



# **MINUTES OF THE MEETING OF THE FINANCE ADVISORY COMMITTEE**

commencing at 3.00pm on

**WEDNESDAY 14 FEBRUARY 2024**

Council Chambers, 11 Manning Street, KIAMA NSW 2533

**MINUTES OF THE  
FINANCE ADVISORY COMMITTEE  
HELD IN THE COUNCIL CHAMBERS, KIAMA,  
ON WEDNESDAY 14 FEBRUARY 2024 AT 3.05PM**

**PRESENT:** Graeme Gherashe (Chair), Anna-Leena Risku, Elizabeth Kelly, Mark Greaves, and Councillors Neil Reilly and Karen Renkema-Lang

**IN ATTENDANCE:** Chief Executive Officer – Jane Stroud  
Chief Operating Officer – Joe Gaudiosi  
Chief Financial Officer – Olena Tulubinska  
Special Projects Officer – Daryl Hagger

## **1 APOLOGIES**

Nil

## **2 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS**

The Chair declared the meeting open and acknowledged the traditional owners:

*“On behalf of those present, I would like to show my respect and acknowledge the traditional owners of the Land, of Elders past and present, on which this meeting takes place, and extend that respect to other Aboriginal and Torres Strait Islander people present.”*

## **RESIGNATION OF JIM THOMSON**

The Chair acknowledged the resignation of Jim Thomson from the committee due to health reasons. The Chair thanked Jim for the extensive contribution he made to the Finance Advisory Committee.

## **3 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

### **3.1 Finance Advisory Committee Meeting on 16 November 2023**

The Minutes of the Finance Advisory Committee meeting held on 16 November 2023 were received and accepted.

- An update on the Divestment Policy was requested including whether it had been adopted by Council.
- The COO advised it had not been to Council but an update on it was provided at the February 2024 Council meeting and it will be put to Council as part of the budget process in April 2024.
- Update minutes to reflect departure time for Anna-Leena Risku and questions asked in General Business earlier in the meeting.

## 4 DECLARATIONS OF INTEREST

Mark Greaves – A less than significant pecuniary interest as he is a personal shareholder of TechnologyOne. Intends to stay and vote.

## 5 FAC STANDARD REPORTS

### 5.1 Payroll Cycle

The Financial Advisory Committee reviewed the report and will provide feedback.

- It was noted that the pay period is not specified in the Award and that most Councils pay fortnightly.
- Special Projects Officer advised that there is a need to pay a week in advance when changing to a fortnight cycle as pays would otherwise be in arrears.

### 5.2 Terms of Reference for the Finance Advisory Committee

The Finance Advisory Committee approved the amended Terms of Reference for the Committee and the Terms of Reference will be submitted to Council for endorsement.

- Vacant Committee role will be advertised via Council website and social media channels.
- Applications will be received, reviewed and a recommendation made to Council.
- Following completion of the Performance Improvement Order the schedule of FAC briefings to Council would revert to 3 times per year as per the Terms of Reference.

### 5.3 Key financial matters update

The Finance Advisory Committee received and noted the updates provided on key financial matters.

### Short Term Rental Accommodation (STRA)

- CEO provided an update on her meeting with AirBnB.
- There is a review being undertaken under the office of the Minister for Housing, The Hon. Rose Jackson MLC, but terms of reference have not been finalised yet.
- There was a discussion about the ineffectiveness of compliance by AirBnB. AirBnB see it as a government issue.

- The Mayor and CEO also met with Byron Bay Council today.
- CEO will also request a meeting at LGNSW conference on this issue.
- Clr Renkema-Lang raised the issue regarding responsibility for regulating STRA and what is described by Dept of Planning as to Council's role.
- CEO advised it is the Dept of Fair Trading. Council is not involved in that aspect, but Council does keep a record of complaints.
- Council has a role in planning in terms of Development Application requirements.
- Council is also participating in a study with Sydney University on STRA.

The Chair thanked staff for the significant work that has been done on all financial reports and the comparison to two years ago.

### **Unrestricted cash position**

- Clr Renkema-Lang suggested there was value in an updated report on the cash flow similar to the three options that were presented in the Feb 2023 Council meeting.
- CEO advised this was outlined in the Long Term Financial Plan.
- Mark Greaves questioned whether the \$600,000 depreciation is a catch up figure and the CFO explained that the figures presented are based on an external valuation figure completed in 2022.

### **IPART Review**

- CEO outlined that other councils were in similar situations in regard to financial sustainability.
- The ability for NSW Councils to create levies etc is very limited compared to other states.
- CEO – As an example: Waste Services is a regulated industry that is governed at state level.
- Cr Renkema-Lang suggested that Council's financial challenges would benefit from an increase in Financial Grants back to 1% from the current 0.5%.
- The CEO advised this has been an ongoing issue for over 20 years at a State and National level.
- The CFO advised LTFP includes an option for SRV but need to look at where costs are being incurred before seeking SRV.
- Mapping of services against budget has been completed and will be distributed after the meeting. Former State adviser's presentation was used as the basis for the analysis.
- The CEO advised that operational savings will not be the solution to the financial challenges and needs to be in conjunction with asset divestment. This will restore a cash balance but not necessarily build the cash reserve in the first instance.
- The Chair questioned where does the Special Rate Variation (SRV) sit and the CEO advised that will be a decision for the new Council.
- Any SRV will take considerable consultation and extensive review of costs before this is considered as per the Performance Improvement Order.

## 8 CONFIDENTIAL REPORTS

This report was brought forward to 4pm.

### 8.1 Kiama Leisure Centre - Service Review

Galavizh Ahmadi Nia, Manager Community Hubs, presented to the committee.

### 8.2 Documents in support of item 8.1 Kiama Leisure Centre - service review

### 5.4 Quarterly Budget Review and Monthly Financial Statements December 2023

The Finance Advisory Committee noted the quarterly budget review statement for the quarter ending 31 December 2023 and the monthly financial statements for period ending December 2023.

- Mark Greaves questioned addressing the issue of asset divestment and the CEO advised that until the structural deficit issue is addressed, asset divestment needs to continue as part of overall strategy.
- The Chair asked what the operational and strategic plan for Blue Haven Terralong was following the Blue Haven Bonaira divestment. The COO explained that this piece of work is part of the remit to be undertaken.

### 5.5 Statement of Investments: January 2024

The Finance Advisory Committee noted the information relating to the Statement of Investments as at 31 January 2024.

## 6 REPORTS FOR INFORMATION

### Kiama Major Events Impact review

- The CEO outlined the work being done to review major events and the impact and return to the community.
- An economic health check has also been completed for January 2024 and a report can be provided to FAC.

The report was received and noted.

### PIO Report

The report was received and noted.

### FAC Action Tracker

The report was received and noted.

**Monthly Cashflow Forecast**

The report was received and noted.

**Overtime Analysis Report**

The report was received and noted.

**7 GENERAL BUSINESS**

Anna-Leena Risku expressed concern about the level of security of Dropbox. Noted and portal options are under review.

**6 CONFIDENTIAL REPORTS**

This report was dealt with earlier in the meeting.

**8.1 Kiama Leisure Centre - Service Review**

4pm

Galavizh Ahmadi Nia, Manager Community Hubs, presented to the committee.

**8.2 Documents in support of item 8.1 Kiama Leisure Centre - service review****7 CLOSURE**

There being no further business the meeting closed at 5.07pm.

These Minutes were confirmed at the Ordinary Meeting of Council held on 19 March  
2024



Chair