

# MINUTES

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## Finance and Governance Committee

Monday, 12 August 2019

6.00pm

Waratah Room

Ground Floor, Georges River Civic Centre

Hurstville



## Present

### Council Members

Councillor Vince Badalati (Chair), Councillor Stephen Agius (arrived at 6.06pm), Councillor Sam Elmir, Councillor Sandy Grekas, Councillor Con Hindi (arrived at 6.10pm), Councillor Rita Kastanias, Councillor Lou Konjarski, Councillor Nancy Liu, Councillor Colleen Symington and Councillor Warren Tegg.

### Council Staff

Director Business and Corporate Services - Mr David Tuxford, Director, Director Legal Services and General Council – Jenny Ware, Executive Manager, People and Culture – Fiona Campbell, Chief Financial Officer – Ms Danielle Parker, Manager, Head of Strategic Property - Bernard Morabito, Office of the General Manager - Ms Roxanne Thornton, Executive Assistant to Director Business and Corporate Services – Ms Nickie Paras.

### Opening

Councillor Badalati, opened the meeting at 6:05pm

### Acknowledgement of Country

Councillor Badalati acknowledged the traditional custodians of the land, the Biddegal people of the Eora Nation.

### Apologies/Leave of Absence

There were no apologies or requests for leave of absence.

### Notice of Webcasting

The Chairperson, Councillor Badalati advised staff and the public that the meeting is being recorded for minute-taking purposes and is also webcast live on Council's website, in accordance with Section 4 of Council's Code of Meeting Practice. This recording will be made available on Council's website.

### Disclosures of Interest

Councillor Badalati disclosed a Non-Significant Non-Pecuniary Interest in relation to Item **FIN051-19 - Advice on Costs and Status of Council's Court Proceedings - June 2019** (22 – 26 Montgomery Street, Kogarah), for the reason that he knows the Director of the Company. Councillor Badalati will leave the meeting during discussion and voting on this Item.

Councillor Elmir disclosed a Non-Significant Non-Pecuniary Interest in relation to Item **FIN051-19 - Advice on Costs and Status of Council's Court Proceedings - June 2019** (22 – 26 Montgomery Street, Kogarah and 111 Gungah Bay Road, Oatley), for the reason that he has known the Director of Icon Construction Group Pty Limited and W K Strong Pty Ltd for a number of years. He does not have any personal or professional dealings with them. Councillor Elmir will leave the meeting during discussion and voting on this Item.

Councillor Elmir disclosed a Non-Significant Non-Pecuniary Interest in relation to Item **FIN054-19 - Property Matter - Classification of Public Land - Lot 1 in DP1242704 - Part 12-22 Woniora Road Hurstville**, for the reason that he has known the Director for a number of years. He does not have any personal or professional dealings with him. Councillor Elmir will leave the meeting during discussion and voting on this Item.

Councillor Hindi disclosed a Non-Significant Non-Pecuniary Interest in relation to Item **FIN054-19 - Property Matter - Classification of Public Land - Lot 1 in DP1242704 - Part 12-22 Woniora Road Hurstville**, for the reason that he has met the Director of Icon Construction Group Pty Limited on a few occasions over the past few years. Councillor Hindi will leave the meeting during discussion and voting on this Item.

Councillor Konjarski disclosed a Non-Significant Non-Pecuniary Interest in relation to Item **FIN051-19 - Advice on Costs and Status of Council's Court Proceedings - June 2019** (22 – 26 Montgomery Street, Kogarah), for the reason that he knows the Director of Icon Construction Group Pty Ltd. Councillor Konjarski will leave the meeting during discussion and voting on this Item.

### **Public Forum**

There were no speakers registered.

### **Confirmation of Minutes of previous meetings**

#### **FINANCE AND GOVERNANCE COMMITTEE - 08 JULY 2019**

**Recommendation:** Councillor Elmir and Councillor Grekas

That the Minutes of the Finance and Governance Committee held on 08 July 2019, be confirmed.

#### **Record of Voting**

For the Motion: Unanimous

Note: Councillor Con Hindi arrived at the meeting at 6.10pm and therefore was not present for consideration and voting on the Confirmation of Minutes of previous meeting.

