



# Meeting of Riverina Water County Council

The meeting will be held in the Riverina Water, Pat Brassil AM Meeting Room, 91 Hammond Ave, Wagga at 10:00 AM on Thursday 31 October 2024

# Meeting Agenda

## Live Streaming of Council Meetings

Riverina Water advises that Council meetings are live streamed on Council's website [www.riverinawater.nsw.gov.au](http://www.riverinawater.nsw.gov.au). Visitors in the public gallery are advised that their voice and/or image may form part of the webcast. By remaining in the public gallery it is assumed your consent is given in the event your image or voice is broadcast.

## Welcome to Country – Aunty Cheryl Penrith

## Apologies

## Declaration of pecuniary and non-pecuniary interests

## Confirmation of Minutes

**Minutes of Board Meeting 7 August 2024**

**Minutes of Extraordinary Board Meeting 29 August 2024**

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# R1 Oath or Affirmation of Office

## Organisational Area Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** Board members were recently elected by Wagga Wagga City Council, Lockhart Council, Greater Hume Council and Federation Council to be Members of the Board of Riverina Water County Council. All Board Members are required to take an oath of office or make an affirmation of office

**RECOMMENDATION** that it be noted that Board Members have taken an oath of office or made an affirmation of office in the presence of the Chief Executive Officer (CEO) in accordance with the provisions of the Section 233A of the Local Government Act 1993 (NSW).

## Report

It is advised that the Local Government Act, 1993 states:

1. A councillor must take an oath of office or make an affirmation of office at or before the first meeting of the council after the councillor is elected
2. The oath or affirmation may be taken or made before the CEO of the Council, an Australian legal practitioner or a Justice of the Peace and is to be in the following form:

### Oath

I, [Councillors name], swear that I will undertake the duties of the office of board member in the best interests of the people of Riverina Water County Council and Riverina Water and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993, or any other Act to the best of my ability and judgment.

### Affirmation

I, [Councillors name], solemnly and sincerely declare and affirm that I will undertake the duties of the office of councillor in the best interests of the people of Riverina Water County Council and Riverina Water and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment.

3. A councillor who fails, without a reasonable excuse, to take the oath of office or make an affirmation of office in accordance with this section is not entitled to attend a meeting as councillor (other than the first meeting of the council after the councillor is



elected to the office or a meeting at which the councillor takes the oath or makes the affirmation) until the Councillor has taken the oath or made the affirmation.

4. Any absence of a councillor from an ordinary meeting for the council that the councillor is not entitled to attend because of this section is taken to be an absence without prior leave of the council.
5. Failure to take an oath of office or make an affirmation of office does not affect the validity of anything done by a councillor in the exercise of the councillor's functions
6. The Chief Executive Officer must ensure that a record is kept of the taking of an oath or the making of an affirmation (whether in the minutes of the council meeting or otherwise)

Board Members will be provided with both the Oath and Affirmation at the meeting on the 31 October 2024 and be asked to undertake the same process they undertook as part of making an Oath or Affirmation at their constituent Council. Each Board Member will do so, individually.

### **Financial Implications**

The annual allowance payable to Board Members is provided for in the Delivery Plan and Operational Plan

### **Risk Considerations**

<b>Corporate Governance And Compliance</b>	
Avoid	Riverina Water will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

# R2 Election of Chairperson and Deputy Chairperson

**Organisational Area** Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** The purpose of this report is to facilitate the election of the Chairperson and Deputy Chairperson. In the case of Riverina Water County Council, the Chairperson and Deputy Chairperson are elected by the members from among the members.

**RECOMMENDATION** that the Board conduct the election of the Chairperson and Deputy Chairperson by the voting method determined by the Board for the period from October 2024 to October 2026.

## Report

The purpose of this report is to facilitate the election of the Chairperson and Deputy Chairperson. In the case of the Riverina Water, the Chairperson is elected by the members from among the members.

Section 391 of the Local Government Act 1993 (the Act) requires Riverina Water to have a Chairperson who is elected in accordance with the provisions of the Act.

The Councillor elected as Chairperson at this meeting will hold that office for a period of 2 years. In October 2026, an election for Chairperson and Deputy Chairperson will be held for a further 2 year period concluding in September 2028.

### **Election of the Chairperson – October 2024 to October 2026**

The procedure to be followed for the election of Chairperson is outlined in Schedule 8 of the Local Government (General) Regulation 2005, and is reproduced here under:

#### **Part 1 – Preliminary**

##### **2. Returning Officer**

Board members are advised that in accordance with Schedule 8 Part 1(2) of the Local Government (General) Regulations 2005, the Chief Executive Officer, Mr. Andrew Crakanthorp is the returning officer for the election of Chairperson and Deputy Chairperson.

##### **4. Nomination**

(1) A member of a county council may be nominated without notice for election as chairperson of the county council.

(2) The nomination is to be made in writing by 2 or more members of the county council (one of whom may be the nominee). The nomination is not valid unless the nominee has indicated consent to the nomination in writing.

(3) The nomination is to be delivered or sent to the returning officer.

(4) The returning officer is to announce the names of the nominees at the county council meeting at which the election is to be held.

## 5. Election

(1) If only one member of the county council is nominated, that member is elected.

(2) If more than one member is nominated, the county council is to resolve whether the election is to proceed by preferential ballot, by ordinary ballot or by open voting.

(3) the election is to be held at the county council meeting at which the county council resolves on the method of voting.

(4) In this clause:

**ballot** has its normal meaning of secret ballot.

**open voting** means voting by a show of hands or similar means

## Part 2 – Ordinary ballot or open voting

### 6. Application of Part

This part applies if the election proceeds by ordinary ballot or by open voting.

### 7. Marking of ballot-papers

(1) If the election proceeds by ordinary ballot, the returning officer is to decide the manner in which votes are to be marked on the ballot-papers.

(2) The formality of a ballot-paper under this Part must be determined in accordance with clause 345 (1) (b) and (c) and (5) of this Regulation as if it were a ballot-paper referred to in that clause.

(3) An informal ballot-paper must be rejected at the count.

### 8. Count – 2 Candidates

(1) At such a ballot, if there are only 2 candidates, the candidate with the higher number of votes is to be declared elected.

(2) If there are only 2 candidates and they are tied, the one to be declared elected is to be chosen by lot.

### 9. Count – 3 or more Candidates

(1) At such a ballot, if there are 3 or more candidates, the one with the lowest number of votes is to be excluded.

(2) If 3 or more candidates then remain, a further vote is to be taken of those candidates and the one with the lowest number of votes from that further vote is to be excluded.

(3) If, after that, 3 or more candidates still remain, the procedure set out in sub clause (ii) is to be repeated until only 2 candidates remain.

(4) Clauses d) and f) of this Schedule, then apply to the determination of the election as if the 2 remaining candidates had been the only candidates.

(5) If at any stage during a count under this clause, 2 or more candidates are tied on the lowest number of votes, the one to be excluded is to be chosen by lot.

### **Part 3 – Preferential ballot**

#### **10. Application of Part**

This part is required if the election proceeds by preferential ballot.

#### **11. Ballot-papers and voting**

(1) The ballot-papers are to contain the names of all the candidates. The members of the county council are to mark their votes by placing the numbers '1', '2' and so on against the various names so as to indicate the order of their preference for all the candidates.

(2) The formality of the ballot-paper under this Part is to be determined in accordance with clause 345(1) (b) and (c) and (5) of this Regulation as if it were a ballot-paper referred to in that clause.

(3) An informal ballot-paper must be rejected at the count.

#### **12. Count**

(1) If a candidate has an absolute majority of first preference votes, that candidate is elected.

(2) If not, the candidate with the lowest number of first preference votes is excluded and the votes on the unexhausted ballot-papers counted to him or her are transferred to the candidates with second preferences on those ballot-papers.

(3) A candidate who then has an absolute majority of votes is elected, but, if no candidate then has an absolute majority of votes, the process of excluding the candidate who has the lowest number of votes and counting each of his or her unexhausted ballot-papers to the candidates remaining in the election next in order of the voter's preference is repeated until one candidate has received an absolute majority of votes. That candidate is elected.

(4) In this clause, absolute majority, in relation to votes, means a number that is more than one-half of the number of unexhausted formal ballot-papers.

### 13. Tied candidates

(1) If, on any count of votes, there are 2 candidates in, or remaining in, the election and the numbers of votes cast for the 2 candidates are equal— the candidate whose name is first chosen by lot is taken to have received an absolute majority of votes and is therefore taken to be elected.

(2) If, on any count of votes, there are 3 or more candidates in, or remaining in, the election and the numbers of votes cast for 2 or more candidates are equal and those candidates are the ones with the lowest number of votes on the count of the votes— the candidate whose name is first chosen by lot is taken to have the lowest number of votes and is therefore excluded.

## Part 4 – General

### 14. Choosing by Lot

To choose a candidate by lot, the names of the candidates who have equal numbers of votes are written on similar slips of paper by the returning officer, the slips are folded by the returning officer so as to prevent the names being seen, the slips are mixed and one is drawn at random by the returning officer and the candidate whose name is on the drawn slip is chosen.

### 15. Result

The result of the election (including the name of the candidate elected as chairperson of the county council) is:

- a) to be declared to the members of the county council at the county council meeting at which the election is held by the returning officer, and
- b) to be delivered or sent to the Director-General and to the Secretary of the Local Government and Shires Associations of New South Wales.

### **Election of the Deputy Chairperson – October 2024 to October 2026**

It has been Riverina Water's normal practice to elect a Deputy Chairperson for the same term, immediately following the election of the Chairperson. The same procedure as for the election of Chairperson is to be followed.

Nomination papers for the Chairperson and Deputy Chairperson are attached and have previously been distributed to Board Members. Nomination papers are to be delivered or sent to the Returning Officer (Chief Executive Officer) prior to the commencement of the Council Meeting to be held Thursday 31 October 2024 at 9.30am.

- › **R2.1**      **Nomination for Chairperson** [↓](#) 
- › **R2.2**      **Nomination for Deputy Chairperson** [↓](#) 

### Financial Implications

There are no financial implications associated with the actual election of Chairperson and Deputy Chairperson. The fees payable to the Chairperson and Deputy Chairperson are contained within the 2024/25 Operational Plan

### Risk Considerations

<b>Corporate Governance And Compliance</b>	
Avoid	Riverina Water will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.



**RIVERINA WATER COUNTY COUNCIL**

**NOMINATION FOR CHAIRPERSON**

In accordance with Schedule 7 of the Local Government (General) Regulation 2005, we the undersigned, hereby nominate Councillor \_\_\_\_\_ for the office of **Chairperson**.

Name of Proposer: Councillor \_\_\_\_\_

Signature of Proposer: \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/2024

Name of Proposer: Councillor \_\_\_\_\_

Signature of Proposer: \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/2024

**CONSENT**

I, Councillor \_\_\_\_\_, hereby consent to my Nomination to the office of Chairperson.

Signature of Nominee: \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/2024



**RIVERINA WATER COUNTY COUNCIL**

**NOMINATION FOR DEPUTY CHAIRPERSON**

In accordance with Schedule 7 of the Local Government (General) Regulation 2005, we the undersigned, hereby nominate Councillor \_\_\_\_\_ for the office of **Deputy Chairperson**.

Name of Propose: Councillor \_\_\_\_\_

Signature of Proposer: \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/2024

Name of Proposer: Councillor \_\_\_\_\_

Signature of Proposer: \_\_\_\_\_

Date: \_\_\_\_/\_ \_\_\_\_/2024

**CONSENT**

I, Councillor \_\_\_\_\_, hereby consent to my Nomination to the office of Deputy Chairperson.

Signature of Nominee: \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/2024



## R3 Delegation of Authority to Chairperson

**Organisational Area** Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** This report formalises the delegations for the Chairperson for the term of their appointment.

**RECOMMENDATION** that in accordance with Section 381 (1) of the Local Government Act 1993, Council ratify and grant the delegations as set out in the Delegations of Authority Register to the Chairperson.

### Report

Following the election of a new Council it is appropriate for the Council delegations to be reviewed. The delegations for the Chairperson are submitted for Council's consideration.

- › **R3.1** **Delegations of Authority - Chairperson** [↓](#) 
- › **R3.2** **Guidelines for the Appointment & Oversight of General Managers** [↓](#) 

### Financial Implications

All expenditure incurred by the Chairperson is to be consistent with the provisions of the adopted Code of Conduct and Board Member Expenses and Facilities Policy (Pol 1.10) and the Corporate Purchase Card Policy (Pol 4.01)

### Risk Considerations

<b>Corporate Governance And Compliance</b>	
Avoid	Riverina Water will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

# Delegations



Revised 3/10/2024 — Doc Id

## Chairperson

On the Riverina Water County Council ('Riverina Water') resolved that:

1. All previous delegations of Functions the subject of this instrument be revoked.
2. The person who from time to time holds the position of Chairperson, or Deputy Chairperson when acting for the Chairperson of Riverina Water, be delegated authority under section 377 of the Local Government Act 1993, to exercise and/perform on behalf of the Council the powers, authorities, duties and functions as prescribed for the position of Chairperson under the Act, Schedules, Regulations, cognate Legislation, related Legislation, Councils own adopted Policies, Codes and Resolutions, provided that such delegations are not to be sub-delegated without specific approval by Council or as prescribed under the Act.
3. If, under any other Act, a function is conferred or imposed on the Chairperson of a County Council, the function is taken to be conferred or imposed on the Council and the Chairperson of the County Council will exercise and/or perform on behalf of Riverina Water the powers, authorities, duties and functions as prescribed under that other Act
4. In this delegation;
  - 'Functions' means powers, authorities, duties and functions and anything ancillary or related to the exercise or performance thereof.
  - 'Legislation' means legislation enacted by the Parliament of New South Wales and the parliament of the Commonwealth of Australia, including an Act, regulation made under an Act, by-law, rule or ordinance.
  - 'LG Act' means the *Local Government Act 1993* as amended.
5. Specific Delegations
  - a. Chief Executive Officer employment oversight
 

Day-to-day oversight of the Chief Executive Officer's employment under the contract of employment between the Council and the Chief Executive Officer as contemplated by the 'Guidelines for the Appointment & Oversight of General Managers'.
  - b. Conferring Powers or Duties
 

To give effect to the provisions of the Act, including but not limited to Division 2, Sections 225-231 of the Local Government Act 1993 and any other Act conferring powers or duties upon the Chairperson and to any resolution of direction given to the Chairperson by Council.

c. Preside at Meetings of Council

To preside at all meetings of the Council, Committees, Community Committees and Public Meetings convened by the Council at which the Chairperson is present unless the Chairperson otherwise appoints another Councillor or person to perform this function.

d. Negotiations on behalf of Council

The Chairperson in conjunction with the CEO, to participate in negotiations on behalf of the Council with third parties in relation with any significant matter associated with the operations of Riverina Water County Council.

e. Code of Conduct

To give direction to the Council, following consultation with the CEO, in the application of the Code of Conduct as adopted by Council.

f. Represent Council - Government and Other Forums

To represent the Council, in conjunction with the CEO in deputations to government inquiries and other forums where it is appropriate that the Chairperson should present the Council's position.

g. Sign and Execute Documents

To sign and execute documents under the Seal of Council in conjunction with the CEO.

h. Media Releases

To make Media Statements and issue Press Releases in respect of Council's Resolutions/Recommendations and decisions.

i. Approval of Urgent Works

To authorise expenditure outside the Council approved budget and in consultation with the CEO, to undertake urgent works in order to reduce or eliminate a significant safety hazard or critical matter affecting the operation of the water supply system up to an amount of \$100,000 subject to the action being reported to the next meeting of Council.

Pursuant to a resolution of Council at its meeting on \_\_\_\_\_, resolution number \_\_\_\_ / \_\_\_\_.

### **Chairperson's acknowledgment of Delegations of Authority**

I, \_\_\_\_\_, currently elected by the members of the Board of Riverina Water in the position of Chairperson, do hereby acknowledge that I have read and understood this Instrument of Delegation and that I will perform these delegations and authorities in accordance with this Instrument of Delegation.



.....

CHAIRPERSON

Date:

# Guidelines for the Appointment and Oversight of General Managers

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2022



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## INTRODUCTION

The *Local Government Act 1993* (the Act) requires councils to appoint a person to be the council's general manager (section 334).

One of the prescribed functions of the governing body of a council is to determine the process for the appointment of the general manager and to monitor their performance (section 223).

These Guidelines have been developed to assist councillors when performing their functions under the Act relating to the appointment of general managers and overseeing their performance. They provide guidance on:

- the role of the general manager and the importance of a good working relationship between councillors and the general manager
- the recruitment process and the appointment of a general manager
- day to day oversight of and liaison with the general manager
- the performance review process
- separation, and
- renewal of the general manager's contract.

These Guidelines are issued under section 23A of the Act and must be taken into consideration by councils when exercising their functions in relation to the recruitment and oversight of general managers. They should be read in conjunction with the relevant provisions of the Act and the *Local Government (General) Regulation 2021* (the Regulation) and the standard contract of employment for general managers approved by the Departmental Chief Executive of the Office of Local Government under section 338 of the Act (the approved standard contract).



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## ROLE OF THE GENERAL MANAGER

Councillors comprise the governing body of a council and make decisions by passing resolutions. It is the general manager's role to implement the lawful decisions of the council and to carry out the functions conferred on them by the Act and Regulation and other legislation.

General managers also perform other functions delegated to them by the governing body.

The governing body monitors the implementation of its decisions through the general manager's reports to council meetings.

### Key functions of the general manager

The Act confers certain functions on general managers of councils (section 335). Key aspects of the general manager's role are set out below:

#### Management of the council

The general manager is responsible for conducting the day-to-day management of the council in accordance with the strategic plans, programs, strategies and policies approved by the governing body of the council and implementing without undue delay, lawful decisions of the governing body.

#### Assisting the governing body to set the strategic direction

The general manager also plays a key role in assisting the governing body to develop the council's strategic direction. The general manager is responsible for guiding the preparation of the community strategic plan and the council's response to it via the delivery program and operational plans. The general manager is also responsible for implementing the delivery program and operational plans and reports to the governing body on their

implementation. More information on this is available on the Office of Local Government's [website](#).

#### Determining the organisation structure

The general manager is responsible for determining the organisation structure of the council (other than senior staff positions) following consultation with the governing body and in accordance with the budget approved by the governing body (section 332). The positions within the organisation structure of the council must be determined to give effect to the priorities set out in the council's strategic plans, including the community strategic plan and delivery program.

#### Appointment and direction of staff

The general manager is responsible for the appointment and direction of staff and their dismissal. The general manager must consult with the governing body before appointing or dismissing senior staff.

#### Supporting councillors

The general manager is also responsible for ensuring councillors are provided with the information and the advice they require to make informed decisions and to carry out their civic duties.

The general manager should ensure that council meeting business papers contain sufficient information to allow councillors to make informed decisions and to allow them to effectively monitor and review the council's operations and performance. This will assist councils in ensuring they are complying with statutory requirements, keeping within the budget approved by the council, and achieving the strategic goals set by the council in its delivery program and operational Plan.

The governing body may direct the general manager to provide councillors with advice but

cannot direct them as to the content of that advice.

Requests by councillors for assistance or information outside of meetings should be made to the general manager unless the general manager has authorised another staff member to receive such requests. The *Model Code of Conduct for Local Councils in NSW* contemplates that councils should adopt a policy to provide guidance on interactions between councillors and staff. The policy should be agreed to by both the governing body and the general manager. To assist councils, the Office of Local Government has prepared a model councillor and staff interaction policy which reflects best practice. This is available on the Office of Local Government's [website](#).

## The delegation of functions to the general manager

A governing body may delegate certain functions of the council to the general manager but cannot delegate the functions set out in section 377(1) of the Act. The delegation of a council's functions must be made by resolution and be evidenced in writing. Delegations must be reviewed during the first 12 months of each term of the council (section 380).

The general manager may sub-delegate a function delegated to them by the governing body (section 378). However, the general manager still retains responsibility to ensure that any sub-delegated function is carried out appropriately.

## The importance of a good working relationship with the general manager

The position of general manager is pivotal in a council. It is the interface between the governing body which sets the strategic

direction of the council and monitors its performance, and the administrative body of the council, headed by the general manager, which implements the decisions of the governing body. A good working relationship between the general manager and the councillors is therefore critical for good governance and a well-functioning council. Where this relationship breaks down, this can quickly lead to dysfunction.

The Centre for Local Government at the University of Technology in Sydney has identified the following as key components of a good working relationship between councillors and the general manager:

- mutual trust and respect
- councillors publicly supporting the work of the general manager
- councillors dealing with any performance concerns through appropriate channels e.g., not the media or council meetings
- councillors not getting involved in the day-to-day operational matters of the council (which makes it difficult for the general manager to do their job)
- councillors having a clear understanding of how and when to approach the general manager or other staff for information or support and following agreed protocols
- regular meetings between the general manager, mayor and councillors to ask questions and share information and advice
- respect of confidentiality, and
- any conflict is dealt with professionally and quickly and where it can't be addressed informally, proper processes are followed.

# RECRUITMENT AND SELECTION

## Requirements of the *Local Government Act 1993*

One of the prescribed functions of the governing body of a council is to determine the process for the appointment of the general manager (section 223).

When recruiting a new general manager, the position must be advertised in a manner sufficient to enable suitably qualified persons to apply for the position (section 348).

As with the appointment of all council staff, councils must ensure that the appointment of the general manager is made using merit selection principles (section 349). Recruitment using merit selection is a competitive process where the applicant who demonstrates that they have the best qualifications and experience relevant to the role is appointed. Equal employment opportunity principles also apply to the recruitment of general managers (sections 349 and 344).

The recruitment process must be open and transparent, but the confidentiality of individual applicants must be maintained. A failure to maintain appropriate confidentiality may constitute a breach of the Act, the council's code of conduct and the *Privacy and Personal Information Protection Act 1998*.

Councils should engage an external recruitment consultant to assist them with the recruitment process and that person should have a role in verifying that proper processes and procedures are followed in the appointment of the general manager.

There are a range of possible approaches to undertaking the recruitment of the general manager. The guidance contained in these Guidelines reflects what the Office of Local Government considers to be best practice.

## The pre-interview phase

As noted above, the council's governing body is responsible for determining the process for recruiting the general manager.

The governing body should delegate the task of recruitment to a selection panel led by the mayor and approve the recruitment process. The panel will report back to the governing body on the process and recommend the most meritorious applicant for appointment by the council.

The selection panel should consist of at least the mayor, the deputy mayor, another councillor and a suitably qualified person independent of the council. Where practicable, the selection panel membership should remain the same throughout the entire recruitment process.

Selection panels should, where possible, have a mix of genders.

The council's governing body should delegate to one person (generally the mayor) the task of ensuring:

- the selection panel is established
- the general manager's position description is current and evaluated in terms of salary to reflect the responsibilities of the position
- the proposed salary range reflects the responsibilities and duties of the position
- the position is advertised according to the requirements of the Act
- information packages are prepared, and
- applicants selected for interview are notified.

The mayor, or another person independent of council staff, should be the contact person for the position and should maintain confidentiality with respect to contact by potential applicants.

## Interview phase

Interviews should be held as soon as possible after candidates are short listed.

Questions should be designed to reflect the selection criteria for the position and assist the selection panel to assess the suitability of the candidate for the position.

Interviews should be kept confidential.

All written references must be checked. The selection panel must delegate the task of contacting referees to one panel member. Other panel members should not contact referees.

If contact with someone other than a nominated referee is required, the applicant's permission must be sought.

At least 2 referees must be contacted and asked questions about the candidate relevant to the selection criteria.

Where tertiary qualifications are relied on, they should be produced for inspection and if necessary, for verification.

Appropriate background checks must be undertaken, for example, bankruptcy and criminal records checks and whether the candidate has been disqualified from managing a corporation by the Australian Securities and Investments Commission. For guidance on better practice recruitment background checks, see the Australian Standard AS 4811:2022 [Workforce Screening](#) and the Independent Commission Against Corruption's publication, *Strengthening employment screening practices in the NSW public sector* which is available on its [website](#).

## Selection panel report

The selection panel is responsible for preparing a report to the council's governing body that:

- outlines the selection process

- recommends the most meritorious applicant with reasons
- recommends an eligibility list if appropriate
- recommends that no appointment is made if the outcome of interviews is that there are no suitable applicants.

This report should be confidential and reported to a closed meeting of the council.

The appointment of a general manager is a non-delegable function of the council under section 377 of the Act and a general manager cannot be appointed without a formal resolution of the council.

The council's governing body must by resolution approve the position of the general manager being offered to the successful candidate before the position is offered to the candidate.

## Finalising the appointment

The mayor makes the offer of employment after the governing body has resolved to appoint the successful candidate. The initial offer can be made by telephone.

Conditions such as term of the contract (1-5 years) and remuneration package (within the range approved by the governing body of the council) can be discussed by telephone but must be confirmed in writing.

The standard contract of employment for general managers approved by the Departmental Chief Executive of the Office of Local Government under section 338 of the Act must be used. The approved standard contract is available on the Office's [website](#). The terms of the approved standard contract must not be varied. Only the term of the contract and the schedules to the approved standard contract can be adapted by councils.

General managers must be employed for 1–5 years.

The contract governs:

- the duties and functions of general managers
- performance agreements
- the process for renewal of employment contracts
- termination of employment and termination payments
- salary increases, and
- leave entitlements.

It should be noted that the Departmental Chief Executive of the Office of Local Government cannot approve individual variations to the standard terms of the contract.

Candidates who are placed on the eligibility list and unsuccessful applicants should be advised of the outcome of the recruitment process before the successful applicant's details are made public.

## Record keeping

Councils should retain all records created as part of the recruitment process including the advertisement, position description, selection criteria, questions asked at interview, interview panel notes, selection panel reports and notes of any discussions with the selected candidate. These records are required to be stored and disposed of in accordance with the *State Records Act 1998*.

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## DAY-TO-DAY OVERSIGHT AND LIAISON WITH THE GENERAL MANAGER

While one of the prescribed functions of the governing body is to monitor the general manager's performance, day-to-day oversight of and liaison with the general manager should be undertaken by the mayor.

The mayor's role in the day-to-day management of the general manager should include:

- approving leave
- approving expenses incurred, and
- receiving and managing complaints about the general manager in accordance with the *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW*.

The council's governing body should ensure there are adequate and appropriate policies in place to guide the mayor in the day-to-day oversight of and liaison with the general manager and keep those policies under regular review.

Some of the key policies the governing body should ensure are in place are those relating to:

- leave
- travel
- credit cards
- purchasing and procurement
- expenses and facilities
- petty cash, and
- financial and non-financial delegations of authority.

The governing body should also ensure there are appropriate policies in place with respect to the expenditure of council funds and reporting requirements in relation to that expenditure.

The council's governing body should satisfy itself that any policy governing the conferral of a benefit on the general manager, such as use of a motor vehicle, allows the actual dollar value of that benefit to be quantified so it can be accurately reflected in the general manager's salary package in Schedule C to the approved standard contract.

# PERFORMANCE MANAGEMENT

## Managing the performance of the general manager

The general manager is made accountable to the council for their performance principally through their contract of employment.

The role of the governing body is to monitor the general manager's performance in accordance with their contract of employment.

The performance of the general manager must be reviewed at least annually against the agreed performance criteria for the position. Councils may also choose to undertake more frequent interim reviews of the general manager's performance.

The agreed performance criteria must be set out in an agreement that is signed within three months of the commencement of the contract. Development of the performance agreement is discussed below.

## Establishing a performance review panel

The governing body must establish a performance review panel led by the mayor, and delegate the task of undertaking the general manager's performance reviews to the panel. The extent of the delegation should be clear.

It is recommended that full responsibility for performance management be delegated to the performance review panel, including discussions about performance, any actions that should be taken and the determination of the new performance agreement.

Performance review panels should comprise of the mayor, the deputy mayor, another councillor nominated by council and a councillor nominated by the general manager.

The council's governing body may also consider including an independent observer on the panel. Panel members should be trained in the performance management of general managers.

The role of the review panel includes:

- conducting performance reviews
- reporting the findings and recommendations of reviews to the council, and
- development of the performance agreement.

The governing body and the general manager may agree on the involvement of a suitably qualified external facilitator such as a human resources professional to assist with the performance review process and the development of a new performance agreement. That person may be selected by the governing body or the performance review panel.

Councillors who are not members of the performance review panel may be invited to contribute to the performance review process by providing feedback to the mayor on the general manager's performance relevant to the agreed performance criteria.

All councillors should be notified of relevant dates in the performance review cycle and be kept advised of the panel's findings and recommendations.

The panel should report back to the governing body of the council in a closed session on the findings and recommendations of performance reviews as soon as practicable following any performance review. This should not be an opportunity to debate the results or revisit the general manager's performance review. The general manager should not be present when the matter is considered.

The performance agreement, action plan and any associated records that contain specific information about the work performance or conduct of the general manager are to remain confidential unless otherwise agreed to by the general manager or are required to be disclosed by law. The unauthorised disclosure of this information may constitute a breach of the Act, the council's code of conduct and the *Privacy and Personal Information Protection Act 1998*.

## Establishing the performance agreement

The performance agreement is the most important component of successful performance management. The performance agreement should include clearly defined and measurable performance indicators against which the general manager's performance can be measured.

As one of the general manager's key responsibilities is to oversee the implementation of the council's strategic direction, it is important to align the general manager's performance criteria to the goals contained in the community strategic plan, and the council's delivery program and operational plans.

The performance agreement should also include indicators relevant to the general manager's personal contribution to the council's key achievements and their core capabilities, including leadership qualities.

The performance agreement should also include indicators related to promoting and maintaining an ethical culture within the council. These could include the conduct and measurement of the outcomes from staff surveys and the promotion of whistleblowing procedures under the *Public Interest Disclosures Act 1994* and the reporting of suspected wrongdoing to appropriate oversight agencies including the Independent Commission Against Corruption and the Office of Local Government.

The performance agreement should contain but not be limited to key indicators that measure how well the general manager has met the council's expectations with respect to:

- service delivery targets in the council's delivery program and operational plans
- budget compliance
- organisational capability
- timeliness and accuracy of information and advice to councillors
- timely implementation of council resolutions
- management of organisational risks
- promotion of an ethical culture
- ensuring a safe workplace and facilitating compliance with the *Work Health and Safety Act 2011*, and
- leadership and providing a consultative and supportive working environment for staff etc.

## Performance review process

The approved standard contract requires that the performance of the general manager must be formally reviewed at least annually. The governing body of the council may also undertake interim performance reviews as appropriate.

The assessment should include:

- a self-assessment by the general manager, and
- an assessment by the review panel of the general manager's performance against the performance agreement.

The performance review meeting should be scheduled with sufficient notice to all parties in accordance with clauses 7.6 and 7.7 of the approved standard contract. These require:

- the general manager to give the council 21 days' written notice that an annual performance review is due, and
- the council to give the general manager at least 10 days' written notice that the performance review is to be conducted.



The meeting should concentrate on constructive dialogue about the general manager's performance against all sections of the performance agreement.

The meeting should identify any areas of concern and agreed actions to address those concerns.

In undertaking the performance review, care must be taken to ensure that the review is conducted fairly and in accordance with the principles of natural justice. The appointment by the council, in agreement with the general manager, of a suitably qualified external facilitator to advise on the process (see above) should assist councils to comply with these requirements.

The council's governing body must advise the general manager, in writing, in clear terms, the outcome of any performance review.

The new performance agreement for the next period should be prepared as soon as possible after the completion of the previous period. The agreement should be presented to the governing body of the council for discussion in a closed meeting together with the outcomes of the previous review period.

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## REMUNERATION AND REWARD

Under the approved standard contract, general managers are entitled to an annual increase in their salary package on each anniversary of the contract, equivalent to the latest percentage increase in remuneration for NSW public sector senior executive office holders as determined by the Statutory and Other Offices Remuneration Tribunal.

Councils may also approve discretionary increases to the general manager's total remuneration package under the approved standard contract as a reward for good performance. Discretionary increases may only be approved after a formal review of the general manager's performance has been undertaken and the general manager's performance has been assessed as being better than satisfactory.

Any discretionary increases should be modest and in line with community expectations and only apply for one year unless the council determines that it is to apply for the balance of the contract. All discretionary increases in remuneration, together with the reasons for the increase, must be reported to an open meeting of the council.

Councils may also on one occasion during the term of the contract approve the payment of a retention bonus to the general manager as an incentive for them to serve out their contract. If approved, the retention bonus is to be accrued on an annual, pro-rata basis for the remainder of the contract and is to be paid at the end of the contract period.

# SEPARATION

## Termination of the general manager's employment

The approved standard contract sets out how the general manager's employment contract can be terminated before its expiry date by either the governing body or the general manager (see clause 10 of the approved standard contract). The circumstances in which the general manager's employment contract may be terminated are set out below:

### By agreement

The contract may be terminated at any time by written agreement between the council and the general manager.

### Resignation

The general manager may terminate the contract by giving 4 weeks written notice to the governing body of the council.

### Incapacity

A council may terminate the general manager's contract by giving them 4 weeks written notice or by paying the equivalent of 4 weeks' remuneration calculated in accordance with Schedule C of the approved standard contract where:

- the general manager has become incapacitated for 12 weeks or more
- they have exhausted their sick leave, and
- the duration of the incapacity is either indefinite or for a period that would make it unreasonable for the contract to be continued.

### Poor performance

A council may terminate the general manager's contract by giving them 13 weeks written notice or by paying the equivalent of 13 weeks' remuneration calculated in accordance with Schedule C of the approved

standard contract on grounds of poor performance.

A council may only terminate the general manager's contract on the grounds of poor performance where:

- a performance review has been conducted, and
- the council has concluded that the general manager's performance falls short of the performance criteria or the terms of their performance agreement, and
- the general manager has been afforded a reasonable opportunity to utilise dispute resolution under clause 17 of the contract (see below).

### No fault termination

A council may terminate the general manager's contract at any time by giving them 38 weeks written notice or paying the equivalent of 38 weeks remuneration calculated in accordance with Schedule C of the approved standard contract. If there are less than 38 weeks left to run in the term of the general manager's contract, the council can pay out the balance of the contract in lieu of notice.

Where the council proposes to terminate the general manager's contract on these grounds, if either party requests it and both parties agree, they may participate in mediation in relation to the proposed decision to terminate the contract. If the council does not agree to participate in mediation, it must give the general manager reasons for its decision where the general manager requests them.

Where a council terminates the contract on these grounds, it must give the general manager reasons for its decision to terminate their employment where the general manager requests it.

### Summary dismissal

Councils may summarily dismiss the general manager on the grounds set out under clause 10.4 of the approved standard contract. These include:

- serious or persistent breach of the employment contract
- serious and wilful disobedience of any reasonable and lawful instruction or direction given by the council,
- serious and wilful misconduct, dishonesty, insubordination or neglect in the discharge of the general manager's duties and functions under their contract,
- failure to comply with any law or council policy concerning sexual harassment or racial or religious vilification
- serious or persistent breach of the council's code of conduct
- commission of a crime, resulting in conviction and sentencing (whether or not by way of periodic detention), which affects the general manager's ability to perform their duties and functions satisfactorily, or that brings the council into disrepute
- absence without approval for a period of 3 or more consecutive business days.

### Automatic termination

The general manager's contract of employment is automatically terminated where the general manager becomes bankrupt, or they are disqualified from managing a corporation under Part 2D.6 of the *Corporations Act 2001*.

Where this occurs, the general manager's employment with the council automatically ends without the need for a decision by the council to terminate their contract of employment.

## Suspension of the general manager

Councils may suspend the general manager, for example while allegations against them are

being investigated. Suspension should be on full pay for a clearly defined period.

Councils should not suspend a general manager's employment without first seeking expert legal advice. It would not be appropriate to seek advice from council human resources staff on the proposed suspension of the general manager.

Any decision to suspend a general manager should be made at a closed council meeting, having first carefully considered the expert legal advice received in relation to the specific matter.

The principals of procedural fairness apply to any decision to suspend a general manager, i.e., the general manager must be advised of the circumstances leading to their suspension, the reasons for the suspension, the period of the suspension and be given a right to respond to the decision to suspend.

## Dispute resolution

The approved standard contract contains a dispute resolution clause at clause 17. These provisions are designed to encourage councils and general managers to attempt to resolve disputes when they arise.

Councils are required to offer the general manager an opportunity to utilise dispute resolution before they can terminate their employment for poor performance.

Where it is proposed to terminate the contract on the "no fault" grounds (clause 10.3.1(e)), if either party requests it and both parties agree, they may participate in mediation under clause 17 in relation to the proposed decision to terminate. If the council does not agree to participate in mediation, it must give the general manager reasons for its decision where the general manager requests them.

The governing body of the council should ideally resolve to delegate this function to the mayor or a panel of 3 councillors including the mayor.

If the dispute involves the mayor, then the deputy mayor should take the mayor's place. If there is no deputy mayor then the governing body should resolve to appoint another councillor to take the mayor's place.

The governing body of the council and the general manager should agree on an independent mediator to mediate the dispute. The approved standard contract allows the Departmental Chief Executive of the Office of Local Government to appoint a mediator where the parties cannot agree on one.

Councils and general managers may also agree on a mediator when the contract is made.

## RENEWING THE GENERAL MANAGER'S CONTRACT

Clause 5 of the approved standard contract sets out the process for renewing the general manager's contract of employment. The key steps in the process are as follows:

- At least 9 months before the contract expires (or 6 months if the term of employment is for less than 3 years), the general manager must apply to the council in writing if seeking re-appointment to the position
- At least 6 months before the contract expires (or 3 months if the term of employment is for less than 3 years), the council must respond to the general manager's application by notifying the general manager in writing of its decision to either offer the general manager a new contract of employment (and on what terms) or to decline their application for re-appointment
- At least 3 months before the contract expires (or 1 month if the term of employment is for less than 3 years) the general manager must notify the council in writing of their decision to either accept or decline the offer made by the council.

Approval may be sought from the Departmental Chief Executive of the Office of Local Government to vary these timeframes in exceptional or unforeseen circumstances.

The terms of the new contract of employment, and in particular the schedules to the new contract, should be set out in the letter of offer. Before offering a new contract, the council should carefully review the terms of the schedules to the new contract.

The governing body should ensure that the performance criteria of the new performance agreement adequately reflect its expectations of the general manager's performance.

The governing body should also consider previous performance reviews conducted under previous contracts.

The process of deciding whether to offer the general manager a new contract should be as follows:

- a performance review is conducted
- findings and recommendations are reported to a closed council meeting in the absence of the general manager
- the closed meeting considers and decides whether to offer a new contract of employment to the general manager and on what terms as set out in the schedules to the contract
- the mayor informs the general manager of the council's decision.

Details of the decision to offer a new contract and a salary package should be reported to an open council meeting.

## Appendix 1 – Performance management timelines

Timeline	Activity	Responsibility
At commencement of each new council	Provide induction training on performance management of the general manager	Council
Within 3 months of the commencement date of the contract	A performance agreement setting out agreed performance criteria must be signed between the general manager and the council	Council or council panel General Manager
Within 2 months of the signing of the performance agreement	The general manager must prepare and submit to the council an action plan which sets out how the performance criteria are to be met	General Manager
21 days' notice (before annual review)	The general manager gives the council written notice that an annual performance review is due	General Manager
At least 10 days' notice	The council must give the general manager written notice that the performance review is to be conducted	Council or council panel
After 6 months	The council may also decide, with the agreement of the general manager, to provide interim feedback to the general manager midway through the annual review period	Council or council panel General Manager
Prior to the annual review	Ensure all councillors on the review panel have been trained in performance management of general managers	Council
Prior to the annual performance review	The general manager may submit to council a self-assessment of their performance	General Manager
Annually	The general manager's performance must be reviewed having regard to the performance criteria in the agreement	Council or council panel General Manager
Annually	The performance agreement must be reviewed and varied by agreement	Council or council panel General Manager
Within 6 weeks of the conclusion of the performance review	Council will prepare and send to the general manager a written statement with council's conclusions on the general manager's performance during the performance review period	Council or council panel
As soon as possible after receipt of the statement	The general manager and the council will agree on any variation to the performance agreement for the next period of review	Council or council panel General Manager

## Appendix 2 – Stages of performance management

STAGE	ACTION	PROCESS
1. Developing performance agreement	<ul style="list-style-type: none"> <li>▪ Examine the position description and contract</li> <li>▪ List all position responsibilities from the position description</li> <li>▪ Identify stakeholder expectations</li> <li>▪ List the key strategic objectives from the delivery program and operational plans</li> <li>▪ Develop performance measures (identify indicators - set standards)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Good planning</li> <li>▪ Direct and effective communication</li> <li>▪ Open negotiation</li> <li>▪ Joint goal setting</li> </ul>
2. Action planning	<ul style="list-style-type: none"> <li>▪ Develop specific strategies to meet strategic objectives</li> <li>▪ Identify resources</li> <li>▪ Delegate tasks (e.g., put these delegated tasks into the performance agreements for other senior staff)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Detailed analysis</li> <li>▪ Two-way communication</li> <li>▪ Detailed documentation</li> </ul>
3. Monitoring progress (feedback halfway through the review period)	<ul style="list-style-type: none"> <li>▪ Assess performance</li> <li>▪ Give constructive feedback</li> <li>▪ Adjust priorities and reset performance measures if appropriate</li> </ul>	<ul style="list-style-type: none"> <li>▪ Communication</li> <li>▪ Avoid bias</li> <li>▪ Counselling</li> <li>▪ Coaching</li> <li>▪ Joint problem solving</li> </ul>
4. Annual	<ul style="list-style-type: none"> <li>▪ Assess performance against measures</li> <li>▪ Give constructive feedback</li> <li>▪ Identify poor performance and necessary corrective action</li> <li>▪ Identify outstanding performance and show appreciation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Evaluation of the reasons behind performance being as assessed</li> <li>▪ Open, straightforward communication (as bias free as possible)</li> <li>▪ negotiation</li> <li>▪ Counselling, support, training</li> <li>▪ Documenting</li> <li>▪ Decision making</li> </ul>
5. Developing revised agreement	See stage 1	See Stage 1



# R4 Delegation of Authority to Chief Executive Officer

**Organisational Area** Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** This report formalises the delegations to the CEO.

**RECOMMENDATION** that in accordance with Section 381(1) Local Government Act 1993, Council ratify and grant the delegations as set out in the Delegations of Authority Register to the CEO.

## Report

Following the election of a new Council it is appropriate for the Council delegations to be reviewed. The delegations for the CEO are submitted for Council's consideration.

› **R4.1 Delegation of Authority to Chief Executive Officer** [↓](#) 

## Financial Implications

Nil

## Risk Considerations

Corporate Governance And Compliance	
Avoid	Riverina Water will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

# Delegations



Revised 3/10/2024

## Chief Executive Officer

On 31 October 2024 the Riverina Water County Council ('Riverina Water') resolved that:

1. All previous delegations of Functions the subject of this instrument be revoked.
2. The person who from time to time holds the position of Chief Executive Officer of Riverina Water (CEO) being at the date of this instrument, be delegated authority under section 377 of the Local Government Act 1993, to exercise and/or perform on behalf of Riverina Water the Riverina Water Functions under all legislation in force and as amended from time to time:
  - a. Subject to any condition or limitation on a Function specified in Schedule 1; and
  - b. Excluding those Functions:
    - i. That are expressly prohibited from delegation as listed under Section 377 of the Local Government Act 1993;
    - ii. Which are expressly required by legislation to be exercised by a resolution of the Council.
3. The CEO be sub-delegated authority to exercise and/or perform on behalf of Riverina Water the Functions delegated to Riverina Water under, and in accordance with, the instrument of delegation to Riverina Water set out in Schedule 2, excluding those functions which pursuant to the terms of the delegation to Riverina Water may not be sub-delegated.
4. The CEO be delegated any function which is taken to be conferred or imposed on Riverina Water pursuant to section 381 of the Local Government Act 1993.
5. In the absence of the CEO that a person/persons appointed to act as CEO by resolution of Riverina Water on 27 Jun 2024 assume all functions, delegations and sub-delegations of the CEO for the period only of the absence of the CEO unless otherwise resolved by Riverina Water.
6. These delegations and authorities are subject to, and are to be exercised in accordance with:
  - a. The requirements of the relevant legislation;
  - b. Any conditions or limitations set out in Schedule 1 and Schedule 3; and
  - c. Any resolution or policy, procedure or budget adopted from time to time by Riverina Water.
7. These delegations and authorities are effective from the date of the resolution of Riverina Water and remain in force until amended or revoked by a resolution of the Council.
8. In this delegation;

- 'Functions' means powers, authorities, duties and functions and anything ancillary or related to the exercise or performance thereof.
- 'Legislation' means legislation enacted by the Parliament of New South Wales and the parliament of the Commonwealth of Australia, including an Act, regulation made under an Act, by-law, rule or ordinance.
- 'LG Act' means the *Local Government Act 1993* as amended.

#### Schedule 1: Limitations

<b>Part A – Limitations applicable to specific statutory Function (if any)</b>	
<i>Environmental Planning and Assessment Act 1979</i>	All functions delegated to Riverina Water under Local Planning Panels Direction – Development Applications dated 23 February 2018 and Local Planning Panels Direction – Planning Proposals dated 27 September 2018 and any subsequent Direction.
<i>Local Government Act 1993, s377(1)(i)</i>	<p>Authority to accept tenders where the proposed contract is not for services currently provided by members of staff of Riverina Water with a total contract value (incl GST) of up to \$250,000.</p> <p>This function cannot be sub-delegated by the Chief Executive Officer.</p> <p>The Chief Executive Officer must report to the Board at each meeting outlining all tenders accepted since the last meeting.</p>
<b>Part B – General Limitations</b>	
<i>Asset Disposal</i>	<p><b>Asset Disposal</b></p> <p>Authority to approve the disposal of assets that are surplus to Riverina Water requirements up to the value of \$250,000 (incl GST) in accordance with Riverina Water's Asset Disposal Public Policy.</p> <p>Only the Chief Executive Officer has delegated authority to approve disposal of assets for a nil cost. This function cannot be sub-delegated by the Chief Executive Officer.</p> <p>Approval must not be given without consideration of a recommendation from the Director of the relevant business area.</p> <p>This authorisation does not apply to the sale of Riverina Water owned land, where only the Board has delegated authority to approve.</p>



<i>Debt Write Off</i>	<p><b>Debt write off</b></p> <p>Authority to write off debts up to the value of \$5,000 (incl GST) without a resolution of the Board in accordance with clause 213(2) of the Local Government Regulation 2021</p>
<i>Rates and Charges Write Off</i>	<p><b>Rates and charges write off</b></p> <p>Authority to write off rates and charges up to the value of \$5,000 without a resolution of the Board in the case of debt management, financial hardship or eligible undetected leak rebate in accordance with clause 131(1) of the Local Government (General) Regulation 2021 and Board Resolution 24/061.</p> <p>The Chief Executive Officer must report to the Board six monthly on the rates and charges write offs related to debt management, financial hardship in addition to the summary of the undetected leak rebates.</p>
<i>Procurement</i>	<p><b>Procurement Exemption</b></p> <p>Authority to approve purchases with fewer than the required quotes called for in the Purchasing Procedure up to \$250,000 (incl GST).</p>

Pursuant to a resolution of Council at its meeting on 31 October 2024, resolution number / .

.....

.....

CHAIRPERSON

DEPUTY CHAIRPERSON

Date:

Date:

**Chief Executive Officer’s acknowledgment of Delegations of Authority**

I, Andrew Crakanthorp, currently employed by Riverina Water in the position of Chief Executive Officer, do hereby acknowledge that I have read and understood this Instrument of Delegation and that I will perform these delegations and authorities in accordance with this Instrument of Delegation and my position description.

.....

Andrew Crakanthorp

CHIEF EXECUTIVE OFFICER

Date:

## R5 Appointment of Council Representatives

### Organisational Area Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** At the commencement of the term of each Board consideration is given to appointing Board Members to various Committees and organisations. This report facilitates that process.

**RECOMMENDATION** that Council appoint representatives to the following Committees:

- a) Chief Executive Officer's Performance Review Committee
- b) Audit, Risk and Improvement Committee (ARIC)
- c) Murray Darling Association – Murrumbidgee Region
- d) Riverina Joint Organisation (RivJO) – Chairperson and Chief Executive Officer

### Report

With the election of a new Council, it is appropriate that the Council appoint representatives to the following Committees:

- a) The Chief Executive Officer's Performance Review Committee comprises of four Board Members. These Board Members are the Chairperson, Deputy Chairperson and two others. *(The previous Board Members were Tim Koschel, Doug Meyer OAM, Tony Quinn and Patrick Bourke).*
- b) The Audit, Risk and Improvement Committee (ARIC) was formed in 2011. The constitution of the ARIC specifies that one Board Member is to be appointed to the Committee in a non-voting capacity, together with three independent persons (Mr Bryce McNair, Mr Shannon Buckley and Mr David Kortum). It was further stated in the constitution that the Board Member appointed should not be the Council Chairperson. *(The previous Board representative was Georgie Davies with Michael Henderson as an alternate).*
- c) Council is a member of the Murray Darling Association – Murrumbidgee Region. The association meets four times per year to discuss water issues associated with the Murrumbidgee Catchment. *(The previous Board representative was Gail Driscoll and in addition Council's Director Engineering – Troy van Berkel sits on the Board of the Region 9 Group).* Council has the option of nominating a second delegate to the MDA.
- d) Council is a member of the Riverina Joint Organisation (RivJO), which is currently in recess. Council's representatives have been the Chairperson and Chief Executive Officer.

### Financial Implications

Council has funds available which facilitate the attendance of Board Members at the above meetings which are part of the adopted 2024/25 Operational Plan

### Risk Considerations

<b>Corporate Governance And Compliance</b>	
Avoid	Riverina Water will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

## R6 Council Meeting Schedule 2024-2025

**Organisational Area** Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** This report proposes dates and locations for meetings of the Board of Riverina Water County Council for December 2024 and all of 2025.

**RECOMMENDATION** that the Board endorse the schedule of Riverina Water meeting dates for December 2024 and all of 2025 as follows:

- Thursday 12 December 2024
- Thursday 27 February 2025
- Thursday 24 April 2025 (in Greater Hume Shire)
- Thursday 26 June 2025
- Thursday 28 August 2025
- Thursday 23 October 2025
- Thursday 11 December 2025

### Report

Council's Code of Meeting Practice provides that Council shall meet at least six times each year, on a bi-monthly basis. Council meeting dates have traditionally been held on the fourth Thursday of February, April, June, August, October and December each calendar year and commence at 10:00am. Prior to the term of the most recent Board (for the period December 2021 to September 2024), Board meetings were held on the fourth Wednesday of the abovementioned months.

Obviously, the recently elected Board has the discretion to set the meeting schedule that best suits the availability of Board Members. Depending on the size of the agenda, meetings are usually completed in two to two and half hours.

For the benefit of Board Members who are commencing their first term with Riverina Water, it has also been past practice to conduct workshops on the same day as a Board meeting and this generally takes the form of a working lunch (or longer if needed)

It has also been recent practice to conduct a "pre-meeting briefing session" for 30 minutes prior to the Board meeting, however the Minister for Local Government has stated their intent to change legislation to prevent such workshops and briefings. Any such legislative change may result in the Board reviewing the commencement time of Board meetings

In accordance with the above schedule, the requisite dates are:

- Thursday 12 December 2024
- Thursday 27 February 2025
- Thursday 24 April 2025 (in Greater Hume Shire)

- Thursday 26 June 2025
- Thursday 28 August 2025
- Thursday 23 October 2025
- Thursday 25 December 2025

The October meeting is usually also subject of a report to Council suggesting a change of date that is normally in response to the timing of the LGNSW Annual Conference.

The scheduled meeting for December 2024 falls on 26 December. This report proposes that the December Council meeting be held on Thursday 12 December, followed by lunch at a venue to be arranged.

The scheduled meeting for December 2025 falls on 25 December. This report proposes that the December 2025 Council meeting be held on Thursday 11 December, followed by lunch at a venue to be arranged.

The incoming Board may well seek to consider and vary any agreed meeting schedule, and this can be done in accordance with the provisions of the Local Government Act and Riverina Water's Code of Meeting Practice.

### **Financial Implications**

There are no financial implications associated with setting the dates for the Board meetings in 2024-2025. The costs of convening the meetings are funded via budget allocations in the 2024/25 Operational Plan and future Delivery Plans.

### **Risk Considerations**

<b>Corporate Governance And Compliance</b>	
Avoid	Riverina Water will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.



## R7 2024 Local Government NSW Annual Conference - Election of Delegate

**Organisational Area** Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** The Local Government NSW Annual Conference is being held at Tamworth Regional Entertainment and Conference Centre from Sunday 17 November to Tuesday 19 November 2024 and this report recommends the appointment of the Chairperson as Council's voting delegate at the conference.

**RECOMMENDATION** that Council:

- a) Approve the attendance of the Chairperson and the CEO at the 2024 LGNSW Annual Conference to be held in the Tamworth Regional Entertainment and Conference Centre from Sunday 17 November to Tuesday 19 November 2024
- b) elect the Chairperson as Council's voting at the Conference
- c) Nominations be called for other Board Members to attend in late October 2024.
- d) Note that no motions have been received for the conference

### Report

The Local Government NSW (LGNSW) Annual Conference will be held at Tamworth Regional Entertainment and Conference Centre from Sunday 17 November to Tuesday 19 November 2024. The Conference includes the debate and resolution of motions setting the LGNSW advocacy agenda for the ensuing twelve-month period.

Motions for the Conference closed on Sunday 20 October 2024 which precludes the Board from lodging any motions., The previous Board had not resolved to lodge any motions.

The 2023 Conference was held at the Rosehill Racecourse in November 2023, and Council was represented at that Conference via the attendance of the CEO (observer), together with Board Members Koschel and Henderson.

Provided in this [link](#) is the draft 2024 LGNSW Annual Conference Program.

As is past practice, Riverina Water has invited councillors and senior staff from the four constituent Councils to a dinner on the night that the conference dinner is not held.

Reservations for accommodation for up to three representatives to attend have been made. In accordance with the rules of the Association, and being an Associate Member, Riverina Water can nominate one voting delegate to the conference, usually the Chairperson or their delegate.

The Business Paper for the Conference, including motions, will be forwarded to members at least one week prior to the Conference.

### **Financial Implications**

The costs of being represented at the conference will be funded from the travelling expenses budget for 2024/25 and are expected to be \$3000 per attendee

### **Risk Considerations**

<b>Reputation</b>	
Averse	Riverina Water is averse to taking risks that may adversely impact its reputation.

## R8 Membership Renewal for Committee4Wagga

**Organisational Area** Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** Riverina Water has been approached to consider continuing its membership of the Committee4Wagga. This report provides further information on the benefits that membership provides. Riverina Water became a member in July 2023.

**RECOMMENDATION** that Council continue its membership as a Business Member of Committee4Wagga at an annual membership of \$5,000 commencing July 2024.

### Report

Committee 4 Wagga is a not-for-profit, member funded network open to private, public and not-for-profit organisations, businesses and individuals in the Wagga Wagga region.

Their purpose is to:

- Support and promote the city to ensure accelerated populations growth
- Identify and implement opportunities that will enhance cultural, social, business and economic prosperity, and
- Provide a platform for community, business and government collaboration to effect positive change.

Further information regarding the Committee (including their four pillars, what they do and the benefits of membership) can be found via the attached link:

<http://www.committee4wagga.com.au>

The Board resolved in October 2022 to become a member of Committee4Wagga effective 1 July 2023 with ongoing membership to be reviewed after 12 months via a report to the Board.

The membership structure is in four categories, namely Corporate at an annual membership fee of \$20,000, Executive at an annual membership of \$10,000, Business at an annual membership of \$5,000 and Associate at \$2,500 per annum.

Wagga Wagga City Council is an Executive Member and the Committee4Wagga has 51 members and have been functioning for in excess of ten years. The Committee has always had a high-level strategic approach to promoting Wagga Wagga.

The passing of time has proven the success of the Committee and that they have an ongoing, sustainable business model.

Continued membership of the Committee would allow Riverina Water to meet a number of its stated objectives in the 2022 Strategic Business Action Plan, including:

- Actively support and participate in our community
- Understand and prepare to serve our customers of the future
- Share our knowledge and expertise to make a positive change in our global community

In addition, it would provide Riverina Water with a seat at the table for important events coordinated by C4W designed to promote the growth of Wagga Wagga

In 2019 Council provided sponsorship of \$5,000 to the School Leaders Program which has resumed in 2022, following the impact of COVID 19. That program has been particularly well supported by local high schools. No further support for that Program has been provided since 2022. Sponsorship of \$5,000 was provided in August 2024 for the Business Breakfast with Tony Abbot event. This was funded in accordance with Riverina Water's sponsorship policy.

The positive impact that Committee4Wagga has on the economic growth is proven and this growth aligns with Council's Mission "to provide our community with safe, reliable water at the lowest sustainable cost".

The continued growth of Wagga Wagga is in the long-term interests of the other three constituent Councils as has been recently seen in the growth of the populations of the three Council's and associated challenges that brings to those Councils.

The Board could consider not renewing its membership and instead considering sponsorship opportunities for events run by Committee4Wagga.

As is the case with such memberships, it is difficult to actually quantify the benefits of membership other than the broader benefits as outlined in this report.

The annual membership of \$5,000 can be funded from existing revenue streams and it is proposed that Council commence its membership from July 2024 and that funds are included in future budgets for that purpose. In the event that Riverina Water does renew its membership, it is proposed that sponsorship of future events would not occur.

### **Strategic Alignment**

Our Community

Actively support and participate in our community

### **Financial Implications**

The annual membership of Committee4Wagga can be funded from the adopted budget.

### Workforce Implications

Membership of Committee4Wagga allows provides professional networking opportunities for some staff from time to time.

### Risk Considerations

<b>Community Partnerships</b>	
Accept	When considering options for community partnerships or external party relationships, Riverina Water may choose to accept risks to maximise potential benefits to council and the community.

## R9 OLG Discussion Paper on Councillor conduct and meeting practices

**Organisational Area** Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** The NSW Office of Local Government have released a Discussion Paper regarding councillor conduct and meeting practices and are seeking feedback on questions contained within the Discussion Paper and feedback more generally on the proposed changes.

**RECOMMENDATION:** that the Board note the Discussion Paper prepared by the NSW Office of Local Government regarding a proposed new framework for councillor conduct and meeting practices and delegate authority to the Chairperson and CEO to prepare and submit the submission.

### Report

The Discussion Paper was released in September 2024 and has attracted much attention and discussion within the sector. The matter may well have been the subject of reports at Riverina Water's constituent councils or is about to be discussed. The initial closing date for submission was 15 November and it seems likely that date will be extended to 29 November so as to allow recently elected councillors to understand the key issues.

A copy of the Discussion Paper is attached to this report. It is fair to say that the Discussion Paper covers a broad range of challenges that the Minister for Local Government is anxious to resolve by way of legislative change. The Discussion Paper seeks responses to fifteen questions

Below is an extract from the website of the Office of Local Government:

- a) The Councillor Conduct Framework (Framework) is under review with the aim to facilitate and support local decision making.
- b) Effective local government comes when councillors are visibly in control of their councils. How councillors act and how appropriately and transparently decisions are made at meetings is critical in demonstrating to the community that their elected representatives understand the consequences of their decisions, and then make the best possible decisions they can for their community as a whole.
- c) It is intended that the revised Framework will be based on the following principles of change:
  - Council leadership and decision-making is paramount
  - Freedom of speech is fundamental

- Transparency and accountability are maintained
- Issues are dealt with at the most immediate or local level
- A strong and proportionate local government regulator
- Justice is timely and proportionate
- Significant penalties should only be imposed by a judicial or quasi-judicial body

Most of the proposed changes in relation to Councillor conduct will have very little impact on the operation of Riverina Water as fortunately, Board Members are collegial, respectful and work for the greater good of our customers.

However, the proposed changes regarding meeting practices are of concern. Riverina Water should make a submission on the proposal (page 18) “that council will no longer be permitted to hold pre-meeting briefing sessions in the absence of the public”. The use of both workshops and the “pre-meeting briefing session” prior to Board Meetings, are very effective forums by which detailed matters are discussed in a less formal environment. The outcomes of such workshops find their way into Business Papers for the Board to debate in public sessions. The annual “pre-budget workshop” is a further example of effective collaboration in a less formal environment.

Having said that, given the lack of attendance by the public at ordinary meetings of the Board, it is likely that should we continue the practice of workshops (and allow the public to attend), that we could expect a similar lack of interest and attendance by the public in attending workshops. Board Members are requested to consider this and provide feedback during the upcoming meeting of the Board.

## › R9.1 **OLG Discussion Paper** [↓](#)

### **Strategic Alignment**

Our Community

Improve strategic planning and accountability

### **Financial Implications**

Not applicable

### **Workforce Implications**

There are no likely implications for our workforce that are related to this matter.

**Risk Considerations**

<b>Corporate Governance And Compliance</b>	
Avoid	Riverina Water will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.





# Councillor conduct and meeting practices

A new framework



# Acknowledgement of Country

The Department of Planning, Housing and Infrastructure acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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[dphi.nsw.gov.au](http://dphi.nsw.gov.au)

Councillor conduct and meeting practices

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More information

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# The need for change – returning local democracy to councils

Strong and thriving communities need effective local government. No other level of government is as close to the issues and people.

Effective local government comes when councillors are visibly in control of their councils. How councillors act and how appropriately and transparently decisions are made at meetings is critical in demonstrating to the community that their elected representatives understand the consequences of their decisions, and then make the best possible decisions they can for their community as a whole.

Unfortunately, the existing councillor conduct framework is not delivering on the need for transparency or the necessary degree of respect in the community for the role that councillors have.

Closed council briefing sessions are being used to make decisions away from the public view. Council debates on issues are too often personal slanging matches, rather than forums for robust but respectful discussions on what is best for the community.

Similarly, we have seen a growth in the number of complaints, often over trivial issues. Data from the Office of Local Government (OLG) has shown there has been 4289 complaints over the last 3 years (2020/21 to 2022/23) through the code of conduct process. Overall:

- 420 were referred for preliminary enquiries and then discontinued
- 136 were investigated as potential pecuniary interest matters
- 102 were investigated as potential misconduct (not pecuniary interest)
- 36 related to public interest disclosures, and
- 2 related to political donations

But of these thousands of complaints, in the years since 2020/21 OLG has:

- taken action against 14 councillors by way of a suspension or reprimand
- referred 4 councillors to the NSW Civil and Administrative Tribunal (NCAT) for misconduct, and
- disqualified and dismissed one councillor on the basis of Independent Commission Against Corruption (ICAC) recommendations

The volume of frivolous complaints is crowding out the ability of the OLG and the sector to adequately deal with councillors who abuse their office or cause serious governance problems. It is critical the framework that governs both the behaviour and meeting practices of councillors ensures the community can observe and comment on the behaviour of councillors, instead of inhibiting the operation and function of local democracy.

## The weaknesses of existing frameworks

The simple, but compelling premise is local councils should be accountable to their community with council staff being accountable to their councillors, through the General Manager. The best way to achieve this aim is for councils to provide strong and effective representation, leadership, planning and decision making. Unfortunately, this simple concept has been lost.

How councillors behave, how they deliberate and the responsibilities they hold should be modelled on how members of Parliament are expected to behave and act. As the governing body, councillors should act fairly, ethically and without bias in the interests of the local community, and they should be responsible employers and provide a consultative and supportive working environment for staff. A criticism made about the current framework for councillor conduct or meeting practices is that they do not reflect local government's status as an independent third tier of government: it allows an unelected State Government official to determine penalties and guilt thus undermining the status of local government.

While most local councils and local councillors do the right thing with the best intent, there are some councillors who are not so motivated. In these cases, the current councillor behavioural framework, as implemented in NSW, does not facilitate the best outcomes or resolve issues.

In relation to complaint management, it is not considered acceptable to create better complaint management pathways for the processing of code of conduct complaints. The current code of conduct simply enables too many complaints about councillors, all too often for political or vexatious reasons.

It is for this reason that the Government has embarked upon a new approach that refocuses the limited resources of the State on those concerns that matter most: serious misbehaviours and attempts by councillors to enrich themselves through their office.

Weaknesses of the current framework include:

- The councillor conduct framework distracts from, rather than enhances, robust democratic debate. Complaints are weaponised for political reasons, or to silence dissent from other elected representatives.
- Councillors and community members report dissatisfaction with the process for resolving code of conduct complaints – being expensive, overly legal, prone to political sparring and not timely, with average timeframes exceeding 12 months and more than 24 months if they are then referred to OLG for further investigation.
- Issues are not being addressed and resolved at the local level – instead complaints are escalated unnecessarily to the State Government to resolve because of the view that public censure from the local council is not a 'strong enough' punishment.
- Communities and councillors report that council decision making is not transparent – with decisions being seen as made behind closed doors, information not being provided or withheld, too much use of closed to the public briefings or councils going into closed sessions for no adequate rationale.
- Bad councillor behaviour is not considered to have been addressed quickly enough and when sanctions are imposed it is too late or of little consequence.
- There is a lack of clarity around OLG's role as the sector regulator – taking too long to resolve matters and not focussing on the important financial and government concerns in the sector, instead spending time focussed on individual councillor behaviour.
- OLG reports challenges in relying on the reports of council conduct reviewers – investigations into councillors need to be done afresh, the process is cumbersome with multiple feedback loops and serious sanctions can only come from suspensions handed down by NCAT.

With so much focus on the bad behaviour of a limited number of councillors there is not enough attention given to the good work that councillors do. The role of a councillor is a noble public service, and the local government behavioural framework should support those who seek to do the right thing and punish those that are not so motivated.

## Options for a better approach

Improving the councillor conduct framework and the meeting practices of councils can be achieved but will require changes to the Local Government Act 1993 (the Local Government Act), as well as updating the various regulations, codes and policies that apply. Some of the work to update the regulations and codes can be done quickly, while others requiring legislative change will take some time.

This paper provides an overview of the proposed new approach to both the councillor conduct framework and meeting practices. The proposals are to:

- Make OLG directly responsible for dealing with pecuniary interest and significant non-pecuniary conflicts of interest, with sanctions (suspensions and loss of pay) being determined by an appropriate tribunal or body,
- Refer behavioural based concerns about councillor conduct to a State-wide panel of experienced councillors to judge their peers,
- Reset the code of conduct to be similar to Parliamentary Codes, making it clear the expected patterns of councillor behaviour,
- Ensure the community can observe local democratic processes by banning closed to the public briefing sessions, while at the same time restoring the dignity and prestige of the council chamber.

These changes are only proposed for councillors and there is no change proposed for the code of conduct for Local Government staff. Feedback from stakeholders is that the existing code of conduct of staff remains fit for purpose and is largely effective.

## Seeking your views

This discussion paper has been prepared to seek the views of the community, key stakeholders and the local government sector about the proposed changes.

Submissions will be accepted to **COB Friday 15 November 2024**.

All input received through this consultation process **may be made publicly available**. Please let us know in your submission if you **do not want** your name and personal details published.

As part of the consultation process, we may need to share your information with people outside OLG, including other public authorities and government agencies. We may also use your email to send you notifications about further feedback opportunities or the outcome of the consultation.

There may also be circumstances when OLG is required by law to release information (for example, in accordance with the requirements of the Government Information (Public Access) Act 2009). There is a privacy policy located on OLG's website that explains how some data is automatically collected (such as your internet protocol (IP) address) whenever you visit OLG's website. The link to that policy is <https://www.olg.nsw.gov.au/about-us/privacy-policy/>.

Further information about how to make a submission is provided at section 7 of this paper.

# What are the principles of change?

In preparing the proposed reforms the following principles have guided the discussion and the intent of the changes:

- **Council leadership and decision making is paramount** – it is critical that the sector, as the third tier of government, is given independence to make decisions in the best interests of the community
- **Freedom of speech** – as elected officials, councillors have the constitutional right and democratic responsibility to speak freely about issues affecting their local community and to advocate for the interests of that community
- **Transparency and accountability** – as a democracy councils need to hear, consider and debate issues in an open manner
- **Significant penalties should only be imposed by a judicial or quasi-judicial body** – to ensure procedural fairness and thorough testing of allegations, significant penalties should be given by bodies such as the NSW Civil and Administrative Tribunal
- **A strong and proportionate local government regulator** – the role of OLG should be to create the framework for local government, ensure councils, joint organisations (JOs), and county councils have the capacity to operate within the framework so that the regulator intervenes as rarely as needed
- **Subsidiarity** – decisions are made at the level closest to those impacted by those decisions
- **Justice is timely and proportionate** – where allegations are made, they should be heard, tested and dealt with as quickly as possible.

## Question

Are we missing anything in the principles of change?

# Potential changes to the code of conduct and oath of office

The key proposed reform for the councillor behavioural framework is to move to a streamlined, aspirational Code of Conduct. This is equivalent to the Code of Conduct framework for NSW Members of Parliament available [here](#) and [here](#).

The aspirational Code of Conduct would clearly and succinctly outline the behavioural expectations of local councillors (approximately 2-3 pages) in easy-to-understand language. It would then be supported by a clearer framework and definitions for misbehaviour of elected officials.

The aspirational Code of Conduct would not set out the definitions of misbehaviour as these would be legislated as explained in later sections of this discussion paper.

Separating the behavioural expectations in a Code of Conduct from definitions of misbehaviour reflects a positive approach to councillor behaviour. The separation also recognises that the majority of councillors want to do the right thing and they should have easy access to the standards expected of them.

The revamped Code of Conduct could also be aligned to the Oath of Office for local councillors ensuring that the behavioural standards and expectations are clear and understood when a councillor takes office. The existing framework can make it difficult to understand the behavioural expectations and standards upon councillors.

Importantly, the revamped Code of Conduct will not seek to restrain the ability of a councillor to speak publicly on matters pertaining to their council, even when that councillor is disagreeing with, or being critical of, the decisions of the majority.

It is proposed to make the new Code of Conduct an aspirational code of expected behaviours instead of enforceable for local councillors.

## Question

**What are the key elements of an aspirational Code of Conduct that should be enshrined?**

## Question

**What are your views about aligning the Oath of Office to the revamped Code of Conduct?**



# Potential changes to the definitions and assessment of councillor misbehaviour

The current Local Government Act defines councillor misconduct as a breach of the Local Government Act or other regulatory provisions, which includes the Code of Conduct. This means that it is difficult for the average person to understand the definition of misconduct as they need to reference several other regulatory instruments and policy documents to determine what constitutes.

It is proposed in the revised framework that misbehaviour will be more clearly defined and articulated within the Local Government Act, with the reference to regulations and other statutory instruments only for further enunciation or explanation.

These definitions, which are described in later sections would cover:

- Pecuniary conflicts of interests, (for example decisions that financially benefit the councillor or a close associate),
- Significant non-pecuniary conflicts of interests (for example where a councillor participates in a decision and a direct advantage/disadvantage is created for a person or company the councillor is friendly with or associated with), and
- Councillor misbehaviour in public office (for example, poor conduct in meetings leading to exclusion by the Mayor or Chair of the Committee).

This will make clearer to all participants in the local government sector what is considered misbehaviour by a local councillor.

The definitions of misbehaviour do not change the other legislative requirements. Communities, residents, workers and fellow councillors expect their elected officials to act in an appropriate and ethical way, including observing workplace health and safety, environmental and criminal laws. If there is an offence or complaint under these other laws, people should

seek redress from the appropriate regulator including SafeWork, Independent Commission Against Corruption or the NSW Police.

The behavioural standards in the revamped Code of Conduct will reinforce the expectation that councillors are community leaders and therefore exemplars of good behaviour. As community leaders it is also expected councillors will meet legislative obligations. Therefore, misbehaviour only needs to be defined as those issues which go to the nature of councillors as elected officials, being conflicts of interest or misbehaviour in public office.

These are the expectations that are upon councillors because of the public trust that is placed in them as elected officials. In this way it more closely reflects, with appropriate adjustments the framework that applies to other elected officials in other levels of Government.

## Conflicts of interest

The first proposed limb of the revised misbehaviour definition is a councillor's failure to manage a conflict of interest.

Management of conflicts of interest is important to ensure that councillors act and are seen to act in the public good, not for private benefit or personal gain. Conflicts of interest arise when there is a conflict, perception or potential of a conflict between an official's private interests and public duty.

The test for pecuniary interests is quite clear as it is an objective test; would a councillor or one of their close associates (spouse, family members), receive a financial benefit as a result of a decision. However, testing whether there is a non-pecuniary conflict of interest is more challenging.

## Pecuniary interests

It is proposed to align the definition of pecuniary interests for NSW councillors with those that are utilised and defined for NSW members of parliament, requiring disclosure of the following interests:

- Real property – property in which councillors have an ‘interest’
- Sources of income – all income over \$500 other than salary of office
- Gifts – all gifts of cumulative value of more than \$500
- Contributions to travel – of value of more than \$250 (including flight upgrades)
- Interests and positions in corporations – eg stocks and shares, directorships
- Positions in unions and professional or business organisations
- Debts – of cumulative value of more than \$500, excluding home loans or debts for goods and services disposed of within a year
- Dispositions of property
- Engagement to provide a service involving use of a councillor’s position and
- Discretionary disclosures.

It is proposed that the interests for disclosure by the councillor are similarly extended to the interest of a spouse or de facto partner, relative, or partner or employer, or a company or other body of which the councillor, or their nominee, partner or employer, is a shareholder or member. This extends only to the extent the councillor is aware or should be aware of such interests.

It is proposed there remains an absolute prohibition on a councillor being involved in any matter before council where a pecuniary conflict of interest exists, unless otherwise determined via regulation.

It is also proposed to give extended investigation powers to OLG to investigate and request information on corporate structures such as trust or companies to

determine underlying beneficial ownership and interests.

OLG, as the agency responsible for investigating alleged breaches of pecuniary interests, needs clear powers to compel the production of information and/or records, to ensure that pecuniary interest returns are provided and made publicly available. If there is non-compliance with an OLG direction, which may include the requirement to make a declaration, remedies such as penalty infringement notices (PIN) should be available to ensure cooperation with investigative processes.

### Question

**Is the proposed pecuniary interest framework appropriate? Is anything missing?**

## Non-pecuniary interests

A conflict of interest does not necessarily have to be financial in nature. It could also arise from familial or personal relationships, affiliations or memberships. It is equally important that such conflicts are managed appropriately to ensure that decision making is seen to be transparent and remains in the public interest.

An interested and informed observer should be confident a decision made by a councillor is free from bias or a reasonable apprehension of bias. This means that any concerns about a potentially significant conflict of interest should be declared and appropriately managed.

The nature and breadth of non-pecuniary interests naturally means that the framework for management of such interests is more nuanced, with the management approach often dependent upon the individual circumstances of the case.

It is also important to recognise that councillors, as representatives of their community, reside within their community, so memberships of clubs, congregational

memberships etc should not automatically be seen as conflicts of interest.

If a decision of a councillor directly advantages (or disadvantages) a particular individual or organisation the councillor is friendly with or associates with, then that can be a conflict that should be publicly declared, if the councillor considered it of minor consequence, it wasn't controversial, or the councillor did not hold the casting vote.

Alternatively, if a decision of a councillor directly advantages (or disadvantages) a particular individual or organisation the councillor is friendly with or associates with, then that can be a conflict requiring the councillor to recuse themselves from being involved in the decision-making process if there was a major advantage or disadvantage (or potential for), if it was controversial or the vote of the councillor was critical.

