

Gympie Regional Council General Meeting – 24 April 2024

Thank you for the people that could turn up Wednesday morning for the Gympie Regional Council meeting for the first general meeting with the newly elected councillors. It was good to see the majority of councillors sitting around the table demonstrated an interest in wanting to know more from council officers other than what was documented in the reports presented.

The meeting started with council staff refusing to place additional chairs for the excess number made available in the public gallery. This is contrary to previous meetings that we have been attending since January 2023 where council staff have been more than helpful in supplying the necessary number of chairs to allow the public to view the proceedings rather than having to sit in a back room and watch through a live stream. Council staff showed a definite behavioural change in the manner of the refusal and used the excuse of Work Health & Safety (WH&S) matters as to why the additional chairs being made available.

The matter raises concerns with this behaviour of council staff as the precedence has been set over several meetings where the WH&S concerns have not been raised. No evidence or reference to what the WH&S concerns were, leaves it open to the attendees that council is concerned with the number of people interested in what council is doing. I am sure that this will be raised with council over the coming weeks.

The agenda did not have an item listed regarding the fluoride petition that was tabled and discussed in the December 2023 meeting. The petition was tabled in the December 13 general meeting.

That meetings minutes identified that Council notes, as per section 8.0 of the Standing Orders, that this petition was received by Office of the Chief Executive Officer (CEO) on the 28 November 2023 and referred the matter to the CEO for consideration, with a report relating to action on this matter to be presented to a future meeting of Council.

Section 8.0 Gympie Regional Council - Standing Orders of meetings states;
8.6 Consultation will be undertaken with the relevant portfolio and/or divisional Councillor(s) in relation to the petition matter. Council will respond to the Principal Petitioner in relation to all petitions deemed valid **within two months** of the petition being received. All Councillors shall be provided with a copy of the response.

The CEO must have taken the petition as not being valid.

We the people have some questions for the CEO which were posted to the My Place Gympie Facebook page on Tuesday afternoon. In the matter of the petition tabled by the CEO in the December meeting we the ratepayers and residents of Gympie Regional Council area demand a response to the following questions.

1. What is the molecular form of the fluoride compound that is used in our water?
2. What is the origin of this compound?
3. Is this compound chemically pure?
4. Please provide the COA (Certificate of Analysis) for this fluoride compound?

5. What is the biological mechanism of action of this fluoride compound in the human body?

Following the post being put up identifying the CEO was in breach of his own Standing Orders, the lead petitioner being Marcel received a late telephone message Tuesday afternoon stating the person was the Gympie Regional Council Manager Water advising Marcel that they are holding a workshop in July with new councillors regarding the petition. This was later raised later within the report

Details of the meeting agenda are as follows:

SECTION 6: CORPORATE SERVICES

6.1 Nomination for Election of the Local Government Association of Queensland Policy Executive District Representative 2024-2028.

The Local Government Association of Queensland (LGAQ) in accordance with rule 5.4 of the Association's Constitution and rules, is calling for the election of District Representatives to the Association's Policy Executive for the period 2024 – 2028.

Mayor Hartwig has submitted his nomination and is seeking Council endorsement for the nomination. The below information has been provided by Mayor Hartwig.

Council endorsed Mayor Hartwig as Council nomination for election as District Representative to the Local Government Association of Queensland Policy Executive for the 2024-2028 term.

6.2 Local Disaster Management Group Membership

At Council's Post Election Meeting on 11 April 2024, Council resolved that Mayor Councillor Glen Hartwig as chairperson and Deputy Mayor Councillor Nadine Jensen as the deputy chairperson be appointed to the Gympie Regional Council Local Disaster Management Group (LDMG). This recommendation was based upon internal verbal advice provided to the Director Corporate Services that the Mayor and Deputy Mayor were to be appointed as Council's representatives on the LDMG.

To ensure the validity of the abovementioned recommendation which was based upon verbal advice, Council officers subsequently undertook a detailed review of the Queensland Disaster Management Legislative Framework which identified that neither the Mayor or Deputy Mayor need to be appointed to the LDMG but rather the chairperson and deputy chairperson of the LDMG are persons appointed by Council to the LDMG and that the chairperson must be a councillor of the local government.