### **Committee Reports**

**FIN051-19 Advice on Costs and Status of Council's Court Proceedings - June 2019**  
(Report by Director Legal Services and General Counsel)

**Recommendation:** Councillor Grekas and Councillor Tegg

- (a) That the report "Advice on Costs and Status of Council's Court Proceedings – June 2019", with the exception of the matter relating to a new Class 1 matter (22 – 26 Montgomery Street, Kogarah, Applicant: Icon Construction Group Pty Limited, Proceedings No: 2019/204549), be received and noted.
- (b) That company extracts be provided to all Councillors for all matters included in all Advice on Costs and Status of Council's Court Proceedings reports to the Finance and Governance Standing Committee in the future.

#### **Record of Voting**

For the Motion: Unanimous

Note: Councillor Hindi left the meeting at 6.31pm.

Note: The Chair, Councillor Badalati, appointed Councillor Agius as Acting Chair for the period in which he would not be present in the meeting, having disclosed a Non-Significant Non-Pecuniary Interest in relation to Item **FIN051-19 - Advice on Costs and Status of Council's Court Proceedings - June 2019** (22 – 26 Montgomery Street, Kogarah). Councillor Badalati left the meeting, and Councillor Agius assumed the position of Chair, at 6.31pm.

Note: Councillor Elmir disclosed a Non-Significant Non-Pecuniary Interest in relation to Item **FIN051-19 - Advice on Costs and Status of Council's Court Proceedings - June 2019** (22 – 26 Montgomery Street, Kogarah). Councillor Elmir left the meeting at 6.31pm and did not participate in consideration or voting on Class 1 matter '22-26 Montgomery Street Kogarah, Proceedings No. 2019/204549.

Note: Councillor Konjarski disclosed a Non-Significant Non-Pecuniary Interest in relation to Item **FIN051-19 - Advice on Costs and Status of Council's Court Proceedings - June 2019** (22 – 26 Montgomery Street, Kogarah). Councillor Konjarski left the meeting at 6.31pm and did not participate in consideration or voting on Class 1 matter '22-26 Montgomery Street Kogarah, Proceedings No. 2019/204549.

Note: Councillor Hindi returned to the meeting at 6:31pm and participated in voting on item **FIN051-19 - Advice on Costs and Status of Council's Court Proceedings - June 2019** (22 – 26 Montgomery Street, Kogarah).

**Recommendation:** Councillor Hindi and Councillor Symington

That the Class 1 matter '22 – 26 Montgomery Street, Kogarah, Applicant: Icon Construction Group Pty Limited, Proceedings No: 2019/204549', contained within the report "Advice on Costs and Status of Council's Court Proceedings – June 2019", be received and noted.

### **Record of Voting**

For the Motion: Unanimous

Note: Councillor Badalati returned to the meeting and resumed the position of Chair at 6.33pm.

Note: Councillor Konjarski returned to the meeting at 6.33pm.

Note: Councillor Elmir returned to the meeting at 6.35pm.

**FIN052-19 Investment Report as at 30 June 2019**  
(Report by Senior Financial Accountant - Reporting)

**Recommendation:** Councillor Grekas and Councillor Kastanias

That Council receives and notes the contents of the Investment Report as at 30 June 2019.

### **Record of Voting**

For the Motion: Unanimous

**FIN053-19 Quarterly Commercial Property Portfolio Report**  
(Report by Strategic Property Specialist)

**Recommendation:** Councillor Hindi and Councillor Symington

That Council receives and notes the Quarterly Commercial Property Portfolio Report for the quarter ending 30 June 2019.

**Record of Voting**

For the Motion: Unanimous

**FIN054-19 Property Matter - Classification of Public Land - Lot 1 in DP1242704 - Part 12-22 Woniora Road Hurstville**  
(Report by Head of Strategic Property)

Note: Councillor Elmir disclosed a Non-Significant Non-Pecuniary interest in item **FIN054-19 Property Matter – Classification of Public Land – Lot 1 in DP1242704 – Part 12-22 Woniora Road Hurstville**. Councillor Elmir left the meeting at 6.38pm and did not participate in consideration or voting on this matter.

Note: Councillor Hindi disclosed a Non-Significant Non-Pecuniary interest in item **FIN054-19 Property Matter – Classification of Public Land – Lot 1 in DP1242704 – Part 12-22 Woniora Road Hurstville**. Councillor Hindi left the meeting at 6.38pm and did not participate in consideration or voting on this matter.

**Recommendation:** Councillor Tegg and Councillor Symington

That Council receives and notes the contents of this report and as no public submissions were received during the public exhibition period in relation to the classification of the public land at lot 1 in DP1242704 Part 12-22 Woniora Road Hurstville, the land is now classified as operational land as per Council resolution of 25 June 2019 (FIN046-19).

**Record of Voting**

For the Motion: Unanimous

Note: Councillor Elmir returned to the meeting at 6.38pm.

Note: Councillor Hindi returned to the meeting at 6.38pm.

**FIN055-19 2019/2020 Festive Period Annual Close-Down**  
(Report by Executive Manager, People and Culture)

**Recommendation:** Councillor Grekas and Councillor Hindi

- (a) That consistent with Council's adopted 2019/2020 Budget, Council implements the annual close-down period from Monday 23 December 2019 to Friday 3 January 2020 with Council's non-essential services and operations not being staffed during this close-down period.
- (b) That the General Manager provide sufficient staff for essential services in the areas of cleansing, street sweeping, regulatory services, call centre and information management technology to ensure management of urgent matters and the delivery of essential services to the community occurs.

- (c) That Council provide 3 additional annual leave days (grant days) to eligible staff in the festive period.

**Record of Voting**

For the Motion: Unanimous

**FIN056-19 Proposed Council Meeting Schedule - 2019/2020 and 2020/2021**  
(Report by Manager, Office of the General Manager)

**Recommendation:** Councillor Hindi and Councillor Kastanias

That Council endorse the Proposed Council Meeting Schedule for 2019/2020 and (part of) 2020/2021, as attached to this report.

**Record of Voting**

For the Motion: Unanimous

**FIN057-19 Rate Restructure Proposed Program**  
(Report by Chief Financial Officer)

Note: Councillor Elmir called for a Division of voting on this item. Councillor Symington seconded this call for a Division.

The Chair, Councillor Badalati called for a show of hands to indicate voting for each Councillor.

**Recommendation:** Councillor Elmir and Councillor Tegg

- (a) That Council endorse the 2020/2021 Rate Restructure Program, which includes the Community Engagement Framework and the proposed timeframe.
- (b) That the General Manager formally notify the Independent Pricing and Remuneration Tribunal (IPART) of Council's intention to cease using the former Hurstville City Council's and former Kogarah City Council's rating structures and special rate variations at the end of financial year 2019/2020, subject to IPART approval of Council's application on a harmonised minimum rate and a special rate variation.
- (c) That the General Manager formally notify IPART that following consideration of community engagement, Council's intention is to apply for a special rate variation (SRV) of 8.1% (plus the 2020/2021 rate peg) on Council's 2019/2020 general rate income base, in order to replace cessation of the former Hurstville City Council's SRV and to ensure Council's long term financial sustainability.
- (d) That the General Manager formally notify IPART that following consideration of community engagement, Council's intention is to apply for one of the following proposals:
  - a. Harmonised minimum rate of \$942.24 (plus the 2020/2021 rate peg amount) commencing in the 2020/2021 rating year, or
  - b. Harmonised minimum rate structure, as per the following categories/sub-categories:
    - i. Residential harmonised minimum rate of \$942.24 (plus the 2020/2021 rate peg amount) commencing in the 2020/2021 rating year

- ii. Business harmonised minimum rate of \$942.24 (plus the 2020/2021 rate peg amount) commencing in the 2020/2021 rating year
  - iii. Commercial/Strategic Centre sub-category harmonised minimum rate of \$1,100 commencing in the 2020/21 rating year.
- (e) That Council notify the Minister for Local Government that at this time it is not intending to participate in a rate path freeze extension, however, Council will formally reserve its right to opt into the rate path freeze extension should the outcome of the community consultation not enable Council to proceed with model 3 of the Georges River Council 2019/2020 to 2028/2029 Long Term Financial Plan and a harmonised minimum rate commencing in the 2020/2021 rating year.
- (f) That the General Manager provide a submission to the Office of Local Government on IPART's *Review of the Local Government Rating System, 2016*.

For the Motion: Councillors Agius, Badalati, Elmir, Grekas, Konjarski, Liu, Symington and Tegg

Against the Motion: Councillors Hindi (abstained) and Kastanias

### **Conclusion**

The Meeting was closed at 6:44pm

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Chairperson