The appropriate test for whether a non-pecuniary interest should be declared is based on an objective test, not in the mind of the individual who is subject to the conflict of interest. The test is whether a reasonable and informed person would perceive that the councillor could be influenced by a private interest when carrying out their official functions in relation to a matter.

Whether the councillor abstains themselves from a decision, or decides to participate, the continued and timely disclosure of interests is critical. Disclosure ensures the community is aware of any potential conflicts and how the councillor is managing and responding to the issue.

Councillors should remain as vigilant about disclosure of non-pecuniary interests as they are about pecuniary interests.

### Question

**Do you agree with the principles of what constitutes a significant or major non-pecuniary interest?**

## Property developers and real estate agents

The NSW Government has made a commitment to ensure the conflicts of interest that exist between a councillors' public duties to make decisions on behalf of communities and the private interests that exist in securing a profit as a developer or real estate agent are addressed. A simple change to ban developers or real estate agents from being councillors is not possible as it infringes the right to political free speech implied by the Australian Constitution.

Ordinarily conflicts of interest are managed through declarations and withdrawing from decision making. However, in the case of property development and real estate interests, where so much of what a council does is related to land and the potential for speculation in the changes of land value arising from planning, development and infrastructure decisions, it can be impossible to isolate the precise interests that would drive a councillor's decision.

Without some way of managing these conflicts, the community confidence that planning, development and infrastructure decisions are taken transparently in the public interest will erode. Given the importance of planning, development and infrastructure decisions to resolving the housing crisis, driving the move to net zero through the electrification of the economy and building community resilience to disasters, it is critical to restore confidence.

To address this concern, an alternative means of managing the inherent conflict of councillors undertaking real estate and development business activity is being considered which involves requiring councillors to divest themselves from real estate or development business activities and contractual obligations.

Legislation is being drafted that will:

- identify how developers and real estate agents are identified,
- create the obligation to divest and not enter into real estate or development business arrangements through contracts,
- establish the penalties, including disqualification, where a councillor engages in contractual arrangements with real estate agents or developers,
- ensure there are exemptions so councillors can buy and sell their own property using a real estate agent, and
- create transitional arrangements for the introduction of the new obligations.

### Question

**Are there any other specific features that should be included to address concerns about councillors undertaking real estate and development business activities?**

## Councillor misbehaviour in public office

The third proposed component of a revised definition of misconduct is misbehaviour in public office.

Misbehaviour in public office would cover behaviour which is inconsistent or outside of the norms of behaviour expected from a councillor, particularly given their role as a community leader. Given the discussion is about behaviour rather than action, there is a much greater degree of interpretation, and it is appropriate that councillors judge their fellow councillors on whether they could be considered to have misbehaved.

There would be three limbs to this proposed misbehaviour definition being conduct that:

- Is unbecoming of a councillor
- Brings council into disrepute; and/or
- Is assessed as being outside the norms and expectations of a sitting councillor.

The first two tests of this framework are established legal concepts with existing case law and precedents.

Unbecoming conduct means behaviour more serious than slight, and of a material and pronounced character. It means conduct morally unfitting and unworthy, rather than merely inappropriate or unsuitable, misbehaviour which is more than opposed to good taste or propriety. Conduct unbecoming refers to the conduct that is contrary to the public interests, or which harms his/her standing of the profession in the eyes of the public. Examples can be referenced in *Oei v The Australian Golf Club [2016] NSWSC 846*.

To bring something into disrepute is to lower the reputation of the profession or organisation in the eyes of ordinary members of the public to a significant extent. It is a higher threshold than the test of bringing an individual into disrepute - (*Zubkov v FINA (2007) CAS 2007/A/1291*).

The third limb of the misbehaviour definition allows consideration of behaviours and actions of a sitting councillor which are considered egregious or problematic that are otherwise not captured by the other elements of the definitions.

As this is a test of appropriate behaviour, the determination of whether the misbehaviour occurred would be undertaken by the peers of the councillor. This would involve the formation of an 'Local Government Privileges Committee' (Privileges Committee) of senior and experienced mayors and ex-mayors from across NSW to meet and assess the complaints made against councillors. The Privileges Committee would be supported by OLG, but decisions would be made by the mayors or ex-mayors on the Privileges Committee who would draw on their expertise as mayors, as well as having served at least two council terms as a councillor.

There would also be an opportunity to apply these principles to poor behaviour in meetings, particularly where a councillor has failed to comply with the directions given by the mayor or Privileges Committee Chair.

### Question

**Is this the appropriate threshold to face a Privileges Committee?**

### Question

**How else can complaints be minimised?**

## Addressing inappropriate lobbying

A number of investigations by the Independent Commission Against Corruption (ICAC) has led to recommendations to put in place measures to address concerns about lobbying of councillors. ICAC has been concerned about councillors having relationships with development applicants that pose a conflict of interest, concerns with councillors meeting with development applicants in private settings to discuss their applications, and concerns about councillors receiving gifts and inducements as part of lobbying activities to improperly influence council decision-making.

Lobbying is an important feature of democratic representative government, and all councillors get lobbied by residents, businesses and community groups. However, inappropriate lobbying that isn't declared presents certain risks and can lead to corrupt behaviour or improper decision-making. On the recommendation of ICAC to address these risks, OLG is developing lobbying guidelines and a model policy on lobbying for councils to adopt that will:

- address how professional lobbyists are identified and the obligations on councils and councillors if they met a professional lobbyist,
- set out inappropriate behaviours when being lobbied,
- identify steps to be taken to ensure transparency,
- require council officials to report inappropriate or corrupt lobbying behaviours to the councils general manager.

The development of lobbying guidelines and a model policy on lobbying will ensure councillors and councils understand these risks and have effective controls in place to address them.

### Question

**What key features should be included in lobbying guidelines and a model policy?**

# Dispute resolution and penalty framework

Consistent with the principles outlined earlier, it is proposed that there be a significant change to the dispute resolution and penalties framework for misbehaviour.

While the overall intent is to reduce the weaponisation of the complaints process and reduce the number of complaints, there is also a need for more timely resolution of matters and ensure that the limited investigation and regulator resources are directed to the more significant misbehaviour matters.

There is also an opportunity to bring the dispute resolution framework more into line with that used in other levels of government.

The approach being proposed is to create clear separation between the process for consideration of conflicts of interest and the processes for consideration of misbehaviour. This has the benefit of removing general managers from being central to the complaint process.

Under the reforms, the investigation of serious conflicts of interest would be put entirely into the hands of OLG. The approach also removes the existing 'two step' process of referrals to conduct reviewers and then OLG.

There would be no investigations of misbehaviour, instead councillors would be required to demonstrate to their peers why their actions, which may have led to the complaint, were appropriate to the circumstances.

To implement these new approaches, changes to the systems and structures of investigation and complaints handling are needed.

## Abolishing the 'two step process'

The existing process for complaints is set out in the Procedures for the Administration of the Model Code of Conduct.

In simple terms, the complaint process involves the general manager or the mayor receiving a complaint, determining whether the complaint is valid and referring the matter to a complaints coordinator within the council, who will in turn appoint an external conduct reviewer. Once the conduct reviewer investigates the issue, interviews the complainant and the subject of the complaint, as well as any other relevant people, provides a report to the council and the council makes a decision, many months can pass.

As it currently stands, if OLG, receives a referral following the council consideration of a complaint, they are then expected to rely on the investigation report of the conduct reviewer to make an assessment. However, investigation reports prepared by conduct reviewers may satisfy the evidentiary standard required for a councillor to be censured but may not satisfy the higher evidentiary standard required to support disciplinary action under the misbehaviour provisions under the Local Government Act, such as suspension or disqualification. OLG's experience is that rarely can it rely on these reports and must instead recommence an investigation process if it decides to pursue the matter.

Instead of this existing two-step process:

- Complaints about conflict of interest matters would be made directly to OLG, and
- Complaints about misbehaviour would be made directly to the Local Government Privileges Committee via a dedicated webform.

Under the proposed approach, there would be no role for privately hired investigators to determine whether the Code of Conduct has been breached.



## Giving OLG the power to issue penalty infringement notices

In order to ensure information is provided to OLG more effectively, it is proposed to enable OLG the discretion to issue penalty infringement notices (PINs) for minor or insignificant breaches of the conflicts of interest declarations. The PINs would be primarily utilised in circumstances where the breach is considered minor or administrative in nature – for example an inadvertent failure to lodge a return of interests.

This change to PINs is designed to allow a quick process for dealing with minor matters to free up limited regulatory resources while still ensuring that sanction for important matters is provided.

Like all other PIN provisions in other NSW legislations there would be the ability for the PIN to be appealed or special circumstances to be considered. Where the breach was considered more serious in nature then it can be referred to an appropriate tribunal or body for more significant punishment.

### Question

**What level of PIN is appropriate?**

## NSW Local Government Privileges Committee

Along with the PIN framework, it is also proposed to create a Local Government Privileges Committee (Privileges Committee) to examine all allegations of misbehaviour in public office. This would replace the existing code of conduct review framework and instead aim to provide a speedy process for resolution and assessment of behavioural complaints against councillors. It also allows for the sector to better govern itself. The Privileges Committee would only examine issues of misbehaviour, not conflicts of interest.

The Privileges Committee would be made up by a group of experienced mayors and ex-mayors from across NSW to ensure that a variety of perspectives and experiences are considered. The Privileges Committee would be supported by a small Secretariat from OLG who could be delegated the power by the Privileges Committee to dismiss matters that are vexatious, trivial, where the Privileges Committee lacks jurisdiction, or where there is an alternative remedy available.

The Privileges Committee process would be paid for by either individual councillors or their councils, dependent on the outcome.

Penalties that could be imposed by the Privileges Committee are as follows:

- Censure of the councillor
- Warning of the councillor
- Where referred following misbehaviour in a council meeting, a potential loss of sitting fees
- Referral to an appropriate tribunal or body for more serious sanction, including suspension or disallowance.

As noted above if the breach is deemed serious then the Privileges Committee would have the power to refer a matter to the OLG for preparation of a brief for an appropriate tribunal or body.

### Question

**Are the penalties proposed appropriate, and are there any further penalties that should be considered?**

## Referral of significant sanctions to appropriate tribunal or body

Under the existing processes for consideration of complaints, OLG, in particular the Departmental Chief Executive (or their delegate), can suspend a councillor for between 1-3 months with a consequential loss of sitting fees. This creates the situation where a public servant is sitting in judgement on an elected official. Where a greater suspension is appropriate, the Departmental Chief Executive may refer the matter to an appropriate tribunal or body.

To remedy the concerns about whether it is appropriate for an unelected official to stand in judgment on an elected councillor, it is proposed that any significant sanction, such as suspension, significant fine or disqualification from office, can only be undertaken by an appropriate tribunal or body.

This reduces the existing power of the Departmental Chief Executive to impose penalties. It reflects the principle that significant sanctions, including suspension, should only be imposed by a judicial or quasi-judicial body. It also removes the dual roles of the head of OLG, meaning OLG's focus is on preparing the brief of evidence for consideration by the appropriate tribunal or body.

The role of the appropriate tribunal or body would therefore be to look at all serious misconduct matters that have either been referred by the Privileges Committee, appeals from PINs or referrals of conflict of interest matters from the OLG.

### Question

**Are the existing sanctions available under the Local Government Act sufficient?**

### Question

**Should decisions on sanctions for councillors be made by the Departmental Chief Executive or a formal tribunal with independent arbitrators and a hearing structure?**



# Restoring dignity to council meetings

A council chamber is a chamber of democracy, and the mayor as figurehead represents the authority of that council.

Unfortunately, many council meetings are conducted without the appropriate level of dignity or reverence for tradition that suggests the importance of the debate and the need for civility. Councillors are not expected to agree with each other, in fact debate is encouraged, but the debate should be fair and respectful.

A council meeting, and the council chamber itself, should see meetings conducted with dignity. Unfortunately, there are too many examples where the dignity of council meetings has been lost, either because councillors are not appropriately reverential and respectful, or the manner of debate is lowered by inappropriate chamber design or meeting practices.

## Proposed reforms to the Model Code of Meeting Practice

To restore the prestige and dignity of the council chamber reforms to the meeting code of practice are being developed to support the mayor in exercising their statutory responsibility to preside at meetings and to ensure meetings are conducted in an orderly and dignified manner.

The proposed reforms will confer the power on mayors to expel councillors for acts of disorder and to remove the councillor's entitlement to receive a fee for the month in which they have been expelled from a meeting.

As a further deterrent against disorderly conduct, councillors will also be required to apologise for an act of disorder at the meeting at which it occurs and, if they fail to comply at that meeting, at each subsequent meeting until they comply. Each failure to apologise becomes an act of misbehaviour and will see the councillor lose their entitlement to receive their fee for a further month.

To provide a check against misuse of the power of expulsion and subsequent loss of entitlement of a fee, councillors will be entitled to a right of review.

Councillors will also be expected to stand, where able to do so, when addressing a meeting and when the mayor enters the chamber.

The proposed reforms will also expand the grounds for mayors to expel members of the public from the chamber for acts of disorder and enable the issuing of a PIN where members of the public refuse to leave a meeting after being expelled.

### Question

**Are there any other powers that need to be granted to the mayor or chair of the relevant meeting to deal with disorderly behaviour?**

## Banning briefing sessions

A practice has recently developed in local government where councillors receive briefings from staff that are closed to the public.

As an example, development applications should be considered in the public domain. However, councillors receive private briefings from the council planners before they are dealt with in the public forum of a council or committee meeting. Consequently, members of the public impacted by the council's decision have no idea what the councillors have been told or what has been discussed.

To promote transparency and address the corruption risks identified by the Independent Commission Against Corruption (ICAC) that can arise from a lack of transparency, it is proposed that councils will no longer be permitted to hold pre-meeting briefing sessions in the absence of the public.

Any material provided to councillors, other than the mayor, that will affect or impact or be taken into account by councillors in their deliberations or decisions made on behalf of the community must be provided to them in either a committee meeting or council meeting. This restriction will not apply to mayors. As the leader of the organisation, the mayor needs to have candid conversations with the general manager outside of formal meetings.

To further promote transparency, the proposed reforms will also extend the period that recordings of council and committee meetings must be maintained on a council's website.

### Question

**Are there any other measures needed to improve transparency in councillor deliberations and decision making?**

# How to provide feedback?

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This discussion paper has been released through the Office of Local Government's communication channels and on the Government's Have your Say Website.

You can make submissions on this proposed framework by **COB Friday 15 November 2024**. Further information is available on OLG website at <https://www.olg.nsw.gov.au/councils/misconduct-and-intervention/councillor-conduct-framework/>.

Submissions can be made online here - <https://www.olg.nsw.gov.au/councils/misconduct-and-intervention/councillor-conduct-framework/>

OR

in writing to: [councillorconduct@olg.nsw.gov.au](mailto:councillorconduct@olg.nsw.gov.au)

OR

Locked Bag 3015 NOWRA NSW 2541

Submissions must be clearly labelled "Councillor Conduct Framework Review"

Please direct any inquiries to the OLG's Strategic Policy Unit at [councillorconduct@olg.nsw.gov.au](mailto:councillorconduct@olg.nsw.gov.au) or on (02) 4428 4100.

## Next Steps

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Feedback from this consultation process will be carefully analysed and incorporated to finalise the revised councillor conduct framework.

OLG will then look to finalise necessary draft legislation, regulations and materials for implementation of the revised model over the coming year. Consultation will continue with the local government on the implementation of the revised framework.

Information about the progress of the Councillor Conduct Framework Review will be available on the [OLG website](#).

# Office of Local Government

[olg.nsw.gov.au](http://olg.nsw.gov.au)



# R10 List of Investments

## Organisational Area Corporate Services



**Author** Natasha Harris, Manager Finance & Sourcing

**Summary** This report details the status of Riverina Water's investment portfolio for the months of August 2024 and September 2024.

**RECOMMENDATION** that Council receive and note the report detailing external investments for the months of August 2024 and September 2024.

### Report

In accordance with the provisions of Clause 212 of the Local Government (General) Regulation 2021, reported are the details of Council's external investment portfolio as of August 2024 and September 2024.

- › **R10.1** **August 2024 Investment Report** [↓](#) 
- › **R10.2** **September 2024 Investment Report** [↓](#) 

### Strategic Alignment

Our Business

Take actions that deliver responsible financial management and ensure long term sustainability

### Financial Implications

Not applicable.

### Workforce Implications

Not applicable.

### Risk Considerations


<b>Financial</b>	
Avoid	Riverina Water will endeavour to ensure that its financial sustainability is protected at all times and avoid proposals that may impact negatively.

**Monthly Investment Report as at 31/08/2024**

Investment	Inception Date	Term (Days)	Maturity Date	S&P LT Rating	Interest Rate (%)	Percentage of Portfolio	Principal Value	Market Value
<b>Term Deposits</b>								
AMP	29/09/2022	732	30/09/2024	BBB	4.95	6.263%	\$2,000,000.00	\$2,000,000.00
Bank of Us	12/06/2024	365	12/06/2025	BBB+	5.27	3.131%	\$1,000,000.00	\$1,000,000.00
Bank of Us	18/06/2024	457	18/09/2025	BBB+	5.21	4.697%	\$1,500,000.00	\$1,500,000.00
Bank of Us	26/06/2024	530	8/12/2025	BBB+	5.27	3.131%	\$1,000,000.00	\$1,000,000.00
Bank of Us	26/06/2024	719	15/06/2026	BBB+	5.20	3.131%	\$1,000,000.00	\$1,000,000.00
BankVic	28/05/2024	370	2/06/2025	BBB+	5.29	3.131%	\$1,000,000.00	\$1,000,000.00
BankVic	26/06/2024	376	7/07/2025	BBB+	5.34	3.131%	\$1,000,000.00	\$1,000,000.00
BankVic	26/07/2024	444	13/10/2025	BBB+	5.30	3.131%	\$1,000,000.00	\$1,000,000.00
BankVic	26/07/2024	507	15/12/2025	BBB+	5.30	3.131%	\$1,000,000.00	\$1,000,000.00
ING	24/10/2023	447	13/01/2025	A	5.33	3.131%	\$1,000,000.00	\$1,000,000.00
ING	21/12/2023	417	10/02/2025	A	5.23	3.131%	\$1,000,000.00	\$1,000,000.00
ING	15/01/2024	434	24/03/2025	A	5.22	3.131%	\$1,000,000.00	\$1,000,000.00
ING	16/04/2024	366	17/04/2025	A	5.19	3.131%	\$1,000,000.00	\$1,000,000.00
ING	15/01/2024	463	22/04/2025	A	5.20	3.131%	\$1,000,000.00	\$1,000,000.00
ING	15/01/2024	490	19/05/2025	A	5.18	3.131%	\$1,000,000.00	\$1,000,000.00
ING	25/03/2024	476	14/07/2025	A	5.11	3.131%	\$1,000,000.00	\$1,000,000.00
ING	25/03/2024	504	11/08/2025	A	5.09	3.131%	\$1,000,000.00	\$1,000,000.00
ING	10/07/2024	474	27/10/2025	A	5.35	3.131%	\$1,000,000.00	\$1,000,000.00
ING	10/07/2024	579	9/02/2026	A	5.31	3.131%	\$1,000,000.00	\$1,000,000.00
ING	10/07/2024	642	13/04/2026	A	5.29	3.131%	\$1,000,000.00	\$1,000,000.00
ING	10/07/2024	761	10/08/2026	A	5.25	3.131%	\$1,000,000.00	\$1,000,000.00
MyState	21/05/2024	366	22/05/2025	A	5.25	3.131%	\$1,000,000.00	\$1,000,000.00
National Australia Bank	31/08/2023	417	21/10/2024	AA-	5.19	3.131%	\$1,000,000.00	\$1,000,000.00
National Australia Bank	31/08/2023	445	18/11/2024	AA-	5.17	3.131%	\$1,000,000.00	\$1,000,000.00
National Australia Bank	26/07/2024	367	28/07/2025	AA-	5.30	3.131%	\$1,000,000.00	\$1,000,000.00
National Australia Bank	10/07/2024	397	11/08/2025	AA-	5.40	3.131%	\$1,000,000.00	\$1,000,000.00
Westpac	26/09/2023	447	16/12/2024	AA-	5.25	3.131%	\$1,000,000.00	\$1,000,000.00
Westpac	30/04/2024	366	1/05/2025	AA-	5.34	3.131%	\$1,000,000.00	\$1,000,000.00
Westpac	7/02/2024	495	16/06/2025	AA-	5.00	3.131%	\$1,000,000.00	\$1,000,000.00
<b>95.51%</b>							<b>\$30,500,000.00</b>	<b>\$30,500,000.00</b>

<b>Cash Deposit Account</b>						
National Australia Bank	AA-	2.65	4.493%	\$1,434,662.82	\$1,434,662.82	
			<b>4.49%</b>	<b>\$1,434,662.82</b>	<b>\$1,434,662.82</b>	
<b>TOTAL INVESTMENTS</b>			<b>100.00%</b>	<b>\$31,934,662.82</b>	<b>\$31,934,662.82</b>	
Cash at Bank	AA-	0.00				\$1,101,728.10
<b>TOTAL FUNDS</b>						<b>\$33,036,390.92</b>

**CERTIFICATE**  
 I hereby certify that the investments listed above have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2021 and Council's Investments Policy number POL 4.10.



**N Harris**  
**MANAGER FINANCE & SOURCING**

**Application of Investment Funds**

Restricted Funds	Description	Value
Internally Restricted	Employee Leave Entitlements (50% of ELE)	\$2,139,796.31
	Plant Replacement	\$1,790,488.14
	Sales Fluctuation	\$3,000,000.00
	Water Treatment Plant	\$228,250.00
	Water Licences	\$669,385.20
		\$7,827,919.65
Unrestricted Funds		\$25,208,471.27
<b>TOTAL FUNDS</b>		<b>\$33,036,390.92</b>

\* Externally & Internally Restricted Reserve figures are subject to final adjustment and external audit at 30 June each year. Figures shown above are estimates only.

**Report**

The investment portfolio decreased by \$1,586,003.20 for the month. The decrease was due to receipts from customers being lower than payments to suppliers and staff in August. This resulted in decreased funds in cash and investments.

**Portfolio Performance**

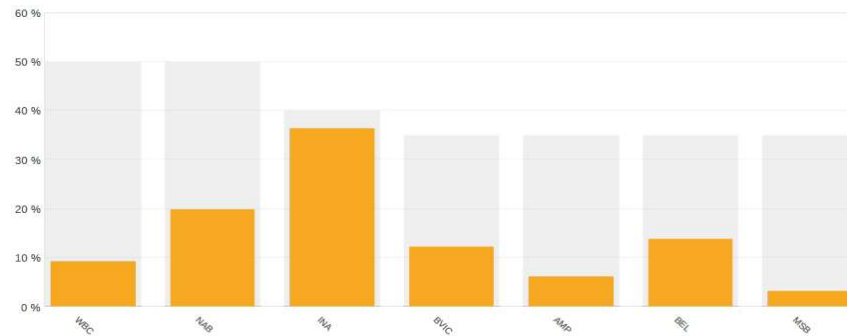
For the month of August, the portfolio (excluding cash) provided a return of +0.45% (actual) or +5.40% p.a. (annualised), outperforming the benchmark Ausbond Bank Bill Index return of +0.85% (actual) or +4.55% p.a. (annualised). The monthly performance has improved over the recent months reflective of the maturity of lower yielding term deposits that are being replaced by higher yielding term deposits, providing greater overall returns to the portfolio.

The portfolio's performance is now ahead of benchmark again over all time periods out to 12 months.

As maturities occur, Council is incrementally increasing the average duration of the investment portfolio to increase revenue, targeting high yielding deposits with tenors between 1 and 2 years. Interest received in the period totalled \$64,251.97, with \$282,128.50 received and accrued for the year to date.

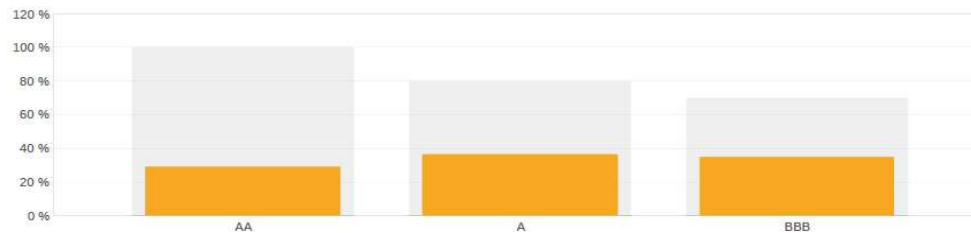
**Counterparty Compliance**

The below graph compare investments with each financial institution to the limits included in Council's Investment Policy



**Credit Quality Compliance**

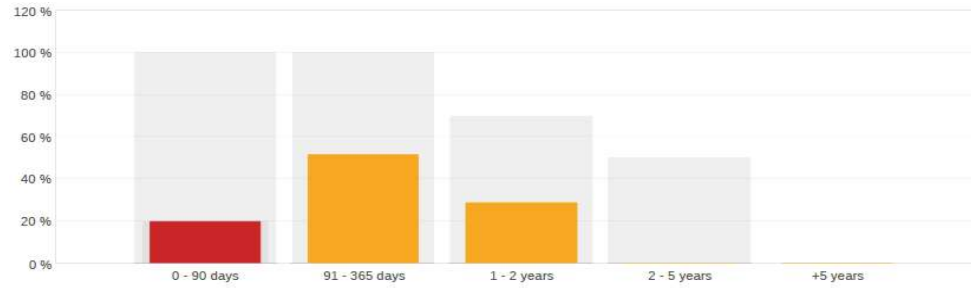
The below graphs compare investments with each investment rating category to the limits included in Council's Investment Policy





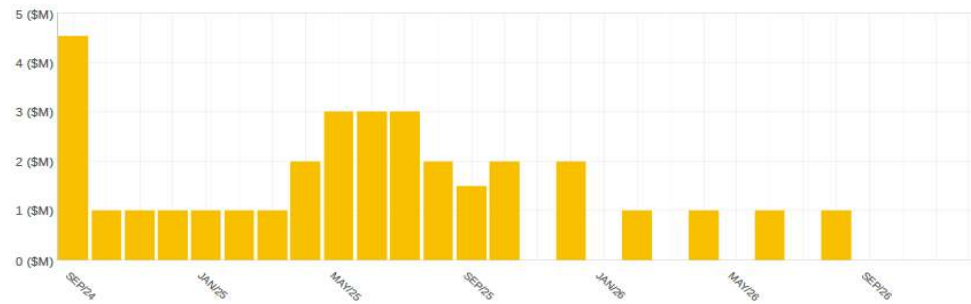
**Term to Maturity**

The percentage of investments maturing over the next ten years is detailed in the graph below. All maturity limits comply with the Investment Policy, with the exception of the 0-90 day minimum term of 20% (currently 19.79%). This was due to the decrease in the portfolio balance during the month.



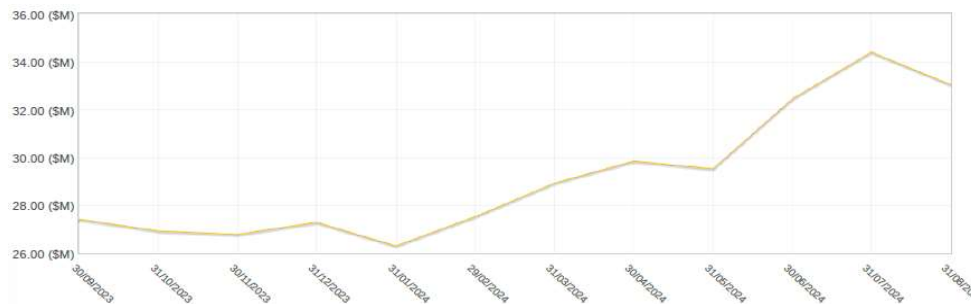
**Maturity Cashflow**

When investments will mature over time



**Historical Portfolio Balances**

Indicative of the normal cash cycle of the Council




**Monthly Investment Report as at 30/09/2024**

Investment	Inception Date	Term (Days)	Maturity Date	S&P LT Rating	Interest Rate (%)	Percentage of Portfolio	Principal Value	Market Value
<b>Term Deposits</b>								
Bank of Us	12/06/2024	365	12/06/2025	BBB+	5.27	3.508%	\$1,000,000.00	\$1,000,000.00
Bank of Us	18/06/2024	457	18/09/2025	BBB+	5.21	5.263%	\$1,500,000.00	\$1,500,000.00
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Westpac	30/04/2024	366	1/05/2025	AA-	5.34	3.508%	\$1,000,000.00	\$1,000,000.00
Westpac	7/02/2024	495	16/06/2025	AA-	5.00	3.508%	\$1,000,000.00	\$1,000,000.00
<b>99.99%</b>							<b>\$28,500,000.00</b>	<b>\$28,500,000.00</b>

<b>Cash Deposit Account</b>					
National Australia Bank	AA-	2.65	0.012%	\$3,475.25	\$3,475.25
			<b>0.01%</b>	<b>\$3,475.25</b>	<b>\$3,475.25</b>
<b>TOTAL INVESTMENTS</b>			<b>100.00%</b>	<b>\$28,503,475.25</b>	<b>\$28,503,475.25</b>
Cash at Bank	AA-	0.00			\$1,070,248.47
<i>Pending settlement - AMP Maturity settled in October 2024</i>					\$2,000,000.00
<b>TOTAL FUNDS</b>					<b>\$31,573,723.72</b>

**CERTIFICATE**

I hereby certify that the investments listed above have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2021 and Council's Investments Policy number POL 4.10.



**N Harris**  
**MANAGER FINANCE & SOURCING**

**Application of Investment Funds**

Restricted Funds	Description	Value
Internally Restricted	Employee Leave Entitlements (50% of ELE)	\$2,139,796.31
	Plant Replacement	\$1,778,434.79
	Sales Fluctuation	\$3,000,000.00
	Water Treatment Plant	\$228,250.00
	Water Licences	\$669,385.20
		\$7,815,866.30
Unrestricted Funds		\$23,757,857.42
<b>TOTAL FUNDS</b>		<b>\$31,573,723.72</b>

\* Externally & Internally Restricted Reserve figures are subject to final adjustment and external audit at 30 June each year. Figures shown above are estimates only.

**Report**

The investment portfolio decreased by \$1,462,667.20 for the month. The decrease was due to receipts from customers being lower than payments to suppliers and staff in September. This resulted in decreased funds in cash and investments.

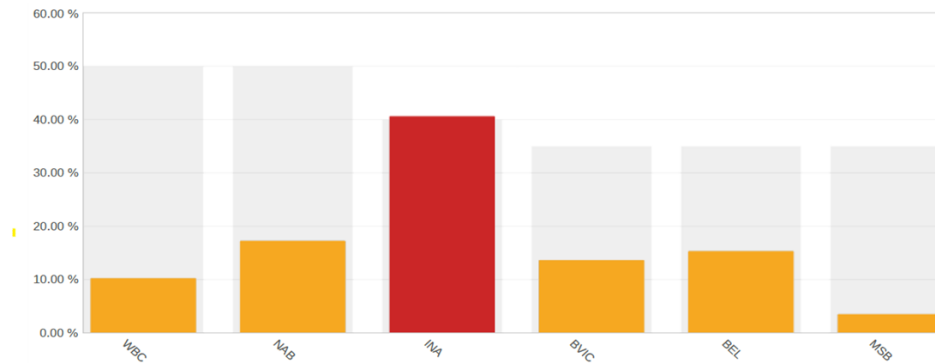
**Portfolio Performance**

For the month of September, the portfolio (excluding cash) provided a return of +0.43% (actual) or +5.40% p.a. (annualised), outperforming the benchmark Ausbond Bank Bill Index return of +0.36% (actual) or +4.45% p.a. (annualised). The monthly performance has improved over the recent months reflective of the maturity of lower yielding term deposits that are being replaced by higher yielding term deposits, providing greater overall returns to the portfolio. The portfolio's performance is now ahead of benchmark again over all time periods out to 12 months.

As maturities occur, Council is incrementally increasing the average duration of the investment portfolio to increase revenue, targeting high yielding deposits with tenors between 1 and 2 years. Interest received in the period totalled \$206,806.37, with \$520,081.45 received and accrued for the year to date.

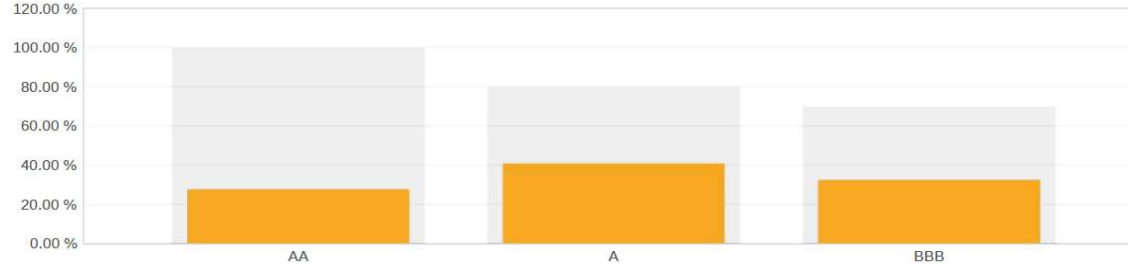
**Counterparty Compliance**

The below graph compare investments with each financial institution to the limits included in Council's Investment Policy, except for ING which is immaterially overweight by \$170,000. This was due to the decrease in the portfolio balance during the month, which changes each counterparty's proportional share of the portfolio total.



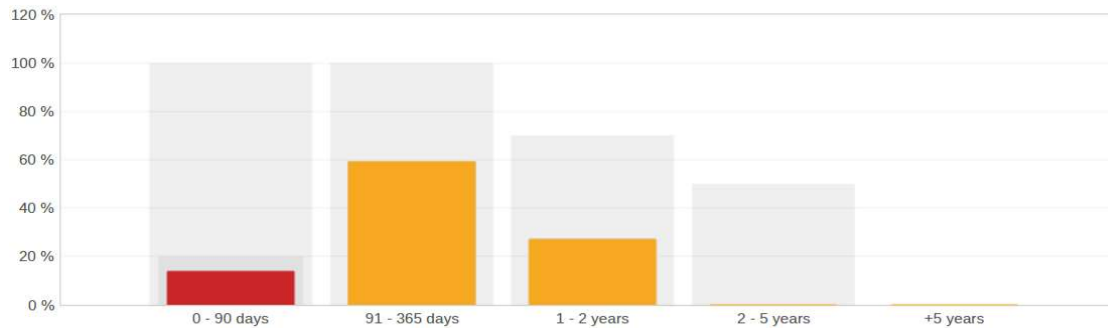
**Credit Quality Compliance**

The below graphs compare investments with each investment rating category to the limits included in Council's Investment Policy



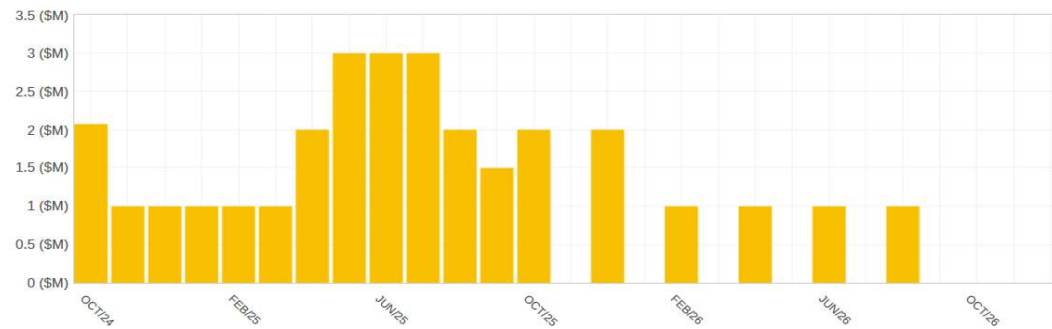
**Term to Maturity**

The percentage of investments maturing over the next ten years is detailed in the graph below. All maturity limits comply with the Investment Policy, with the exception of the 0-90 day minimum term of 20% (currently 14%). This was due to the decrease in the portfolio balance during the month.



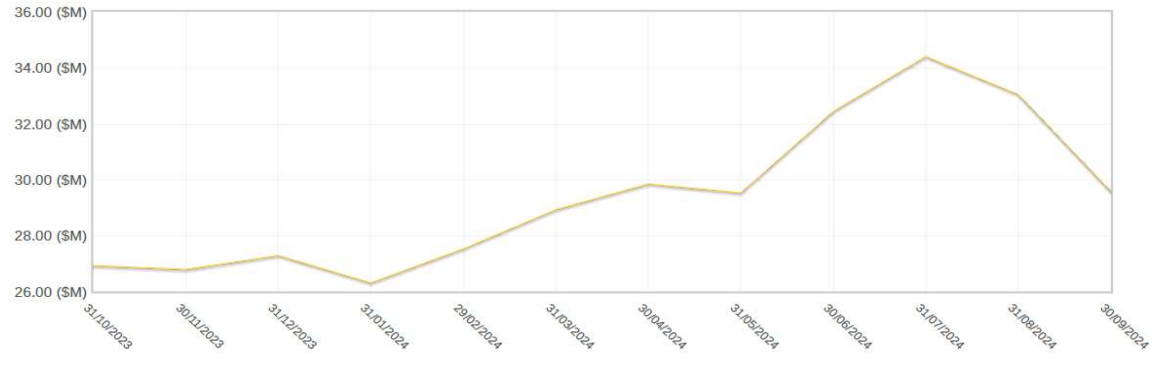
**Maturity Cashflow**

When investments will mature over time



### Historical Portfolio Balances

Indicative of the normal cash cycle of the Council



# R11 September 2024 Quarterly Budget Review Statement

**Organisational Area** Corporate Services

**Author** Natasha Harris, Manager Finance & Sourcing

**Summary** The Quarterly Budget Review Statement is presented to the Board in accordance with Clause 203(2) of the Local Government (General) Regulation 2021, for the purpose of periodically reviewing and revising estimates of income and expenditure.

