

Blayney Shire Council



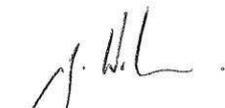
24 September 2012

Dear Councillor,

Your attendance is requested at an Ordinary Council Meeting of the Blayney Shire Council to be held in the Council Chambers on Wednesday, 3 October 2012 at 6.00 pm for consideration of the following business -

- (1) Acknowledgement of Country
- (2) Recording of Meeting Statement
- (3) Apologies for non-attendance
- (4) Confirmation of Minutes - Ordinary Council Meeting held on 13.08.12
- (5) Matters arising from Minutes
- (6) Disclosures of Interest
- (7) Election of Mayor
- (8) Election of Deputy Mayor
- (9) Election of Representatives to Committees
- (10) Reports of Staff
 - (a) Corporate Services
 - (b) Engineering Services
- (11) Information Items

Yours faithfully



GA Wilcox
GENERAL MANAGER

As this meeting will commence with the election of a new Mayor for the term of twelve months, Cr Kingham will commence as Chair of the meeting, and I will act as Returning Officer and conduct the election of Mayor and Deputy Mayor. Once this process is complete, the newly elected Mayor will assume the position of Chair for the remainder of the meeting's agenda.

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HELD ON WEDNESDAY 3 OCTOBER 2012

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GENERAL MANAGER'S REPORTS
PRESENTED TO THE BLAYNEY SHIRE COUNCIL
MEETING HELD ON WEDNESDAY, 3 OCTOBER 2012



01) ELECTION OF MAYOR
(General Manager)

RECOMMENDED:

1. That Council accept the nominations for the position of Mayor; and
2. That if more than one nomination is received for the position of Mayor, the method of voting is by open means (such as on voices or show of hands).

REPORT

In accordance with Section 225 and 290 of the Local Government Act, Council is required to elect a Mayor. