

### **1. Quarterly Budget Review Statement quarter ending 31 March 2023**

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The results presented in the QBRS were noted and variations were authorised to the amounts from those previously estimated. The following significant adjustments were noted:

– Capital Works Program

Our capital work program continues to be impacted by delays resulting from the floods and the availability of resources. The review of capital expenditure has been holistic, in that the impact to outer years has also been reviewed and funds have not automatically been transferred to future years.

– Impact on Reserves as a Whole

The required changes this quarter will provide a substantial increase to our budgeted reserves. Reserve balances continue to be closely monitored to ensure New South Wales Treasury Corporation loan covenant requirement to hold reserves of at least 6 months of the next financial year's operating expenditure less depreciation is met.

### **2. Public exhibition: Draft Operational plan (inc. 2023/24 Budget and 'Revenue' policy)**

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Council endorsed the draft Operational plan (incorporating the 2023/24 Budget and 'Revenue' policy) for public exhibition (*copy available for viewing/comment on our website - closing date and time for submissions is 4.30pm Thursday, 18 May 2023*).

Council noted that adjustments approved at the meeting as part of the March 2023 Quarterly Budget Review Statement report will be included in the exhibited Operational plan as appropriate.

If public submissions are made during the public exhibition period, a report will be furnished to Council's June 2023 meeting, including staff comment on how the submissions have been considered, for Council to determine a position on endorsement of the Operational plan (incorporating the 2023/24 Budget and 'Revenue' policy).

If no public submissions are made during the public exhibition period, the version of the draft Operational plan (incorporating the 2023/24 Budget and 'Revenue' policy) placed on public exhibition, is deemed to be adopted by Council.

### **3. Update on interim arrangements for the Lismore Levee Scheme**

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At a workshop in September 2022, Council received an update and introduction to matters relating to the Lismore Levee Scheme and other flood mitigation matters.

At the December 2022 meeting, Council received a report regarding a number of activities related to strategic options and management of risk in the flood mitigation area.

Council resolved to authorise the General Manager to negotiate an interim solution to effectively manage risk associated with Rous's function and operation in urban flood mitigation with respect to the Lismore Levee Scheme.

The work was to involve engaging with Lismore City Council to confirm a position on the treatment of matters such as asset renewal and strategic planning.

The target was to have an agreed position determined no later than 31 March 2023 to inform budget processes and for a report to be provided to Council's April 2023 meeting.

The General Manager and staff are continuing discussions with Lismore City Council staff. A workshop is being planned for relevant staff and General Managers from across both organisations to discuss and resolve positions with regard to the Lismore Levee Scheme. The workshop is proposed to be held before 30 June 2023.

The workshop will also consider the recent announcement under the Federal Government's Northern Rivers Resilience Initiative of \$30M in funding to Lismore City Council for the Levee Scheme.

#### 4. Information reports

##### i) Investments – March 2023

- The RBA cash rate is 3.6%. The 90-day average bank bill swap rate (BBSW) is 3.72%.
- Total funds invested is \$40,178,098. This includes term investments and cheque account balance.
- Weighted Average Return is 3.51%. This represents an increase of 48 basis points compared to the January 2023 result (3.03%) and is 21 basis points below Council's benchmark.
- Interest earned is \$123,780. Interest earned compared to the original budget is \$294,414 above the pro-rata budget.
- Cheque account balance is \$210,018.
- 'Weel' (credit card) account balance \$67,311.
- Ethical holdings is \$4,998,155 (12.44% of current holdings)

##### ii) Water production and consumption – March 2023

The table below is the March 2023 bulk water sales to the constituent councils in kilolitres compared to the corresponding March sales for 2022 and 2021.

Council	Mar 2021 (kL)	Mar 2022 (kL)	Mar 2023 (kL)	% of Total Sales
Ballina Shire Council	300,961	287,904	304,430	37.16%
Byron Shire Council	191,107	211,050	221,458	27.03%
Lismore City Council	252,099	332,331	242,286	29.57%
Richmond Valley Council	43,128	42,978	51,173	6.25%
<b>TOTAL MONTHLY CONSUMPTION BY CONSTITUENT COUNCILS</b>	<b>787,295</b>	<b>874,263</b>	<b>819,347</b>	

##### iii) Final update: Close out of Rous Cultural Environmental and Information Centre

Council previously resolved to terminate the lease from Lismore City Council for the premises at 207 Molesworth Street, Lismore (the former Rous Cultural, Environmental and Information Centre). Lismore City Council did not object to the lease termination. Refund of the bond was agreed to on 6 February 2023.

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Rous continues to support its vision for the former Rous Cultural, Environmental and Information Centre initiative through various activities aligned with the objectives of the Reconciliation Action Plan, and Communications and Engagement Strategy.

iv) Audit Risk and Improvement Committee – meeting update

Council received and noted the minutes from the Audit, Risk and Improvement Committee meeting of 27 February 2023.

v) Supply and installation of smart meters and installation of backflow prevention devices – Contract # RCC1022-0011

Smart Metering is being implemented to facilitate improved engagement and understanding by Council's retail water customers of their water consumption behaviours through provision of more timely information. This information will be available via a mobile App and web portal showing usage and alerts or alarms related to possible leaks.

The backflow prevention component is to protect the integrity of the water supply and the health and safety of water end-users. It involves installation of a testable backflow prevention devices at sites with 20mm, 25mm and 32mm service sizes, to reduce the risk of pathogen and/or chemical contamination to all customers from backflow, back siphonage and cross connections.

Council agreed to:

- Note the open Tender process that has been undertaken for this contract through an Expression of Interest (EOI) and then selective Tender submissions.
- Authorise the General Manager to enter negotiations with the preferred Tenderer Nucleus 3 Pty Ltd for the Supply and Installation of Smart Meters and the Installation of Backflow Prevention Devices, including software maintenance for a period of 5 years, to a maximum amount of \$2,866,239 (ex GST) for the Contract.
- Approve an additional amount of \$994,139 for the overall Smart Metering and Backflow Project budget to take the total Project budget to \$3,559,939.

vi) Report/actions pending

The report was received and noted.

## CONFIDENTIAL REPORTS

### **5. Supply and installation of smart meters and installation of backflow prevention devices – Contract # RCC1022-0011**

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Refer to information Item 4.v). above.

### **6. Gallans Road – Consolidation of workspaces**

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Council received and noted the report and agreed that, for the purposes of ss55 (3)(i) and 55(3)(n)(i) of the *Local Government Act 1993* and Reg 170A of the *Local Government (General) Regulation 2021*, endorse the procurement approach as described in the report, including the reimbursement of sub consultants fees as part of the Development Application process.

Council's business paper and draft meeting minutes can be found via the following link:  
<https://rous.nsw.gov.au/business-papers-and-meeting-minutes>