**RECOMMENDATION** that the

- a) Quarterly Budget Review for the period ended 30 September 2024 be received and adopted.
- b) Implications on the 2024/25 Operational Plan be noted.

## Report

The Quarterly Review of Riverina Water's budget for the period ending 30 September 2024 is submitted for review by the Board.

## Operating Budget

The anticipated Operating Result for 2024/25 is a deficit of \$2,781,178. The Operating Result was originally budgeted for a deficit of \$1,611,521. The proposed September quarterly review operational adjustments total an increase of \$716,576, these are outlined in detail on page 4 of the attachment. Adjustments for anticipated additional revenue (due to recent and forecast drier seasonal conditions) are usually made during the March quarterly review. Year to date revenue figures will significantly reduce the projected operating result.

## Capital Budget

Also included is a quarterly review for Capital Works projects. The original capital expenditure budget for 2024/25 was \$18,214,503 inclusive of carryovers, revotes, and reprioritisation. The proposed September quarterly review adjustments, which are outlined on page 6 of the attachment, result in a decrease of \$728,561. The proposed capital expenditure for 2024/25 totals \$17,485,942.

Due to the timing of the finalisation of the Annual Financial Statements, Council's Long Term Financial Plan is yet to be updated to reflect the results of the 2023/24 financial year. As a result, no Key Performance Indicators or Balance Sheet have been provided. This information will be included as part of the December 2024 Quarterly Budget Review.

› **R11.1 September 2024 Quarterly Budget Review** [↓](#) 

**Strategic Alignment**

Our Business

Take actions that deliver responsible financial management and ensure long term sustainability

**Financial Implications**

The recommendation decreases Council's anticipated net cashflow for 2024/25 by \$12,000 when incorporated into the revised long term financial plan.

**2024/25 Operational Plan Implications**

The Quarterly Budget Review is not expected to have any implications for the 2024/25 Operational Plan.

**Workforce Implications**

Not applicable.

**Risk Considerations**

<b>Financial</b>	
Avoid	Riverina Water will endeavour to ensure that its financial sustainability is protected at all times and avoid proposals that may impact negatively.



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2. Income & Expenses Budget Review Statements	3
3. Capital Budget Review Statement	5
4. Cash & Investments Budget Review Statement	7
5. Key Performance Indicator (KPI) Budget Review Statement a. Council specific KPI's	N/A
6. Contracts & Other Expenses Budget Review Statement	9

Riverina Water County Council

**Quarterly Budget Review Statement**  
for the period 01/07/24 to 30/09/24

**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 for Riverina Water County Council for the quarter ended 30/09/24 indicates that Council's projected financial position at 30/6/25 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

**Signed:**  \_\_\_\_\_

**Date:** 21/10/2024

Mrs Natasha Harris  
Responsible Accounting Officer

Riverina Water County Council

**Quarterly Budget Review Statement**

for the period 01/07/24 to 30/09/24

**Income & Expenses Budget Review Statement**

Budget review for the quarter ended 30 September 2024

(\$000's)	Original Budget 2024/25	Approved Changes			Revised Budget 2024/25	Variations for this Sep Qtr	Notes	Projected Year End Result	2024/25	2023/24
		Other than by QBRS	Sept QBRS	Dec QBRS					Actual YTD figures	Actual YTD figures
<b>Income</b>										
Rates and Annual Charges	5,961	-			5,961	55	4	6,016	1,295	1,446
User Charges and Fees	24,768	-			24,768	(128)	1,4	24,640	4,710	3,818
Interest and Investment Revenues	1,330	-			1,330	40	4	1,370	542	267
Other Revenues	345	-			345	70	4	415	132	94
Grants & Contributions - Operating	15	-			15	25	4	40	31	(200)
Grants & Contributions - Capital	2,025	-			2,025	(25)	4	2,000	23	158
<b>Total Income from Continuing Operations</b>	<b>34,444</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,444</b>	<b>37</b>		<b>34,481</b>	<b>6,733</b>	<b>5,583</b>
<b>Expenses</b>										
Employee Costs	12,623	-			12,623	(2,172)	2,4	10,451	3,194	2,403
Borrowing Costs	99	-			99			99	18	(13)
Materials & Contracts	11,572	479			12,051	2,926	3,4	14,977	2,907	2,461
Depreciation	9,470	-			9,470			9,470	-	-
Other Expenses	266	-			266			266	51	27
<b>Total Expenses from Continuing Operations</b>	<b>34,030</b>	<b>479</b>	<b>-</b>	<b>-</b>	<b>34,509</b>	<b>754</b>		<b>35,263</b>	<b>6,170</b>	<b>4,878</b>
<b>Net Operating Result from Continuing Operations</b>	<b>414</b>	<b>(479)</b>	<b>-</b>	<b>-</b>	<b>(65)</b>	<b>(717)</b>		<b>(782)</b>	<b>563</b>	<b>705</b>
<b>Net Operating Result from All Operations</b>	<b>414</b>	<b>(479)</b>	<b>-</b>	<b>-</b>	<b>(65)</b>	<b>(717)</b>		<b>(782)</b>	<b>563</b>	<b>705</b>
<b>Net Operating Result before Capital Items</b>	<b>(1,611)</b>	<b>(479)</b>	<b>-</b>	<b>-</b>	<b>(2,090)</b>	<b>(692)</b>		<b>(2,782)</b>	<b>540</b>	<b>547</b>

**Income & Expenses Budget Review Statement**  
**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

Notes	Details
1	<p><b>User Charges &amp; Fees (Revenue):</b> - \$37,000 - Leaseback Fees - Council Vehicles - additional revenue for new staff leaseback vehicles and indexation of existing leaseback charges.</p>
2	<p><b>Employee Costs:</b> - \$107,900 - Reclassified positions and total remuneration package adjustments.</p>
3	<p><b>Materials &amp; Contracts:</b>                      - (\$25,613) - Materials &amp; Consumables - Reallocate carryover back to CAPEX for Solar Pilot Project.                      - \$2,457 - Software - Real Time Kinematics subscription for machine guidance and rover systems to improve accuracy.                      - \$204,000 - Software Implementation - Final FLOW implementation costs unable to be accrued to prior year due to timing, costs were budgeted in FY23/24 (overall, approved budget remains underspent but was not carried over to FY24/25).                      - (\$12,000) - Other Goods &amp; Services - Transfer entertainment budget to to Staff Entertainment account.                      - \$12,000 - Staff Entertainment - Transfer entertainment budget from Other Goods &amp; Services.                      - \$95,000 - Contractor Expenses - Complete Road Seal road reinstatement works.                      - \$15,000 - Contractor Expenses - Aurion support hours annual allocation.                      - \$100,000 - Consultancy - Master planning budget reallocated from Capital Budget to Operating Budget.                      - \$220,000 - Consultancy - Collingullie (Village) water supply expansion - \$100,000 reallocation from Capital Budget to Operating Budget, \$100,000 additional budget allocation for full project cost.                      - \$34,832 - Insurance Expenses - premium renewal increases.</p>
4	<p><b>Budget reclassifications - new chart of accounts structure alignment to OLG Accounting Code (net Nil):</b>                      - \$55,000 - Rates and Annual Charges                      - (\$165,000) - User Charges and Fees                      - \$40,000 - Interest and Investment Revenues                      - \$70,000 - Other Revenues                      - \$25,000 - Grants &amp; Contributions - Operating                      - (\$25,000) - Grants &amp; Contributions - Capital                      - (\$2,280,000) - Employee Costs                      - \$2,280,000 - Materials &amp; Contracts</p>

Riverina Water County Council

**Quarterly Budget Review Statement**

for the period 01/07/24 to 30/09/24

**Capital Budget Review Statement**

Budget review for the quarter ended 30 September 2024

(\$000's)	Original Budget 2024/25	Approved Changes					Revised Budget 2024/25	Variations for this Sep Qtr	Notes	Projected Year End Result	2024/25	2023/24
		Carry Forwards	2022/23 Revotes	Other than QBRS	Sept QBRS	Dec QBRS					Actual YTD figures	Actual YTD figures
<b>Capital Expenditure</b>												
Land & Buildings	1,448	106	171	(1,268)		457	105	1	562	92	492	
Plant & Equipment	2,948	1,003	374	(411)		3,914	(125)	2	3,789	175	190	
Intangibles	453	-	-	(453)		-	-		-	-	37	
Water Infrastructure	11,071	937	2,917	(1,081)		13,844	(708)	3	13,136	2,886	1,482	
Loan Repayments (Principal)	-	-	-	-		-	-		-	39	70	
<b>Total Capital Expenditure</b>	<b>15,920</b>	<b>2,046</b>	<b>3,462</b>	<b>(3,213)</b>	-	<b>18,215</b>	<b>(728)</b>		<b>17,487</b>	<b>3,192</b>	<b>2,271</b>	
<b>Capital Funding</b>												
Rates & Other Untied Funding	15,920	2,046	3,462	(3,213)		18,215	- 728		17,487	3,192	2,271	
<b>Total Capital Funding</b>	<b>15,920</b>	<b>2,046</b>	<b>3,462</b>	<b>(3,213)</b>	-	<b>18,215</b>	<b>(728)</b>		<b>17,487</b>	<b>3,192</b>	<b>2,271</b>	
<b>Net Capital Funding - Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	

## Capital Budget Review Statement

### Recommended changes to revised budget

Budget Variations being recommended include the following material items:

#### Notes Details

- 
- 1 **Land & Buildings:**
- (\$100,000) - Administration Office - Budget allocated for master planning to be transferred to OPEX
  - \$79,831 - Electrical/Fitters Evaporative Aircon Replacement - Eliminate WHS heat risk issue, renew assets, creation of automatic control system to reduce energy consumption.
  - \$100,000 - Murrumbidgee River Bank Stabilisation - Review of environmental factors is required in addition to other studies, bringing forward budget from next financial year.
  - \$24,740 - West Wagga Security Cameras and Gate Automation - additional costs for footings and fence upgrades, project management, and final costs to finalise works.
- 
- 2 **Plant & Equipment:**
- \$20,000 - Office Furniture & Equipment - Flow room equipment, new positions office/desks, Depot lunch room chair replacement.
  - (172,232) - Routine plant & vehicle replacements - Carryover/revote adjustment for accruals.
  - \$10,000 - Plant Tools & Equipment - Welders brake press replacement.
  - (\$7,714) - Replacement of CISCO Meraki Telemetry Routers - Carryover/revote adjustment for accruals.
  - \$24,862 - Solar Pilot Plant East Wagga - Carryover/Revote adjustment for accruals and return budget from OPEX
- 
- 3 **Water Infrastructure:**
- (\$9,875) - North Wagga Share Cloth Replacement - Carryover/revote adjustment for accruals.
  - \$40,000 - West Wagga Aeration WTP - High Level Inlet Control Valve - Install a flow control valve to allow high level water to be supplied into West Wagga as a contingency measure.
  - \$60,000 - WTP stage 1 - Urban - Replacement of north side concrete slab at trade shed removed by UGL during construction of Wagga WTP. To be funded from residual bank guarantee proceeds held as restricted cash.
  - (\$9,849) - Roads - Stage 1 - Carryover/revote adjustment for accruals.
  - \$25,200 - Renew Reticulation Mains Urban - Complete Road Seal road reinstatements.
  - (\$120,000) - Minor capex budget reserve - allocate to West Wagga Aeration WTP, Electrical/Fitters Evap Aircon replacement.
  - (\$470,098) - Main Low Level Reservoir - Carryover/revote adjustment for accruals.
  - (\$7,000) - Oura Reservoir Replacement - Carryover/revote adjustment for accruals.
  - (\$214,980) - Boree Creek to Morundah Pipeline - Carryover/revote adjustment for accruals.
  - (\$1,615) - Reticulation for Developers Urban - Carryover/revote adjustment for accruals.
-

Riverina Water County Council

**Quarterly Budget Review Statement**

for the period 01/07/24 to 30/09/24

**Cash & Investments Budget Review Statement**

Budget review for the quarter ended 30 September 2024

(\$000's)	Original Budget 2024/25	Approved Changes				Revised Budget 2024/25	Variations for this Sep Qtr	Notes	Projected Year End Result	Actual YTD figures
		Carry Forwards	Other than by QBRS	Sept QBRS	Dec QBRS					
<b>Externally Restricted</b> <sup>(1)</sup>										
Loan Funds - LIRS	-	-	-	-	-	-	-	-	-	
<b>Total Externally Restricted</b>	-	-	-	-	-	-	-	-	-	
(1) Funds that must be spent for a specific purpose										
<b>Internally Restricted</b> <sup>(2)</sup>										
Employee Leave Entitlements *	2,140	-	-	-	-	2,140	-		2,140	2,140
Plant Replacement	1,667	-	-	-	-	1,667	-		1,667	1,778
Water Treatment Plant	228	-	-	-	-	228	(60)	1	168	228
Revenue from Water Licences	669	-	-	-	-	669	-		669	669
Sales Fluctuation	3,000	-	-	-	-	3,000	-		3,000	3,000
<b>Total Internally Restricted</b>	<b>7,704</b>	-	-	-	-	<b>7,704</b>	<b>(60)</b>		<b>7,644</b>	<b>7,815</b>
(2) Funds that Council has earmarked for a specific purpose										
<b>Unrestricted</b> (ie. available after the above Restrictions)	24,746	(2,046)	(249)			22,451	48	2	22,499	23,759
<b>Total Cash &amp; Investments</b>	<b>32,450</b>	<b>(2,046)</b>	<b>(249)</b>	-	-	<b>30,155</b>	<b>(12)</b>		<b>30,143</b>	<b>31,574</b>

\* ELE Reserve is currently funded at 50%

**Cash & Investments Budget Review Statement**

**Investments**

Investments have been invested in accordance with Council's Investment Policy.

**Cash**

The Cash at Bank figure included in the Cash & Investment Statement totals \$31,574,000

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.  
The date of completion of this bank reconciliation is 30/09/24.

**Reconciliation Status**

The YTD Cash & Investment figure reconciles to the actual balances held as follows:		<b>\$ 000's</b>
Cash at Bank (as per bank statements)		3,070
Investments on Hand		28,504
less: Unpresented Cheques	(Timing Difference)	-
add: Undeposited Funds	(Timing Difference)	-
<b>Reconciled Cash at Bank &amp; Investments</b>		31,574
<b>Balance as per Review Statement:</b>		31,574
Difference:		-

**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

**Notes Details**

1	<p><b>Internally Restricted Cash:</b> - (\$60,000) - WTP stage 1 - Urban - Replacement of north side concrete slab at trade shed removed by UGL during construction of Wagga WTP. To be funded from residual bank guarantee proceeds held as restricted cash.</p>
2	<p><b>Unrestricted Cash:</b> - \$48,000 - increase in unrestricted cash due to revised OPEX and CAPEX requirements separately detailed.</p>



Riverina Water County Council

**Quarterly Budget Review Statement**

for the period 01/07/24 to 30/09/24

**Contracts Budget Review Statement**

Budget review for the quarter ended 30 September 2024

**Part A - Contracts Listing** - contracts entered into during the quarter

<b>Contractor</b>	<b>Contract detail &amp; purpose</b>	<b>Contract Value</b>	<b>Start Date</b>	<b>Duration of Contract</b>	<b>Budgeted (Y/N)</b>	<b>Notes</b>
National Concrete Services Pty Ltd	Remediation of Sludge Thickening Tank at 91 Hammond Avenue site	1,470,919	05/07/24	2 mths	Y	
Boots Civil Pty Ltd	Supply and delivery of Bedding Sand	407,000	28/08/24	7 mths	Y	
Bidgee Quarries Pty Ltd	Supply and delivery of Bedding Sand	407,000	28/08/24	7 mths	Y	
CEM International Pty Ltd	Supply and delivery of new Sludge Tank Mixer	196,340	26/09/24	20 weeks (Est)	Y	

Notes:

1. Minimum reporting level is 1% of estimated income from continuing operations of Council or \$50,000 - whatever is the lesser.
2. Contracts listed are those entered into during the quarter being reported and exclude contractors on Council's Preferred Supplier list.
3. Contracts for employment are not required to be included.

Riverina Water County Council

**Quarterly Budget Review Statement**

for the period 01/07/24 to 30/09/24

**Consultancy & Legal Expenses Budget Review Statement**

Consultancy & Legal Expenses Overview

<b>Expense</b>	<b>YTD Expenditure (Actual Dollars)</b>	<b>Budgeted (Y/N)</b>
Consultancies	50,870	Y
Legal Fees	4,950	Y

**Definition of a 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.

**Comments**

Expenditure included in the above YTD figure but not budgeted includes:

**Details**

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N/A

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# R12 Financial Statements 2023/24

## Organisational Area Corporate Services

**Author** Natasha Harris, Manager Finance & Sourcing

**Summary** Under Section 419 of the Local Government Act 1993, Riverina Water is required to present its audited Financial Statements, together with the Audit Report, at a meeting of the Board.

**RECOMMENDATION** that the 2023/24 audited Financial Statements be received and noted.

## Report

The Audit Office of New South Wales have completed the audit of the 2023/24 Financial Statements.

The Report on the Conduct of the Audit for the 2023/24 Financial Statements has now been received and is presented, together with the 2023/24 Financial Statements, in accordance with Section 419(1) of the Local Government Act 1993.

Jason Gilbert, representing Crowe Pty Ltd (Council's Auditors), and Min Cui, representing the Audit Office of New South Wales, will attend the meeting via audio visual link to present the Report on the Conduct of the Audit.

› **R12.1 Riverina Water Financial Statements 2023-2024** [↓](#) 

## Strategic Alignment

Our Business

Take actions that deliver responsible financial management and ensure long term sustainability

## Financial Implications

Not applicable.

## Workforce Implications

Not applicable.

**Risk Considerations**

<b>Corporate Governance And Compliance</b>	
Avoid	Riverina Water will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

# Riverina Water County Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2024

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**"to provide our community with safe reliable water at  
the lowest sustainable cost"**



# Riverina Water County Council

## General Purpose Financial Statements

for the year ended 30 June 2024

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### Overview

Riverina Water County Council is constituted under the *Local Government Act 1993* (NSW) and has its principal place of business at:

91 Hammond Avenue  
Wagga Wagga NSW 2650

Council's guiding principles are detailed in Chapter 3 of the *Local Government Act 1993* and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: [www.rwcc.nsw.gov.au](http://www.rwcc.nsw.gov.au).

# Riverina Water County Council

## General Purpose Financial Statements

for the year ended 30 June 2024

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### Statement by Councillors and Management made pursuant to Section 413 (2c) of the *Local Government Act 1993 (NSW)*

The attached general purpose financial statements have been prepared in accordance with:

- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these statements:

- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 29 August 2024.



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Clr T Koschel  
Chairperson  
29 August 2024



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Clr D Meyer OAM  
Deputy Chairperson  
29 August 2024



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Mr A Crakanthorp  
Chief Executive Officer  
29 August 2024



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Mrs N Harris  
Responsible Accounting Officer  
29 August 2024

## Riverina Water County Council

### Income Statement

for the year ended 30 June 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Restated Actual 2023
<b>Income from continuing operations</b>				
6,514	Rates and annual charges	B2-1	<b>6,061</b>	5,760
25,095	User charges and fees	B2-2	<b>26,013</b>	19,295
305	Other revenues	B2-3	<b>2,270</b>	208
–	Grants and contributions provided for operating purposes	B2-4	<b>–</b>	48
2,000	Grants and contributions provided for capital purposes	B2-4	<b>3,230</b>	2,004
332	Interest and investment income	B2-5	<b>1,215</b>	804
–	Net gain from the disposal of assets	B4-1	<b>12</b>	52
<b>34,246</b>	<b>Total income from continuing operations</b>		<b>38,801</b>	28,171
<b>Expenses from continuing operations</b>				
11,542	Employee benefits and on-costs	B3-1	<b>12,274</b>	10,063
10,448	Materials and services <sup>1</sup>	B3-2	<b>10,605</b>	8,688
104	Borrowing costs	B3-3	<b>127</b>	143
8,700	Depreciation, amortisation and impairment of non-financial assets	B3-4	<b>9,098</b>	8,709
255	Other expenses	B3-5	<b>190</b>	236
<b>31,049</b>	<b>Total expenses from continuing operations</b>		<b>32,294</b>	27,839
<b>3,197</b>	<b>Operating result from continuing operations</b>		<b>6,507</b>	332
<b>3,197</b>	<b>Net operating result for the year attributable to Council</b>		<b>6,507</b>	332
<b>1,197</b>	<b>Net operating result for the year before grants and contributions provided for capital purposes</b>		<b>3,277</b>	(1,672)

(1) Refer Note F3-1 for information on prior period error

The above Income Statement should be read in conjunction with the accompanying notes.



## Riverina Water County Council

### Statement of Comprehensive Income

for the year ended 30 June 2024

\$ '000	Notes	2024	Restated 2023
<b>Net operating result for the year – from Income Statement</b>		<b>6,507</b>	332
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	<b>17,094</b>	24,532
Gain (loss) on revaluation of intangible assets	C1-7	<b>(445)</b>	430
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>16,649</b>	24,962
<b>Total other comprehensive income for the year</b>		<b>16,649</b>	24,962
<b>Total comprehensive income for the year attributable to Council</b>		<b>23,156</b>	25,294

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

## Riverina Water County Council

### Statement of Financial Position

as at 30 June 2024

\$ '000	Notes	2024	Restated 2023	Restated 1 July 2022
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	C1-1	2,450	3,304	2,510
Investments	C1-2	23,500	18,500	11,500
Receivables	C1-4	6,877	4,308	4,106
Inventories	C1-5	2,650	2,451	2,435
<b>Total current assets</b>		<b>35,477</b>	<b>28,563</b>	<b>20,551</b>
<b>Non-current assets</b>				
Investments	C1-2	6,500	7,500	17,500
Infrastructure, property, plant and equipment (IPPE)	C1-6	382,447	364,026	338,607
Intangible assets <sup>1</sup>	C1-7	8,918	9,363	8,950
<b>Total non-current assets</b>		<b>397,865</b>	<b>380,889</b>	<b>365,057</b>
<b>Total assets</b>		<b>433,342</b>	<b>409,452</b>	<b>385,608</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	C3-1	3,863	3,311	2,694
Borrowings	C3-2	155	155	1,535
Employee benefit provisions	C3-3	4,279	3,942	4,555
<b>Total current liabilities</b>		<b>8,297</b>	<b>7,408</b>	<b>8,784</b>
<b>Non-current liabilities</b>				
Borrowings	C3-2	1,705	1,860	1,934
<b>Total non-current liabilities</b>		<b>1,705</b>	<b>1,860</b>	<b>1,934</b>
<b>Total liabilities</b>		<b>10,002</b>	<b>9,268</b>	<b>10,718</b>
<b>Net assets</b>		<b>423,340</b>	<b>400,184</b>	<b>374,890</b>
<b>EQUITY</b>				
Accumulated surplus		164,383	157,876	157,544
IPPE revaluation reserve	C4-1	258,957	242,308	217,346
<b>Council equity interest</b>		<b>423,340</b>	<b>400,184</b>	<b>374,890</b>
<b>Total equity</b>		<b>423,340</b>	<b>400,184</b>	<b>374,890</b>

(1) Refer Note F3-1 for information on prior period error

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## Riverina Water County Council

### Statement of Changes in Equity

for the year ended 30 June 2024

	Notes	2024			2023		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Total equity
\$ '000					Restated	Restated	Restated
<b>Opening balance at 1 July</b>		<b>157,876</b>	<b>242,308</b>	<b>400,184</b>	159,484	217,346	376,830
Correction of prior period errors	F3-1	-	-	-	(1,940)	-	(1,940)
<b>Restated opening balance</b>		<b>157,876</b>	<b>242,308</b>	<b>400,184</b>	<b>157,544</b>	<b>217,346</b>	<b>374,890</b>
<b>Net operating result for the year</b>		<b>6,507</b>	-	<b>6,507</b>	1,366	-	1,366
Correction of prior period errors	F3-1	-	-	-	(1,034)	-	(1,034)
<b>Restated net operating result for the period</b>		<b>6,507</b>	-	<b>6,507</b>	<b>332</b>	-	<b>332</b>
<b>Other comprehensive income</b>							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	-	17,094	17,094	-	24,532	24,532
Gain (loss) on revaluation of intangible assets	C1-7	-	(445)	(445)	-	430	430
<b>Other comprehensive income</b>		<b>-</b>	<b>16,649</b>	<b>16,649</b>	<b>-</b>	<b>24,962</b>	<b>24,962</b>
<b>Total comprehensive income</b>		<b>6,507</b>	<b>16,649</b>	<b>23,156</b>	<b>332</b>	<b>24,962</b>	<b>25,294</b>
<b>Closing balance at 30 June</b>		<b>164,383</b>	<b>258,957</b>	<b>423,340</b>	<b>157,876</b>	<b>242,308</b>	<b>400,184</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Riverina Water County Council

### Statement of Cash Flows

for the year ended 30 June 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Restated Actual 2023
<b>Cash flows from operating activities</b>				
<i>Receipts:</i>				
6,423	Rates and annual charges		<b>6,368</b>	5,696
24,350	User charges and fees		<b>25,243</b>	19,674
562	Interest received		<b>960</b>	570
2,072	Grants and contributions		<b>3,240</b>	2,053
–	Bonds, deposits and retentions received		<b>1</b>	49
634	Other		<b>2,255</b>	1,478
<i>Payments:</i>				
(11,740)	Payments to employees		<b>(11,823)</b>	(10,769)
(11,561)	Payments for materials and services		<b>(12,265)</b>	(9,792)
(104)	Borrowing costs		<b>(127)</b>	(143)
(147)	Other		<b>(138)</b>	(41)
<u>10,489</u>	<b>Net cash flows from operating activities</b>	F1-1	<u><b>13,714</b></u>	<u>8,775</u>
<b>Cash flows from investing activities</b>				
<i>Receipts:</i>				
2,433	Redemption of term deposits		–	3,000
–	Proceeds from sale of IPPE		<b>246</b>	115
<i>Payments:</i>				
–	Acquisition of term deposits		<b>(4,000)</b>	–
(16,071)	Payments for IPPE		<b>(10,659)</b>	(9,642)
<u>(13,638)</u>	<b>Net cash flows from investing activities</b>		<u><b>(14,413)</b></u>	<u>(6,527)</u>
<b>Cash flows from financing activities</b>				
<i>Payments:</i>				
(155)	Repayment of borrowings		<b>(155)</b>	(1,454)
<u>(155)</u>	<b>Net cash flows from financing activities</b>		<u><b>(155)</b></u>	<u>(1,454)</u>
<u>(3,304)</u>	<b>Net change in cash and cash equivalents</b>		<u><b>(854)</b></u>	<u>794</u>
3,304	Cash and cash equivalents at beginning of year		<b>3,304</b>	2,510
<u>–</u>	<b>Cash and cash equivalents at end of year</b>	C1-1	<u><b>2,450</b></u>	<u>3,304</u>
23,567	plus: Investments on hand at end of year	C1-2	<b>30,000</b>	26,000
<u>23,567</u>	<b>Total cash, cash equivalents and investments</b>		<u><b>32,450</b></u>	<u>29,304</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Riverina Water County Council

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## Riverina Water County Council

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## A About Council and these financial statements

### A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 22 October 2024. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The material accounting policy information related to these financial statements are set out below. Accounting policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) Regulations 2021 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting. Council is a not for profit entity for the purpose of preparing these financial statements.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Unless otherwise indicated, all amounts disclosed in the financial statements are actual amounts.

Specific budgetary amounts have been included for comparative analysis (to actuals) in the following reports and notes:

- Income statement
- Statement of cash flows
- Note B5-1 – Material budget variations

and are clearly marked.

#### **Historical cost convention**

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain infrastructure, property, plant and equipment.

#### **Significant accounting estimates and judgements**

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

#### **Critical accounting estimates and assumptions**

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-6
- (ii) estimated fair values of intangibles – refer Note C1-7
- (iii) employee benefit provisions – refer Note C3-3

#### **Significant judgements in applying the Council's accounting policies**

- (i) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables - refer Note C1-4.

- (ii) Software-as-a-Service (SaaS) arrangements

Determining whether cloud computing arrangements contain a software license intangible asset - Note C1-7

Capitalisation of configuration and customisation costs in SaaS arrangements - Note C1-7

#### **New accounting standards and interpretations issued but not yet effective**

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2024 reporting period.

## A1-1 Basis of preparation (continued)

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Council has elected not to apply any of these pronouncements in these financial statements before their operative dates in the annual reporting period beginning 1 July 2023.

As at the date of authorisation of these financial statements Council does not consider that any of these new standards and interpretations are likely to have a material impact on the Council's future financial statements, financial position, financial performance or cash flows.

### **New accounting standards adopted during the year**

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from the first time as at 30 June 2024.

None of these standards had an impact on the reported position or performance however the following Standard did result in reduced disclosures.

AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates.

The most significant change introduced by this standard is to remove the requirement to disclose significant accounting policies and instead require disclosure of material accounting policy information.

*"Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements."*

In applying the new requirements, Council has after taking into account the various specific facts and circumstances applied professional judgment to ensure it discloses only material accounting policies as opposed to significant accounting policies throughout these financial statements.



## B Financial Performance

### B1 Functions or activities

#### B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2024	2023	2024	2023 Restated	2024	2023 Restated	2024	2023	2024	2023 Restated
<b>Functions or activities</b>										
Water supply	38,801	28,171	32,294	27,839	6,507	332	3,230	2,052	433,342	409,452
<b>Total functions and activities</b>	<b>38,801</b>	<b>28,171</b>	<b>32,294</b>	<b>27,839</b>	<b>6,507</b>	<b>332</b>	<b>3,230</b>	<b>2,052</b>	<b>433,342</b>	<b>409,452</b>

## B1-2 Components of functions or activities

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Details relating to the Council's functions or activities as reported in B1-1 are as follows:

### Water supply

Comprising the water supply functions servicing the Local Government Areas of Lockhart, Wagga Wagga and parts of the Greater Hume Shire and Federation Council.

## B2 Sources of income

### B2-1 Rates and annual charges

\$ '000	Timing	2024	2023
<b>Annual charges (pursuant to s496, 496A, 496B, 501 &amp; 611)</b>			
Water supply services – commercial	2	522	507
Water supply services – residential	2	5,346	5,050
<b>Annual charges levied</b>		<b>5,868</b>	<b>5,557</b>
Pensioner annual charges subsidies received:			
– Water	2	193	203
<b>Total annual charges</b>		<b>6,061</b>	<b>5,760</b>
<b>Total rates and annual charges</b>		<b>6,061</b>	<b>5,760</b>
<b>Timing of revenue recognition for rates and annual charges</b>			
Rates and annual charges recognised at a point in time (2)		6,061	5,760
<b>Total rates and annual charges</b>		<b>6,061</b>	<b>5,760</b>

#### Material accounting policy information

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

### B2-2 User charges and fees

\$ '000	Timing	2024	2023
<b>Specific user charges (per s502 - specific 'actual use' charges)</b>			
Water supply services – commercial	2	6,710	5,819
Water supply services – residential	2	17,637	12,560
<b>Total specific user charges</b>		<b>24,347</b>	<b>18,379</b>
<b>Other user charges and fees</b>			
<b>(i) Fees and charges – statutory and regulatory functions (per s608)</b>			
Section 603 certificates	2	165	173
Plumbing permits/fees	2	46	52
<b>Total fees and charges – statutory/regulatory</b>		<b>211</b>	<b>225</b>
<b>(ii) Fees and charges – other (incl. general user charges (per s608))</b>			
Leaseback fees – Council vehicles	2	38	37
Water connection fees	2	1,096	492
Standpipe fees	2	321	162
<b>Total fees and charges – other</b>		<b>1,455</b>	<b>691</b>
<b>Total other user charges and fees</b>		<b>1,666</b>	<b>916</b>
<b>Total user charges and fees</b>		<b>26,013</b>	<b>19,295</b>
<b>Timing of revenue recognition for user charges and fees</b>			
User charges and fees recognised at a point in time (2)		26,013	19,295
<b>Total user charges and fees</b>		<b>26,013</b>	<b>19,295</b>

#### Material accounting policy information

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

continued on next page

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## B2-3 Other revenues

\$ '000	Timing	2024	2023
Diesel rebate	2	11	18
Insurance claims recoveries	2	–	71
Sales – general	2	–	34
Lease rental	2	65	43
Sales – scrap material	2	34	1
Sundry Income	2	2,035	3
Other	2	–	1
Employment & Training Subsidies	2	84	–
Insurance incentive	2	41	37
<b>Total other revenue</b>		<b>2,270</b>	<b>208</b>

### Timing of revenue recognition for other revenue

Other revenue recognised at a point in time (2)	2,270	208
<b>Total other revenue</b>	<b>2,270</b>	<b>208</b>

### Material accounting policy information for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

During the year, Council resolved a contract dispute resulting in the receipt of a settlement sum recognised in Sundry Income.

## B2-4 Grants and contributions

\$ '000	Timing	Operating 2024	Operating 2023	Capital 2024	Capital 2023
<b>Special purpose grants and non-developer contributions (tied)</b>					
<b>Cash contributions</b>					
LIRS subsidy	2	–	48	–	–
Water supplies (excl. section 64 contributions)	2	–	–	1,477	708
<b>Total special purpose grants and non-developer contributions – cash</b>		<b>–</b>	<b>48</b>	<b>1,477</b>	<b>708</b>
<b>Total special purpose grants and non-developer contributions (tied)</b>		<b>–</b>	<b>48</b>	<b>1,477</b>	<b>708</b>
<b>Total grants and non-developer contributions</b>		<b>–</b>	<b>48</b>	<b>1,477</b>	<b>708</b>
<b>Comprising:</b>					
– State funding		–	48	–	–
– Other funding		–	–	1,477	708
		<b>–</b>	<b>48</b>	<b>1,477</b>	<b>708</b>

## B2-4 Grants and contributions (continued)

### Developer contributions

\$ '000	Notes	Timing	Operating 2024	Operating 2023	Capital 2024	Capital 2023
<b>Developer contributions: (s7.4 &amp; s7.11 - EP&amp;A Act, s64 of the LGA):</b>						
	F4					
<b>Cash contributions</b>						
S 64 – water supply contributions		2	–	–	1,753	1,296
<b>Total developer contributions – cash</b>			<b>–</b>	<b>–</b>	<b>1,753</b>	<b>1,296</b>
<b>Total developer contributions</b>			<b>–</b>	<b>–</b>	<b>1,753</b>	<b>1,296</b>
<b>Total contributions</b>			<b>–</b>	<b>–</b>	<b>1,753</b>	<b>1,296</b>
<b>Total grants and contributions</b>			<b>–</b>	<b>48</b>	<b>3,230</b>	<b>2,004</b>
<b>Timing of revenue recognition for grants and contributions</b>						
Grants and contributions recognised at a point in time (2)			–	48	3,230	2,004
<b>Total grants and contributions</b>			<b>–</b>	<b>48</b>	<b>3,230</b>	<b>2,004</b>

### Material accounting policy information

Control over grants and contributions is normally obtained upon their receipt (or acquittal) and is valued at the fair value of the granted or contributed asset at the date of transfer. Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

## B2-5 Interest and investment income

\$ '000	2024	2023
<b>Interest on financial assets measured at amortised cost</b>		
– Overdue rates and annual charges	54	90
– Cash and investments	1,161	714
<b>Total interest and investment income</b>	<b>1,215</b>	<b>804</b>

## B3 Costs of providing services

### B3-1 Employee benefits and on-costs

\$ '000	2024	2023 Restated
Salaries and wages	9,848	8,451
Employee termination costs (where material – other than vested leave paid)	–	169
Employee leave entitlements (ELE)	2,464	1,806
Superannuation	1,850	1,585
Workers' compensation insurance	230	174
Fringe benefit tax (FBT)	27	49
Payroll tax	727	562
Sick leave bonus	118	101
<b>Total employee costs</b>	<b>15,264</b>	<b>12,897</b>
Less: capitalised costs	<b>(2,990)</b>	<b>(2,834)</b>
<b>Total employee costs expensed</b>	<b>12,274</b>	<b>10,063</b>
Number of 'full-time equivalent' employees (FTE) at year end	116	115

#### Material accounting policy information

##### *Superannuation plans*

Council participates in a Defined Benefit Plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note D3-1 for more information.

## B3-2 Materials and services <sup>1</sup>

\$ '000	Notes	2024	2023 Restated
Raw materials and consumables		2,920	3,214
Contractor costs		440	68
Audit Fee	E2-1	107	84
Strategic Documents		61	8
Councillor and Mayoral fees and associated expenses	E1-2	139	143
Advertising		10	37
Bank charges		34	28
Computer software charges		904	368
Electricity and heating		2,747	2,267
IT expenses		1,883	1,264
Insurance		459	356
Office expenses		8	–
Postage		128	128
Printing and stationery		42	26
Subscriptions and publications		60	35
Telephone and communications		102	150
Valuation fees		6	1
Travel expenses		22	16
Rates and user charges		191	147
Community Engagement		19	26
Risk Management		–	3
Training costs (other than salaries and wages)		225	208
Memberships		21	3
Uniforms		68	70
<b>Legal expenses:</b>			
– Legal expenses: other		7	36
Expenses from leases of low value assets		2	2
<b>Total materials and services</b>		<b>10,605</b>	<b>8,688</b>
<b>Total materials and services</b>		<b>10,605</b>	<b>8,688</b>

(1) Refer Note F3-1 for information on prior period error

## B3-3 Borrowing costs

### (i) Interest bearing liability costs

Interest on loans	127	143
<b>Total borrowing costs expensed</b>	<b>127</b>	<b>143</b>

### B3-4 Depreciation, amortisation and impairment of non-financial assets

\$ '000	Notes	2024	2023
<b>Depreciation and amortisation</b>			
Plant and equipment		599	574
Office equipment		142	107
Land improvements (depreciable)		16	15
<b>Infrastructure:</b>			
– Buildings – non-specialised	C1-6	7	7
– Buildings – specialised		223	219
– Water supply network		8,111	7,770
Intangible assets	C1-7	–	17
<b>Total gross depreciation and amortisation costs</b>		<b>9,098</b>	<b>8,709</b>
<b>Total depreciation, amortisation and impairment for non-financial assets</b>		<b>9,098</b>	<b>8,709</b>

#### Material accounting policy information

##### Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-6 for IPPE assets and Note C1-7 for intangible assets.

##### Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other non-financial assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

### B3-5 Other expenses

\$ '000	2024	2023
<b>Other</b>		
Donations, contributions and assistance to other organisations (Section 356)	190	236
<b>Total other expenses</b>	<b>190</b>	<b>236</b>



## B4 Gains or losses

### B4-1 Gain or loss from the disposal, replacement and de-recognition of assets

\$ '000	Notes	2024	2023
<b>Gain (or loss) on disposal of plant and equipment</b>			
Proceeds from disposal – plant and equipment		246	115
Less: carrying amount of plant and equipment assets sold/written off	C1-6	(234)	(63)
<b>Gain (or loss) on disposal</b>		<b>12</b>	<b>52</b>
<b>Net gain (or loss) from disposal of assets</b>		<b>12</b>	<b>52</b>

## B5 Performance against budget

### B5-1 Material budget variations

Council's original budget was adopted by the Council on 22 June 2023 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

**Material variations of more than 10%** between original budget and actual results or where the variance is considered material by nature are explained below.

**Variation Key:** **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----	
<b>Revenues</b>				
<b>Other revenues</b>	305	2,270	1,965	644% <b>F</b>
Other revenues were higher due to the payment of a settlement for a contract dispute.				
<b>Capital grants and contributions</b>	2,000	3,230	1,230	62% <b>F</b>
Income from capital grants & contributions can vary depending on the timing of new developments.				
<b>Interest and investment revenue</b>	332	1,215	883	266% <b>F</b>
Interest on investment was higher than budget due to the increase in interest rates.				
<b>Expenses</b>				
<b>Borrowing costs</b>	104	127	(23)	(22)% <b>U</b>
Borrowing costs were slightly higher than budget due to one of the loans having a variable interest rate.				
<b>Statement of cash flows</b>				
<b>Cash flows from operating activities</b>	10,489	13,714	3,225	31% <b>F</b>
Cash flows from operating activities was higher due to additional capital grants and contributions and interest income.				

## C Financial position

### C1 Assets we manage

#### C1-1 Cash and cash equivalents

\$ '000	2024	2023
<b>Cash assets</b>		
Cash on hand and at bank	1,022	1,098
Cash equivalent assets		
– Short-term deposits	1,428	2,206
<b>Total cash and cash equivalents</b>	<b>2,450</b>	<b>3,304</b>

#### Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	2,450	3,304
<b>Balance as per the Statement of Cash Flows</b>	<b>2,450</b>	<b>3,304</b>

#### C1-2 Financial investments

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
<b>Debt securities at amortised cost</b>				
Long term deposits	23,500	6,500	18,500	7,500
<b>Total</b>	<b>23,500</b>	<b>6,500</b>	<b>18,500</b>	<b>7,500</b>
<b>Total financial investments</b>	<b>23,500</b>	<b>6,500</b>	<b>18,500</b>	<b>7,500</b>
<b>Total cash assets, cash equivalents and investments</b>	<b>25,950</b>	<b>6,500</b>	<b>21,804</b>	<b>7,500</b>

#### Material accounting policy information

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Amortised cost

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

### C1-3 Restricted and allocated cash, cash equivalents and investments

\$ '000	2024	2023
(a) Externally restricted cash, cash equivalents and investments		
<b>Total cash, cash equivalents and investments</b>	<b>32,450</b>	29,304
<b>Cash, cash equivalents and investments not subject to external restrictions</b>	<b>32,450</b>	29,304

\$ '000	2024	2023
(b) Internal allocations		
Less: Internally restricted cash, cash equivalents and investments	<b>(7,704)</b>	(8,424)
<b>Unrestricted and unallocated cash, cash equivalents and investments</b>	<b>24,746</b>	20,880

#### Internal allocations

At 30 June, Council has internally allocated funds to the following:

Employees leave entitlement	2,140	1,972
Plant replacement	1,667	2,555
Sales fluctuation	3,000	3,000
Water Treatment Plant	228	228
Revenue from Water Licences	669	669
<b>Total internal allocations</b>	<b>7,704</b>	8,424

#### Accounting Policy

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or policy of the elected Council.

\$ '000	2024	2023
(c) Unrestricted and unallocated		
<b>Unrestricted and unallocated cash, cash equivalents and investments</b>	<b>24,746</b>	20,880

## C1-4 Receivables

\$ '000	2024	2024	2023	2023
	Current	Non-current	Current	Non-current
Rates and annual charges	638	–	951	–
User charges and fees	2,676	–	1,906	–
Accrued revenues				
Accrued interest on investments	761	–	506	–
Other income accruals	2,238	–	–	–
Government grants and subsidies	193	–	203	–
Net GST receivable	–	–	167	–
Prepaid expenditure	371	–	575	–
<b>Total</b>	<b>6,877</b>	<b>–</b>	<b>4,308</b>	<b>–</b>
<b>Total net receivables</b>	<b>6,877</b>	<b>–</b>	<b>4,308</b>	<b>–</b>

### Material accounting policy information

Receivables are generally due for settlement within 30 days.

### Impairment/Measurement of ECL

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

#### Impairment

When estimating ECL, Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, including forward-looking information.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

When considering the ECL for rates and annual charges debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Credit losses are measured at the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

Council writes off a receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Council's provision for impairment of receivables at 30 June 2024 is \$nil (2023: \$nil).

## C1-5 Inventories

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
<b>(i) Inventories at cost</b>				
Stores and materials	2,650	-	2,451	-
<b>Total inventories at cost</b>	<b>2,650</b>	<b>-</b>	<b>2,451</b>	<b>-</b>
<b>Total inventories</b>	<b>2,650</b>	<b>-</b>	<b>2,451</b>	<b>-</b>

### Material accounting policy information

#### Raw materials and stores, work in progress and finished goods

Costs are assigned to individual items of inventory on the basis of weighted average costs.

## C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2023			Asset movements during the reporting period						At 30 June 2024		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
<b>\$ '000</b>												
Capital work in progress	14,049	–	14,049	2,636	2,631	–	–	(2,910)	–	16,406	–	16,406
Plant and equipment	7,343	(4,038)	3,305	–	2,103	(233)	(599)	–	–	8,997	(4,421)	4,576
Office equipment	1,525	(1,272)	253	–	192	(1)	(142)	–	–	1,581	(1,279)	302
<b>Land:</b>												
– Operational land	8,292	–	8,292	–	10	–	–	–	305	8,607	–	8,607
Land improvements – depreciable	2,367	(55)	2,312	–	–	–	(16)	–	131	2,498	(71)	2,427
<b>Infrastructure:</b>												
– Buildings – non-specialised	671	(225)	446	27	–	–	(7)	–	26	724	(232)	492
– Buildings – specialised	21,801	(7,537)	14,264	–	–	–	(223)	–	772	22,573	(7,760)	14,813
– Water supply network	551,137	(230,032)	321,105	1,357	1,703	–	(8,111)	2,910	15,860	572,965	(238,141)	334,824
<b>Total infrastructure, property, plant and equipment</b>	<b>607,185</b>	<b>(243,159)</b>	<b>364,026</b>	<b>4,020</b>	<b>6,639</b>	<b>(234)</b>	<b>(9,098)</b>	<b>–</b>	<b>17,094</b>	<b>634,351</b>	<b>(251,904)</b>	<b>382,447</b>

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period						At 30 June 2023		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
<b>\$ '000</b>												
Capital work in progress	7,600	–	7,600	4,070	2,404	–	–	(25)	–	14,049	–	14,049
Plant and equipment	7,215	(3,655)	3,560	–	382	(63)	(574)	–	–	7,343	(4,038)	3,305
Office equipment	1,422	(1,173)	249	–	111	–	(107)	–	–	1,525	(1,272)	253
<b>Land:</b>												
– Operational land	7,450	–	7,450	–	92	–	–	–	750	8,292	–	8,292
Land improvements – depreciable	2,163	(40)	2,123	–	21	–	(15)	25	158	2,367	(55)	2,312
<b>Infrastructure:</b>												
– Buildings – non-specialised	644	(218)	426	–	–	–	(7)	–	27	671	(225)	446
– Buildings – specialised	20,925	(7,318)	13,607	5	–	–	(219)	–	871	21,801	(7,537)	14,264
– Water supply network	525,854	(222,262)	303,592	1,260	1,297	–	(7,770)	–	22,726	551,137	(230,032)	321,105
<b>Total infrastructure, property, plant and equipment</b>	<b>573,273</b>	<b>(234,666)</b>	<b>338,607</b>	<b>5,335</b>	<b>4,307</b>	<b>(63)</b>	<b>(8,692)</b>	<b>–</b>	<b>24,532</b>	<b>607,185</b>	<b>(243,159)</b>	<b>364,026</b>

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

## C1-6 Infrastructure, property, plant and equipment (continued)

### Material accounting policy information

#### Useful lives of IPPE

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

<b>Plant and equipment</b>	<b>Years</b>	<b>Water assets</b>	<b>Years</b>
Office equipment	5 to 10	Reservoirs	80 to 100
Office furniture	10 to 20	Bores	20 to 40
Computer equipment	5	Reticulation pipes: PVC	80
Vehicles	5 to 10	Reticulation pipes: other	25 to 75
Heavy plant/road making equipment	5 to 10	Pumps and telemetry	15 to 20
Other plant and equipment	5 to 15	<b>Buildings</b>	
		Buildings: masonry	50 to 100

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

#### Revaluation model

Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every 5 years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Planning, Industry and Environment – Water.

Increases in the carrying amounts arising on revaluation are credited to the IPPE revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against IPPE revaluation reserve to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

## C1-7 Intangible assets

Intangible assets are as follows:

\$ '000	2024	2023 Restated
<b>Software <sup>1</sup></b>		
<b>Opening values at 1 July</b>		
Gross book value	—	17
<b>Net book value – opening balance</b>	<b>—</b>	<b>17</b>
<b>Movements for the year</b>		
Amortisation charges	—	(17)
<b>Closing values at 30 June</b>		
(1) Refer Note F3-1 for information on prior period error		
<b>Other</b>		
<b>(b) High Security Water Licences</b>		
<b>Opening values at 1 July</b>		
Gross book value	<b>9,363</b>	8,933
<b>Net book value – opening balance</b>	<b>9,363</b>	<b>8,933</b>
<b>Movements for the year</b>		
Fair Value (increment to Equity - Asset Revaluation Reserve)	<b>(445)</b>	430
<b>Closing values at 30 June</b>		
Gross book value	<b>8,918</b>	9,363
<b>Total High Security Water Licences – net book value</b>	<b>8,918</b>	<b>9,363</b>
<b>Total intangible assets – net book value</b>	<b>8,918</b>	<b>9,363</b>

### Material accounting policy information

#### IT development and software

##### Software-as-a-Service (SaaS) arrangements

SaaS arrangements are arrangements in which the Council does not control the underlying software used in the arrangement.

Where costs incurred to configure or customise a supplier's software application result in the creation of a resource which is identifiable, and where the Council has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits, such costs are recognised as a separate intangible software asset and amortised over the useful life of the software on a straight-line basis. The amortisation period is reviewed at least at the end of each reporting period and any changes are treated as changes in accounting estimates.

Where costs incurred to configure or customise a SaaS arrangement do not result in the recognition of an intangible software asset, then those costs that provide the Council with a distinct service (in addition to the SaaS access) are recognised as expenses when the supplier provides the services. When such costs incurred do not provide a distinct service, the costs are capitalised as a prepayment and are recognised as expenses over the duration of the SaaS contract. Previously, some costs had been capitalised as computer software intangible assets. In the process of applying the Council's accounting policy on configuration and customisation of costs incurred in implementing SaaS arrangements, management has made following judgements which have the most significant effect on the amounts recognised in the financial statements.

*Determining whether cloud computing arrangements contain a software licence intangible asset*



## C1-7 Intangible assets (continued)

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The Council evaluates cloud computing arrangements to determine if it provides a resource that the Council can control. The Council determines that a software licence intangible asset exists in a cloud computing arrangement when both of the following are met at the inception of the arrangement:

- The Council has the contractual right to take possession of the software during the hosting period without significant penalty.
- It is feasible for the Council to run the software on its own hardware or contract with another party unrelated to the supplier to host the software.

### *Capitalisation of configuration and customisation costs in SaaS arrangements*

Where the Council incurs costs to configure or customise SaaS arrangements and such costs are considered to enhance current on-premise software or provide code that can be used by the Council in other arrangements, the Council applies judgement to assess whether such costs result in the creation of an intangible asset that meets the definition and recognition criteria in AASB138.

For the year ended 30 June 2024, \$0 of costs incurred in implementing SaaS arrangements were recognised as intangible assets (2023: previously reported \$2,974,021, restated in line with retrospective change \$0). Refer to Note F3-1 Correction of Errors.

### **High Security Water Licences**

Licences are valued each year and any associated impairment or fair revaluation increment are included.

## C2 Leasing activities

### C2-1 Council as a lessee

Council has no material leases over any assets including land and buildings, vehicles, machinery and IT equipment. Council has applied the exceptions to lease accounting for leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

#### Office and IT equipment

Council holds one lease for office and IT equipment for a low value asset. The expense has been accounted for on a straight-line basis in the financial statements.

#### Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

\$ '000	2024	2023
Expenses relating to leases of low-value assets	<u>2</u>	<u>2</u>
	<b>2</b>	<b>2</b>

#### Material accounting policy information

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

#### Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

## C3 Liabilities of Council

### C3-1 Payables

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Goods and services – operating expenditure	447	–	672	–
Accrued expenses:				
– Salaries and wages	648	–	503	–
– Other expenditure accruals	1,532	–	989	–
Security bonds, deposits and retentions	143	–	142	–
ATO – net GST payable	94	–	–	–
Prepaid rates	999	–	1,005	–
<b>Total payables</b>	<b>3,863</b>	<b>–</b>	<b>3,311</b>	<b>–</b>

#### Current payables not anticipated to be settled within the next twelve months

\$ '000	2024	2023
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	143	142
<b>Total payables</b>	<b>143</b>	<b>142</b>

#### Material accounting policy information

Payables represent liabilities for goods and services provided to Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

## C3-2 Borrowings

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Loans – secured <sup>1</sup>	155	1,705	155	1,860
<b>Total borrowings</b>	<b>155</b>	<b>1,705</b>	<b>155</b>	<b>1,860</b>

(1) Loans are secured over the income of Council.  
Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note D1.1

### (a) Changes in liabilities arising from financing activities

\$ '000	2023		Non-cash movements				2024
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	2,015	(155)	–	–	–	–	1,860
<b>Total liabilities from financing activities</b>	<b>2,015</b>	<b>(155)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,860</b>

\$ '000	2022		Non-cash movements				2023
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	3,469	(1,454)	–	–	–	–	2,015
<b>Total liabilities from financing activities</b>	<b>3,469</b>	<b>(1,454)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,015</b>

### (b) Financing arrangements

\$ '000	2024	2023
<b>Total facilities</b>		
Total financing facilities available to Council at the reporting date are:		
Bank overdraft facilities <sup>1</sup>	250	250
Credit cards/purchase cards	100	100
Market Rate Facility	500	500
<b>Total financing arrangements</b>	<b>850</b>	<b>850</b>
<b>Drawn facilities</b>		
Financing facilities drawn down at the reporting date are:		
– Credit cards/purchase cards	29	25
<b>Total drawn financing arrangements</b>	<b>29</b>	<b>25</b>
<b>Undrawn facilities</b>		
Undrawn financing facilities available to Council at the reporting date are:		
– Bank overdraft facilities	250	250
– Credit cards/purchase cards	71	75
– Market Rate Facility	500	500
<b>Total undrawn financing arrangements</b>	<b>821</b>	<b>825</b>

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

### C3-3 Employee benefit provisions

\$ '000	2024		2023	
	Current	Non-current	Current	Non-current
Annual leave	1,077	–	1,100	–
Sick leave	7	–	7	–
Long service leave	3,195	–	2,835	–
<b>Total employee benefit provisions</b>	<b>4,279</b>	<b>–</b>	<b>3,942</b>	<b>–</b>

#### Current employee benefit provisions not anticipated to be settled within the next twelve months

\$ '000	2024	2023
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	2,798	2,493
	<b>2,798</b>	<b>2,493</b>

#### Material accounting policy information

##### Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

## C4 Reserves

### C4-1 Nature and purpose of reserves

#### IPPE Revaluation reserve

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

The Water Licence revaluation reserve is used to record increments and decrements in the revaluation of high security water licences.

## D Risks and accounting uncertainties

### D1-1 Risks relating to financial instruments held

Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance team manages the cash and Investments portfolio. Council has an investment policy which complies with the s 625 of the *Local Government Act 1993* and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to Council setting out the make-up performance of the portfolio as required by local government regulations.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance team under policies approved by the Councillors.

The risks associated with the financial instruments held are:

- market risk - interest rate risk – the risk that movements in interest rates could affect returns
- liquidity risk – the risk that Council will not be able to pay its debts as and when they fall due.
- credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument, resulting in a financial loss to the Council

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

#### (a) Market risk – interest rate and price risk

\$ '000	2024	2023
<p>The impact on result for the year and equity of a reasonably possible movement in the interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date. This risk only relates to future reinvestment.</p>		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	324	293

## D1-1 Risks relating to financial instruments held (continued)

### (b) Credit risk

Council's major receivables comprise annual charges and user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk other than Council has significant credit risk exposures in its local area given the nature of Council activities.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

#### Credit risk profile

##### Receivables – annual charges

Credit risk on annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land; that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages payment.

\$ '000	Not yet overdue rates and annual charges			Total
	Not yet overdue	< 5 years	≥ 5 years	
<b>2024</b>				
Gross carrying amount	339	299	–	638
<b>2023</b>				
Gross carrying amount	693	258	–	951

##### Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors and contract assets to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, non-rates and annual charges debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
<b>2024</b>						
Gross carrying amount	4,899	785	138	90	327	6,239
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>2023</b>						
Gross carrying amount	2,933	424	–	–	–	3,357
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

## D1-1 Risks relating to financial instruments held (continued)

### (c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
<b>2024</b>							
Payables	0.00%	143	3,720	–	–	3,863	3,863
Borrowings	6.66%	–	276	998	1,829	3,103	1,860
<b>Total financial liabilities</b>		<b>143</b>	<b>3,996</b>	<b>998</b>	<b>1,829</b>	<b>6,966</b>	<b>5,723</b>
<b>2023</b>							
Payables	0.00%	142	3,169	–	–	3,311	3,311
Borrowings	5.57%	–	263	956	1,763	2,982	2,015
<b>Total financial liabilities</b>		<b>142</b>	<b>3,432</b>	<b>956</b>	<b>1,763</b>	<b>6,293</b>	<b>5,326</b>



## D2-1 Fair value measurement

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The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Financial assets and liabilities

### Fair value hierarchy

All assets and liabilities measured at fair value are assigned to a level in the fair value hierarchy as follows:

**Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly

**Level 3:** Unobservable inputs for the asset or liability

The table below shows the assigned level for each asset and liability held at fair value by Council:

## D2-1 Fair value measurement (continued)

\$ '000	Notes	Fair value measurement hierarchy					
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2024	2023	2024	2023	2024	2023
<b>Recurring fair value measurements</b>							
<b>Intangible assets</b>							
	C1-7						
High Security Water Licence		8,918	9,363	–	–	8,918	9,363
<b>Total intangible assets</b>		<b>8,918</b>	<b>9,363</b>	<b>–</b>	<b>–</b>	<b>8,918</b>	<b>9,363</b>
<b>Infrastructure, property, plant and equipment</b>							
	C1-6						
Water Treatment Plants		–	–	68,361	66,973	68,361	66,973
Ground Water Bores		–	–	3,651	3,614	3,651	3,614
Water Pumping Stations		–	–	6,660	6,679	6,660	6,679
Water Reservoirs		–	–	37,676	35,936	37,676	35,936
Other Water Assets		–	–	1,548	1,550	1,548	1,550
Pipes		–	–	216,928	206,353	216,928	206,353
Buildings		–	–	15,305	14,710	15,305	14,710
Land		11,034	10,604	–	–	11,034	10,604
Plant & Equipment		4,576	3,305	–	–	4,576	3,305
Office Equipment		302	253	–	–	302	253
<b>Total infrastructure, property, plant and equipment</b>		<b>15,912</b>	<b>14,162</b>	<b>350,129</b>	<b>335,815</b>	<b>366,041</b>	<b>349,977</b>
<b>Non-recurring fair value measurements</b>							

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## D2-1 Fair value measurement (continued)

### Valuation techniques

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

#### Intangible assets

An external valuation is conducted for the High Security Water Licence on an annual basis based on observed market rates for similar licences.

#### Infrastructure, property, plant and equipment (IPPE)

Council engages external, independent and qualified valuers to determine fair value of infrastructure and property assets on a regular basis. This was undertaken during 2020/21. Asset Val, a business of Marsh Pty Ltd, were engaged to develop indices to reflect the movement in costs of land, land improvement and building asset classes to ensure that there is no material difference in carrying values of these assets. The indices have been applied for the reporting period ending 30 June 2024. Water Infrastructure has been indexed in accordance with the rate advised by DPI Water NSW. Techniques used to derive fair values:

**Land:** where an active market exists, a market approach has been adopted. For other types of land the cost approach was adopted. Market valuations were determined by comparing recent sales of land with similar characteristics. Cost valuations were obtained by assuming the need to purchase land from an adjoining neighbour, the value could be determined based on known zoning and town planning restrictions, comparing recent sales of similar land.

**Buildings:** buildings are disaggregated into different components. Observable inputs to the valuation include design and construction, average cost of construction, condition and consumption, supported by inspection and market evidence. Unobservable inputs include pattern of consumption and remaining service potential, which required professional judgement.

**Infrastructure:** assets are componentised into significant parts. Unit rates are based on similar capacity, using market evidence or other inputs that require professional judgement.

**Plant and Equipment:** valued based on actual historical costs.

### Fair value measurements using significant unobservable inputs (level 3)

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

\$ '000	Total IPP&E	
	2024	2023
<b>Opening balance</b>	<b>335,815</b>	317,625
<b>Total gains or losses for the period</b>		
Recognised in other comprehensive income – revaluation surplus	<b>16,658</b>	23,624
<b>Other movements</b>		
Purchases (GBV)	<b>5,997</b>	2,562
Depreciation and impairment	<b>(8,341)</b>	(7,996)
<b>Closing balance</b>	<b>350,129</b>	335,815

### Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

## D3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

### LIABILITIES NOT RECOGNISED

#### 1. Guarantees

##### (i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB 119 *Employee Benefits* for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formula and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

##### *Description of the funding arrangements.*

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are::

Division B	1.9 times member contributions for non-180 Point Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times member contributions

\* For 180 Point Members, Employers are required to contribute 8.5% of salaries for the year ending 30 June 2024 (increasing to 9.0% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million per annum for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2023. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

##### *Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan*

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

### D3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2024 was \$122,914. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2023.

The amount of additional contributions included in the total employer contribution advised above is \$29,732. Council's expected contribution to the plan for the next annual reporting period is \$86,650.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2024 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,237.5	
Past Service Liabilities	2,141.9	104.5%
Vested Benefits	2,159.8	103.6%

\* excluding member accounts and reserves in both assets and liabilities.

Based on Past Service Liabilities Methodology the share of any surplus or deficit that can be attributed to Riverina Water is .30%.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	6.0% per annum
Salary inflation *	3.5% per annum
Increase in CPI	3.5% for FY 23/24 2.5% per annum thereafter

\* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review, which will be a triennial actuarial investigation will be completed by December 2024.

#### (ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30 June this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

#### (iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

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## D3-1 Contingencies (continued)

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### (iv) Other guarantees

Council has provided no other guarantees other than those listed above.

## 2. Other liabilities

### (i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

## E People and relationships

### E1 Related party disclosures

#### E1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2024	2023
<b>Compensation:</b>		
Short-term benefits	759	689
Post-employment benefits	68	58
Other long-term benefits	31	28
<b>Total</b>	<b>858</b>	<b>775</b>

#### Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. supply of water to the residence of KMP) will not be disclosed.

Councillors of Riverina Water County Council are also Councillors for constituent member Councils. Councillors are elected as independent members of Riverina Water County Council's board. Constituent Councils do not hold direct control over Riverina Water County Council and transactions between Councils have not been classified as Related Party transactions.

Nature of the transaction	Transactions during the year	Outstanding balances including commitments	Terms and conditions	Impairment provision on outstanding balances	Impairment expense
\$ '000					
<b>2024</b>					
Payment for goods/ services received	14	–	30 day creditor payment terms	–	–
<b>2023</b>					
Payment for goods/ services received	10	–	30 day creditor payment terms	–	–

## E1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2024	2023
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Members expenses – chairperson’s fee	18	17
Members expenses – members fees	98	94
Superannuation	9	11
Members expenses (incl. chairperson) – other (excluding fees above)	14	21
<b>Total</b>	<b>139</b>	<b>143</b>

## E2 Other relationships

### E2-1 Audit fees

\$ '000	2024	2023
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
<b>Auditors of the Council - NSW Auditor-General:</b>		
<b>(i) Audit and other assurance services</b>		
Audit and review of financial statements	52	35
<b>Remuneration for audit and other assurance services</b>	<b>52</b>	<b>35</b>
<b>Total Auditor-General remuneration</b>	<b>52</b>	<b>35</b>
<b>Non NSW Auditor-General audit firms</b>		
<b>(i) Audit and other assurance services</b>		
Other audit and assurance services: Council's Internal Auditor	55	49
<b>Remuneration for audit and other assurance services</b>	<b>55</b>	<b>49</b>
<b>Total remuneration of non NSW Auditor-General audit firms</b>	<b>55</b>	<b>49</b>
<b>Total audit fees</b>	<b>107</b>	<b>84</b>



## F Other matters

### F1-1 Statement of Cash Flows information

#### Reconciliation of Operating Result

\$ '000	2024	2023
<b>Net operating result from Income Statement</b>	<b>6,507</b>	332
<b>Add / (less) non-cash items:</b>		
Depreciation and amortisation	9,098	8,709
(Gain) / loss on disposal of assets	(12)	(52)
<b>Movements in operating assets and liabilities and other cash items:</b>		
(Increase) / decrease of receivables	(2,569)	(202)
(Increase) / decrease of inventories	(199)	(16)
Increase / (decrease) in payables	(225)	352
Increase / (decrease) in other accrued expenses payable	688	119
Increase / (decrease) in other liabilities	89	146
Increase / (decrease) in employee benefit provision	337	(613)
<b>Net cash flows from operating activities</b>	<b>13,714</b>	<b>8,775</b>

### F2-1 Commitments

#### Capital commitments (exclusive of GST)

\$ '000	2024	2023
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
<b>Property, plant and equipment</b>		
Water infrastructure - other	186	353
Boree to Morundah pipeline project	451	-
Plant and equipment	464	1,070
Water Treatment Plant	300	1,001
Other- including security cameras	102	-
Solar Pilot Plant	539	425
Refurbishment of Operations Office	4	260
<b>Total commitments</b>	<b>2,046</b>	<b>3,109</b>
<b>These expenditures are payable as follows:</b>		
Within the next year	2,046	3,109
<b>Total payable</b>	<b>2,046</b>	<b>3,109</b>
<b>Sources for funding of capital commitments:</b>		
Unrestricted funds	2,046	3,109
<b>Total sources of funding</b>	<b>2,046</b>	<b>3,109</b>

#### Details of capital commitments

##### 2024

Office refurbishment to be completed 2024/25 financial year.  
 Solar Pilot Plant works to continue in 2024/25 financial year.  
 Water treatment plant refurbishment and other asset renewals.  
 Plant & Equipment replacement  
 Boree to Morundah pipeline project to continue in 24/25 financial year

##### 2023

Office refurbishment to be completed 2023/24 financial year.  
 Solar Pilot Plant works to continue in 2023/24 financial year.  
 Water treatment plant refurbishment and other asset renewals.

## F3 Changes from prior year statements

### F3-1 Correction of errors

#### Nature of prior period error

##### Software-as-a-Service (SaaS) arrangements

In 2020, the Council engaged a consultant to research, design and implement a new ERP system across Council. The system runs on a cloud infrastructure managed and controlled by the system supplier and the Council pays a licence fee for the access to the system. During the years, costs associated with the development of the ERP system have been capitalised under intangible asset however management has recently concluded that the Council does not have control of the system therefore the capitalisation of the development costs represents an error.

The error has been corrected by restating each of the affected financial statement line items for the prior periods, as follows:

The identified error is corrected by restating the balances at the beginning of the earliest period presented (1 July 2022) and taking the adjustment through to accumulated surplus at that date. Comparatives are changed to reflect the correction of errors. The impact of each line items is shown in the tables below.

#### Changes to the opening Statement of Financial Position at 1 July 2022

\$ '000	Original Balance 1 July, 2022	Impact Increase/ (decrease)	Restated Balance 1 July, 2022
Intangible Assets	10,890	(1,940)	8,950
<b>Total non-current assets</b>	<b>366,997</b>	<b>(1,940)</b>	<b>365,057</b>
<b>Total assets</b>	<b>387,548</b>	<b>(1,940)</b>	<b>385,608</b>
<b>Net assets</b>	<b>376,830</b>	<b>(1,940)</b>	<b>374,890</b>
Accumulated Surplus	159,484	(1,940)	157,544
IPPE revaluation reserve	217,346	–	217,346
<b>Council Equity interest</b>	<b>376,830</b>	<b>(1,940)</b>	<b>374,890</b>
<b>Total equity</b>	<b>376,830</b>	<b>(1,940)</b>	<b>374,890</b>

### F3-1 Correction of errors (continued)

#### Adjustments to the comparative figures for the year ended 30 June 2023

##### Statement of Financial Position

\$ '000	Original Balance 30 June, 2023	Impact Increase/ (decrease)	Restated Balance 30 June, 2023
Intangible Assets	12,337	(2,974)	9,363
<b>Total non-current assets</b>	<b>383,863</b>	<b>(2,974)</b>	<b>380,889</b>
<b>Total assets</b>	<b>412,426</b>	<b>(2,974)</b>	<b>409,452</b>
<b>Net assets</b>	<b>403,158</b>	<b>(2,974)</b>	<b>400,184</b>
Accumulated Surplus	160,850	(2,974)	157,876
IPPE revaluation reserve	242,308	–	242,308
<b>Council equity interest</b>	<b>403,158</b>	<b>(2,974)</b>	<b>400,184</b>
<b>Total equity</b>	<b>403,158</b>	<b>(2,974)</b>	<b>400,184</b>

##### Income Statement

\$ '000	Original Balance 30 June, 2023	Impact Increase/ (decrease)	Restated Balance 30 June, 2023
Employee Benefits & On costs	10,134	(71)	10,063
Materials & Services	7,583	1,105	8,688
<b>Total expenses from continuing operations</b>	<b>26,805</b>	<b>1,034</b>	<b>27,839</b>
<b>Operating result from continuing operations</b>	<b>1,366</b>	<b>(1,034)</b>	<b>332</b>
<b>Net operating result for the year</b>	<b>1,366</b>	<b>(1,034)</b>	<b>332</b>

##### Statement of Comprehensive Income

\$ '000	Original Balance 30 June, 2023	Impact Increase/ (decrease)	Restated Balance 30 June, 2023
<b>Net operating result for the year</b>	<b>1,366</b>	<b>(1,034)</b>	<b>332</b>
<b>Other comprehensive income</b>	<b>24,962</b>	<b>–</b>	<b>24,962</b>
<b>Total comprehensive income for the year</b>	<b>26,328</b>	<b>(1,034)</b>	<b>25,294</b>

## F4 Statement of developer contributions

### F4-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2023	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2024	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
S64 contributions	–	1,753	–	–	–	(1,753)	–	–	–
<b>Total contributions</b>	–	<b>1,753</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(1,753)</b>	<b>–</b>	<b>–</b>	<b>–</b>

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

## F5 Statement of performance measures

### F5-1 Statement of performance measures – consolidated results

\$ '000	Amounts	Indicator	Indicators		Benchmark
	2024	2024	Restated 2023	Restated 2022	
<b>1. Operating performance ratio</b>					
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	<b>3,265</b>	<b>9.18%</b>	(6.60)%	7.30%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	<b>35,559</b>				
<b>2. Own source operating revenue ratio</b>					
Total continuing operating revenue excluding all grants and contributions <sup>1</sup>	<b>35,559</b>	<b>91.67%</b>	92.70%	85.49%	> 60.00%
Total continuing operating revenue <sup>1</sup>	<b>38,789</b>				
<b>3. Unrestricted current ratio</b>					
Current assets less all external restrictions	<b>35,383</b>	<b>6.72x</b>	5.98x	3.74x	> 1.50x
Current liabilities less specific purpose liabilities	<b>5,262</b>				
<b>4. Debt service cover ratio</b>					
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	<b>12,490</b>	<b>44.29x</b>	4.46x	4.87x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	<b>282</b>				
<b>5. Rates and annual charges outstanding percentage</b>					
Rates and annual charges outstanding	<b>638</b>	<b>9.03%</b>	14.32%	12.04%	< 10.00%
Rates and annual charges collectable	<b>7,066</b>				
<b>6. Cash expense cover ratio</b>					
Current year's cash and cash equivalents plus all term deposits	<b>32,450</b>	<b>15.89 months</b>	15.84 months	20.31 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	<b>2,042</b>				

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

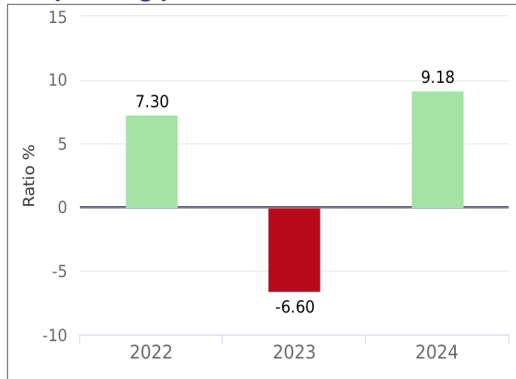
## END OF AUDITED FINANCIAL STATEMENTS

End of the audited financial statements

**G Additional Council disclosures (unaudited)**

**G1-1 Statement of performance measures – consolidated results (graphs)**

**1. Operating performance ratio**



**Purpose of operating performance ratio**

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

**Commentary on 2023/24 result**

**2023/24 ratio 9.18%**

Increase in result on prior year is due to water sales being higher and the contract settlement.

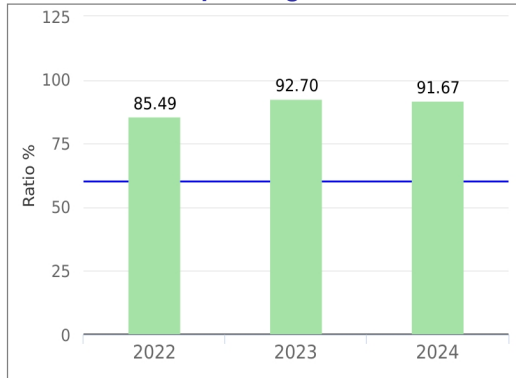
Benchmark: — > 0.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

**2. Own source operating revenue ratio**



**Purpose of 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.

**Commentary on 2023/24 result**

**2023/24 ratio 91.67%**

Council primarily relies on water sales income to fund operations, which results in a consistently high ratio.

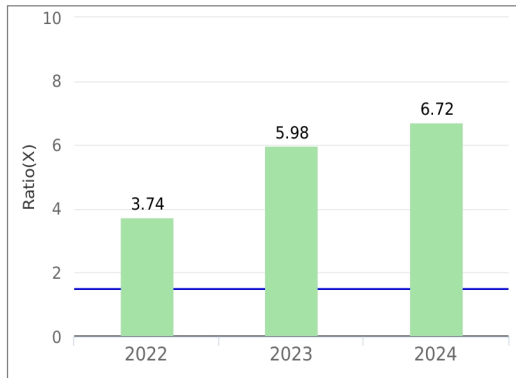
Benchmark: — > 60.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

**3. Unrestricted current ratio**



**Purpose of unrestricted current ratio**

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

**Commentary on 2023/24 result**

**2023/24 ratio 6.72x**

The increase in this ratio for the current year is due to an increase in short term cash and investments held. The ratio remains very strong and well above the benchmark.

Benchmark: — > 1.50x

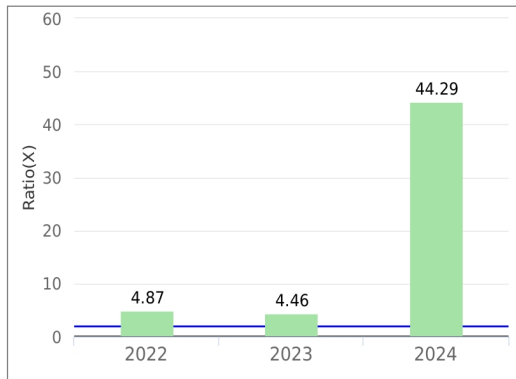
Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

## G1-1 Statement of performance measures – consolidated results (graphs) (continued)

### 4. Debt service cover ratio



**Purpose of debt service cover ratio**

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

**Commentary on 2023/24 result**

**2023/24 ratio 44.29x**

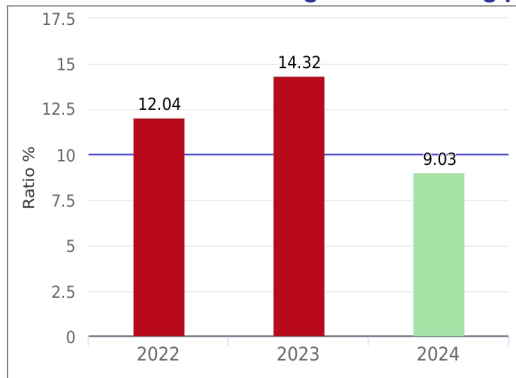
This ratio is again well above the benchmark and there is more than adequate cash to service debt.

Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

- Ratio achieves benchmark
- Ratio is outside benchmark

### 5. Rates and annual charges outstanding percentage



**Purpose of rates and annual charges outstanding percentage**

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

**Commentary on 2023/24 result**

**2023/24 ratio 9.03%**

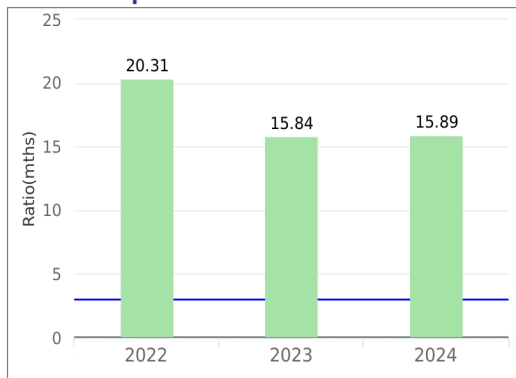
This ratio has improved significantly in 2024 due to debt recovery measures in place and is now with the benchmark.

Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

- Ratio achieves benchmark
- Ratio is outside benchmark

### 6. Cash expense cover ratio



**Purpose of cash expense cover ratio**

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

**Commentary on 2023/24 result**

**2023/24 ratio 15.89 months**

This ratio has remained fairly consistent, it remains well above benchmark.

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

- Ratio achieves benchmark
- Ratio is outside benchmark

## G1-2 Financial review

### Key financial figures of Council over the past 5 years

\$ '000	2024	2023	2022	2021	2020
<b>Inflows:</b>					
Rates and annual charges revenue	6,061	5,760	5,710	5,655	5,592
User charges revenue	26,013	19,295	19,606	19,796	25,587
Interest and investment revenue	1,215	804	326	467	664
Grants income – operating and capital	1,477	756	1,821	1,211	270
Total income from continuing operations	38,801	28,171	31,055	29,449	36,613
Sale proceeds from IPPE	246	115	673	317	216
New loan borrowings and advances	–	–	–	–	–
<b>Outflows:</b>					
Employee benefits and on-cost expenses	12,274	10,063	9,116	9,066	9,627
Borrowing costs	127	143	239	367	466
Materials and contracts expenses	10,605	8,688	6,228	7,084	7,365
Total expenses from continuing operations	32,294	27,839	24,416	24,182	24,413
Total cash purchases of IPPE	10,659	9,642	10,420	11,962	15,701
Total loan repayments (incl. leases)	155	1,454	1,929	1,868	1,753
Operating surplus/(deficit) (excl. capital income)	3,277	(1,672)	2,312	2,517	9,757
<b>Financial position figures</b>					
Current assets	35,477	28,563	20,551	24,791	38,060
Current liabilities	8,297	7,408	8,784	9,282	9,059
Net current assets	27,180	21,155	11,767	15,509	29,001
Available working capital (Unrestricted net current assets)	24,889	21,022	14,103	17,550	28,793
Cash and investments – unrestricted	24,746	20,880	23,225	23,548	24,037
Cash and investments – internal restrictions	7,704	8,424	8,285	7,844	7,181
Cash and investments – total	32,450	29,304	31,510	31,392	31,218
Total borrowings outstanding (loans, advances and finance leases)	1,860	2,015	3,469	5,398	7,266
Total value of IPPE (excl. land and earthworks)	625,744	598,893	573,273	559,863	527,999
Total accumulated depreciation	251,904	243,159	234,666	226,974	161,175
Indicative remaining useful life (as a % of GBV)	60%	59%	59%	59%	69%

**Source:** published audited financial statements of Council (current year and prior year)



## G1-3 Council information and contact details

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### Principal place of business:

91 Hammond Avenue  
Wagga Wagga NSW 2650

### Contact details

#### Mailing Address:

PO Box 456  
Wagga Wagga NSW 2650

**Telephone:** 02 6922 0608

**Facsimile:** 02 6921 2241

#### Opening hours:

8:30am - 4:00pm  
Monday to Friday

**Internet:** [www.rwcc.nsw.gov.au](http://www.rwcc.nsw.gov.au)

**Email:** [admin@rwcc.nsw.gov.au](mailto:admin@rwcc.nsw.gov.au)

### Officers

#### CHIEF EXECUTIVE OFFICER

Mr A Crakanthorp

#### RESPONSIBLE ACCOUNTING OFFICER

Mrs N Harris

#### PUBLIC OFFICER

Ms E Tonacia

#### AUDITORS

Audit Office of New South Wales  
Level 15, 1 Margaret Street  
Sydney NSW 2000

### Elected members

#### CHAIRPERSON

Clr T Koschel (City of Wagga Wagga)

#### COUNCILLORS

Clr T Quinn (Greater Hume Shire)

Clr D Meyer, OAM (Greater Hume Shire)

Clr G Driscoll (Lockhart Shire)

Clr G Davies (City of Wagga Wagga)

Clr D Hayes (City of Wagga Wagga) (to 20 October 2023)

Clr M Henderson (City of Wagga Wagga)

Clr J McKinnon (City of Wagga Wagga)

Clr D Tout (City of Wagga Wagga) (from 20 October 2023)

Clr P Bourke (Federation Council)

### Other information

**ABN:** 52 084 883 210



**INDEPENDENT AUDITOR'S REPORT**  
**Report on the general purpose financial statements**  
**Riverina Water County Council**

To the Councillors of Riverina Water County Council

### Opinion

I have audited the accompanying financial statements of Riverina Water County Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
  - have been prepared, in all material respects, in accordance with the requirements of this Division
  - are consistent with the Council's accounting records
  - present fairly, in all material respects, the financial position of the Council as at 30 June 2024, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

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Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Other Information

The Council's annual report for the year ended 30 June 2024 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

### The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

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OFFICIAL

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf) [OR] [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 'Material budget variations
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Min Cui  
Delegate of the Auditor-General for New South Wales

22 October 2024  
SYDNEY

OFFICIAL



Chairperson  
 Riverina Water County Council  
 PO Box 456  
 WAGGA WAGGA NSW 2650

Contact: Min Cui  
 Phone no: 02 9275 7419  
 Our ref: R008-2124742775-7675

22 October 2024

Dear Chairperson

**Report on the Conduct of the Audit  
 for the year ended 30 June 2024  
 Riverina Water County Council**

I have audited the general purpose financial statements (GPFS) of the Riverina Water County Council (the Council) for the year ended 30 June 2024 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2024 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

## INCOME STATEMENT

### Operating result

	2024	2023*	Variance
	\$m	\$m	%
Rates and annual charges revenue	6,061	5,760	↑ 5.2
User charges and fees	26,013	19,295	↑ 34.8
Grants and contributions revenue	3,230	2,052	↑ 57.4
Operating result from continuing operations	6,507	332	↑ 1860
Net operating result before capital grants and contributions	3,277	(1,672)	↑ 296.0

\* The 2023 comparatives have been restated to correct a prior period error. Note F3-1 Correction of errors of the financial statements provides details of the prior period error.

Rates and annual charges revenue of \$6.1 million increased by \$0.3 million (5.2 per cent) in 2023–24. This is consistent with an increase in customer base and increase in rates and annual charges levied for 2023–24.

User charges and fees revenue of \$26.0 million increased by \$6.7 million (34.8 per cent) in 2023-24. The increase was largely a result of higher water sales from favourable seasonal conditions and an increase in applications for water connections driven by increased development activities.

Grants and contributions revenue of \$3.2 million increased by \$1.2 million (57.4 per cent) in 2023–24 largely due to an increase in contributions for water supplies and developer contributions recognised during the year. Grants and contributions revenue can fluctuate year to year depending on developments and demand for new water connections.

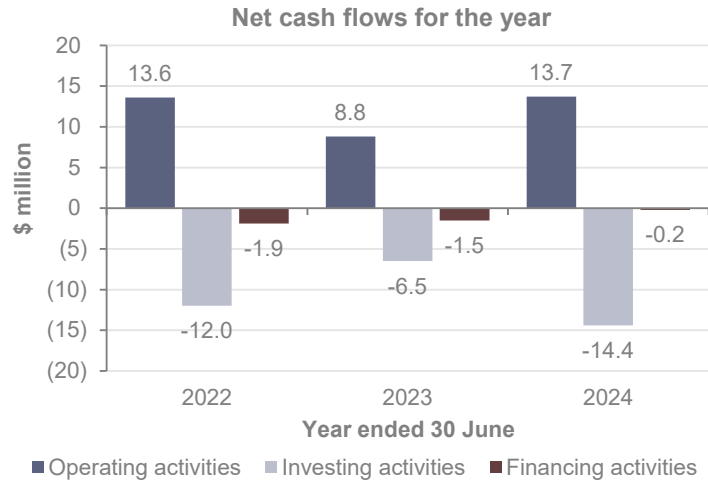
Council's operating result from continuing operations (\$6.5 million including depreciation, amortisation and impairment expense of \$9.1 million) was \$6.2 million higher than the 2022–23 result. The increase can be attributed to an increase in user charges and fees from higher water sales from favourable seasonal conditions and an increase in applications for water connections driven by increased development activities. Council also received \$2.2 million from a one-off contract dispute settlement which has been recorded as revenue in 2023-24.

The net operating result before capital grants and contributions (\$3.3 million) was \$4.9 million higher than the 2022–23 result. The increase is mainly due to the increase in user charges and fees which increased by \$6.7 million and other revenue which increased by \$2.2 million, which is offset by increases in employee benefits and materials and service expenses.

## STATEMENT OF CASH FLOWS

The Council's cash and cash equivalents was \$2.4 million at 30 June 2024 (\$3.3 million at 30 June 2023). There was a net increase in cash and cash equivalents of \$0.9 million during the 2023-24 financial year.

- *Net cash inflows from operating activities increased by \$6.7 million. This is mainly due to the increase in receipts from user charges and fees of \$5.6 million.*
- *Net cash outflows from investing activities increased by \$7.9 million. This is mainly due to acquisitions of term deposits for \$4.0 million during the year.*
- *Net cash outflows from financing activities decreased by \$1.3 million due to a reduction of loan repayments made during the year.*



## FINANCIAL POSITION

### Cash and investments

Cash and investments	2024	2023	Commentary
	\$m	\$m	
<b>Total cash, cash equivalents and investments</b>	<b>32.4</b>	<b>29.3</b>	Internal allocations are determined by council policies or decisions, which are subject to change. They are restricted in their use by resolution or policy of Council to reflect identified programs of works and any forward plans identified by Council. <ul style="list-style-type: none"> <li>• Internal allocations are largely consistent with the prior year.</li> <li>• Unrestricted cash balances have increased as a result of additional cash and investment balance held at 30 June 2024</li> </ul>
Restricted and allocated cash, cash equivalents and investments:			
• External restrictions	--	--	
• Internal allocations	7.7	8.4	
• Unrestricted	24.7	20.9	

### Debt

At 30 June 2024, Council had:

- \$1.8 million in secured loans (\$2.0 million in 2022-23)
- \$0.75 million in bank overdraft and market rate facilities which were not drawn down
- \$100,000 in credit card facility with \$29,000 used.

## PERFORMANCE

### Performance measures

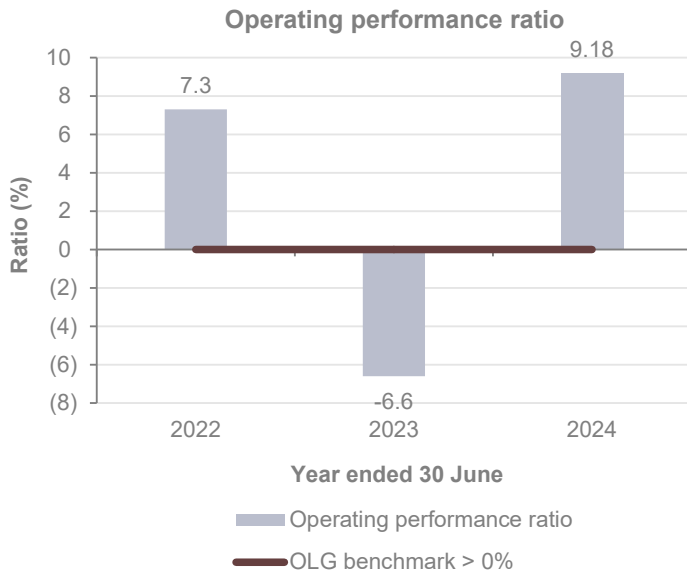
The following section provides an overview of the Council’s performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Housing and Infrastructure.

#### Operating performance ratio

Council exceeded the benchmark for the current reporting period.

The 2022 and 2023 ratios were restated to correct a prior period error.

The ‘operating performance ratio’ measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.

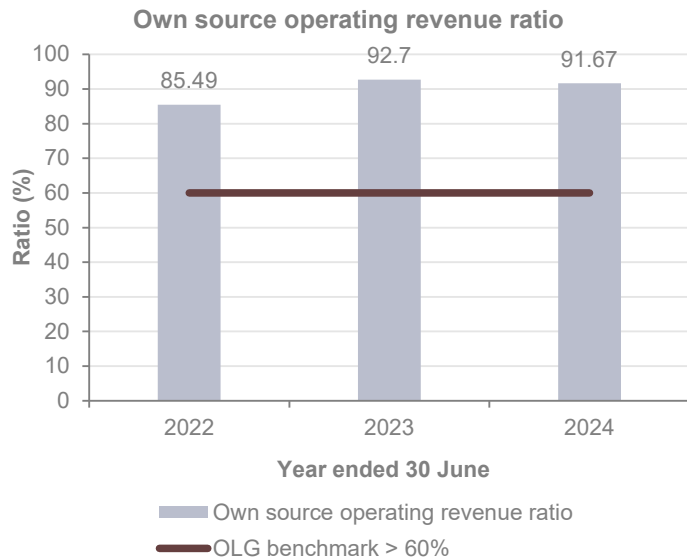


#### Own source operating revenue ratio

Council exceeded the benchmark for the current reporting period.

The ‘own source operating revenue ratio’ measures council’s fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.

Council has met this benchmark as its main source of income is from water sales, rather than reliance on operating grants and contributions.

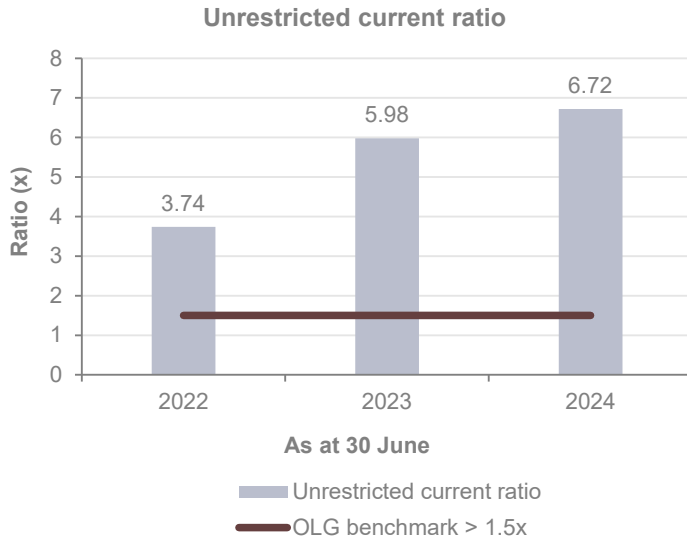




**Unrestricted current ratio**

Council exceeded the benchmark for the current reporting period.

The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

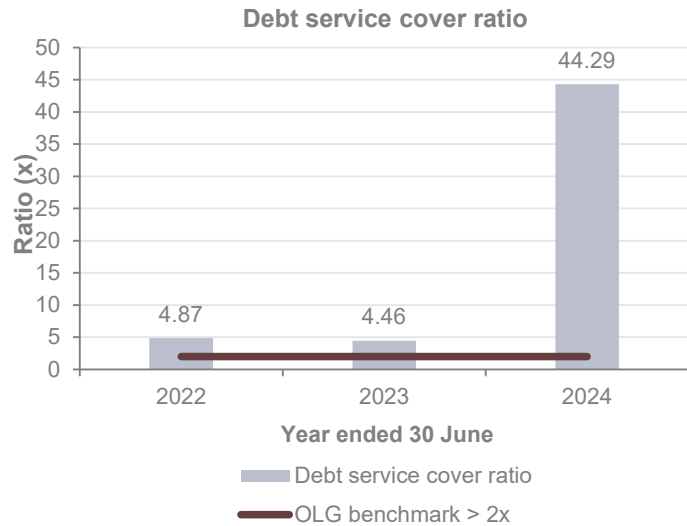


**Debt service cover ratio**

Council exceeded the benchmark for the current reporting period.

The 2022 and 2023 ratios were restated to correct a prior period error.

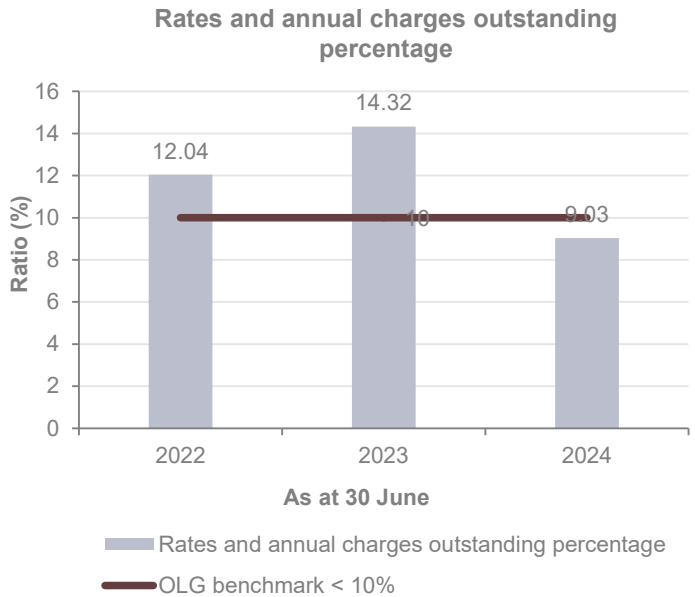
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



**Rates and annual charges outstanding percentage**

Council met the benchmark for the current reporting period.

The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.

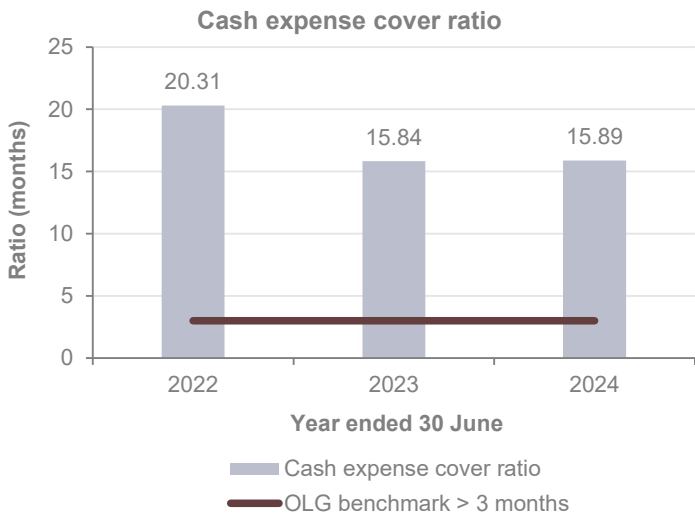


**Cash expense cover ratio**

Council exceeded the benchmark for the current reporting period.

The 2022 and 2023 ratios were restated to correct a prior period error.

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.



**Infrastructure, property, plant and equipment renewals**

Council renewed \$4.0 million of infrastructure, property, plant and equipment during the 2023-24 financial year, comparable to the \$5.3 million in the 2022-23 financial year. This was mainly spent on capital work in progress and water supply network.

A further \$6.6 million was spent on new assets mainly including:

- \$2.6 million carried as work in progress
- \$2.1 million on plant and equipment
- \$1.7 million on water supply network.

## OTHER MATTERS

### Legislative compliance

My audit procedures did not identify any instances of material non-compliance with the financial reporting requirements in Chapter 13, Part 3, Division 2 of the LG Act and the associated regulation or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.

The Council's:

- accounting records were maintained in a manner and form that facilitated the preparation and the effective audit of the GPFS
- staff provided all accounting records and information relevant to the audit.



Min Cui  
Associate Director, Financial Audit

Delegate of the Auditor-General for New South Wales

cc: Mr Andrew Crakanthorp, Chief Executive Officer

# Riverina Water County Council

SPECIAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2024

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**"to provide our community with safe reliable water at  
the lowest sustainable cost"**



# Riverina Water County Council

## Special Purpose Financial Statements

for the year ended 30 June 2024

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Material accounting policy information	6
Correction of errors	7
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## Riverina Water County Council

### Special Purpose Financial Statements

for the year ended 30 June 2024

#### Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached special purpose financial statements have been prepared in accordance with:

- NSW Government Policy Statement, *Application of National Competition Policy to Local Government*
- Division of Local Government Guidelines, *Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality*
- The Local Government Code of Accounting Practice and Financial Reporting
- Sections 3 and 4 of the NSW Department of Planning and Environment, *Water's Regulatory and assurance framework for local water utilities.*

To the best of our knowledge and belief, these statements:

- present fairly the operating result and financial position for each of Council's declared business activities for the year,
- accord with Council's accounting and other records;

We are not aware of any matter that would render these statements false or misleading in any way.


Signed in accordance with a resolution of Council made on 29 August 2024.



Clr T Koschel  
Chairperson



Clr D Meyer OAM  
Deputy Chairperson



Mr A Crakanthorp  
Chief Executive Officer



Mrs N Harris  
Responsible Accounting Officer

## Riverina Water County Council

### Income Statement of water supply business activity for the year ended 30 June 2024

\$ '000	2024	2023 Restated
<b>Income from continuing operations</b>		
Access charges	6,061	5,760
User charges	26,013	19,295
Interest and investment income	1,215	804
Grants and contributions provided for operating purposes	–	48
Net gain from the disposal of assets	12	52
Other income	2,270	208
<b>Total income from continuing operations</b>	<b>35,571</b>	<b>26,167</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs <sup>1</sup>	12,274	10,063
Borrowing costs	127	143
Materials and services <sup>1</sup>	10,392	8,453
Depreciation, amortisation and impairment	9,098	8,709
Water purchase charges	213	235
Calculated taxation equivalents	107	123
Other expenses	190	236
<b>Total expenses from continuing operations <sup>1</sup></b>	<b>32,401</b>	<b>27,962</b>
<b>Surplus (deficit) from continuing operations before capital amounts <sup>1</sup></b>	<b>3,170</b>	<b>(1,795)</b>
Grants and contributions provided for capital purposes	3,230	2,004
<b>Surplus (deficit) from continuing operations after capital amounts <sup>1</sup></b>	<b>6,400</b>	<b>209</b>
<b>Surplus (deficit) from all operations before tax <sup>1</sup></b>	<b>6,400</b>	<b>209</b>
Less: corporate taxation equivalent (25%) (2022:25%) [based on result before capital]	(793)	–
<b>Surplus (deficit) after tax <sup>1</sup></b>	<b>5,607</b>	<b>209</b>
<b>Plus accumulated surplus <sup>1</sup></b>	<b>157,876</b>	<b>157,544</b>
<b>Plus adjustments for amounts unpaid:</b>		
– Taxation equivalent payments	107	123
– Corporate taxation equivalent	793	–
<b>Closing accumulated surplus <sup>1</sup></b>	<b>164,383</b>	<b>157,876</b>
<b>Return on capital %</b>	<b>0.9%</b>	<b>(0.5)%</b>
<b>Subsidy from Council</b>	<b>13,148</b>	<b>15,252</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax <sup>1</sup>	5,608	209
Less: capital grants and contributions (excluding developer contributions)	(1,477)	(2,004)
<b>Surplus for dividend calculation purposes</b>	<b>4,131</b>	<b>–</b>
<b>Potential dividend calculated from surplus</b>	<b>2,065</b>	<b>–</b>

(1) Refer correction of errors note for information on prior period error

## Riverina Water County Council

### Statement of Financial Position of water supply business activity

as at 30 June 2024

\$ '000	2024	2023 Restated	2022
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	2,450	3,304	2,510
Investments	23,500	18,500	11,500
Receivables	6,877	4,308	4,106
Inventories	2,650	2,451	2,435
<b>Total current assets</b>	<b>35,477</b>	<b>28,563</b>	<b>20,551</b>
<b>Non-current assets</b>			
Investments	6,500	7,500	17,500
Infrastructure, property, plant and equipment	382,447	364,026	338,607
Intangible assets <sup>1</sup>	8,918	9,363	8,950
<b>Total non-current assets <sup>1</sup></b>	<b>397,865</b>	<b>380,889</b>	<b>365,057</b>
<b>Total assets <sup>1</sup></b>	<b>433,342</b>	<b>409,452</b>	<b>385,608</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	2,864	2,306	1,786
Income received in advance	999	1,005	908
Borrowings	155	155	1,535
Employee benefit provisions	4,279	3,942	4,555
<b>Total current liabilities</b>	<b>8,297</b>	<b>7,408</b>	<b>8,784</b>
<b>Non-current liabilities</b>			
Borrowings	1,705	1,860	1,934
<b>Total non-current liabilities</b>	<b>1,705</b>	<b>1,860</b>	<b>1,934</b>
<b>Total liabilities</b>	<b>10,002</b>	<b>9,268</b>	<b>10,718</b>
<b>Net assets <sup>1</sup></b>	<b>423,340</b>	<b>400,184</b>	<b>374,890</b>
<b>EQUITY</b>			
Accumulated surplus <sup>1</sup>	164,383	157,876	157,544
Revaluation reserves	258,957	242,308	217,346
<b>Total equity <sup>1</sup></b>	<b>423,340</b>	<b>400,184</b>	<b>374,890</b>

(1) Refer correction of errors note for information on prior period error



## Note – Material accounting policy information

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the *Local Government Act 1993* (NSW), the *Local Government (General) Regulation 2021*, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

### National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

### Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

#### Category 1

(where gross operating turnover is over \$2 million)

##### Riverina Water County Council

Water supply operations servicing the local government areas of Wagga Wagga City, Federation, Lockhart, & Greater Hume Shire.

#### Category 2

(where gross operating turnover is less than \$2 million)

Nil

### Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs. However, where Council does not pay some taxes, which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in special purpose financial statements. For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

#### Notional rate applied (%)

Corporate income tax rate – 25% (LY 25%)

Land tax – the first \$1,075,000 of combined land values attracts 0%. For the combined land values in excess of \$1,075,000 up to \$6,571,000 the rate is \$100 + 1.6%. For the remaining combined land value that exceeds \$6,571,000 a premium marginal rate of 2.0% applies.

## Note – Material accounting policy information (continued)

**Payroll tax** – 5.45% on the value of taxable salaries and wages in excess of \$1,200,000.

In accordance with DCCEEW's regulatory and assurance framework, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the regulatory and assurance framework as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the Act.

Achievement of substantial compliance to DCCEEW's regulatory and assurance framework is not a prerequisite for the payment of the tax equivalent charges; however the payment must not exceed \$3 per assessment.

### Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the relevant corporate income tax rate, currently 25% (LY 25%).

Income tax is only applied where a gain from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional – that is, it is payable to the 'Council' as the owner of business operations – it represents an internal payment and has no effect on the operations of the Council.

The rate applied of 25% is the equivalent company tax rate prevalent at reporting date.

### (ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council's business activities on the Income Statement.

The rate of return is calculated as follows:

#### Operating result before capital income + interest expense

#### Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 4.30% at 30/6/24.

### (iii) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses, or to any external entities.

A local government water supply and sewerage business is permitted to pay annual dividends from their water supply or sewerage business surpluses. Each dividend must be calculated and approved in accordance with DCCEEW's regulatory and assurance framework and must not exceed 50% of the relevant surplus in any one year, or the number of water supply or sewerage assessments at 30 June 2024 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with DCCEEW's regulatory and assurance framework, statement of compliance and statement of dividend payment, dividend payment form and unqualified independent financial audit report are submitted to DCCEEW.

## Correction of errors

### Nature of prior period error

#### Software-as-a-Service (SaaS) arrangements

In 2020, the Council engaged a consultant to research, design and implement a new ERP system across Council. The system runs on a cloud infrastructure managed and controlled by the system supplier and the Council pays a licence fee for the access to the system. During the years, costs associated with the development of the ERP system have been capitalised

continued on next page

Page 7

## Correction of errors (continued)

under intangible asset however management has recently concluded that the Council does not have control of the system therefore the capitalisation of the development costs represents an error.

The error has been corrected by restating each of the affected financial statement line items for the prior periods, as follows:

The identified error is corrected by restating the balances at the beginning of the earliest period presented (1 July 2022) and taking the adjustment through to accumulated surplus at that date. Comparatives are changed to reflect the correction of errors. The impact of each line items is shown in the tables below.

### Changes to the opening Statement of Financial Position at 1 July 2022

\$ '000	Original Balance 1 July, 2022	Impact Increase/ (decrease)	Restated Balance 1 July, 2022
Intangible Assets	10,890	(1,940)	8,950
<b>Total non-current assets</b>	<b>366,997</b>	<b>(1,940)</b>	<b>365,057</b>
<b>Total assets</b>	<b>387,548</b>	<b>(1,940)</b>	<b>385,608</b>
<b>Net assets</b>	<b>376,830</b>	<b>(1,940)</b>	<b>374,890</b>
Accumulated Surplus	159,484	(1,940)	157,544
IPPE revaluation reserve	217,346	–	217,346
<b>Council equity interest</b>	<b>376,830</b>	<b>(1,940)</b>	<b>374,890</b>
<b>Total equity</b>	<b>376,830</b>	<b>(1,940)</b>	<b>374,890</b>

### Adjustments to the comparative figures for the year ended 30 June 2023

#### Statement of Financial Position

\$ '000	Original Balance 30 June, 2023	Impact Increase/ (decrease)	Restated Balance 30 June, 2023
Intangible Assets	12,337	(2,974)	9,363
<b>Total non-current assets</b>	<b>383,863</b>	<b>(2,974)</b>	<b>380,889</b>
<b>Total assets</b>	<b>412,426</b>	<b>(2,974)</b>	<b>409,452</b>
<b>Net assets</b>	<b>403,158</b>	<b>(2,974)</b>	<b>400,184</b>
Accumulated Surplus	160,850	(2,974)	157,876
IPPE revaluation reserve	242,308	–	242,308
<b>Council equity interest</b>	<b>403,158</b>	<b>(2,974)</b>	<b>400,184</b>
<b>Total equity</b>	<b>403,158</b>	<b>(2,974)</b>	<b>400,184</b>

## Correction of errors (continued)

## Income Statement

\$ '000	Original Balance 30 June, 2023	Impact Increase/ (decrease)	Restated Balance 30 June, 2023
Employee Benefits & On Costs	10,134	(71)	10,063
Material & Services	7,348	1,105	8,453
<b>Total expenses from continuing operations</b>	<b>26,928</b>	<b>1,034</b>	<b>27,962</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(761)</b>	<b>(1,034)</b>	<b>(1,795)</b>
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>1,243</b>	<b>(1,034)</b>	<b>209</b>
<b>Surplus (deficit) from all operations before tax</b>	<b>1,243</b>	<b>(1,034)</b>	<b>209</b>
<b>Surplus (deficit) after tax</b>	<b>1,243</b>	<b>(1,034)</b>	<b>209</b>
<b>Plus accumulated surplus</b>	<b>159,484</b>	<b>(1,940)</b>	<b>157,544</b>
<b>Closing accumulated surplus</b>	<b>160,850</b>	<b>(2,974)</b>	<b>157,876</b>
<b>Surplus (deficit) after tax</b>	<b>1,243</b>	<b>(1,034)</b>	<b>209</b>



**INDEPENDENT AUDITOR'S REPORT**  
**Report on the special purpose financial statements**  
**Riverina Water County Council**

To the Councillors of Riverina Water County Council

### Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Riverina Water County Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2024, the Statement of Financial Position of each Declared Business Activity as at 30 June 2024 and the Material accounting policy information note.

The Declared Business Activities of the Council is water supply.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2024, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Material accounting policy information note and the Local Government Code of Accounting Practice and Financial Reporting 2023–24 (LG Code).

My opinion should be read in conjunction with the rest of this report.

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the Material accounting policy information note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

## Other Information

The Council's annual report for the year ended 30 June 2024 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

## The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Material accounting policy information note to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

OFFICIAL

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Min Cui  
Delegate of the Auditor-General for New South Wales

22 October 2024  
SYDNEY

OFFICIAL

# Riverina Water County Council

SPECIAL SCHEDULES  
for the year ended 30 June 2024

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**"to provide our community with safe reliable water at the lowest sustainable cost"**





# Riverina Water County Council

## Special Schedules

for the year ended 30 June 2024

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<b>Special Schedules:</b>	
Report on infrastructure assets as at 30 June 2024	3

## Riverina Water County Council

### Report on infrastructure assets as at 30 June 2024

Asset Class	Asset Category	Estimated cost to bring to the agreed level of service set by Council		2023/24 Required maintenance <sup>a</sup>	2023/24 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	\$ '000	\$ '000			\$ '000	\$ '000	\$ '000	\$ '000	1
<b>Buildings</b>	Buildings	–	–	450	648	15,305	23,297	34.3%	26.9%	26.3%	12.6%	0.0%
	<b>Sub-total</b>	<b>–</b>	<b>–</b>	<b>450</b>	<b>648</b>	<b>15,305</b>	<b>23,297</b>	<b>34.3%</b>	<b>26.9%</b>	<b>26.3%</b>	<b>12.6%</b>	<b>0.0%</b>
<b>Water supply network</b>	Treatment Plants	1,413	1,413	945	1,164	68,361	113,405	50.0%	8.4%	19.5%	22.2%	0.0%
	Bores	68	68	195	162	3,652	7,011	7.0%	31.0%	57.3%	4.7%	0.0%
	Reservoirs	775	775	280	343	37,676	61,945	26.3%	9.2%	49.5%	13.9%	1.1%
	Pumping Stations	170	170	245	268	8,208	19,817	15.8%	9.7%	65.9%	5.6%	3.0%
	Pipeline	26,741	26,741	1,340	1,503	216,927	370,788	26.8%	42.4%	23.6%	7.2%	0.0%
	<b>Sub-total</b>	<b>29,167</b>	<b>29,167</b>	<b>3,005</b>	<b>3,440</b>	<b>334,824</b>	<b>572,966</b>	<b>30.7%</b>	<b>30.8%</b>	<b>27.4%</b>	<b>10.8%</b>	<b>0.3%</b>
<b>Total – all assets</b>		<b>29,167</b>	<b>29,167</b>	<b>3,455</b>	<b>4,088</b>	<b>350,129</b>	<b>596,263</b>	<b>30.8%</b>	<b>30.7%</b>	<b>27.4%</b>	<b>10.9%</b>	<b>0.2%</b>

(a) Required maintenance is the amount identified in Council's asset management plans.

#### Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

## Riverina Water County Council

### Report on infrastructure assets as at 30 June 2024

#### Infrastructure asset performance indicators (consolidated) \*

	Amounts	Indicator	Indicators		Benchmark
	2024	2024	Restated 2023	Restated 2022	
<b>\$ '000</b>					
<b>Buildings and infrastructure renewals ratio</b>					
Asset renewals <sup>1</sup>	<b>4,020</b>	<b>48.20%</b>	66.72%	94.29%	> 100.00%
Depreciation, amortisation and impairment	<b>8,341</b>				
<b>Infrastructure backlog ratio</b>					
Estimated cost to bring assets to a satisfactory standard	<b>29,167</b>	<b>7.96%</b>	7.39%	6.48%	< 2.00%
Net carrying amount of infrastructure assets	<b>366,535</b>				
<b>Asset maintenance ratio</b>					
Actual asset maintenance	<b>4,088</b>	<b>118.32%</b>	128.19%	105.64%	> 100.00%
Required asset maintenance	<b>3,455</b>				
<b>Cost to bring assets to agreed service level</b>					
Estimated cost to bring assets to an agreed service level set by Council	<b>29,167</b>	<b>4.89%</b>	4.51%	3.85%	
Gross replacement cost	<b>596,263</b>				

(\*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

# R13 Donations and Sponsorships 2024-25 progress report - October

## Organisational Area Corporate Services

**Author** Josh Lang, Customer and Communications Team Leader

**Summary** An update on approved donations and sponsorships is provided to the Board each meeting.

**RECOMMENDATION** that Council receive and note the report.

### Report

One of the many meaningful ways Riverina Water gives back and invests in its community is through donations and sponsorships.

As part of the Donations and Sponsorships Policy, this is reported to the Board as required on a per-meeting basis. **As of 16 October 2024, \$42,977 (exclusive of GST)** was awarded to 13 recipients.

