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# Quarterly Budget Review Statement Quarter ending 31 December 2023

*Responsible Officer: Group Manager Corporate and Commercial (Geoff Ward)*

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## Recommendation

That Council note the results presented in the Quarterly Budget Review Statement as at 31 December 2023 and authorise the variations to the amounts from those previously estimated.

## Background

The Integrated Planning and Reporting (IP&R) framework sets out minimum standards of reporting that will assist Council in adequately disclosing its overall financial position and to provide sufficient additional information to enable informed decision-making and enhance transparency.

The Quarterly Budget Review Statement (QBRs) is made up of a minimum of six key statements:

- (QBRs1) Statement by the Responsible Accounting Officer on Council's financial position
- (QBRs2) Budget Review Income and Expenses Statement
- (QBRs3) Budget Review Capital Budget
- (QBRs4) Budget Review Cash and Investments Position
- (QBRs5) Budget Review Contracts and Other Expenses
- (QBRs6) Budget Review Key Performance Indicators

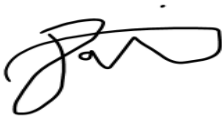
For the information of Council, the original 2023/24 budget was adopted on 21 June 2023 as part of the 2023/24 Operational plan and the 2023/27 Delivery program.

## Finance

### (QBRs1) Report by Responsible Accounting Officer

The following statement is made in accordance with clause 203(2) of the *Local Government (General) Regulation 2021*.

"It is my opinion that the Quarterly Budget Review Statement of Rous County Council for the quarter ended 31 December 2023 indicates that Council's projected financial position at 30 June 2024 will be satisfactory at year end, having regard to the projected estimates of income and expenditure, the original budgeted income and expenditure and Council's short-term liquidity position."



Jonathan Patino  
Responsible Accounting Officer

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## **Commentary on Proposed Adjustments – December 2023 (Table 1)**

The following table details proposed budget variations as compared to the original budget and quarterly adjustments. The tables that follow summarise the changes on a reporting unit basis. For reporting purposes, only changes over \$5,000 are individually referenced.

Revenue has increased by \$2.0M, operating expenditure has decreased by \$0.7M, capital expenditure has decreased by \$0.4M and loan drawdowns have been decreased by \$15.0M, resulting in an overall change of \$11.5M to be transferred from reserves.

### **Significant Adjustments**

#### **Capital Works Program**

Management have taken the QBRS as an opportunity to review the capital work program and the resources available to complete works. This remains an important focus with a complete review of proposed capital works to be undertaken as part of the annual budget process.

#### **Impact on Reserves as a Whole**

Despite significant savings being identified the removal of the loan drawdown will result in an decrease to our budgeted reserves, however, this means that Council will not be adding any new debt this financial year. The overall internal reserves policy position is still forecast to be met, along with the New South Wales Treasury Corporation loan covenant requirement to hold reserves that equal 6 months of the next financial year's operating expenditure less depreciation.

**(QBR2) Table 1: Summary of Proposed Changes Whole Organisation – December 2023**

BUDGET ITEMS	Original Budget 2023/24	2022/23 Carryovers	September	December	Ref	Projected Year End Result 2023/24
			30-Sep-23	31-Dec-23		
			Quarter	Quarter		
<b>Operating Income</b>						
Bulk	28,798,700	0	114,000	620,900	<b>BW1, BW2, BW3, BW4, BW5</b>	29,533,600
Retail	3,512,700	0	0	(153,500)	<b>RW1</b>	3,359,200
Flood	1,174,200	0	1,546,900	1,574,000	<b>FM1, FM2, FM3</b>	4,295,100
Weeds	1,722,200	0	0	0		1,722,200
Property	197,800	0	140,000	0		337,800
Fleet	126,100	0	0	0		126,100
<b>TOTAL OPERATING INCOME</b>	<b>35,531,700</b>	<b>0</b>	<b>1,800,900</b>	<b>2,041,400</b>		<b>39,374,000</b>
<b>Operating Expenses</b>						
Bulk	30,132,300	1,053,500	708,300	(1,017,300)	<b>BW4, BW6, BW7, BW8, BW9, BW10, BW11, BW12, BW13, BW14, BW15, BW16, BW17, BW18, BW19, BW20, BW28, BW29, BW30, BW31, BW32</b>	30,876,800
Retail	3,617,400	0	(8,500)	0		3,608,900
Flood	1,922,700	122,000	133,600	237,500	<b>FM3</b>	2,415,800
Weeds	2,667,100	113,500	13,300	0		2,793,900
Property	321,600	0	82,500	0		404,100
Fleet	129,400	0	(2,100)	105,000	<b>F1</b>	232,300
<b>TOTAL OPERATING EXPENSES</b>	<b>38,790,500</b>	<b>1,289,000</b>	<b>927,100</b>	<b>(674,800)</b>		<b>40,331,800</b>
<b>OPERATING RESULT</b>	<b>(3,258,800)</b>	<b>(1,289,000)</b>	<b>873,800</b>	<b>2,716,200</b>		<b>(957,800)</b>
Exclude Depreciation	8,305,100	0	0	0		8,305,100
<b>Cash Result</b>	<b>5,046,300</b>	<b>(1,289,000)</b>	<b>873,800</b>	<b>2,716,200</b>		<b>7,347,300</b>
Less: Capital Expense	26,611,600	4,564,500	(5,621,100)	(385,100)	<b>BW5, BW19, BW20, BW21, BW22, BW23, BW24, BW25, BW26, BW27, RW2, P1, F2</b>	25,169,900
Add: Loan Funds	15,000,000	0	0	(15,000,000)	<b>BW28</b>	0
Less: Loan Repayments	4,191,300	0	0	(365,900)	<b>BW28</b>	3,825,400
<b>Add: From/Less: (To) Reserve</b>	<b>10,756,600</b>	<b>5,853,500</b>	<b>(6,494,900)</b>	<b>11,532,800</b>		<b>21,648,000</b>
Estimated Cash Movement	0	0	0	0		0

## Budget Adjustments Required this Quarter

New / Existing	Description	Reporting Unit	Category	Ref	Adjustment Amount		Notes
					Current Budget (2023/24)	LTFP (2024/25-2032/33)	
New	Flood Insurance Claim	BULK	Operating Revenue	BW1	(150,000)	0	The second progress payment for flood damage has been received from Statewide Insurance. The related expenditure has already been incurred and included in the budget.
Existing	Interest on Investments	BULK	Operating Revenue	BW2	(250,000)	0	Increased rates of return currently offered on term deposits along with the higher than expected cash reserves have led to an increase in forecast interest on investments.
Existing	Water Loss Implementation Grant Funding	BULK	Operating Revenue	BW3	57,000	0	Grant funding from the Department of Planning and Environment of \$114,000 towards the Water Loss Implementation project was recognised in the September 2023 QBRs. However, \$57,000 of this had already been accrued in the 2022/23 financial year and, therefore, needs to be removed from the budgeted income for the 2023/24 financial year.
New	Grant Funding - Wilsons River Tidal Pool	BULK	Operating Revenue Operating Expenditure	BW4 BW4	(27,900) 27,900	0	Rous has been successful in obtaining grant funding for a project to revegetate and rehabilitate 675m of riparian length and 1.5ha of riparian and gully habitat fronting the Wilsons River Tidal Pool at Woodlawn, upstream of Lismore. This area is of high ecological importance and contributes to estuary health in the Richmond River catchment. The project includes subtropical rainforest plantings along the Wilsons River edge, with new stock-proof fencing, improved farm management and open woodland and wetlands plantings in the gully line. The project will be a demonstration of best practice methods for water quality protection within the Wilsons River Tidal Pool.
New	Wilsons River Water Main Crossing	BULK	Operating Revenue Capital Expenditure	BW5 BW5	(250,000) 250,000	(2,185,000) 2,185,000	Rous has been successful in obtaining a State Government grant under the Infrastructure Betterment Fund for the burial of an elevated water main crossing of the Wilsons River near Bexhill. Grant payments will be staged with 4 instalments over the current financial year and the 2024/25 and 2025/26 financial years. Some expenditure on planning will be incurred in the current financial year, with most of the construction to occur from May to July 2025. This project will be fully grant-funded.
New	Implementation of Enterprise Risk Management Framework	BULK	Operating Expenditure	BW6	60,000	0	Council staff have identified the need to implement an Enterprise Risk Management (ERM) Framework to comply with local government regulations. While, some of this work will be performed in-house, external consultants would be required for a Risk Culture Change Management Plan and Implementation Support, ERM Framework Design Assistance and Organisation Change Material Development. A budget of \$60,000 for consultants fees is requested for the 2023/24 financial year and any changes to future years forecasts will be assessed as part of the annual budget process.
New	Drought Communications & Engagement Officer Role	BULK	Operating Expenditure	BW7	35,000	0	Council staff have identified the need for a Drought Communications and Engagement Officer to manage effective delivery of the drought management plan to meet Council's legislated requirements and agreed levels of service. This position will be a 6-month contract and will coordinate the development and implementation of a broad range of internal and external communication services with a particular focus on the implementation of water restrictions across the region, should this be necessary.

