENDATION

THAT the report on the COVID-19 local government economic stimulus package be noted by the Committee.

MOVED: Councillor W McAndrew

SECONDED: Councillor S Ring

CARRIED: Unanimously

4.3. FIN - 25/05/20 - Lidsdale Rating Sub-Categories

Report by Chief Financial & Information Officer

The Committee discussed the combined effects of the Lidsdale rating sub-category and the power generation rating sub-category. This item will be deferred until the June Council meeting.

ACTION / RECOMMENDATION

THAT this item be deferred until June 2020 Council Meeting

MOVED: Councillor S Ring

SECONDED: Councillor W McAndrew

CARRIED: Unanimously

PROCEDURAL MOTION

THAT Item 4.9 is moved to this point in the meeting.

MOVED: Councillor W McAndrew

SECONDED: Councillor S Ring

CARRIED: Unanimously

4.4. FIN - 25/05/20 - Bushfire Recovery Grants - Tree Removal Costs

Report by Chief Financial & Information Officer

The Committee discussed the funds budgeted for Tourism Projects.

ACTION / RECOMMENDATION

THAT Council:

1. Endorse the amended funding allocations listed in the table below for the \$1,416,667 bushfire recovery grant:

Category C NDRA Program of Works

Project	Budget	Actuals Ledger	Project Commitments	Variance
Bushfire Recovery Events	\$10,000	\$ 5,607	\$ -	\$ 4,393
Bushfire Recovery Coordinator	\$8,366	\$ 2,537	\$ -	\$ 5,829
Bushfire Recovery Community Support	\$65,000	\$ 35,273	\$ 26,442	\$ 3,285
Make safe - on-site sewer systems	\$0	\$ -	\$ -	\$ -
Removal of burnt out vehicles	\$0	\$ -	\$ -	\$ -
Clean-up Petra Ave Playgroup Facility, Clarence	\$16,210	\$ -	\$ -	\$ 16,210
Tree Removal - Private Property	\$900,249	\$ 855,945	\$ 44,304	\$ -
Stormwater clean-up	\$175	\$ 175	\$ -	\$ -
Total Expenses	\$ 1,000,000	899,537	70,746	29,717

Project	Budget
Tree Removal - Private Property	\$316,667
Tourism projects	\$50,000
Bushfire Recovery Community Initiatives	\$50,000
Total Expenses	\$ 416,667

2. Note that the Mayor has written to the local Federal MP, Andrew Gee, and the Coordinator of the National Bushfire Recovery Agency, Andrew Colvin, to request an additional grant payment of \$119,679 for the unfunded costs of tree removal on private property and for \$150K to remove the remaining dangerous trees at Zig Zag Railway.
3. Defer spending of Bushfire recovery funding on tourism until advice is received on the outcome of the request for an additional grant payment.

MOVED: Councillor S Ring

SECONDED: Councillor W McAndrew

CARRIED: Unanimously

4.5. Audit Action Lists

Report by Chief Financial and Information Officer

ACTION / RECOMMENDATION

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

MOVED: Councillor S Ring

SECONDED: Councillor W McAndrew

CARRIED: Unanimously

4.6. April 2020 Performance Reporting to OLG

Report by Chief Financial and Information Officer

ACTION / RECOMMENDATION

THAT the April 2020 Performance Report to the OLG be noted by the Committee. the Mayor invite Paul Toole to meet with the new General Manager and discuss the OLG ongoing reporting.

MOVED: Councillor W McAndrew

SECONDED: Councillor S Ring

CARRIED: Unanimously

4.7. Endorsement of Perpetual Mayoral Relief Fund

Report by Chief Financial and Information Officer

ACTION / RECOMMENDATION

THAT the Committee note the Australian Taxation Office's endorsement of Council's perpetual Mayoral Relief Fund as a deductible gift recipient fund. The fund may be activated at the time of a future State declared natural disaster.

MOVED: Councillor W McAndrew

SECONDED: Councillor S Ring

CARRIED: Unanimously

4.8. FIN - 25/05/2020 - Investment Report April 2020

Report by Chief Financial & Information Officer

ACTION / RECOMMENDATION

THAT

1. Investments of \$25,710,000 and cash of \$134,730 for the period ending 30 April 2020 be noted.
2. The enclosed certificate of the Responsible Accounting Officer be noted.

MOVED: Councillor S Ring

SECONDED: Councillor W McAndrew

CARRIED: Unanimously

4.9. Confidential - FIN - 25/05/20 - Submission - Rating Structure Review

Report by Chief Financial & Information Officer

Reason for Confidentiality

This report is **CONFIDENTIAL** in accordance with Section 10A(2) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following: -

- (d) commercial information of a confidential nature that would, if disclosed
 - (i) prejudice the commercial position of the person who supplied it, or
-

- (ii) confer a commercial advantage on a competitor of the council, or
- (iii) reveal a trade secret,

CFIO outlined the possible options and discussed the options with the Committee.

This will be discussed at the information session on Monday 18 May 2020.

ACTION / RECOMMENDATION

THAT Council consider the submission on the rating structure review after information is presented at the 18 May Information session.

MOVED: Councillor W McAndrew

SECONDED: Councillor R Thompson

CARRIED: Unanimously

5. General Business

CFIO tabled a late report regarding the Bushfire Community Resilience and Economic Recovery Fund which will be presented to the May Council meeting.

The report will be reviewed with the option to utilise some of the funding for removal of trees or alternatives to be able to move on these quickly.

6. Meeting Close

Next Meeting: Tuesday 9 June 2020 (due to June long weekend public holiday) at 4:30 pm in the Committee Room / Via Video Conference.

There being no further business the Chairperson declared the meeting closed at 5:57 pm.