Recipient	Description	Type	LGA	Amount
Spirit of the Land Lockhart	2024 Festival	Donation	Lockhart	\$2,500
Ronald McDonald House	20 nights' accommodation for families of patients	Donation	Wagga	\$3,500
Riverina Football Trust	Afghan women's soccer team visit to Wagga	Sponsorship	Wagga	\$2,750
Country Hope	Charity golf day	Donation	Wagga	\$2,500
Wollundry Rotary	Gears and Beers Festival	Sponsorship	Wagga	\$2,500

### Previously reported

Basketball NSW	NAIDOC Deadly 3x3 Basketball Gala Day	Donation	Wagga	\$2,727.27
Southern Sports Academy	Indigenous Talent Program - Talent ID Day	Sponsorship	Wagga	\$3,000
Committee for Wagga	Business Breakfast	Sponsorship	Wagga	\$4,545.45

St Vincent de Paul	Winter sleepout appeal	Donation	Wagga	\$2,500
Riverina Conservatorium of Music	Christmas with the Con	Donation	Wagga	\$2,272.73
Specialist Medical Resources Foundation	Carols by Candlelight	Donation	Wagga	\$2,272.73
City of Wagga Wagga	Fusion festival – water bar	Sponsorship	Wagga	\$1,818.18
WaterAid membership	Silver 2024/25 membership	Sponsorship	Wagga	\$10,090.91
			<b>Total</b>	<b>\$42,977</b>

### Strategic Alignment

Our Community

Actively support and participate in our community

### Financial Implications

The donations and sponsorships are funded annually with the 24/25 Operational Plan.

### Workforce Implications

Not applicable.

### Risk Considerations

<b>Community Partnerships</b>	
Accept	When considering options for community partnerships or external party relationships, Riverina Water may choose to accept risks to maximise potential benefits to council and the community.

# R14 2024/25 Enriching Communities program - assessment panels

## Organisational Area Corporate Services

**Author** Josh Lang, Customer and Communications Team Leader

**Summary** Following the 2024 Local Government elections, Board representatives for the Enriching Communities grants assessments panels can now be appointed.

### RECOMMENDATION that Council:

- a) Receive and note the report
- b) Nominate one Board member and an alternate per Local Government Area, as required, to the Enriching Communities grants assessment panels
- c) Delegate authority to the CEO (in conjunction with the Chairperson) to make changes to the assessment panel members due to unavailability or conflict of interest to be made at his discretion, should it be required.

### Report

Riverina Water is delivering the second year of its revitalised grants program, Enriching Communities. The previous Board endorsed the grant program guidelines, which are attached for further background information for those Board Members who are new to the Board.

Applications were to close on 28 October, with assessment and administration taking place until the end of November. Successful grant recipients are to be endorsed at the December 2024 Board meeting.

#### Assessment process and panel nominations

The assessment process includes the establishment of panels for each of the four Local Government Areas (LGAs).

The assessment panels review applications individually via an online survey, then convene (in person or via online meeting) to discuss and determine the projects recommended for funding to be presented to the December 2024 Board meeting.

The assessment panel meetings are likely to be held the week of 25 to 29 November 2024.

The assessment panel for each LGA includes:

- › Riverina Water Chairperson
- › Riverina Water CEO

- › One Constituent Council staff member plus alternate if required in case of conflict of interest or unavailability.
- › One Constituent Council Board member plus alternates if required in case of conflict of interest or unavailability.

In the case of Federation and Lockhart Shire councils, the relevant elected Board members are automatically appointed to each respective assessment panel.

Should the Chairperson election have resulted in a duplication of assessment panel roles or due to unavailability, an additional Constituent Council staff member shall be sought for the panel in place of the Constituent Council Board member.

The Board is asked to take nominations and determine the panellist and alternate for the Wagga Wagga City Council and Greater Hume panels respectively.

› **R14.1**      **2024/25 Enriching Communities grants guidelines** [↓](#) 

**Strategic Alignment**

Our Community

Actively support and participate in our community

**Financial Implications**

Not applicable.

**Workforce Implications**

Not applicable.

**Risk Considerations**

<b>Community Partnerships</b>	
Accept	When considering options for community partnerships or external party relationships, Riverina Water may choose to accept risks to maximise potential benefits to council and the community.

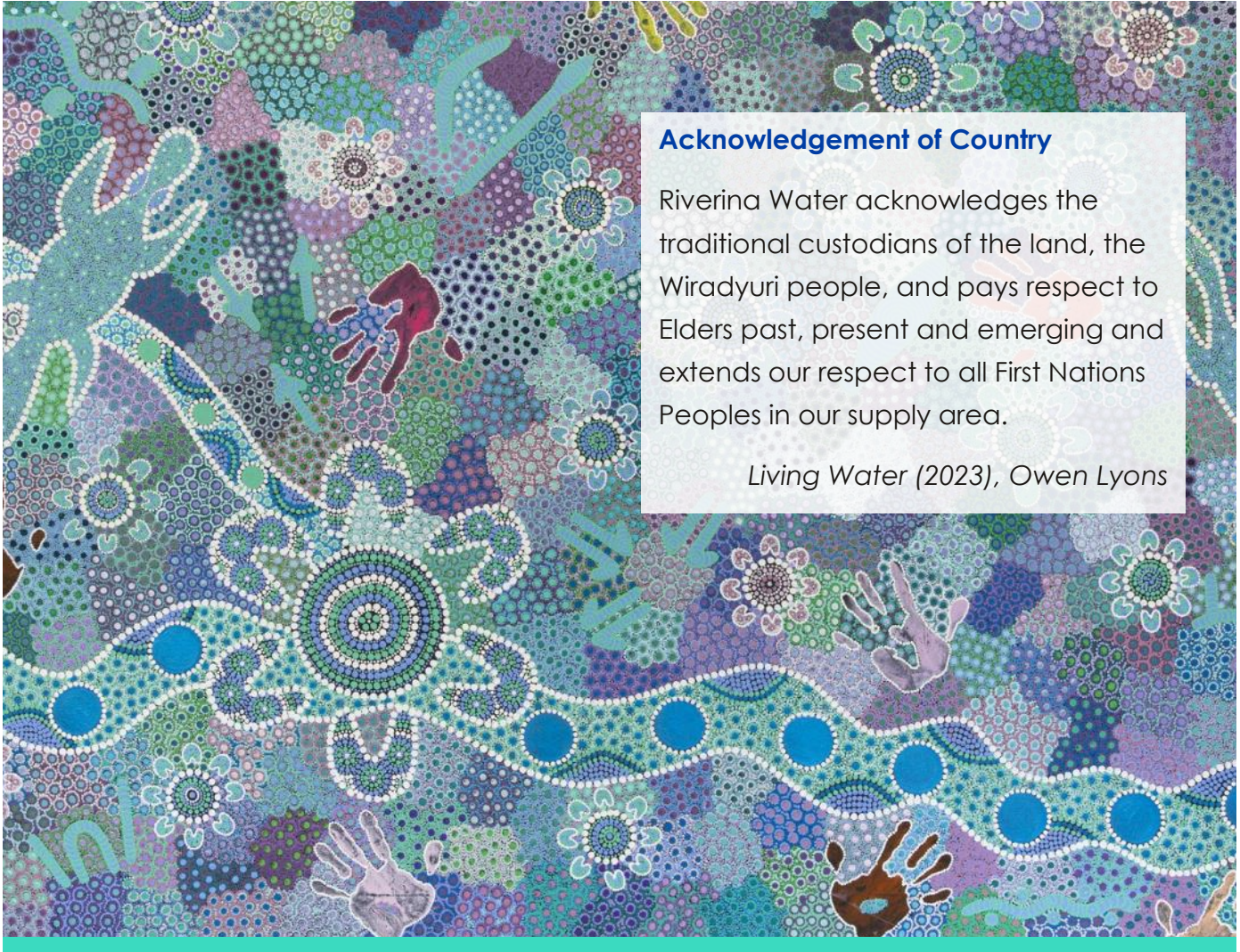


# Enriching Communities Program 2024/25

Grants program guidelines & information pack for applicants

[rwcc.nsw.gov.au/grants](http://rwcc.nsw.gov.au/grants) | [community@rwcc.nsw.gov.au](mailto:community@rwcc.nsw.gov.au)





**Acknowledgement of Country**

Riverina Water acknowledges the traditional custodians of the land, the Wiradyuri people, and pays respect to Elders past, present and emerging and extends our respect to all First Nations Peoples in our supply area.

*Living Water (2023), Owen Lyons*

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*Cover image: Riverina Water's water bar at the Fusion Multicultural Street Festival 2023. Photo by Campbell Cole Photography.*



# We do more than supply water, we enrich our communities

At Riverina Water we understand that our community and customers are our most important asset. Since adopting our first Community Engagement Strategy in 2019, we are continuing our journey of fostering proactive communication, engagement, and partnerships with our customers and community.

Now entering its fifth year, our grants program's focus is to enrich our community by providing meaningful funding opportunities to support community projects and initiatives.

By providing a grants program that truly represents the aspirations and needs of the local government areas of Wagga Wagga, Lockhart and parts of Greater Hume and Federation Councils, we enable our community and customers to thrive by building strong relationships, increasing water literacy, and supporting our communities in significant ways.

Our Enriching Communities Program 2024/25 is part of the investment we make to enhance the social, cultural, and environmental life for people within our supply area.



**Andrew Crakanthorp**  
Chief Executive Officer



**Cr Tim Koschel**  
Chairperson



## 2 | Key information

### Program timeline

-  **Applications open:** 9am, Monday 16 September 2024
-  **Applications close:** 9am, Monday 28 October 2024
-  **Assessment of applications and administration:** 29 October to 30 November 2024
-  **Approval of grant allocations:** Mid-December 2024 (Board Meeting)
-  **Notification to successful applicants:** By 20 December 2024
-  **Deadline for project completion and acquittal:** 31 January 2026

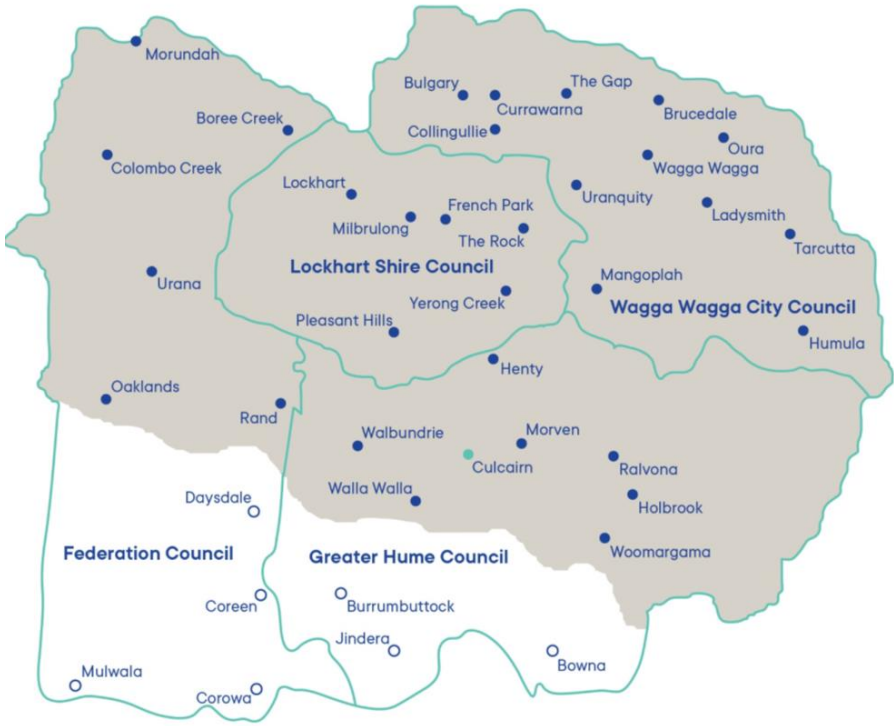
### Grant funding allocations per local government area (LGA)

LGA	Funding pool	Maximum grant amount
Wagga Wagga City Council	\$40,000	Grants up to \$20,000
Lockhart Shire Council	\$20,000	Grants up to \$20,000
Greater Hume Council	\$20,000	Grants up to \$20,000
Federation Council	\$20,000	Grants up to \$20,000

### Riverina Water supply area

Only applications from within our supply area that are to be delivered in our supply area, are accepted.

Please note we do not supply water to most parts of Culcairn; and only provide water to parts of Federation and Greater Hume councils.



### 3 | Grants program objectives

#### Applications must meet at least one of our Enriching Communities Program objectives



**Our Community** For community organisations to undertake projects that benefit the wider community

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**Health & Wellbeing** Initiatives and programs that enhance and promote healthy lifestyles, wellbeing, inclusion and social connection

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**Water Conservation & Education** Projects and initiatives that promote water wise behaviour and/or conserve water through efficiency improvements

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**Arts & Culture** For projects that provide opportunities for the community to participate in a broad range of arts and cultural activities that enhance quality of life

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**Sustainability & Environment** Support for community projects and initiatives that are beneficial for our natural environment

## 4 | Eligibility requirements

To be eligible, applications must:

- › Demonstrate how the application meets at least one of the program's objectives (as per section 4 of this document)
- › Meet the supply area requirements (as per section 3 of this document)
- › Be either an incorporated not-for-profit community organisation; or Council committee, as constituted under section 355 of the Local Government Act

Incorporated not-for-profit bodies are organisations that are registered and approved as not-for-profit bodies by NSW Fair Trading including:

- › Charities
- › Organisations with Deductible Gift Recipient (DGR) or Public Benevolent Institution (PBI) status
- › Cooperatives
- › Trusts that are registered with the Australian Charities and Not-for-profits Commission (ACNC)

### **Auspice and sponsoring organisations**

Organisations that are not incorporated may seek a sponsoring organisation to auspice their application for example your local Council.

Individual artists must have a sponsoring organisation. Details of the sponsoring organisation and proof of it will auspice must be supplied in your application.

Any Section 355 Committee that is successful in receiving funding should invoice Riverina Water via their Council.

### **Riverina Water will not fund projects by:**

- › Individuals or groups of individuals (with the exception for individual artists, who may apply if they are sponsored by an incorporated organisation)
- › Unincorporated organisations
- › Organisations without an ABN
- › For-profit commercial organisations
- › Local Government Councils; excluding council committees constituted under section 355 of the Local Government Act (please note Councils may auspice)
- › School, university, or technical college



## 5 | Additional information

### Assessment considerations

The grants program is a competitive application process. Applications are assessed by a panel comprised of Riverina Water staff, Board members and a representative from the relevant Council.

When assessing applications, the panel will give consideration to factors such as:

- › Alignment with the grant outcomes and guidelines, and the proposed positive impact on the community
- › Whether Riverina Water is the primary funding body
- › Ability for the project to be delivered in the timeframe, and the applicant's ability to deliver
- › Any in-kind or financial contribution made by the applicant organisation
- › Whether the proposed budget and project are feasible
- › The level of previous funding provided to the applicant organisation by Riverina Water and other bodies
- › How Riverina Water is recognised for its funding

Riverina Water cannot support late applications, or applications that do not meet the eligibility criteria or the assessment criteria. This includes failure to attach compulsory documents, budgets, or other required information. Assessment panels may recommend part funding. The decision is carefully considered with the view of maintaining the integrity of the proposal.

### Preparing your application

- › Before completing an application, become familiar with the guidelines
- › A Word document copy of the application form questions is available to download. This document is to help prepare and plan your application and should not be submitted.
- › A minimum of one quote must be provided for goods, equipment, supplies and services
- › If you are an individual artist preparing an auspiced application, you should include at least one quote that is not for your own services

- › If your project requires a development application, land owner consent, public liability insurance (for example, events) etc then this information must be included
- › Applicants can apply once per Local Government Area
- › Projects must be deliverable within the grant timeframes
- › Applications must be submitted online via the Riverina Water website and will only be considered if all mandatory documentation is provided
- › Applicants must provide accurate financial information as part of the submission process, such as a statement of income and expenditure
- › Applicants may include letters of support. Letters of support are not mandatory but may strengthen your application when they are from groups who are confirming a role they will play in your project.
- › The requested grant amount and budget figures provided should be exclusive of GST. Riverina Water will add GST if your organisation is eligible to your grant payment if successful. Please factor this into your application planning
- › Please include the value of in-kind support from your group or organisation including labour for example \$25 per hour for unskilled labour and \$50 per hour for skilled labour
- › Consider your project milestones and how you will need the requested funding delivered. For example, 80% upfront and the remainder closer to completion

## Successful applicants

If you are successful, you will receive formal notification about your approval via email, including any specific conditions attached to the grant. If unsuccessful, we will notify you in writing and give you an opportunity to discuss the outcome.

If your application is successful, you will be required to do the following:

- › Acknowledge, by execution of the funding agreement that, Riverina Water is not in any way liable for any incident arising out of the use of the funds provided under the program
- › Supply any other documents per your approval letter as requested by Riverina Water
- › Funding may not be used for any purpose other than for which it is granted, without the written permission of Riverina Water
- › Riverina Water will not be responsible for shortfalls in project budgets if the applicant is unable to meet project costs
- › You may be required to undertake a risk assessment and provide this to Riverina Water. Please liaise directly with third parties for example property owners in regard to

this. The risk assessment does not form part of the application process but may be required as part of project delivery

- › Funding will not be paid until all requested information has been supplied
- › Recognise Riverina Water as a sponsor through acknowledgement and promotion; and participate in activities organised by Riverina Water to promote the funding
- › Riverina Water may visit you during the project period or at the completion of your project to review your compliance with the grant agreement. Riverina Water may also inspect your records you are required to keep under the grant agreement. We will provide you with reasonable notice of any compliance visit
- › It is the responsibility as the applicant to notify us if anything is likely to affect your project or organisation. We need to know of any key changes to your organisation or its business activities, particularly if they affect your ability to complete your project, carry on business and pay debts due
- › Comply with any special conditions that may be attached to the funding offer noting the amount of financial assistance offered may vary from that requested
- › Issue Riverina Water with a tax invoice for the grant amount, plus GST, if applicable
- › Upon execution of the funding agreement, and receipt of a valid tax invoice, Riverina Water will pay funding as per agreed funding milestones to be determined based on your project
- › Provide a copy of the organisation's Certificate of Currency for Public Liability Insurance for \$20M as a minimal insured amount (for projects with a public activity component only). For more information, please contact your insurer
- › Applicants are required to submit an acquittal form at the completion of the project
- › Applicants are advised that Riverina Water is not in any way liable for any incident arising out of the use of the grant funding provided under this grant program. By signing the funding agreement, applicants acknowledge this condition
- › A conflict of interest will occur if your private interests conflict with your obligations under the grant. Conflicts of interest could affect the awarding or performance of your grant. A conflict of interest can be real (or actual), apparent (or perceived), and/or potential
- › Grants are assessable for income for taxation purposes, unless exempted by a taxation law. We recommend you seek independent professional advice on your taxation obligations or seek help from the Australian Taxation Office. We do not provide advice on tax
- › Recipients complete an acquittal report to demonstrate the expenditure of funds; including copies of receipts/invoices, photos or video files, media releases including social media posts etc



- › Acquittals must be submitted by the deadline. If acquittals are not received, future applications may not be considered Riverina Water can seek return of grant funding
- › Any unexpended funds must be returned to Riverina Water

## Government information (Public Access) Act

The Government Information (Public Access) Act 2009 applies to documents in the possession of Riverina Water. In response to requests made in accordance with the Act, in some circumstances copies of grant applications may be released, subject to the deletion of exempt material.

## Excluded projects

- › Projects outside the Riverina Water supply area
- › Projects requesting retrospective funding for monies that have already been spent on works completed
- › Projects that are unlawful or irresponsible
- › Projects that have not submitted mandatory documentation
- › Funds that will be distributed to other persons/organisations in the form of a donation, gift or prize
- › Funds that will contribute to organisational running costs i.e. wages, insurances, rent, administration
- › Works that are the responsibility of government bodies
- › Recurring or ongoing expenditure (for example annual maintenance costs or ongoing maintenance)
- › Funding to undertake studies or investigations.
- › Funding for the development or provision of commercial ventures
- › Costs for the provision of services and support activities not related to the proposed project for example catering
- › Payment for development approval, project planning and management costs that total more than 5% of funding requested

## Contact us

**Need help with your grant application?**

**Our Riverina Water community engagement team is here to help:**

**Email: [community@rwcc.nsw.gov.au](mailto:community@rwcc.nsw.gov.au) | Phone: 6922 0608 (business hours)**

**For full information on the grants program, visit [rwcc.nsw.gov/grants](https://rwcc.nsw.gov/grants)**

# R15 Lost Time Injury Statistics July 2024 - October 2024

**Organisational Area** Chief Executive Officer

**Author** Gabrielle Calverley, WHS Coordinator

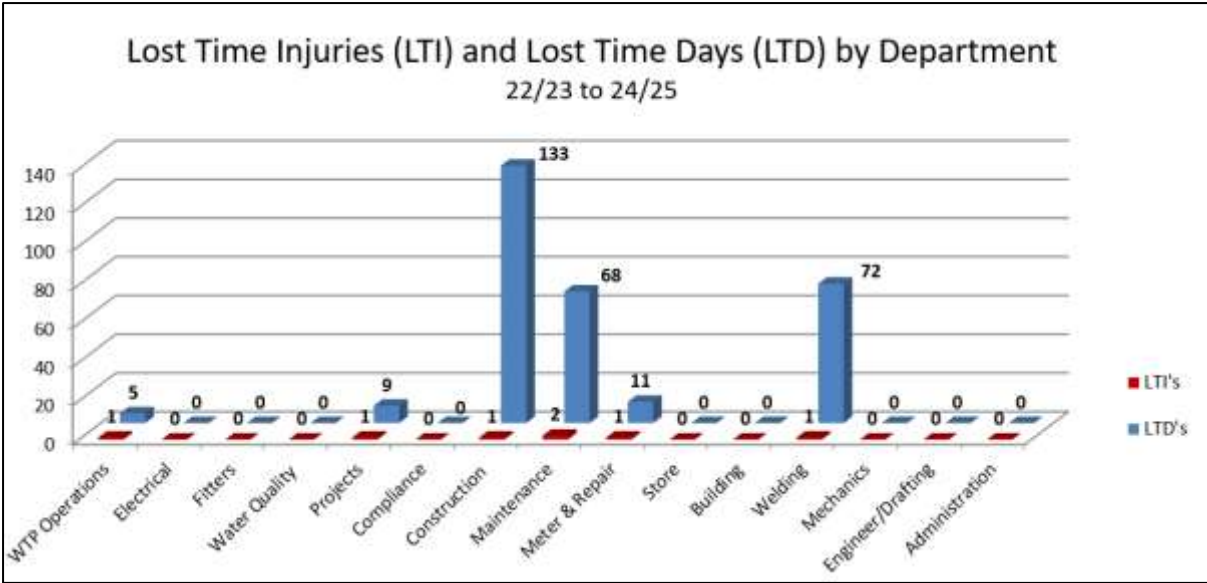
**Summary** This report presents information on Lost Time Injury statistics for the July 2024 to October 2024 period of the 2024/2025 financial year.

**RECOMMENDATION** that the Board receive and note the statistics report for Lost Time Injuries (LTIs) for the period July 2024 to October 2024.

## Report

WHS Statistics	22/23	23/24	24/25
Workers Compensation Claims lodged	10	7	2
Premium Impacting Workers Compensation Claims	5	2	0
Workers Compensation Claims currently open	2	4	2
Lost Time Days (LTD's)	239	59	0

Open Claims – Premium Impacting		
Date of Injury	Claim Status	Lost Time Injury (Days off work)
6/05/2024	OPEN	9
13/11/2023	OPEN	50
25/05/2023	OPEN	72
16/10/2022	OPEN	133
<b>Total</b>		<b>264</b>



**Strategic Alignment**

Our People

Build upon our strong history of safety and wellbeing

**Financial Implications**

Council's insurance premium has decreased from \$226,803 in 2023/24 to \$187,292 in 24/25. The decrease in premium can in part be attributed to the introduction of a new StateCover Mutual performance measure (SPM), which groups Members of a similar size and applies a tariff premium to that category. This change has been to the financial advantage of Riverina Water.

**Workforce Implications**

Nil

**Risk Considerations**

<b>Work Health and Safety</b>	
Avoid	Riverina Water will avoid taking any risks that could result in accident, injury or illness to our staff, councillors, contractors, visitors or members of the public.

# R16 Works Report covering August 2024

## Organisational Area Engineering

**Author** Troy van Berkel, Director Engineering

**Summary** This report provides an overview of water usage, connections, maintenance and water quality matters from the 1<sup>st</sup> to the 31 August 2024.

**RECOMMENDATION** that the Works Report covering August 2024 be received and noted.

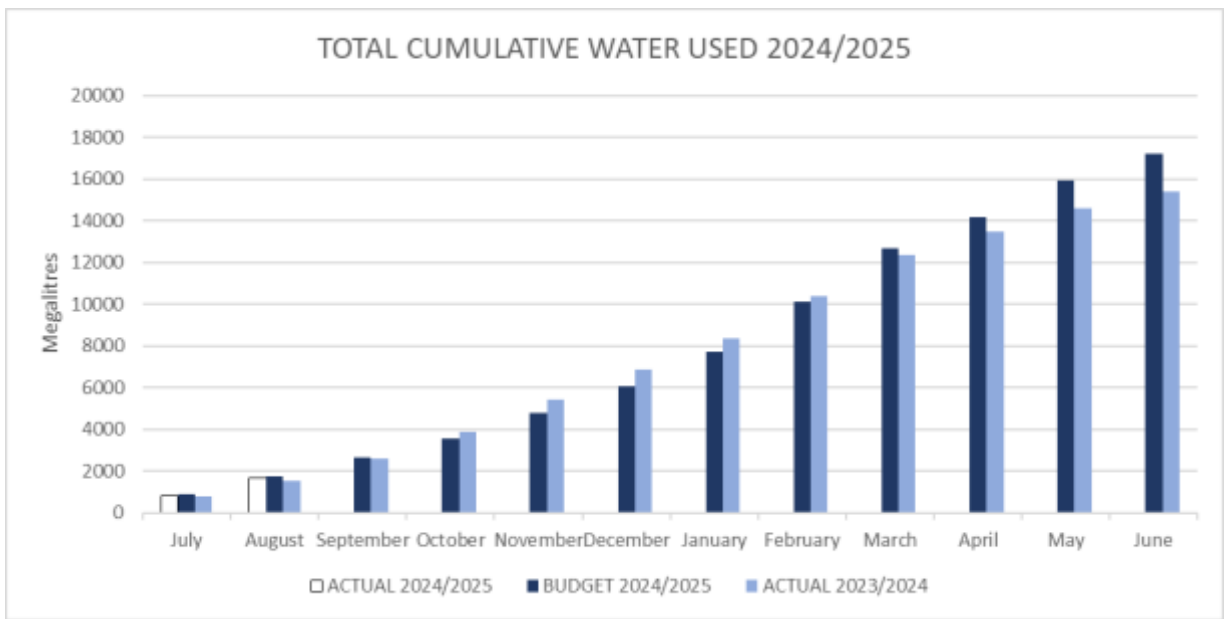
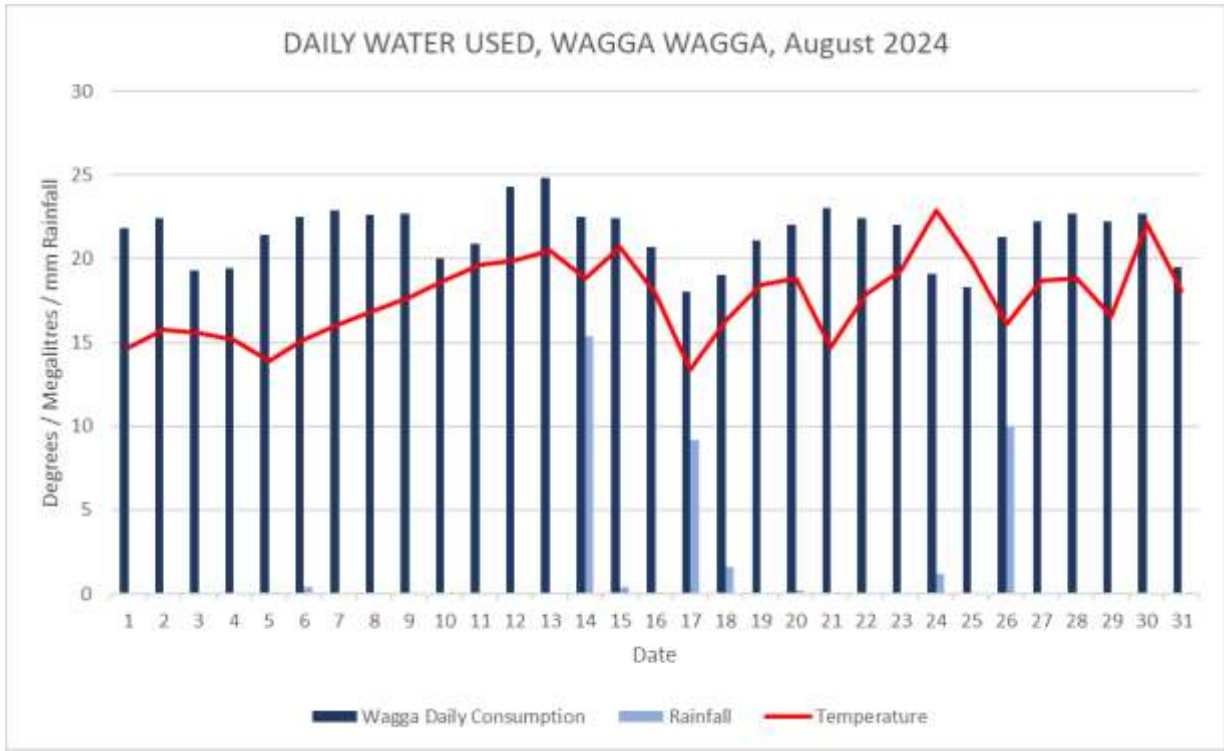
## Report

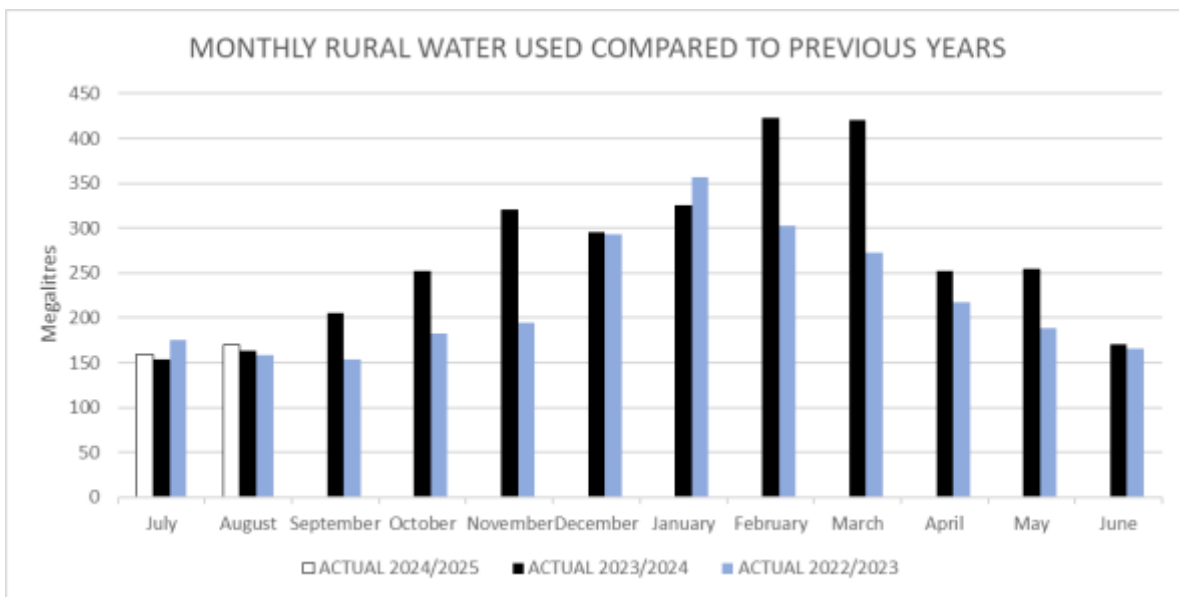
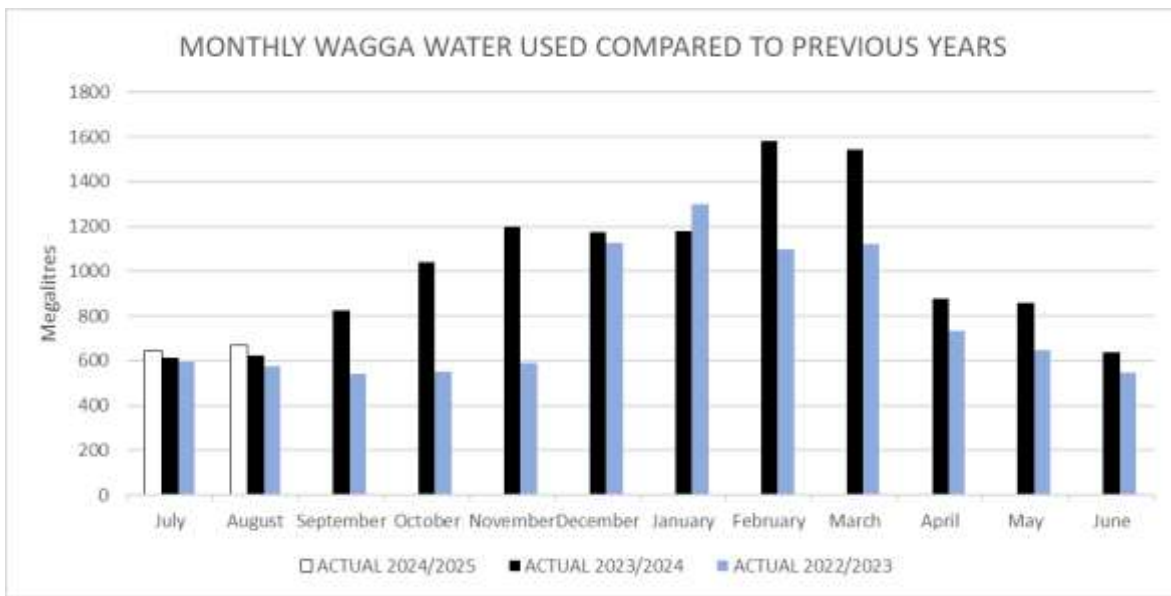
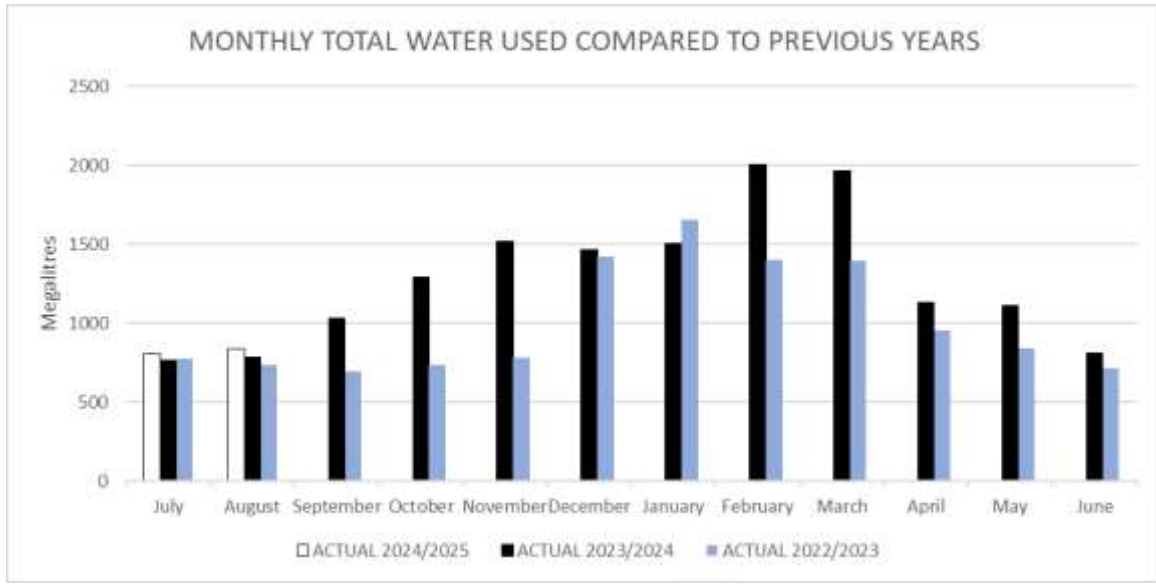
This report provides an overview of water usage, connections, maintenance and water quality matters from the 1 to the 31 August 2024.

