



MINUTES

Finance Committee

held at

Council Administration Centre
Committee Room
180 Mort Street, Lithgow

on

Tuesday 22 April 2025

at 4:00 PM

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1. Acknowledgement of Country

Lithgow City Council acknowledges Wiradjuri Elders past and present of the Wiradjuri nation - the original custodians of the land on which the Lithgow's communities reside. The Council also extends our respects to our neighbouring nations.

2. Present

Councillors
Mayor C Coleman
Deputy Mayor S Ring
Councillor T Evangelidis
Councillor E Mahony

Administration
Ross Gurney – General Manager
Vanessa Browning – Director Finance and Governance
Jonathon Reid – Finance Manager
Trinity Newton – Minutes

3. Apologies

All being present there were no apologies.

4. Declaration of Interest

There were no declarations of interest made.

5. Staff Reports

5.1. Update and further discussion on the draft 2025/26 budget.

An update was presented to the committee regarding the draft budget being put to the Ordinary Meeting of Council 28 April 2025.

There were significant difficulties encountered when balancing the budget. There will be meetings with Directors / Managers prior to the commencement of the financial year to develop measures to be ensure adequate cost saving measures and income generation opportunities to achieve the budget.

One of the measures built into the budget was the derecognition of RFS Red Fleet, which provided \$0.7M of operating expense savings. There will be an impact of this derecognition, with write down of assets unmatched by income, which is unable to be quantified for inclusion in the budget at this stage.

Like many councils, the increases in service expectations and the costs of services in a rate-pegged environment is creating a structural deficit requiring ongoing management. The SRV was to fund specific programs and did not address the underlying structural deficit.

A mixture of operating grants funding capital works and additional income generated from interest income earned on an advance payment under Disaster Recovery Funding Arrangements helped

get through the last financial year. This did not continue this year and adjustments to processes will be undertaken, with the aim of minimal service impacts, to achieve the draft budget.

To alleviate the structural deficit, the Financial Improvement Plan, including Service Reviews is a priority focus.

The draft budget achieves a balanced operating result which leaves no contingency for any financial or operational shocks.

Financial Performance Indicators - All results are pass in accordance with the OLG

The budget includes a proposed adjustment to the SRV program with road interventions begin transferred from maintenance to renewal. This assists with the operating result, optimises the spend on roads, and assists with addressing the \$88M sealed road backlog recently identified.

Director of Infrastructure and Economy will be presenting the benefits of this proposal to the next Infrastructure Committee. The committee requested that the impact on the condition of roads and what the non-SRV allocation to maintenance achieves. The Committee also requested an update on achieving a similar review of Council buildings, including addressing asbestos management.

The Committee discussed the opportunities of the roads program being developed to be available on the internet for the public. The Administration confirmed that this is the intention, and it is expected that this could be achieved within 12 months.

The Capital Works program was reviewed and outlined that it is primarily focused on completing Essential Public Asset Restoration projects (road and land slip repairs) funded from Disaster Recovery Funding Arrangements and the balance to complete needing to be funded from General Funds.

There were several high priority business cases not able to be funded within the draft budget. The unfunded business cases can form part of future quarterly reviews, if additional income or cost savings are generated. There have been grant applications made to address some of the business cases, the results of which are yet to be advised.

The Committee asked if some of the LEEP SRV funding could be reallocated towards some of these business cases. At this stage, due to the SRV requirements and the current adopted LEEP Transition Plan, this is not able to be undertaken.

An overview was provided regarding the proposed increases to Annual Charges, which are based on a cost recovery basis. The Committee requested that further analysis be brought to future meetings to gain an understanding these costs.

A request from Councillor Ticehurst regarding the funding for the Music in the Community program and the costs of the golf course maintenance. The Committee advised that this is to be discussed in the chamber for the consideration of all Councillors.

ACTION / RECOMMENDATION

1. THAT the committee receive and note the update on the 2025/2026 draft Budget.

MOVED: Councillor Ring

SECONDED: Councillor Mahony

CARRIED

5.2. Initial discussion on the draft Delegations Register.

An overview of the draft Delegations Register was presented to the Committee.

The Committee discussed the delegation regarding Cr Ring discussed point 12 on page 7 of the document that \$100k is not in the delivery/operational program. Would like point 12 removed and the council grant policy updated.

Cr Ring would like future works identified in the delivery and operational program when not approved in the original budget. These programs are then identified and can become part of council operations if a grant becomes available to fund the future works.

Discussion to give financial delegation to council committees to approve works over \$1m. To determine if that suggestion be included in the current version of councils policy which is due by September 2025 or the next iteration in 12 months.

Highlighted debt recovery delegation to management to a limit of \$10,000. This will allow minor debts to be written off without going to council for approval.

ACTION / RECOMMENDATION

THAT the draft delegations register be amended in line with the discussion held and brought back to the next Finance Committee Meeting.

MOVED: Councillor Mahony

SECONDED: Councillor Ring

CARRIED

6. General Business

Cr Mahony discussed the need to meet with Central Weeds Management regarding the increased costs

7. Meeting Close

There being no further business the Chairperson declared the meeting closed at 5:47pm