New / Existing	Description	Reporting Unit	Category	Ref	Adjustment Amount		Notes
					Current Budget (2023/24)	LTFP (2024/25-2032/33)	
Existing	Payroll Support Officer	BULK	Operating Expenditure Operating Expenditure	BW8 BW8	(63,600) 63,600	0	The Payroll Support Officer role is currently being filled through labour hire on a 6-month term. Payroll processes are being assessed as part of the ongoing Digital Transformation project and, in the meantime, this resource is required to assist with payroll functions and provide cover for leave. The movement from salaries to contractors has an overall budget impact of nil.
Existing	Cultural Education Information Centre	BULK	Operating Expenditure	BW9	(74,000)	0	The 2023/24 budget includes a budget allocation of \$109,100 for the establishment of a new space in the shopfront area on Level 2 of the Molesworth Street administration building as an engagement space across Rous's respective service delivery areas. This space is also intended to provide further opportunity to deepen partnerships with local First Nations people and organisations as part of Council's Reconciliation Action Plan. This space is now operational as a cultural, environmental and information centre, consistent with the concept originally envisaged at the Visitor Information Centre building that was damaged in the floods of February and March 2022. Whilst operational and being well used by both Rous and community organisations, it remains a work in progress as there remain additional engagement tools to be finalised, as well as support for targeted engagement activities. The budget allocation was also intended to review and update Council's Reconciliation Action Plan. It is not anticipated that this work will be fully completed in the 2023/24 financial year and therefore \$74,000 can be returned to reserve. Any changes to future years forecasts will be assessed as part of the annual budget process.
New	Recruitment of Planning and Development Engineer	BULK	Operating Expenditure	BW10	18,800	0	The role of Planning and Development Engineer has been vacant for some time and has proved extremely difficult to fill. Council staff would like to engage a specialist recruiter to assist with filling this important role and are requesting a budget of \$18,800 for this purpose.
Existing	Mains Swabbing	BULK	Operating Expenditure	BW11	7,800	0	This project is complete but additional costs were incurred. This was caused by an unknown valve in the network resulting in a cleaning swab becoming lodged in a pipe and requiring additional internal staff and contractor labour and machinery to locate and remove it. Therefore, an additional \$7,800 is requested from the bulk water reserve.
Existing	Chemicals Expense	BULK	Operating Expenditure	BW12	580,000	0	There have been significant price increases for the chemicals used at the water treatment plants since the budget for the 2023/24 financial year was set. This includes high CO2 prices as the supplier is currently implementing a surcharge while sourcing from interstate and overseas. It is hoped that the high CO2 prices are temporary as the supplier is expecting to have a new processing facility operational mid-2024. In the meantime, a transfer of \$580,000 is requested from the bulk water reserve to cover the extra cost.
New	ELMO System Support	BULK	Operating Expenditure	BW13	5,000	0	The ELMO system is Council's Human Resources employee hub. Additional support is requested to deliver continuous improvement to workflows and functionality, further development of the system, improvement of processes and upskilling of team members across the system. A transfer of \$5,000 would be required from the bulk water reserve in the current financial year and any changes to future years forecasts will be assessed as part of the annual budget process

New / Existing	Description	Reporting Unit	Category	Ref	Adjustment Amount		Notes
					Current Budget (2023/24)	LTFP (2024/25-2032/33)	
New	Leadership and Culture Program	BULK	Operating Expenditure	BW14	70,000	0	This project would involve the engagement of a Leadership and Culture consultant to deliver a culture transformation program, including utilisation of the Human Synergistics tools. A transfer of \$70,000 would be required from the bulk water reserve in the current financial year.
New	Health and Wellbeing Initiatives	BULK	Operating Expenditure	BW15	10,000	0	The purpose of this project is to deliver relevant training programs and initiatives to support Council's Health and Wellbeing Strategy for the 2023/24 financial year, including Mental Health First Aid and Psychosocial Hazard training. A transfer of \$10,000 would be required from the bulk water reserve in the current financial year.
New	Change Management Consultant	BULK	Operating Expenditure	BW16	175,000	0	This resource is proposed to develop a change management framework, scoping and delivery for the Gallans Road relocation and the Digital Transformation project. A transfer of \$175,000 would be required from the bulk water reserve in the current financial year and any changes to future years forecasts will be assessed as part of the annual budget process.
Existing	Future Water Project - Secure Yield Assessment	BULK	Operating Expenditure	BW17	75,000	0	Additional costs are expected to be incurred in the Secure Yield Assessment part of the Future Water Project to enable updating of the source model in accordance with DPE modelling requirements, extraction of climate sequence information and additional secure yield modelling. Therefore, a transfer of \$75,000 is requested from the bulk water reserve.
Existing	Digital Transformation Project - Replacement of Payroll System	BULK	Capital Expenditure Capital Expenditure Operating Expenditure	BW18 BW18 BW18	(140,000) 140,000 15,000	(25,000) 25,000 0	As part of the Digital Transformation Project, the current PayGlobal payroll system is being replaced and Employee Self Service capability is being introduced. It is proposed to transfer \$140,000 from the Digital Transformation budget in the 2023/24 financial year and \$25,000 in the 2024/25 financial year to cover this expenditure, which has a nil effect on the budget. Additional operating expenditure of \$15,000 is required in the 2023/24 financial year and a transfer from the bulk water reserve is requested to cover this.
Existing	Future Water Project - Direct Potable Reuse Pilot Scheme	BULK	Capital Expenditure Operating Expenditure	BW19 BW19	(50,000) 15,000	0 0	Development of a Direct Potable Reuse Pilot Plant cannot be justified due to the significant costs associated with doing so and the limited ability to advance this option based on the current regulatory framework. Therefore, it is proposed to transfer \$15,000 of the budget to operating expenditure to cover costs incurred in reaching this point and return the balance of \$35,000 to the bulk water reserve.
Existing	Future Water Project - Project Management	BULK	Capital Expenditure Operating Expenditure	BW20 BW20	(800,000) 400,000	0 0	The approved capital budget for project management of the Future Water Project will not all be required in the current financial year. Therefore, it is proposed to return \$400,000 to the bulk water reserve. Council finance staff have advised that the remaining budget should be moved to operating expenditure as this cost can not be capitalised.
Existing	Future Water Project - Woodburn Bores	BULK	Capital Expenditure	BW21	(450,000)	450,000	Some of the work on this project planned for the current financial year will not be completed by June 2024. Therefore, \$450,000 of the budget should be deferred to the 2024/25 financial year.
Existing	Renewable Energy and Emissions Reduction Plan (REERP) - Nightcap Raw Water Pumps	BULK	Capital Expenditure	BW22	135,000	0	Council adopted the Renewable Energy and Emissions Reduction Plan (REERP) at the 18 October 2023 Council Meeting (49/23). This project is to install a further 100-kW system on the roof of the water reservoir next to the Nightcap Water Treatment Plant and investigate the potential of augmenting the system with a battery storage unit for capturing exports during the day; however, this project will be completed over the current 2023/24 financial year and the 2024/25 financial year. As such, 50% of the project budget is included in this year's budget, with the remainder to be included in Council's updated budget, which is due to be presented to Council at the March 2024 workshop.

