

## 8.1 MAYORAL MINUTE – FINANCIAL SUSTAINABILITY AND GOVERNANCE ACCOUNTABILITY

**File No: 16.00197**

### **RECOMMENDATION:**

That Council:

1. Direct the General Manager to provide a comprehensive financial report, on the recent general fund deficit event.
2. Establish a temporary Financial Sustainability Committee comprising selected elected members and senior finance staff. The committee to comprise of the Mayor, Deputy Mayor and two other elected Councillors.
3. Refer the matter to the Audit Risk Improvement Committee (ARIC).
4. Note there will be a Confidential Mayoral minute added to this meeting – titled “Financial Sustainability and Governance Accountability (elected members only).”

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### **REPORT:**

Bathurst Regional Council faces significant financial challenges, highlighted by a second breach of legislative requirements through the inappropriate use of restricted financial reserves. This breach has resulted in the General Fund displaying a negative balance, a serious indicator of financial distress, impacting Council's immediate liquidity, operational stability, and community trust.

This breach signifies underlying structural budget issues, including persistent operating deficits and unsustainable financial management practices that, if not urgently addressed, could severely impact Council's ability to deliver essential services and maintain necessary infrastructure. Proposed actions at this time request the recommendations.

### **FINANCIAL IMPLICATIONS:**

The actions listed are a step in addressing Council's significant financial challenges.

### **BATHURST COMMUNITY STRATEGIC PLAN – OBJECTIVES AND STRATEGIES:**

#### **Objective 6: Community leadership and collaboration.**

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| Strategy 6.4 | Meet legislative and compliance requirements.                              |
| Strategy 6.6 | Manage our money and our assets to be sustainable now and into the future. |
| Strategy 6.8 | Implement opportunities for organisational improvement.                    |
| Strategy 6.9 | Progressive Local Leadership.  |

## **COMMUNITY ENGAGEMENT:**

01 **Inform** - to provide the public with balanced and objective information to help them understand the problem, alternatives, opportunities and/or solutions.

## **ATTACHMENTS:**

Nil