### Water Sourced and Used

	2022	2023	2024
Rainfall	79.0	33.0	38.4
Wet days	23	14	8
<b>Water Sourced September 2024 (Megalitres)</b>			
North Wagga bores	164.1	206.5	197.0
West Wagga bores	93.4	109.8	81.2
East Wagga bores	163.7	454.9	508.3
Murrumbidgee River	295.2	0.0	0.0
<b>Sub Total</b>	<b>716.4</b>	<b>771.2</b>	<b>786.5</b>
Bulgary bores	5.3	0.0	33.0
Urana source	0.0	0.0	0.0
Ralvona bores	16.2	12.7	13.6
Walla Walla bores	0.0	0.0	0.0
Goldenfields Water Supply System	1.61	1.87	1.08
<b>Sub Total</b>	<b>23.11</b>	<b>14.57</b>	<b>47.68</b>
Woomargama	0.8	1.3	0.7
Humula	0.3	0.5	0.5
Tarcutta	3.2	2.9	4.1
Oura	1.7	1.9	2.5

	<b>2022</b>	<b>2023</b>	<b>2024</b>
Walbundrie / Rand	2.3	4.5	2.9
Morundah	0.56	0.66	0.32
Collingullie	2.9	4.0	4.8
<b>Sub Total</b>	<b>11.76</b>	<b>15.76</b>	<b>15.82</b>
<b>Totals</b>	<b>751.1</b>	<b>801.5</b>	<b>849.9</b>
<b>Water used September 2024 (Megalitres)</b>			
East Bomen	18.0	19.4	21.6
Estella	56.4	83.4	66.6
North Wagga	72.7	82.5	86.8
Wagga Wagga – low level	102.7	101.3	58.4
Wagga Wagga – high level	289.1	294.4	392.1
Wagga Wagga – Bellevue level	37.0	42.8	43.1
<b>Sub Total</b>	<b>575.9</b>	<b>623.8</b>	<b>668.6</b>
Ladysmith system	9.6	4.6	4.9
Brucedale scheme	13.1	17.0	20.5
Currawarna scheme	8.5	9.1	4.1
Rural Southern trunk main system	<b>92.8</b>	<b>73.2</b>	<b>77.3</b>
Rural Western trunk main system	<b>7.3</b>	<b>31.4</b>	<b>33.0</b>
<b>Sub Total</b>	<b>131.3</b>	<b>135.3</b>	<b>139.8</b>
Holbrook	16.2	12.8	13.7
Woomargama	0.8	1.3	0.7
Humula	0.3	0.5	0.5
Tarcutta	3.1	2.8	3.6
Oura	1.7	1.9	2.8
Walbundrie / Rand	2.3	4.5	2.8
Morundah	0.5	0.6	0.3
Collingullie	2.8	3.8	4.5
<b>Sub Total</b>	<b>27.7</b>	<b>28.2</b>	<b>28.9</b>
<b>Totals</b>	<b>734.9</b>	<b>787.3</b>	<b>837.3</b>





Repairs, Meters, Locations and Complaints

Suburb	WATERODOUR	WATERHAMMER	HYDMANT	LOCATE	METERCOCKFAIL	PRESSURE	WATERDIRTY	WATERLEAK	METERLEAK	Grand Total
Suburb Not Recorded						1		9	4	14
ASHMONT					2		1	1	2	6
BOMEN			1							1
BOOROOMA									1	1
BOURKELANDS								1	1	2
BRUCEDALE						3			1	4
CURRAWARNA				1						1
EAST WAGGA WAGGA						1				1
ESTELLA		1						4	1	6
GLENFIELD PARK							4		2	6
GOBBAGOMBALIN			1		1				1	3
GUMLY GUMLY								1		1
HENTY			1		1			1	2	5
HENTY TO HOLBROOK						1			1	2
HOLBROOK									2	2
KOORINGAL					1	1	14	2	4	22
LAKE ALBERT		1					1	2	11	15
LLOYD					1		1		1	3
LOCKHART						2				2
MORVEN								1		1
MOUNT AUSTIN					1				6	7
NORTH WAGGA WAGGA					1			1		2
PLEASANT HILLS								1		1
SAN ISIDORE						1				1
SPRINGVALE	1					1		1	1	4
TARCUJTA								2	3	5
TATTON							1			1
TOLLAND						1	1	2	2	6
TURVEY PARK			1	1	1			3	1	7
URANQUINTY								1	1	2
WAGGA TO THE ROCK								1		1
WAGGA WAGGA				5	3	4	3	6	9	30
WALLA WALLA								1		1
<b>Grand Total</b>	<b>1</b>	<b>2</b>	<b>4</b>	<b>7</b>	<b>12</b>	<b>16</b>	<b>26</b>	<b>41</b>	<b>57</b>	<b>166</b>



New Connections

Count of #	Resp.				Grand Total	
Activity	Suburb	CONSGANGS	NEWSERVICE	RURALGANG	WORKS	Grand Total
MTRINST	EAST WAGGA WAGGA					1
	FOREST HILL		2			2
	GOBBAGOMBALIN		2			2
	KOORINGAL		2		5	7
	LAKE ALBERT	1	1			4
	LLOYD		4			4
	LOCKHART			1		1
	WAGGA WAGGA	1	5			7
	WALLA WALLA			1		1
<b>Grand Total</b>		<b>2</b>	<b>16</b>	<b>2</b>	<b>17</b>	<b>37</b>

Water System Repairs

Activity	Days (Date)	Suburb	Problem	AssetType	Count of #
MAINRPR	03-Aug	GLENFIELD PARK	EXCESSWEAR	Water Main	1
		WALLA WALLA	ROUNDSPLIT	Water Main	1
	05-Aug	WAGGA WAGGA	LONGSPLIT	Water Main	1
		WOOMARGAMA		Water Main	1
	08-Aug	MILBRULONG		Water Main	1
	12-Aug	BULGARY		Water Main	1
		LAKE ALBERT	JOINTLEAK	Water Main	1
		WAGGA WAGGA	LONGSPLIT	Water Main	1
	13-Aug	HOLBROOK	GROUNDMOVE	Water Main	1
		WAGGA TO THE ROCK		Water Main	1
	18-Aug	THE ROCK TO HENTY		Water Main	1
	19-Aug	MOUNT AUSTIN	JOINTLEAK	Water Main	1
	21-Aug	WAGGA WAGGA	GROUNDMOVE	Water Main	1
	22-Aug	COLLINGULLIE		Water Main	1
	26-Aug	TARCUTTA	JOINTLEAK	Plant Miscellaneous	1
	27-Aug	MILBRULONG		Water Main	1
		TOLLAND	LONGSPLIT	Water Main	1
		OSBORNE		Water Main	1
	28-Aug	HENTY		Water Main	1
	29-Aug	KOORINGAL	MECHDAMAGE	Water Main	1
		URANA		Water Main	1
		URANQUINTY	JOINTLEAK	Water Main	1
		WAGGA WAGGA	JOINTLEAK	Water Hydrant	1
	30-Aug	TOLLAND	LONGSPLIT	Water Main	1
		TURVEY PARK	EXCESSWEAR	Water Main	1
	<b>Grand Total</b>				<b>25</b>

## Water Quality Complaints

Types	Days (Call Date)	Suburb	Action Taken	Count of SR#
WATERODOUR	28-Aug	SPRINGVALE	23/9/24 Called James at 2:42pm Discussed WQ data for hardness. James will call back if	1
WATERDIRTY	01-Aug	LLOYD	Flushed at meter till clear	1
		TATTON	Flushed Hydrant until clear	1
	05-Aug	KOORINGAL	Flushed meter, clear from service. Potentially dirty from their side being gal piping	1
	14-Aug	GLENFIELD PARK	Flushed service	1
	15-Aug	GLENFIELD PARK	Flushed main	2
	19-Aug	KOORINGAL	Flushed main, dirty water caused by works in	1
	20-Aug	KOORINGAL	Flushed main	1
			Flushed Watermain	1
			(blank)	1
		WAGGA WAGGA	Flushed meter	1
	21-Aug	KOORINGAL	Flushed hydrant at end of street until clean	1
			Flushed mains	1
			Flushed service	1
			Flushed water main	1
			Old gal service needs renewing on our side	1
			Old gal service there side	1
			Tuesday 20th 5:30pm- 6:30pm Flushed service	1
		LAKE ALBERT	Removed meter and flushed service until clear	1
		TOLLAND	Flushed main	1
	22-Aug	WAGGA WAGGA	Flushed main and services until water became	1
			Flushed service until water was clear	1
	23-Aug	ASHMONT	Customers side	1
	26-Aug	KOORINGAL	Flush meter until water cleared	1
			Flushed main and service until water cleared	1
	30-Aug	GLENFIELD PARK	Flushed	1
<b>Grand Total</b>				<b>27</b>

## Water Mains Laid – New and Replacement

Summary	WO#	Asset Type	Width	Type	Sum of Meters
Boree to Morundah Pipeline	1819	Water Main	150	OVPC	2951
Avocet Dr	1837	Water Main	100	OVPC	525
			150	OVPC	76
			250	OVPC	165
<b>Grand Total</b>					<b>3717</b>

## Other Construction

Location or Project	Work done
Nil	

Major Repairs / Overhauls

Facility	Work done
Wagga Wagga WTP	Winter maintenance program
Wagga Wagga WTP	Thickening Tank Relining
Pleasant Hills Pump Station	Pump and Control system improvements
Tarcutta WTP	Raw water pipework and bore cleaning

Water Filling Station Activity

Location	Number of fills
Bomen Hereford Street	36
Estella Farrer Road	24
Forest Hill Elizabeth Avenue	23
Glenfield Red Hill Road	128
Henty Olympic Way	11
Holbrook Millswood Road	14
Lake Albert Plumpton Road	49
Lockhart Napier Road	152
Pleasant Hills Manson Street	28
The Rock	34
Urana Federation Way	35
Walla Walla Short St	8
Yerong Creek Finlayson Street	2

Fleet Disposals

Vehicle No	Description	Vehicle Type	Make & Model	Year	KMs	Method	Price (ex GST)

### Fleet Acquisitions

Vehicle No	Tenders received	Accepted Tenderer	Vehicle type	Make/Model	Price ex GST

### **Strategic Alignment**

Our Business

Provide exceptional customer service by tailoring and improving our systems, processes and service

### **Financial Implications**

Nil

### **Workforce Implications**

N/A

### **Risk Considerations**

<b>Service Delivery</b>	
Avoid	Riverina Water will avoid taking on any risks which may compromise water quality.

# R17 Works Report covering September 2024

## Organisational Area Engineering

**Author** Troy van Berkel, Director Engineering

**Summary** This report provides an overview of water usage, connections, maintenance and water quality matters from the 1<sup>st</sup> to the 30<sup>th</sup> September 2024.

**RECOMMENDATION** that the Works Report covering September 2024 be received and noted.

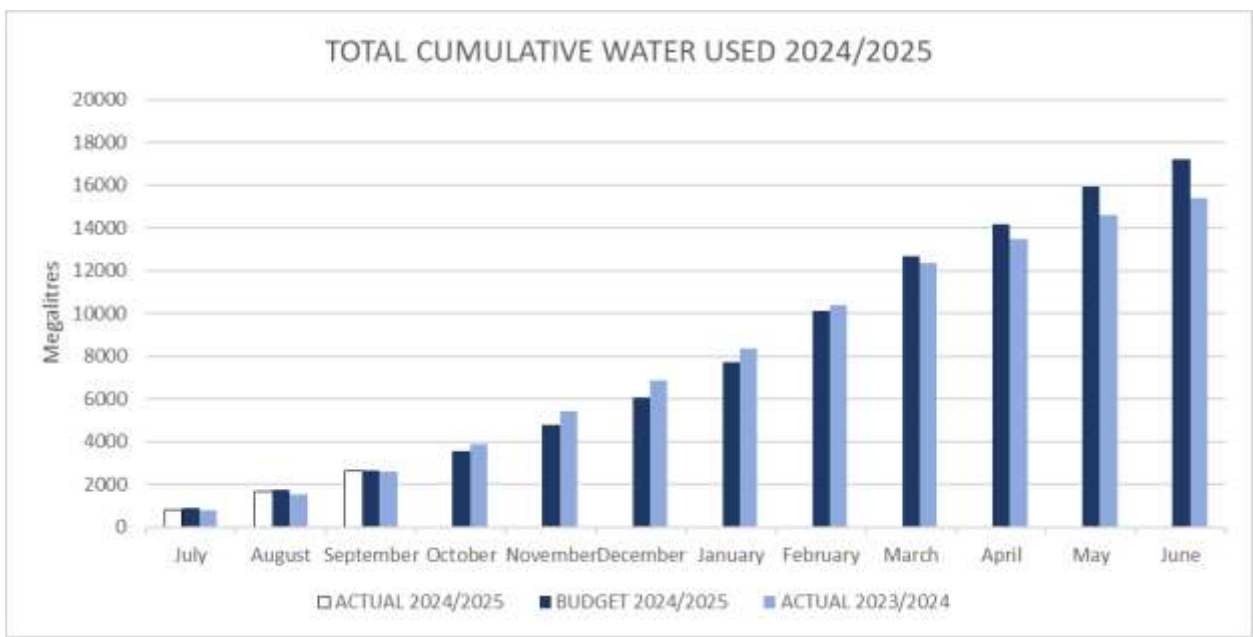
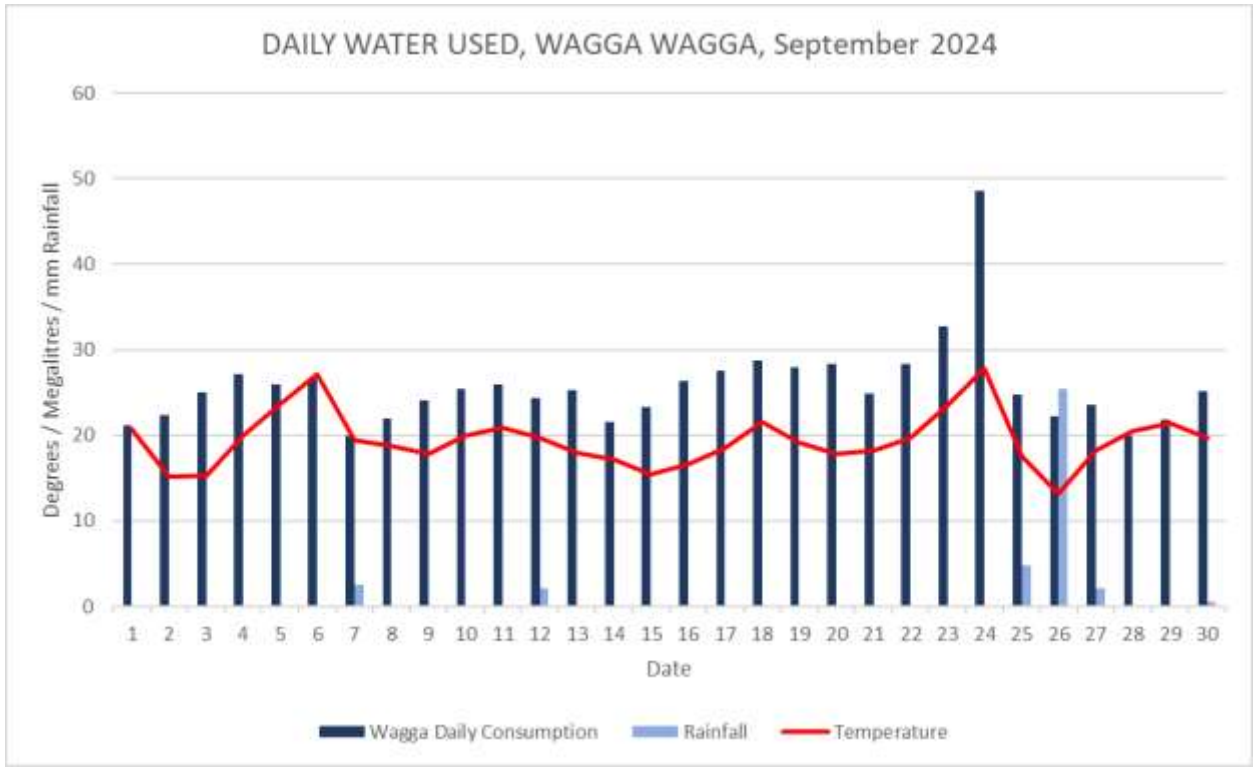
## Report

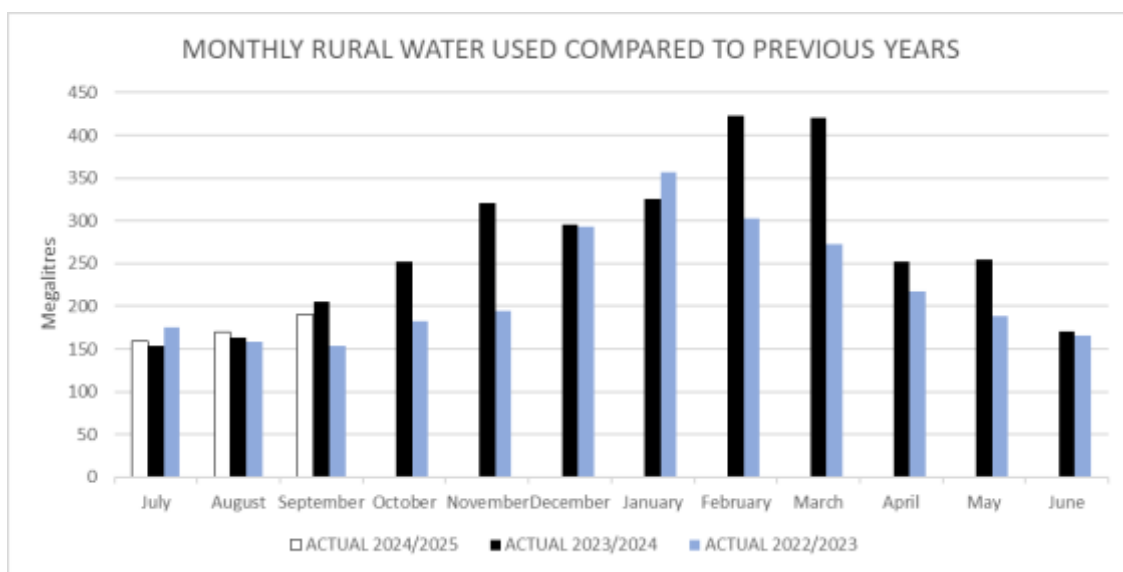
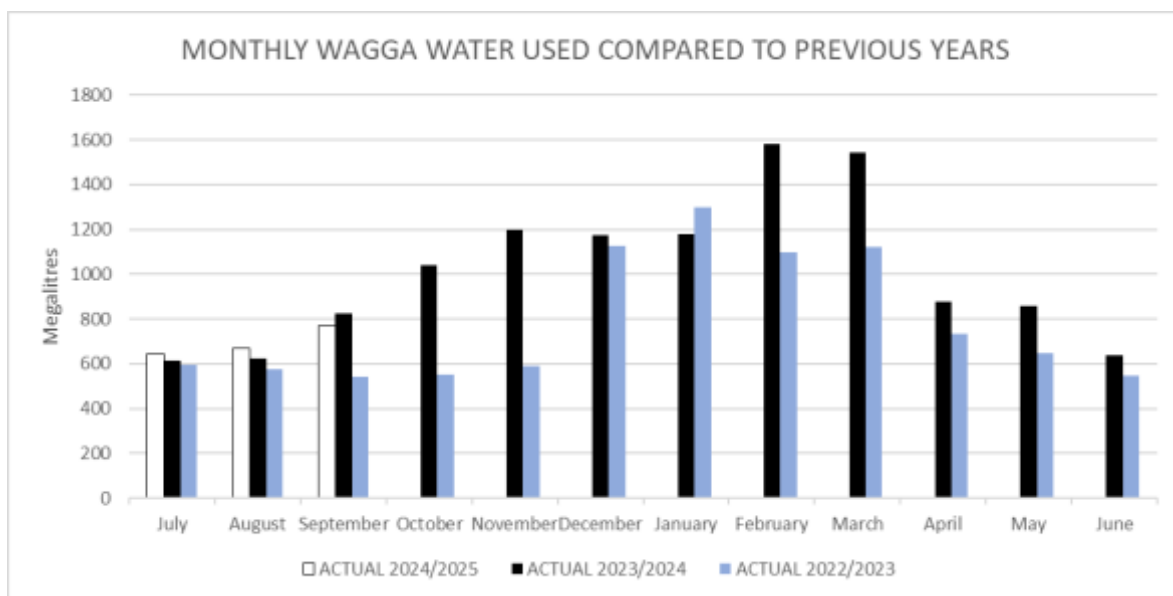
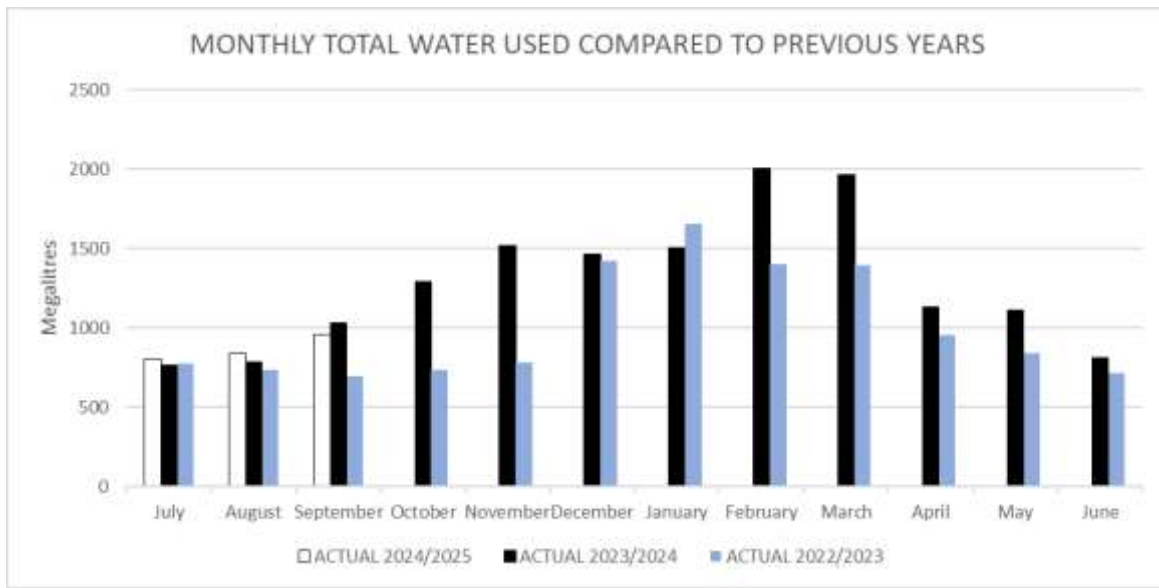
This report provides an overview of water usage, connections, maintenance and water quality matters from the 1 to the 30<sup>th</sup> September 2024.

### Water Sourced and Used

	2022	2023	2024
Rainfall	73.6	3.4	38.2
Wet days	16	2	8
<b>Water Sourced September 2024 (Megalitres)</b>			
North Wagga bores	149.1	245.0	208.8
West Wagga bores	90.9	148.9	93.6
East Wagga bores	156.0	602.2	600.2
Murrumbidgee River	287.6	0.0	7.2
<b>Sub Total</b>	<b>683.6</b>	<b>996.1</b>	<b>909.8</b>
Bulgary bores	0.0	19.5	36.7
Urana source	0.0	0.0	0.0
Ralvona bores	15.5	13.0	15.2
Walla Walla bores	0.0	0.0	0.2
Goldenfields Water Supply System	2.19	1.84	1.36
<b>Sub Total</b>	<b>17.69</b>	<b>34.34</b>	<b>53.46</b>
Woomargama	0.9	1.5	0.9
Humula	0.2	0.5	0.3
Tarcutta	3.0	3.0	3.4
Oura	1.9	2.5	3.7

	<b>2022</b>	<b>2023</b>	<b>2024</b>
Walbundrie / Rand	2.8	4.0	3.4
Morundah	0.43	0.70	0.77
Collingullie	3.2	5.0	5.4
<b>Sub Total</b>	<b>12.43</b>	<b>17.2</b>	<b>17.87</b>
<b>Totals</b>	<b>713.72</b>	<b>1047.64</b>	<b>981.13</b>
<b>Water used September 2024 (Megalitres)</b>			
East Bomen	19.7	25.2	21.3
Estella	55.4	99.9	90.3
North Wagga	54.4	91.4	75.1
Wagga Wagga – low level	100.7	132.0	81.2
Wagga Wagga – high level	273.6	425.4	452.8
Wagga Wagga – Bellevue level	40.1	50.3	56.4
<b>Sub Total</b>	<b>543.9</b>	<b>824.2</b>	<b>777.1</b>
Ladysmith system	9.1	5.9	4.7
Brucedale scheme	14.5	18.2	18.8
Currawarna scheme	9.9	15.9	3.7
Rural Southern trunk main system	<b>91.0</b>	<b>88.2</b>	<b>87.1</b>
Rural Western trunk main system	<b>1.2</b>	<b>47.4</b>	<b>36.7</b>
<b>Sub Total</b>	<b>125.7</b>	<b>175.6</b>	<b>151</b>
Holbrook	15.7	13.3	15.2
Woomargama	0.9	1.5	0.9
Humula	0.2	0.5	0.3
Tarcutta	3.0	2.6	2.6
Oura	1.9	2.5	4.1
Walbundrie / Rand	2.8	4.0	3.3
Morundah	0.4	0.7	0.7
Collingullie	3.1	4.8	5.1
<b>Sub Total</b>	<b>28</b>	<b>29.9</b>	<b>32.2</b>
<b>Totals</b>	<b>697.6</b>	<b>1029.7</b>	<b>960.3</b>







Repairs, Meters, Locations and Complaints

Suburb	METERCOVER	WATERASTE	METERMODIFY	LOCATE	WATERODOUR	WATERHAMMER	HYDMAINT	PRESSURE	DISCONNECT	METERCOCKFAIL	WATERDIRTY	WATERLEAK	METERLEAK	Grand Total
Suburb Not Recorded										1		4	3	8
ASHMONT					1					1	6	3	11	22
BOMEN						1						1		2
BOOROOMA			1					1						2
BOURKELANDS											4		6	10
BRUCEDALE								3		1		2		6
COLLINGULLIE													1	1
CURRAWARNA													2	2
EAST WAGGA WAGGA										1				1
ESTELLA											2		2	4
FOREST HILL		1						1				4	3	9
GLENFIELD PARK			1							1	1	2	5	10
GOBBAGOMBALIN												1		1
HENTY	1							2						3
HOLBROOK							3			1				4
KOORINGAL				1	1					2	1	2	9	16
LAKE ALBERT						1				1	3	2	11	18
LLOYD										1	1	2	2	6
LOCKHART												2		2
MORVEN													1	1
MOUNT AUSTIN						1				3		1	6	11
NORTH WAGGA WAGGA										1			1	2
PLEASANT HILLS								1						1
SAN ISIDORE													1	1
SPRINGVALE												1	1	2
TARCUITA													1	1
TATTON													1	1
TOLLAND									12	1	4	2	4	23
TURVEY PARK										1			4	5
URANQUINTY													1	1
WAGGA WAGGA				1				2	2	5	2	4	16	32
WOOMARGAMA										1				1
YERONG CREEK												1		1
LOCKHART TO THE ROCK										1				1
MANGOPLAH											3			3
CULCAIRN								1						1
HENTY TO CULCAIRN								1						1
<b>Grand Total</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>12</b>	<b>14</b>	<b>23</b>	<b>27</b>	<b>34</b>	<b>92</b>	<b>216</b>

New Connections

Count of #	Activity	Suburb	Resp. MAINT	NEWSERVICE	RURALGANG	WORKS	Grand Total
	MTRINST	COLLINGULLIE		1			1
		CURRAWARNA		1			1
		EAST WAGGA WAGGA				1	1
		FOREST HILL		1			1
		GOBBAGOMBALIN		5			5
		GUMLY GUMLY		1			1
		HOLBROOK				1	1
		KOORINGAL				1	1
		LAKE ALBERT		2			2
		LOCKHART				1	1
		MOUNT AUSTIN		2			2
		WAGGA WAGGA	1	7			8
		WALLA WALLA				8	8
<b>Grand Total</b>			<b>1</b>	<b>20</b>	<b>10</b>	<b>2</b>	<b>33</b>

## Water System Repairs

Activity	Days (Date)	Suburb	Problem	AssetType	Count of #
MAINRPR	02-Sep	YERONG CREEK		Water Main	1
	06-Sep	WAGGA WAGGA	GROUNDMOVE	Water Main	1
	10-Sep	COLLINGULLIE	ROUNDSPLIT	Water Main	1
	11-Sep	THE ROCK	JOINTLEAK	Water Main	1
	13-Sep	ASHMONT	TREEROOTS	Water Main	1
		COLLINGULLIE	GROUNDMOVE	Water Main	2
	14-Sep	LOCKHART		Water Main	1
	17-Sep	THE ROCK	LONGSPLIT	Water Main	1
		URANA	GROUNDMOVE	Water Main	1
	20-Sep	BRUCEDALE	JOINTLEAK	Water Main	1
	22-Sep	LOCKHART	ROUNDSPLIT	Water Main	1
	23-Sep	BRUCEDALE	SEALFAIL	Water Main	1
	27-Sep	SAN ISIDORE	EXCESSWEAR	Water Main	1
<b>Grand Total</b>					<b>14</b>

## Water Quality Complaints

Types	Days (Call Date)	Suburb	Action Taken	Count of SR#
WATERTASTE	19-Sep	FOREST HILL	23/9/24 1:45pm Called customer and supplied WQ data. Spoke about regular PFAS checks at East Wagga bore field.	1
WATERODOUR	04-Sep	KOORINGAL	Meets ADWG Free-Chlorine 1.15mg/L, Total Chlorine 1.47mg/L, Odour Ok, pH 7.37, Turbidity 0.63 NTU, Taste Ok, Spoke to Mr Russ Lang.	1
	24-Sep	ASHMONT	Water tested at meter tap. Appearance, odour and taste OK, free chlorine 1.29 mg/L, total chlorine 1.38 mg/L, pH 7.33, turbidity 0.45 NTU. Meets ADWG. Real estate contacted, recommended cleaning tap strainers.	1
WATERDIRTY	01-Sep	GLENFIELD PARK	Flushed water main	1
	02-Sep	LAKE ALBERT	Flushed water mains	1
	07-Sep	WAGGA WAGGA	Flushed main	1
	09-Sep	KOORINGAL	Flushed water meter	1
	18-Sep	LAKE ALBERT	Flushed meter	1
		MANGOPLAH	(blank)	3
		WAGGA WAGGA	Tested water at the meter tap, meets ADWG. Appearance and odour OK, pH 7.24, turbidity 0.68, temperature 17.8 degrees C, free chlorine 1.20 mg/L, total chlorine 1.55 mg/L. Called Janet and discussed, she was happy.	1
	23-Sep	ESTELLA	Flush 3d water main	1
			Flushed water main	1
	24-Sep	ASHMONT	Flushed. Main	1
		LAKE ALBERT	Flush service	1
		TOLLAND	Flush service	1
			Flushed main	1
			Flushed main and service until water became clear	1
	25-Sep	ASHMONT	Flushed Watermain	3
			Flushed watermain	1
		BOURKELANDS	Flushed water main	1
	26-Sep	BOURKELANDS	Flushed main	1
			Flushed service	1
			Flushed water main	1
		LLOYD	Flushed Watermain	1
	30-Sep	ASHMONT	Flushed main and water meter	1
		TOLLAND	Gal line on owners side	1
<b>Grand Total</b>				<b>30</b>

### Water Mains Laid – New and Replacement

Summary	WO#	Asset Type	Width	Type	Sum of Meters
Boree to Morundah Pipeline	1819	Water Main	100	OVPC	90
			150	OVPC	1040
			250	OVPC	42
Cummins Rd San Isadore	1899	Water Main	100	DICL	144
Dunns Rd trunk sub division	1843	Water Main	150	OVPC	587
			250	OVPC	56
Lloyd West Trunk	1839	Water Main	300	DICL	828
Avocet Dr	1837	Water Main	100	OVPC	296
			150	OVPC	334
<b>Grand Total</b>					<b>3417</b>

### Other Construction

Location or Project	Work done

### Major Repairs / Overhauls

Facility	Work done
Wagga Wagga WTP	Dosing pump maintenance
Wagga Wagga WTP	Raw water pump installation
West Wagga WTP	High level inlet valve installation
Uranquinty High Level Reservoir	Control system improvements
Wagga Wagga WTP	Thickening tank relining

### Water Filling Station Activity

Location	Number of fills
Bomen Hereford Street	35
Estella Farrer Road	71
Forest Hill Elizabeth Avenue	15
Glenfield Red Hill Road	110
Henty Olympic Way	35
Holbrook Millswood Road	16
Lake Albert Plumpton Road	126
Lockhart Napier Road	85
Pleasant Hills Manson Street	56

The Rock	160
Urana Federation Way	98
Walla Walla Short St	10
Yerong Creek Finlayson Street	14

#### Fleet Disposals

Vehicle No	Description	Vehicle Type	Make & Model	Year	KMs	Method	Price (ex GST)

#### Fleet Acquisitions

Vehicle No	Tenders received	Accepted Tenderer	Vehicle type	Make/Model	Price ex GST

### **Strategic Alignment**

Our Business

Provide exceptional customer service by tailoring and improving our systems, processes and service

### **Financial Implications**

Nil

### **Workforce Implications**

N/A

**Risk Considerations**

<b>Service Delivery</b>	
Avoid	Riverina Water will avoid taking on any risks which may compromise water quality.

# R18 Council Resolution Sheet

**Organisational Area** Chief Executive Officer

**Author** Andrew Crakanthorp, Chief Executive Officer

**Summary** The report provides an update on the status of previous resolutions of the Board.

**RECOMMENDATION** that the report detailing the status of the active resolutions of Riverina Water be received.

## Report

The attachment to this report provides details on the implementation of Board resolutions.

› **R18.1 Council Resolution Sheet** [↓](#) 

## Strategic Alignment

Our Business

Improve strategic planning and accountability

## Financial Implications

Nil

## Workforce Implications

Nil

## Risk Considerations

<b>Corporate Governance And Compliance</b>	
Avoid	Riverina Water will avoid risks relating to corporate governance and compliance including ethical, responsible and transparent decision making and procedural/policy, legal and legislative compliance.

## OUTSTANDING ACTIONS REPORT

Printed: Wednesday, 23 October  
2024 9:56:43 AM

Meeting	Date	Officer	Title	Target
Board Meeting 26/10/2022	26/10/2022	Vidler, Greg	The Rock Reservoir Land Acquisition	9/11/2022
<b>Resolution</b>				

<b>22/183</b>	<b>RESOLVED:</b> On the Motion of Councillors D Meyer OAM and T Quinn			
<b>That Council:</b>				
(a) proceed with the compulsory acquisition of the land described as 4376 Olympic Highway, The Rock, NSW (part Lot 1 in Deposited Plan 596611), in accordance with the requirements of the Land Acquisition (Just Terms Compensation) Act 1991; and				
(b) make an application to the Minister and the Governor for approval to acquire 4376 Olympic Highway, The Rock, NSW (part Lot 1 in Deposited Plan 596611), for the purpose of the construction of the Rock Reservoir and associated access in accordance with Section 186(1) of the Local Government Act 1993				
(c) upon acquisition, classify the land as operational land in accordance with the Local Government Act.				
(d) Delegate authority to the CEO to sign all documents relating to the compulsory acquisition and pay requisite compensation for the land.				
				<b>CARRIED</b>

### Notes For Action

**07 Dec 2022 9:50am Vincent, Melissa**

The acquisition process continues as planned.

**14 Feb 2023 11:20am Vincent, Melissa**

The acquisition process continues again more slowly than expected. Council's solicitor has carriage of the process

**08 Jun 2023 3:18pm Vincent, Melissa**

The RMS rejected the proposed access which has put the project behind schedule. Revised plans have been completed and it is expected that Riverina Water will gain title to the required land by March 2024.

**19 Jun 2024 4:10pm Vincent, Melissa**

A workshop to update the Board on this matter was held on 27 June 2024.

Meeting	Date	Officer	Title	Target
Board Meeting 14/12/2023	14/12/2023	Ip, Jason	Update on PFAS	28/12/2023
<b>Resolution</b>				

<b>23/153</b>	<b>RESOLVED:</b> On the Motion of Councillors D Meyer OAM and G Davies			
<b>That the Board continue to supply water in accordance with the NSW Health Act, the Australian Drinking Water Guidelines, Riverina Water Drinking Water Policy and the Riverina Water Drinking Water Management System.</b>				
				<b>CARRIED</b>

### Notes For Action

**09 Feb 2024 4:12pm Vincent, Melissa**

The Project Governance Group continues to meet and is awaiting the results of sampling from the recently installed new sentinel bore in Forge St.

**11 Apr 2024 11:08am Vincent, Melissa**

There is an update report in the Business Paper for the April meeting of the Board

**19 Jun 2024 4:11pm Vincent, Melissa**

A workshop to update the Board on the risk assessment framework was held on 27 June 2024

Meeting	Date	Officer	Title	Target
Board Meeting 22/02/2024	22/02/2024	Crakanthorp, Andrew	Riverina Water Award Hours Harmonisation Matter	7/03/2024
<b>Resolution</b>				

<b>24/022</b>	<b>RESOLVED:</b> On the Motion of Councillors G Driscoll and G Davies			
<b>That the Board receive and note the report and authorise the CEO to continue to progress the matter with the aim of presenting a report to the August meeting of the Board.</b>				
				<b>CARRIED</b>

### Notes For Action

**11 Apr 2024 11:10am Vincent, Melissa**

The preliminary report from the consultants will be provided on Monday 15 April, allowing the Working Group to consider ahead of a report to the Board in August 2024.

**19 Jun 2024 4:12pm Vincent, Melissa**

<b>OUTSTANDING ACTIONS REPORT</b>	<b>Printed: Wednesday, 23 October 2024 9:56:43 AM</b>
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Meeting	Date	Officer	Title	Target
A workshop on this matter is scheduled for 27 June 2024				
<b>25 Jul 2024 11:00am Vincent, Melissa</b>				
An update report will be provided to December board meeting				



# CONF-1 Confidential Minutes of Audit, Risk and Improvement Committee held on 14 August 2024

**Organisational Area** Chief Executive Officer

**Author** Melissa Vincent, Executive Assistant

**Summary** This report presents the minutes from the Audit, Risk and Improvement Committee meeting held on 14 August 2024.

This report is **CONFIDENTIAL** in accordance with Section 10A(2) of the Local Government Act 1993, which permits the meeting to be closed to the public.

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## CONF-2 Customer account matter

**Organisational Area** Corporate Services

**Author** Josh Lang, Customer and Communications Team Leader

**Summary** It is recommended the Board consider providing financial relief due to hardship to manage a complex long-term debt.

This report is **CONFIDENTIAL** in accordance with Section 10A(2) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

(b) discussion in relation to the personal hardship of a resident or ratepayer

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## CONF-3 Write Off of Bad Debts

**Organisational Area** Corporate Services

**Author** Natasha Harris, Manager Finance & Sourcing

**Summary** This report outlines amounts the CEO has approved to be written off as part of the 2023-24 financial year end close.

This report is **CONFIDENTIAL** in accordance with Section 10A(2) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

(b) discussion in relation to the personal hardship of a resident or ratepayer