New / Existing	Description	Reporting Unit	Category	Ref	Adjustment Amount		Notes
					Current Budget (2023/24)	LTFP (2024/25-2032/33)	
Existing	Ross Street 375 Upgrade	BULK	Capital Expenditure	BW23	28,400		0 This project is complete but was overbudget due to higher than estimated costs for steel pipes and extension of pipeline replacement alignment beyond road corridor to provide safe future operation. Therefore, an additional \$28,400 is requested from the bulk water reserve.
Existing	Drainage Work at Rocky Creek Dam Wall	BULK	Capital Expenditure	BW24	14,900		0 This project to repair flood damage near the Rocky Creek Dam wall will be overbudget as quotes from contractors were higher than expected. However, the work is essential and, therefore, an additional \$14,900 is requested from the bulk water reserve.
Existing	Debubblers for Turbidity Instruments	BULK	Capital Expenditure	BW25	6,600		0 This equipment was ordered in the 2022/23 financial year from the budget for turbidity instruments. However, due to supplier delays, it wasn't received and invoiced until the current financial year. Therefore, a transfer of \$6,600 is requested from the bulk water reserve to cover this extra cost.
Existing	Wilsons River Source Low Lift Pump Station	BULK	Capital Expenditure	BW26	90,000		0 As part of Council's engagement with PWA for the reinstatement of the Wilsons River Source Low Lift Pump Station, there are some items which we have been advised will not be funded by PWA. This includes an extension to the platform and an upgrade to the platform access stairs to an enclosed staircase. The platform extension would provide additional space to accommodate the Backblast vessel and allow periodic safe inspections and maintenance to be undertaken. The enclosed staircase will provide safe access to the platform for personnel, particularly if there is a need to carry tools and/or equipment from the ground to the platform (6 meters above ground level) where all platform equipment (switchboard, compressors, instruments, controls) is located. Often operators and/or trades are working alone and the existing access arrangement presents difficulty in extracting and rescuing, should this be necessary. A transfer of \$90,000 is requested from the bulk water reserve to fund this project.
Existing	St Helena 300 Upgrade	BULK	Capital Expenditure	BW27	(400,000)	400,000	A portion of the budget for this project was brought forward from the 2027/28 financial year to the current financial year to avail of expected savings to be made by aligning the installation of a planned section of the St Helena 450mm pipeline at Rankin Drive, Bangalow with planned work by a developer on the site. The developer is required to contribute to the cost of the work and is not in a position to do so at the moment. They are currently exploring other options to reduce costs as well as working through some other issues associated with their development application. Therefore, this work is not expected to commence this financial year and it is proposed to defer the \$400,000 budget from the 2023/24 financial year to the 2024/25 financial year.
Existing	External Borrowings	BULK	Loan Drawdowns Loan Repayments Operating Expenditure	BW28 BW28 BW28	15,000,000 (365,900) (1,050,000)		0 Original budget estimates indicated the need for a \$15M loan to fund capital works. 0 Council's Long-Term Financial Plan includes a significant level of capital works that is 0 to be partially funded through loan borrowings. Due to increased cash reserves from the previous financial year and budget savings that have been identified throughout the year, this is no longer required. Removing this loan from the budget reduces principal and interest repayments by \$1.4M.

New / Existing	Description	Reporting Unit	Category	Ref	Adjustment Amount		Notes
					Current Budget (2023/24)	LTFP (2024/25-2032/33)	
Existing	Backflow Device Fees	RETAIL	Operating Revenue	RW1	153,500		0 The installation of the backflow devices for retail customers has been delayed. While they will be installed by the end of the 2023/24 financial year, no income will now be received until the 2024/25 financial year.
New	North Lismore Water Filling Station	RETAIL	Capital Expenditure	RW2	40,000		0 Council staff propose to install a new water filling station in Lake Street, North Lismore to improve access to water for rural customers when the area experiences drier conditions. During the recent Nimbin water restrictions there were queues and delays of up to an hour at the South Lismore filling station and longer travel times for water carters to deliver water to Nimbin and surrounds, resulting in fewer loads able to be delivered each day. This station will better service customers north of Lismore and take pressure off the single existing station in South Lismore. Lismore City Council staff have approved the installation of the station on their network.
New	Grant Funding - Coraki Riparian Project	FLOOD	Operating Revenue	FM1	(40,000)		0 Rous has been successful in obtaining additional funding from the Department of Planning and Environment for the Coraki Riparian project under the Coastal & Estuary Implementation Program. This allows Rous to revise the project scope and location from Windsor Park to East Coraki Reserve. The expenditure for this extension to the project has already been included in the budget.
New	Flood Grant - West Coraki Levee Flood Grant - Bungawalbin East Levee	FLOOD	Capital Income Operating Revenue	FM2 FM2	(1,096,000) (200,500)		0 Two public assets located within the Richmond Valley Council area were damaged during the March/April 2021 flood event. These assets were the West Coraki Levee, which required a substantial capital works restoration to be completed, and the Bungawalbin Levee, which required some repairs. Works were completed to restore these assets to their pre-flood condition under the NSW Natural Disaster Funding and this funding has now been received.
New	Grant Funding - Bungawalbin Levee Rock Armour Repairs	FLOOD	Operating Revenue Operating Expenditure	FM3 FM3	(237,500) 237,500		0 The Bungawalbin Levee was damaged during the 2022 flood event, with the creek side of the levee slumping into the creek. Rous has been successful in obtaining funding under the Natural Disaster Relief Assistance Program to undertake investigations into the preferred reinstatement approach and undertake the repairs.
Existing	Perradenya	PROPERTY	Capital Expenditure	P1	500,000	(500,000)	Some expenditure on this project has been brought forward to the current financial year.
Existing	Fleet Operating Expenses	FLEET	Operating Expenditure	F1	105,000		0 The operating expenses for Council's fleet of vehicles are increasing due to increased fuel costs and the increased costs of repairs and maintenance for an aging fleet. Therefore, a transfer of \$105,000 is requested from the fleet reserve to fund this increased budget in the current financial year. It is expected that repair and maintenance costs would return to normal levels in future years as vehicle replacement returns to the usual schedule. However, fuel costs are not expected to decrease significantly. Any changes to future years forecasts will be assessed as part of the annual budget process. The internal hire charges as currently being assessed and any required adjustments will be made in the March 2024 QBRs.