Noting the above, the recommendation was tabled that Council could be best served by having the Mayor as the chairperson and the Councillor for Division 6, Cr Warren McEwan as the deputy chairperson of the LDMG to allow a representation across the spectrum of the region and ensure that balanced views of the impacts and consequences of local disaster events are presented at LDMG meetings.

With Cr McEwan's experience in the Rural Fire Services it good to see that someone with experience in emergency management is well placed to best represent the people.

6.3 Third Quarter Update - Operational Plan 2023-2024

The Operational Plan 2023-2024 outlines council's key priorities for the 2023-2024 financial year. The Operational Plan 2023-2024 been publicly available on Council's website since August 2023 at the below link:

<https://www.gympie.qld.gov.au/downloads/file/4609/operational-plan-2023-2024>

The Corporate Plan 2022-2027 was reviewed following the arrival of Chief Executive Officer (CEO) Mr Robert Jennings and minor amendments were adopted by the Council at its Ordinary Meeting on 27 September 2023 (M03/09/23). This Plan is available on Council's website at the below link: <https://www.gympie.qld.gov.au/downloads/file/4135/corporate-plan-2022-2027>

The Quarter Three Report highlights progress on each of the 32 key activities identified within the Operational Plan 2023-2024. It is noted that work is progressing against the Operational Plan 2023-2024 with the following items noted: Potential delays and 2023-2024 Achievements.

6.4 Audit and Risk Committee Report - February 2024

The internal audit program is undertaken by an external organisation under the parameters set by the Governance and Risk Committee.

Matters Discussed: 4.1 Finance Branch Update January 2024

The Finance Manager reported that the End of Year plan was well underway and staff across the organisation have been engaged to understand their responsibilities to ensure that council can complete the end of year financial statements before the legislated timeline of 31st October.

In respect to the unconstrained cash, the Committee noted that the council is currently operating at slightly below the benchmark. The Manager of Finance reported that her branch is developing tools to try to better understand the cash flow issues into the future to ensure council always maintains sufficient cash to meet its obligations.

One would need to question who sets the benchmark and under what parameters are those benchmarks set as identified in section 6.9 Quarterly Budget Review (pg 38 of 149) states The Operating Surplus Ratio now reflects operational deficit in the current budget year.

5.1 External Audit Report

The Committee noted that the QAO intends to focus on understanding councils work in progress balance as at the end of June to ensure that, as far as possible, asset capitalisation has been kept up to date.

6.1 Internal Audit Update

The Committee noted that there has been little progress in the last period, most likely due to the resignation of the Co-ordinator - Risk Management and Governance from council.

The completion of the procurement internal audit is incomplete with further information to be provided by the organisation. This report is expected for distribution for the next committee meeting in June.

7.1 Governance, Integrity and Risk Update

With the quadrennial election occurring in March, the Committee noted that an Induction Program has been developed and it is expected that all Councillors whether new or returning will participate in the program.

10.1 October CEO Update

The CEO highlighted concerns with workplace health and safety within the organisation and advised the Committee that work would be commencing on the development of a safety framework within the next few weeks. The CEO also expressed the view that there was room for considerable improvement with council's workplace health and safety processes.

6.5 Quarterly Questions Taken on Notice Report – Item 6.5 Attachment 1 (pg 124-126 of 149)

This section is supposed to be used to report responses to Minute No M05/09/22 in this report to present the questions and answers in relation to “Questions Taken on Notice” which have been reported back to Council between the period January to March 2024.

The most interesting part of this report is that it does **NOT** contain any item in reference in the meeting agenda and did not have an item listed in the **Quarterly questions taken on notice report – November 2023 – January 2024 Report** regarding the fluoride petition tabled and discussed in the December 2023 meeting.

Although not tabled as an agenda item for discussion and NOT listed in the abovementioned report, the council officer and Director made a hasty note to councillors that it was an item that needed to be reported to councillors and that council would be holding a workshop with councillors in July to discuss the petition.

This is following the earlier mentioned notification Marcel had only received the night before. It would appear that council is monitoring what we are keeping them to account. This is our role, to ensure council acts in the best interests of the people and NOT the Qld government demands.

6.6 Council Ordinary Meeting Action Report for Quarter Three - 2023/2024

The Quarterly Actions Report provides information on the implementation of Council’s formal decision making. Pending Action Items and new Action Items will be monitored over the next quarter.