New / Existing	Description	Reporting Unit	Category	Ref	Adjustment Amount		Notes
					Current Budget (2023/24)	LTFP (2024/25-2032/33)	
Existing	Vehicle Replacement	FLEET	Capital Expenditure	F2	250,000		0 Vehicle replacements fell behind schedule over the last few years due to the difficulty sourcing new vehicles and the prioritisation of replacing flood-damaged equipment. Vehicles are now becoming more readily available and the fleet team has begun to source vehicles more widely. Therefore, a transfer of \$250,000 is requested from the Fleet reserve to fund the additional replacement of vehicles in the 2023/24 financial year.
Existing	Budget Savings Identified Electricity Expense	BULK	Operating Expenditure	BW29	(1,000,000)		0 The increase in electricity contract rates has not had as significant an impact as originally expected. Council staff also budgeted for the cost of running the Wilsons River Source for the whole year which has not been the case. Therefore, there will be savings in the electricity budget and \$1,000,000 can be returned to the bulk water reserve in the current financial year. Any additional savings in future years will be assessed as part of the annual budget process.
	Waste Solids Disposal - Nightcap Water Treatment Plant	BULK	Operating Expenditure	BW30	(360,000)	(3,240,000)	0 Council have engaged contractors to remove the waste produced at the Nightcap Water Treatment Plant. Previous budget estimates for this activity were \$690,000 per annum; the revised cost is \$330,000 per annum allowing \$360,000 per annum to be returned to reserve.
	Employee Self Service Application	BULK	Operating Expenditure	BW31	(9,000)		0 The balance of this project is no longer required as it is now part of the Digital Transformation project. Therefore, the remaining budget of \$9,000 can be returned to reserves.
	Salary Savings - Planning and Development Engineer	BULK	Operating Expenditure	BW32	(18,800)		0 A portion of the salary budget has been saved through the role of Planning and Development Engineer being vacant and can be returned to reserves.
					<b>11,532,800</b>	<b>(2,890,000)</b>	

## Bulk Water Reporting Unit

### (QBR52) Income & Expenses - Bulk

	Original Budget 2023/24	2022/23 Carryovers	Approved Changes Sept Review	Recommend Changes for Council Resolution	Ref	Projected Year End Result 2023/24	Actual YTD
<b>Operating Income</b>							
Water Sales	21,796,700	0	0	0		21,796,700	10,924,700
Interest Income / Sundry	1,103,100	0	0	400,000	BW1, BW2	1,503,100	1,163,700
Property Income	20,800	0	0	0		20,800	10,600
Operating Grants and Contributions	1,507,100	0	114,000	220,900	BW3, BW4, BW5	1,842,000	71,400
Profit on Sale	0	0	0	0		0	0
Capital Income	4,371,000	0	0	0		4,371,000	1,936,600
<b>Total Operating Income</b>	<b>28,798,700</b>	<b>0</b>	<b>114,000</b>	<b>620,900</b>		<b>29,533,600</b>	<b>14,107,000</b>
<b>Operating Expense</b>							
Administration Expenses	755,500	0	20,000	0		775,500	708,000
Administration - Retail Water Cost	(2,041,000)	0	0	0		(2,041,000)	(1,005,500)
Finance Costs	2,259,300	0	0	(1,050,000)	BW28	1,209,300	592,300
Building/Depot Expenses	612,500	0	(17,600)	0		594,900	282,600
Fleet Hire Expense	629,000	0	16,400	0		645,400	323,000
Training & Staff	368,200	0	0	0		368,200	110,300
Insurance	385,700	0	26,000	0		411,700	365,500
Members Expenses	169,100	0	0	0		169,100	61,900
Salaries & Wages	9,040,400	0	101,500	(47,400)	BW7, BW8	9,094,500	4,259,300
Operations Purchases	11,244,500	1,053,500	562,000	80,100	BW4, BW6, BW8, BW9, BW10, BW11, BW12, BW13, BW14, BW15, BW16, BW17, BW18, BW19, BW20, BW29, BW30, BW31, RW3?	12,940,100	3,510,700
Depreciation	6,709,100	0	0	0		6,709,100	3,097,700
<b>Total Operating Expense</b>	<b>30,132,300</b>	<b>1,053,500</b>	<b>708,300</b>	<b>(1,017,300)</b>		<b>30,876,800</b>	<b>12,305,800</b>
<b>Operating Result</b>	<b>(1,333,600)</b>	<b>(1,053,500)</b>	<b>(594,300)</b>	<b>1,638,200</b>		<b>(1,343,200)</b>	<b>1,801,200</b>
Less: Depreciation	6,709,100	0	0	0		6,709,100	3,097,700
<b>Operating Result Excl. Non Cash</b>	<b>5,375,500</b>	<b>(1,053,500)</b>	<b>(594,300)</b>	<b>1,638,200</b>		<b>5,365,900</b>	<b>4,898,900</b>
Less: Capital Expenses	20,175,300	2,143,300	(3,820,100)	(1,175,100)	BW5, BW19, BW20, BW21, BW22, BW23, BW24, BW25, BW26, BW27	17,323,400	3,522,900
Add: Loan Funds	15,000,000	0	0	(15,000,000)	BW28	0	0
Less: Loan Repayments	4,191,300	0	0	(365,900)	BW28	3,825,400	1,885,000
<b>Transfer from/(to) Reserve</b>	<b>3,991,100</b>	<b>3,196,800</b>	<b>(3,225,800)</b>	<b>11,820,800</b>		<b>15,782,900</b>	<b>509,000</b>
Net Cash Movement	0	0	0	0		0	0

### Impact on Bulk Water Reserve

The required changes above will result in \$11,820,800 being transferred from the Bulk Water reserve in the 2023/24 financial year. The projected balance as at 30 June 2024 will decrease to \$12,994,900 which is short of the internal reserves policy target of 6 months operating expenditure or \$15,438,400.

## Retail Water Reporting Unit

### (QBR2) Income & Expenses - Retail

	Original Budget 2023/24	2022/23 Carryovers	Approved Changes Sept Review	Recommend Changes for Council Resolution	Ref	Projected Year End Result 2023/24	Actual YTD
<b>Operating Income</b>							
Water Sales	3,417,900	0	0	(153,500)	RW1	3,264,400	1,820,000
Interest Income / Sundry	79,800	0	0	0		79,800	11,200
Capital Income	15,000	0	0	0		15,000	4,700
<b>Total Operating Income</b>	<b>3,512,700</b>	<b>0</b>	<b>0</b>	<b>(153,500)</b>		<b>3,359,200</b>	<b>1,835,900</b>
<b>Operating Expense</b>							
Administration Expenses	2,282,100	0	0	0		2,282,100	1,113,900
Fleet Hire Expenses	91,400	0	0	0		91,400	45,700
Salaries and Wages	684,300	0	(8,500)	0		675,800	345,000
Operations Purchases	139,400	0	0	0		139,400	93,600
Depreciation and Amortisation	420,200	0	0	0		420,200	133,200
<b>Total Operating Expense</b>	<b>3,617,400</b>	<b>0</b>	<b>(8,500)</b>	<b>0</b>		<b>3,608,900</b>	<b>1,731,400</b>
<b>Operating Result</b>	<b>(104,700)</b>	<b>0</b>	<b>8,500</b>	<b>(153,500)</b>		<b>(249,700)</b>	<b>104,500</b>
Less Depreciation	420,200	0	0	0		420,200	133,200
<b>Operating Result Excl. Non Cash</b>	<b>315,500</b>	<b>0</b>	<b>8,500</b>	<b>(153,500)</b>		<b>170,500</b>	<b>237,700</b>
Less: Capital Expenses	3,591,600	1,024,200	0	40,000	RW2	4,655,800	1,342,600
<b>Transfer from/(to) Reserve</b>	<b>3,276,100</b>	<b>1,024,200</b>	<b>(8,500)</b>	<b>193,500</b>		<b>4,485,300</b>	<b>1,104,900</b>
Net Cash Movement	0	0	0	0		0	0

### Impact on Retail Water Reserve

These required changes above will result in a \$193,500 transfer from the Retail Water reserve in the 2023/24 financial year. The projected balance as at 30 June 2024 will decrease to \$225,000 which is short of the internal reserves policy target of 8 months operating expenditure or \$2,405,900. This includes a planned transfer of \$2,000,000 from Bulk Water reserves to fund the smart metering/backflow project.