6.7 Procurement Report April 2024

The report includes items endorsed by the Panel for procurement that exceed the financial delegation of the Chief Executive Officer. On the 21 November 2023, Council released an open public tender for the supply and servicing of twenty-four (24) light vehicles. Councillors voted to the recommendation that Council resolves to award the following separable portions (including vehicle servicing) of RFT2023-24.024 totalling \$1,430,190.87 (exclusive of GST), \$1,573,209.96 (inclusive of GST) to Pacific Gympie.

Cr Warne stated it was a good idea to standardise the fleet being all being DMAX (3.0Ltr vehicles) as it streamlines the fitting of lights and radio’s in the vehicles.

Council also agreed that the approved respondents be included on the Dry Plant Hire – Plant and Equipment Register of Pre-Qualified Supplies (Contract No 1144) for the Dry Hire of Plant and Equipment.

Council also committed to approve the variation to the contract for the cleaning of council’s corporate facilities at a value of \$58,512.30 (exclusive of GST), \$64,363.53 (Inclusive of GST) with this variation to increase the contract for the cleaning of Ordinary Meeting Agenda 24 April 2024 Page 33 of 149 council’s corporate facilities to a total of \$602,219.73 (exclusive of GST), \$664,441.70 (inclusive of GST) over 3 years.

6.8 QTC Credit Review

Queensland Treasury Corporation (QTC) undertakes Credit Reviews for all Queensland local governments on a regular basis. In addition to this and irrespective of a local government requesting additional borrowings or not, a more formal assessment, called a Credit Review, is performed on for all councils every 3 to 4 years.

The latest QTC Credit Review for Gympie Regional Council commenced in January 2024 and with the results of the review received by Council on 1 March 2024. The Credit Review confirmed Gympie Regional Council's credit rating as Moderate with the outlook improving from Developing to Neutral.

The Moderate rating is reflective of Council's low debt profile, adequate debt servicing capacity and sufficient liquidity. Divestment with the Rattler has contributed to the rating.

Cr Polley as the rating process from Moderate to Neutral, is that in a report. The council officer advised a report was received. Cr Polley asked if they can actually see the report? The council officer stated that it would be made available to councillors at a workshop next month.

6.9 Quarterly Budget Review

The 2023-24 Budget and Long-Term Financial Forecast 2024 to 2033 and the 2023-24 Capital Program incorporate the proposed budget adjustments outlined within this report. The reviews focus on a comparison of year-to-date actuals to year-to-date forecast positions, analysis of those variances with responsible budget managers with consideration of the ongoing impacts of the region's property boom and the current challenges in sourcing resources.

Recent analysis the 2023-24 capital program has resulted in an increase in forecast expenditure from \$111.96m to \$141.66m.

The interesting part in this report is that major adjustments proposed to be included in the 2023-24 Capital Program are the increased number of properties identified as part of the Voluntary Home Buy Back (VHBB) Program and escalation in the estimated costs to complete the Reconstruction of Essential Public Assets (REPA) as part of the recovery of the 2022 flood events. **Both of these items are 100% grant funded.**

Council's 2023-24 Capital Program will increase by \$29.7m from \$111.96m to \$141.66m. It is noted that this increase primarily relates to 100% externally funded projects with no increase in Council own funds required from the \$28,708,817 which was originally endorsed at budget adoption.

6.10 March 2024 Finance Report

This report and the attached Financial Reporting Package provide commentary on Council's financial results at 31 March 2024. At 31 March 2024, council was tracking well compared to the year-to-date budget with a net result of \$88.1m. Council net operating result at 31 March 2024 was a surplus of \$25.8m with the underlying operational result excluding extraordinary items being a surplus of \$28.8m.

It was of importance to note that the Manager and Director Finance Department failed to mention anything to the public that **the percentage of outstanding rates** at 31 March 2024 was **10.4%** compared to 8.56% for the same period in the prior financial year.

Considering that over the past 18 meetings there has consistently been questions from councillors to council officers about the increasing percentage of late payments. Council officers have stated on record that the average and acceptable rate of late payments should be between 2 – 3% of total rates NOTICES issued.