## Flood Mitigation Reporting Unit

### (QBR2) Income & Expenses - Flood

	Original Budget 2023/24	2022/23 Carryovers	Approved Changes Sept Review	Recommend Changes for Council Resolution	Ref	Projected Year End Result 2023/24	Actual YTD
<b>Operating Income</b>							
Grants and Contributions	1,150,400	0	1,533,100	1,574,000	FM1, FM2, FM3	4,257,500	1,840,700
Interest Income / Sundry	23,800	0	13,800	0		37,600	22,800
Capital Income	0	0	0	0		0	0
<b>Total Operating Income</b>	<b>1,174,200</b>	<b>0</b>	<b>1,546,900</b>	<b>1,574,000</b>		<b>4,295,100</b>	<b>1,863,500</b>
<b>Operating Expense</b>							
Administration Expenses	216,400	0	0	0		216,400	107,300
Building/Depot Expenses	9,900	0	0	0		9,900	8,900
Fleet Hire Expenses	78,200	0	0	0		78,200	39,100
Insurance	4,700	0	1,500	0		6,200	6,200
Salaries and Wages	490,600	0	50,500	0		541,100	242,100
Operations Purchases	417,200	122,000	81,600	237,500	FM3	858,300	103,500
Depreciation and Amortisation	705,700	0	0	0		705,700	388,800
Loss on Sale	0	0	0	0		0	0
<b>Total Operating Expense</b>	<b>1,922,700</b>	<b>122,000</b>	<b>133,600</b>	<b>237,500</b>		<b>2,415,800</b>	<b>895,900</b>
<b>Operating Result</b>	<b>(748,500)</b>	<b>(122,000)</b>	<b>1,413,300</b>	<b>1,336,500</b>		<b>1,879,300</b>	<b>967,600</b>
Less Depreciation	705,700	0	0	0		705,700	388,800
<b>Operating Result Excl. Non Cash</b>	<b>(42,800)</b>	<b>(122,000)</b>	<b>1,413,300</b>	<b>1,336,500</b>		<b>2,585,000</b>	<b>1,356,400</b>
Less: Capital Expenses	156,400	1,368,000	59,000	0		1,583,400	86,400
<b>Transfer from/(to) Reserve</b>	<b>199,200</b>	<b>1,490,000</b>	<b>(1,354,300)</b>	<b>(1,336,500)</b>		<b>(1,001,600)</b>	<b>(1,270,000)</b>
Net Cash Movement	0	0	0	0		0	0

### Impact on Flood Mitigation Reserve

These required changes above will result in a \$52,600 transfer to the Flood Mitigation reserve in the 2023/24 financial year with the remainder being transferred back to Bulk Water reserves. The projected balance as at 30 June 2024 will increase to \$678,800 which is short of the internal reserves policy target of 5 months operating expenditure or \$1,006,600.

## Weed Biosecurity Reporting Unit

### (QBR2) Income & Expenses - Weeds

	Original Budget 2023/24	2022/23 Carryovers	Approved Changes Sept Review	Recommend Changes for Council Resolution	Ref	Projected Year End Result 2023/24	Actual YTD
<b>Operating Income</b>							
Grants and Contributions	1,640,000	0	0	0		1,640,000	430,800
Interest Income / Sundry	82,200	0	0	0		82,200	42,100
Capital Income	0	0	0	0		0	0
<b>Total Operating Income</b>	<b>1,722,200</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>1,722,200</b>	<b>472,900</b>
<b>Operating Expense</b>							
Administration Expenses	338,700	0	0	0		338,700	176,900
Building/Depot Expenses	13,900	0	0	0		13,900	8,200
Fleet Hire Expenses	232,000	0	0	0		232,000	116,400
Training & Staff	0	0	0	0		0	13,600
Salaries and Wages	1,457,400	54,500	13,300	0		1,525,200	766,700
Operations Purchases	594,100	59,000	0	0		653,100	104,400
Depreciation and Amortisation	31,000	0	0	0		31,000	15,800
<b>Total Operating Expense</b>	<b>2,667,100</b>	<b>113,500</b>	<b>13,300</b>	<b>0</b>		<b>2,793,900</b>	<b>1,202,000</b>
<b>Operating Result</b>	<b>(944,900)</b>	<b>(113,500)</b>	<b>(13,300)</b>	<b>0</b>		<b>(1,071,700)</b>	<b>(729,100)</b>
Less Depreciation	31,000	0	0	0		31,000	15,800
<b>Operating Result Excl. Non Cash</b>	<b>(913,900)</b>	<b>(113,500)</b>	<b>(13,300)</b>	<b>0</b>		<b>(1,040,700)</b>	<b>(713,300)</b>
Less: Capital Expenses	0	0	0	0		0	0
<b>Transfer from/(to) Reserve</b>	<b>913,900</b>	<b>113,500</b>	<b>13,300</b>	<b>0</b>		<b>1,040,700</b>	<b>713,300</b>
Net Cash Movement	0	0	0	0		0	0

### Impact on Weed Biosecurity Reserve

Nil for this quarter.

## Property Reporting Unit

### (QBR2) Income & Expenses - Property

	Original Budget 2023/24	2022/23 Carryovers	Approved Changes Sept Review	Recommend Changes for Council Resolution	Ref	Projected Year End Result 2023/24	Actual YTD
<b>Operating Income</b>							
Interest Income / Sundry	36,800	0	140,000	0		176,800	18,500
Property Income	161,000	0	0	0		161,000	95,000
Capital Income	0	0	0	0		0	0
<b>Total Operating Income</b>	<b>197,800</b>	<b>0</b>	<b>140,000</b>	<b>0</b>		<b>337,800</b>	<b>113,500</b>
<b>Operating Expense</b>							
Administration Expenses	53,200	0	0	0		53,200	26,800
Building/Depot Expenses	187,800	0	14,200	0		202,000	91,600
Salaries and Wages	11,100	0	68,300	0		79,400	42,000
Operations Purchases	26,300	0	0	0		26,300	14,200
Depreciation and Amortisation	43,200	0	0	0		43,200	24,600
<b>Total Operating Expense</b>	<b>321,600</b>	<b>0</b>	<b>82,500</b>	<b>0</b>		<b>404,100</b>	<b>199,200</b>
<b>Operating Result</b>	<b>(123,800)</b>	<b>0</b>	<b>57,500</b>	<b>0</b>		<b>(66,300)</b>	<b>(85,700)</b>
Less Depreciation	43,200	0	0	0		43,200	24,600
<b>Operating Result Excl. Non Cash</b>	<b>(80,600)</b>	<b>0</b>	<b>57,500</b>	<b>0</b>		<b>(23,100)</b>	<b>(61,100)</b>
Less: Capital Expenses	2,266,900	29,000	(1,860,000)	500,000	P1	935,900	151,500
<b>Transfer from/(to) Reserve</b>	<b>2,347,500</b>	<b>29,000</b>	<b>(1,917,500)</b>	<b>500,000</b>		<b>959,000</b>	<b>212,600</b>
Net Cash Movement	0	0	0	0		0	0

### Impact on Property Reserve

These required changes above will result in a \$500,000 transfer from the Property reserve in the 2023/24 financial year. The projected balance as at 30 June 2024 will decrease to \$646,500 which is beyond the internal reserves policy target of 6 months operating expenditure or \$202,000.

## Fleet Reporting Unit

### (QBR52) Income & Expenses - Fleet

	Original Budget 2023/24	2022/23 Carryovers	Approved Changes Sept Review	Recommend Changes for Council Resolution	Ref	Projected Year End Result 2023/24	Actual YTD
<b>Operating Income</b>							
Interest Income / Sundry	126,100	0	0	0		126,100	64,000
Capital Income	0	0	0	0		0	0
<b>Total Operating Income</b>	<b>126,100</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>126,100</b>	<b>64,000</b>
<b>Operating Expense</b>							
Fleet Operations	582,100	0	50,900	105,000	F1	738,000	298,900
Fleet Hire Income	(1,030,600)	0	(16,400)	0		(1,047,000)	(523,500)
Salaries and Wages	182,000	0	(36,600)	0		145,400	59,500
Depreciation and Amortisation	395,900	0	0	0		395,900	201,300
Loss on Sale	0	0	0	0		0	0
<b>Total Operating Expense</b>	<b>129,400</b>	<b>0</b>	<b>(2,100)</b>	<b>105,000</b>		<b>232,300</b>	<b>36,200</b>
<b>Operating Result</b>	<b>(3,300)</b>	<b>0</b>	<b>2,100</b>	<b>(105,000)</b>		<b>(106,200)</b>	<b>27,800</b>
Less Depreciation	395,900	0	0	0		395,900	201,300
<b>Operating Result Excl. Non Cash</b>	<b>392,600</b>	<b>0</b>	<b>2,100</b>	<b>(105,000)</b>		<b>289,700</b>	<b>229,100</b>
Less: Capital Expenses	421,400	0	0	250,000	F2	671,400	579,900
<b>Transfer from/(to) Reserve</b>	<b>28,800</b>	<b>0</b>	<b>(2,100)</b>	<b>355,000</b>		<b>381,700</b>	<b>350,800</b>
Net Cash Movement	0	0	0	0		0	0

### Impact on Fleet Reserve

These required changes above will result in a \$355,000 transfer from the Fleet reserve in the 2023/24 financial year. The projected balance as at 30 June 2024 will decrease to \$761,100 which is beyond the internal reserves policy target of 4 months operating expenditure or \$426,400.

**Budget Review for the Quarter Ended 31 December 2023**

**(QBR3) Capital Budget**

	Original Budget 2023/24	2022/23 Carryovers	Approved Changes Sept Review	Recommend Changes for Council Resolution	Ref	Projected Year End Result 2023/24	Actual YTD
<b>Capital Funding:</b>							
Capital Grants & Contributions	0	1,300,000	0	0		1,300,000	0
Internal Restrictions							
- Renewals	10,834,730	2,336,485	(867,000)	(925,100)		11,379,115	3,518,800
- New Assets	11,405,870	928,015	(4,754,100)	540,000		8,119,785	223,200
External Restrictions							
- Infrastructure	0	0	0	0		0	0
Other Capital Funding Sources							
- Operating Revenue	0	0	0	0		0	0
- S64 Contributions	4,371,000	0	0	0		4,371,000	1,941,300
Income from Sale of Assets							
- Plant and Equipment	0	0	0	0		0	0
- Land and Buildings	0	0	0	0		0	0
<b>Total Capital Funding</b>	<b>26,611,600</b>	<b>4,564,500</b>	<b>(5,621,100)</b>	<b>(385,100)</b>		<b>25,169,900</b>	<b>5,683,300</b>
<b>Capital Expenditure:</b>							
New Assets							
- Plant and Equipment	0	0	0	0		0	0
- Office Equipment	880,000	0	(70,000)	0		810,000	26,200
- Inventory (Land)	2,200,000	0	(2,000,000)	500,000	P1	700,000	67,800
- Land and Buildings	4,087,800	0	0	0		4,087,800	711,500
- Infrastructure	8,609,070	928,015	(2,684,100)	40,000	RW2	6,892,985	1,359,000
Renewals (Replacement)							
- Plant and Equipment	421,400	0	23,000	250,000	F2	694,400	579,200
- Office Equipment	543,700	0	(161,000)	0		382,700	143,000
- Land and Buildings	66,900	29,000	140,000	0		235,900	59,600
- Infrastructure	9,802,730	3,607,485	(869,000)	(1,175,100)	BW5, BW19, BW20, BW21, BW22, BW23, BW24, BW25, BW26, BW27	11,366,115	2,737,000
<b>Total Capital Expenditure</b>	<b>26,611,600</b>	<b>4,564,500</b>	<b>(5,621,100)</b>	<b>(385,100)</b>		<b>25,169,900</b>	<b>5,683,300</b>

**Impact on Capital Works Program**

The required adjustments above will result in a further reduction in capital works of \$385,100 being transferred to reserves reducing the total capital works program for 2023/24 to \$25,169,900. As at 30 September, \$5,683,300 or 22.57% of these works have been completed while another \$5,500,000 or 21.85% has been committed.



**Budget Review for the Quarter Ended 31 December 2023**

**(QBRs4) Cash & Investments**

	Opening Balances 2023/24	Original Budget 2023/24	2022/23 Carryovers	Approved Changes Sept Review	Recommend Changes for Council Resolution	Projected Year End Result 2023/24
<b>Unrestricted:</b>						
Flood Mitigation	99,000	0	0	0	0	99,000
Weeds Biosecurity	25,800	0	0	0	0	25,800
Retail Water	100,000	0	0	0	0	100,000
Property	100,000	0	0	0	0	100,000
Fleet	50,000	0	0	0	0	50,000
Bulk Water	2,354,000	0	0	0	0	2,354,000
<b>Total Unrestricted</b>	<b>2,728,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,728,800</b>
<b>Externally Restricted:</b>						
Flood Grants	416,800	(310,600)	0	23,000	0	129,200
Weeds Grants	771,500	(263,500)	0	0	0	508,000
Weeds Other	0	0	0	0	0	0
Bulk Water Grants	826,000	(826,000)	0	0	57,000	57,000
Bulk Water Other	2,740,900	(1,380,900)	0	0	0	1,360,000
<b>Total Externally Restricted</b>	<b>4,755,200</b>	<b>(2,781,000)</b>	<b>0</b>	<b>23,000</b>	<b>57,000</b>	<b>2,054,200</b>
<b>Internally Restricted:</b>						
Flood Mitigation	445,300	1,111,400	(1,490,000)	331,300	52,600	450,600
Weeds Biosecurity	1,060,700	(650,400)	(113,500)	(13,300)	0	283,500
Retail Water	2,610,300	(1,276,100)	(1,024,200)	8,500	(193,500)	125,000
Property	1,505,500	(1,347,500)	(29,000)	917,500	(500,000)	546,500
Fleet	1,092,800	(28,800)	0	2,100	(355,000)	711,100
Bulk Water						
- Buildings & Structures	66,200	0	0	0	0	66,200
- Assets & Programs	16,815,200	(5,784,200)	(3,196,800)	5,225,800	(10,458,900)	2,601,100
- Employee Leave Entitlement	2,393,300	0	0	0	0	2,393,300
- Electricity	2,610,500	0	0	0	0	2,610,500
- Office Equipment & Computer	1,403,600	0	0	0	0	1,403,600
- Greenhouse Gas Abatement	284,200	0	0	0	(135,000)	149,200
<b>Total Internally Restricted</b>	<b>30,287,600</b>	<b>(7,975,600)</b>	<b>(5,853,500)</b>	<b>6,471,900</b>	<b>(11,589,800)</b>	<b>11,340,600</b>
<b>Total Restricted</b>	<b>35,042,800</b>	<b>(10,756,600)</b>	<b>(5,853,500)</b>	<b>6,494,900</b>	<b>(11,532,800)</b>	<b>13,394,800</b>

**Investment and Cash Bank Statement**

The Responsible Accounting Officer certifies that all funds including those under restriction have been invested in accordance with section 625 of the *Local Government Act 1993*, clause 212 of the *Local Government (General) Regulation 2021* and Council's 'Investment' policy. Council's bank statement has been reconciled up to and including 31 December 2023.

**Reconciliation**

The YTD cash and investment figure reconciles to the actual balances held as follows:

	\$
Cash at Bank (as per bank statements)	6,806,174
Investments on Hand	28,500,000
<b>Reconciled Cash at Bank &amp; Investments</b>	<b>35,306,174</b>

A comparison of the actual cash and investment balance above of \$35,306,174 as at 31 December 2023 to the forecast cash and investment balance of \$16,123,600 as at 30 June 2024, indicates significant spending will need to occur before 30 June 2024 if all forecast works are to be completed.