Council is completely ignoring the increasing number of home owners that are suffering due to continuous rate rises over the past 4 years in the Gympie region. Council is doing nothing to review the ever increasing budget that ratepayers are being forced to fund. It is time for councillors to reign in the spending spree council has been going on over the past 8 years to bring a halt to unnecessary spending. **Councillors needs to start educating the council staff, ratepayers, and residents, that unless council reviews its spending on what is needed and not what is wanted by, council, ratepayers, and residents the rate rises are inevitable on ratepayers.**

It should also be noted that Council's unrestricted cash balance of \$39.1m is now **slightly above the benchmark** for the Cash Expense Cover Ratio. This statement is reflective of the Director of Finance comments late last year when questioned by Cr Polley on the amount of cash being held if that is a concern. The Director of Finance at the time commented which was heard by the public gallery, that **it makes it hard for council to justify any rates rise with a high cash reserve.**

6.11 Quarterly Investment Report to 31 March 2024

The purpose of this report is to advise Council on the performance of its investment portfolio for the quarter ending 31 March 2024.

The following tables show the investment institution, credit rating and product type of council's investment portfolio at 31 March 2024

Table 1			
Institution	Amount \$	Percentage Holding	Credit Rating
QTC	109,828,936	99.55%	AA+
AusWide	250,000	0.23%	BBB+
Bendigo Bank	250,000	0.23%	A-
Total	110,328,936	100.00%	

Note: A late report was submitted that was not on the agenda regarding the update for the sewerage pump station number 1 tender. Discussion surrounded the concerns the mayor held regarding the decision by council officers to extend additional considerations to one tenderer as against giving the same opportunity to the other tenderers with regards to an option included that was not set out in the original tender.

The mayor questioned whether the same opportunity was extended to the other tenderers? The council officer stated that it was not. He stated that there was compelling argument to go with a replacement rather than upgrade of the sewerage treatment pump station.

The mayor stated still the question hadn't been answered with respect to the offer the other 7 tenderers. Council voted to go with the council officer's decision but requested that the tender process be reviewed to include this option for future and all new tenders. The CEO stated that council encourages contractors to think outside the square through invitation. The CEO stated council will review the tendering process to include potential for intellectual property to be protected.

SECTION 7: COMMUNITY SUSTAINABILITY

7.1 Community Grants Program 2023/24 - Round 2 funding recommendations

Note: Cr Jensen left the room due to a conflict of interest due to her husband being chair of the hall.

Council officers recommend funding 37 of the 53 eligible applications to a total of \$264,378.

7.2 Extension to Gatekeeping Transition arrangements T2016 -2017 - T012

Due to the nature of the tenders, Gatekeeping forms a separable portion of the Domestic Waste Tender, which was late to release (March 2024), and due to caretaker mode, this report was unable to be considered until now. The separable portion tender component for gatekeeping will inform the arrangement beyond the current contract.

The report notes that the current Gatekeeping contract held by Endeavour Foundation is satisfactory and there are no significant additional foreseeable risks associated with extending the contract to 30 November 2024. Council officers stated that an extension of the current contract will provide a preferable outcome for the tender release process, and subsequent award of the new domestic waste collection contract.

SECTION 8: INFRASTRUCTURE SERVICES

8.1 Proposed Renewal of Lease - Lease area 'J' on Lot 1 RP109088, Gympie Aerodrome, 20 Lobwein Road, Kybong

Pro-Sky Aviation Pty Ltd has been the Lessee of Hangar J at the Gympie Aerodrome since September 2015. This lease is due to expire on 13 May 2024. Pro-Sky Aviation Pty Ltd have expressed interest in continuing the agreement for another ten (10) years with similar terms and conditions as the current Lease.

The council officer stated that the rent under this Lease is currently in advance and always paid in a timely manner. All fees and charges in connection with the use of this hangar (such as landing charges) are paid promptly. The permitted use of "Aircraft Hangar, flying school and private aircraft hire" under the proposed Lease renewal aligns with the current approved building classifications (Class 5 and 7a).

Councillors approved the lease renewal for 10 years with an annual rental return of \$5,097.21 (excluding GST) per year plus annual CPI increase for Aircraft Hangar, flying school and private aircraft hire.

It was noted by those in attendance at the meeting that at that price it is a steal!!

This brought an end to the meeting for the public.

<https://www.gympie.qld.gov.au/.../2024-04-24-ordinary...>