## (QBR5) Contractors

Contractor	Contract Details & Purpose	Contract Value (\$) Excluding GST	Contract Date	Duration of Contract	Budgeted (Y/N)
Staplyton Resource Recovery (QLD) Pty Ltd.	Disposal of Water Treatment Plan Residual Waste.	70,909	13/10/2023	3 mths	Y
Hunter H2O Holdings Pty Ltd	Peer review of Emigrant Creek Dam safety review.	52,587	23/10/2023	7 mths	Y
Hunter H2O Holdings Pty Ltd	Strategic review of Emigrant Creek Dam	190,000	24/10/2023	11 mths	Y
Safegroup Automation Pty Ltd	Wilson River Pump Station Upgrade	60,000	27/10/2023	6 mths	Y
Net Communications Pty Ltd	IT Switches Upgrade	60,184	31/10/2023	3 mths	Y
ACS Equip Pty Ltd	Bore Retrieval Works - Lumley Park	70,000	3/11/2023	1 year	Y
Kingfisher Environmental Consultancy Pty Ltd	East Coraki Bush Regeneration	79,200	10/11/2023	3 years	Y
HARC Services Pty Ltd	Secure Yield Data Project at Dunoon Dam and Maron Creek Weir	50,430	22/11/2023	3 mths	Y
Brightsparkes Cleaning Service	Cleaning Contract for Molesworth Street, Wyrallah Road and Gallans Road Buildings	62,000	27/11/2023	8 mths	Y
Change2020 Pty Ltd	Project Management Office Services for Gallans Road Project	114,200	29/11/2023	18 mths	Y
GHD Pty Ltd	Tyagarah Ground Water Scheme Project	386,490	11/12/2023	14 mths	Y
O'Brien Electrical & Plumbing Lismore	Construct New Switch Room at Nightcap Water Treatment Plant	270,211	14/12/2023	5 mths	Y

**Note:** Minimum reporting level is 1% of estimated income from continuing operations or \$50,000 whichever is the lesser.

## (QBR5) Consultancy and Legal Expenses

### Definition of Consultant

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high-level specialist or professional advice to assist decision making by management. Generally, it is the advisory nature of the work that differentiates a consultant from other contractors.

Expense	Expenditure YTD \$	Budgeted (Y/N)
Consultancies	\$525,000	Y
Legal Fees	\$5,700	Y

**Comment:** All consultancies and legal expenses incurred to date are within budget allocations. All figures exclude GST.

Consultancies		
	Corporate & Commercial - RAP Advisory	39,500
	Corporate & Commercial - IT Strategy	11,100
	Corporate & Commercial - Revaluation of Land and Buildings	7,000
	People & Performance - International Womens Day Keynote Speaker	1,000
	Planning & Delivery – Coraki Riparian Project Revegetation	17,900
	Planning & Delivery – Dam Safety Management System	356,300
	Planning & Delivery – Modelling Connection Data	4,500
	Planning & Delivery - Renewable Energy Emissions Reduction Plan	3,000
	Future Water Project – Purified Recycled Water for Drinking Investigation	35,100
	Future Water Project – FWP 2060 - Emergency Desalination Investigation	49,600
Legal Fees		
	Easement Matters	5,100
	Legal Services - Lease Variation Molesworth Street	500
	Legal Services - Register Rous Business Name	100

## Statement of Expenses for Councillors

### Councillor Expenses for the Quarter Ending 31/12/2023 (Q2)

Quarter 2	Other Expenses	Official Business of Council - Travel	Official Business of Council - Professional Development/Training	Total by Councillor (Q2)
Councillor Bruem	0	0	3,500	3,500
Councillor Cadwallader	0	0	0	0
Councillor Gordon	0	0	0	0
Councillor Humphrys	0	0	0	0
Councillor Lyon	0	0	0	0
Councillor Mustow	0	0	0	0
Councillor Ndiaye	0	355	0	355
Councillor Rob	0	0	0	0
<b>Total Per Expense Type</b>	<b>0</b>	<b>355</b>	<b>3,500</b>	<b>3,855</b>


	Q1	Q2	Q3	Q4	Total by Councillor YTD
Councillor Bruem	0	3,500	0	0	3,500
Councillor Cadwallader	0	0	0	0	0
Councillor Gordon	0	0	0	0	0
Councillor Humphrys	0	0	0	0	0
Councillor Lyon	0	0	0	0	0
Councillor Mustow	0	0	0	0	0
Councillor Ndiaye	0	355	0	0	355
Councillor Rob	5,496	0	0	0	5,496
<b>Total Per Expense Type</b>	<b>5,496</b>	<b>3,855</b>	<b>0</b>	<b>0</b>	<b>9,350</b>


This information is provided in accordance with paragraph 6.2 of the *'Payment of Expenses and Provision of Facilities for Chairperson and Councillors'* policy.

## (QBR6) Key Performance Indicators

In assessing an organisation's financial position, there are several performance indicators that can assist to easily identify whether an organisation is financially sound. These indicators and their associated benchmarks, as stipulated by Office of Local Government, are set out below:

	# Performance Indicator		Flood	Weeds	Retail	Property	Fleet	Bulk	Consolidated (Whole Organisation)	Local Government Bench Mark
1	Operating Performance	2023/24 Budget Review	1,879,300	(1,071,700)	(264,700)	(66,300)	(106,200)	(5,714,200)	(5,343,800)	Surplus
		2022/23 Actual	(875,000)	22,000	(48,000)	(124,000)	127,000	158,000	(970,000)	
2	Current Ratio	2023/24 Budget Review	5.91	2.95	13.33	84.31	3.74	1.78	2.00	> 1.5
		2022/23 Actual	9.88	3.14	61.26	208.52	5.58	3.65	3.99	
3	Debt Service Cover Ratio	2023/24 Budget Review	-	-	-	-	-	0.44	0.83	> 2
		2022/23 Actual	-	-	-	-	-	1.57	1.71	
4	Own Source Operating Revenue Ratio	2023/24 Budget Review	1%	5%	100%	100%	100%	93%	78%	> 60%
		2022/23 Actual	0%	2%	100%	100%	100%	77%	74%	
5	Building and Infrastructure Renewals Ratio	2023/24 Budget Review	2.24 : 1	-	7.02 : 1	5.46 : 1	-	1.08 : 1	1.48 : 1	> 1:1
		2022/23 Actual	0.17 : 1	-	1.49 : 1	0.00 : 1	-	0.95 : 1	0.97 : 1	


 Projected result meets or exceeds benchmark.


 Projected result does not meet benchmark.

**(QBR6.2) Key Performance Indicators (including Capital Revenue)**

An alternative set of Key Performance Indicators is provided below. This is due to capital revenue from Section 64 Developer Contribution being the second highest revenue source for Council. These indicators differ from those that are stipulated by Office of Local Government.

	# Performance Indicator		Flood	Weeds	Retail	Property	Fleet	Bulk	Consolidated (Whole Organisation)	Local Government Bench Mark
1	Operating Performance	2023/24 Budget Review	1,879,300	(1,071,700)	(249,700)	(66,300)	(106,200)	(1,343,200)	(957,800)	Surplus
		2022/23 Actual	(875,000)	22,000	(48,000)	(124,000)	127,000	5,333,000	4,205,000	
2	Current Ratio	2023/24 Budget Review	5.91	2.95	13.33	84.31	3.74	1.78	2.00	> 1.5
		2022/23 Actual	9.88	3.14	61.26	208.52	5.58	3.65	3.99	
3	Debt Service Cover Ratio	2023/24 Budget Review	-	-	-	-	-	1.31	1.70	> 2
		2022/23 Actual	-	-	-	-	-	2.57	2.62	
4	Own Source Operating Revenue Ratio	2023/24 Budget Review	1%	5%	100%	100%	100%	94%	80%	> 60%
		2022/23 Actual	0%	2%	100%	100%	100%	77%	74%	
5	Building and Infrastructure Renewals Ratio	2023/24 Budget Review	2.24 : 1	-	7.02 : 1	5.46 : 1	-	1.08 : 1	1.48 : 1	> 1:1
		2022/23 Actual	0.17 : 1	-	1.49 : 1	0.00 : 1	-	0.95 : 1	0.97 : 1	

 Projected result meets or exceeds benchmark.

 Projected result does not meet benchmark.

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## **Key Performance Indicator Definitions**

Please note that comments relate to the consolidated financial indicators.

### **1. Operating Result Before Capital Contributions**

The operating result is the surplus or deficit that Council makes from normal operations (including depreciation) excluding expenditure on capital items. A surplus is a positive financial indicator.

### **2. Current Ratio Liquidity**

The current ratio measures Council's ability to pay existing liabilities in the next 12 months. A ratio greater than one is a positive financial indicator.

### **3. Debt Service Cover Ratio**

This ratio demonstrates the cost of servicing Council's annual debt obligations (loan repayments, both principal and interest) as a portion of available revenue from ordinary activities. A higher ratio is a positive financial indicator.

### **4. Own Source Operating Revenue Ratio**

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. A Council's financial flexibility improves the higher the level of its own source revenue. A higher ratio is a positive financial indicator.

### **5. Building and Infrastructure Renewal Ratio**

This ratio indicates the rate of renewal/replacement of existing assets against the depreciation of the same category of assets. A ratio greater than one is a positive financial indicator.

## Grant application information

This table provides information on grant applications that have been approved or submitted up to time of preparation of the QBRS. Any grants that may have been approved after that date or that have been applied for, will be covered in future reports. The details of new grants, including grants awaiting a determination, are provided below. A financial update on existing grants has also been provided.

*Note: all totals are GST exclusive*

Grant Name	Reporting Unit	Synopsals	Funding Body	Program	Project Length	Total Project Value	Grant Funding	Council Funding	Total Expenditure to Date	Balance of Approved Funds to Spend	Completed
<b>New Grant Applications Awaiting Outcome</b>											
Coastal Management Plan - Stage 2	Flood	Development of the Coastal Management Plan for the Richmond River Estuary - Stage 2	DPE	NSW Department of Planning and Environment Coastal and Estuaries Grants Program. 2:1 funding ratio and contributions from all councils in the Richmond River catchment will make this amount much more affordable.	36 mths	1,038,000	692,000	346,000			
<b>Active Grants</b>											
Water Quality Monitoring 2019-22	Flood	Richmond River water quality monitoring project	DPIE	Coastal & Estuary Grants Program	36 mths	199,768	99,884	99,884	29,333	170,435	
Flood Maintenance 2018-22	Flood	Fourth year of a four year grant. Each year Council approves spending on this project in excess of the required 1:2 (funding per the agreement \$169,200).	DPIE	Floodplain Management Grants Scheme	48 mths	676,800	84,600 p.a.	84,600 p.a.	660,726	16,074	
Coraki Riparian Project	Flood	Richmond River coastal riparian project at Coraki	DPIE	Fish Habitat Action Grant	12 mths	112,160	40,000	72,160	61,646	50,514	
Richmond and Wilsons Rivers NSW Flood Mitigation Planning	Flood	This planning project is anticipated to reduce the risk and improve resilience of the community to floods in the natural environment by conducting a comprehensive scan of strategic disaster risks and mitigation options for the Richmond River Catchment.	DISER	Preparing Australian Communities – Local Stream Program	3 years	250,000	250,000	-	1,485	248,515	
Natural Resource Management Flood Water Sustainability Project Grant	Water	Emergency Repairs Claim	Public Works Advisory	Northern Rivers March 2022 Flood/Water Sewerage Program	2 years	1,600,000	1,600,000	0	242,890	1,357,110	
Safe & Secure Water Program 2022-2024 (SSWP479) - Tranche 3	Water	Funding for Stage 1 of Rous County Council - FWP2060. Planning, Investigation and Design Project. DPE is funding 25% of the estimated actual project costs.	DPE	Rous Water Customers Water Security Program	15 mths (31.05.24)	8,037,600	2,009,400	0	631,471	1,377,929	
Local Water Utility Grants	Water	Regional Leakage Reduction Program – Local Water Utility Grants A maximum total amount of 114,025.00 (GST exclusive) payable in instalments. This is based on 2% of \$465,100.00 (total project costs). If total project costs are less than this, the payment will be adjusted accordingly.	DPIE	Regional Leakage Reduction Program	15 mths (31.05.24)	456,100	114,025	0	-	456,100	
Weeds Action Program 2020-25 (2024)	Weeds	Funding allocated annually	DPIE	North Coast Weeds Action Program 2020-25	12 mths	642,500	642,500	-	619,244	23,256	
North Coast Bushfire Recovery – Delivery of – W1 Tropical Soda Apple Landholder Engagement Project in the North Coast (5 years) - YR 2	Weeds	Tropical Soda Apple Landholder Engagement and Compliance Program – delivery of 210 property inspections	LLS & DPI	NSW Bushfire Recovery Stimulus	60 mths	236,000	214,000	22,000	166,000	61,146	
North Coast Bushfire Recovery – Delivery of – W1 Tropical Soda Apple Landholder Engagement Project in the North Coast (5 years) - YR 3	Weeds	Tropical Soda Apple Landholder Engagement and Compliance Program – delivery of 210 property inspections	LLS & DPI	NSW Bushfire Recovery Stimulus	60 mths	72,000	37,000	35,000	82,314	0	
Tropical Soda Apple (Riparian/High Risk Pathways)	Weeds	Tropical Soda Apple - strategic and ongoing control in high-risk pathways.	LLS	Small Grants Funding	8 mths	47,750	42,750	5,000	23,364	24,386	
Miconia 2022-2023	Weeds	Miconia weed surveillance and control services in Northern NSW	QLD DAF	Miconia Weed Surveillance 2022-2024	12 mths	99,000	99,000	0	47,783	51,217	
Early Needs Weed Management	Weeds	Early Needs Weed Management Project	LLS	Early Needs Weed Management Program	24 mths	710,000	710,000	0	491,410	218,590	
Priority Weeds Washdown Facility	Weeds	Funding to support essential programs and treatments of new incursions of prohibited weeds - Priority weeds washdown facility	DPI	2022-2023 New Weed Incursion - Priority Weeds Washdown Facility	12m	49,995	49,995	-	-	49,995	
Parthenium 2023	Weeds	Surveillance, control, site maintenance of high risk properties. Distribution of educational materials.	DPI	New Weed Incursion - Parthenium Weed (Parthenium hysterophorus) Response	12 mths	30,000	20,000	10,000	952	29,048	
Frogbit 2023	Weeds	Expand inspections areas, treatment of Frogbit infestation and follow up treatment	DPI	New Weed Incursion - Frogbit (Limnolobium laevigatum) Rapid Response	6 mths	30,000	20,000	10,000	13,099	16,901	
Tropical Soda Apple High Risk Pathways	Weeds	Next 12 months -Continue surveillance/control of the Tropical Soda apple in identified high risk pathways	DPI	Tropical Soda Apple High Risk Pathways	12 mths	32,000	30,000	2,000	52	31,948	
Coraki Riparian Project	Flood	East Coraki reserve coastal and estuary implementation program	DPI	2021-22 Coastal and Estuary Implementation Program	3 years	40,000	40,000	-	-	40,000	
Wilsons River Elevated Crossing Bexhill	Water	Grant - Bexhill Mains Elevated Crossing	DRNSW	Infrastructure Betterment Fund Department of Regional NSW	18 months (30.05.2025)	2,435,000	2,435,000	-	-	-	
Wilsons River Reach - Fish Habitat Action Grant 2023	Flood	Boat Harbour Riparian Repair Project	DPIE	Fish Habitat Action Grant	1 year	96,737	40,000	56,737	-	-	-

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**Legal**

In accordance with clause 203 of the *Local Government (General) Regulation 2021*, Council's financial position is satisfactory having regard to the original estimate of income and expenditure and Council's projected short-term liquidity position.

**Consultation**

This report was prepared in consultation with the General Manager and relevant staff.

**Conclusion**

In summary, all budget items other than those identified in the report have performed within the parameters set by Council in adopting the 2023/24 Operational Plan.

An update will be provided at a future Council meeting regarding a revision of the current internal reserves policy.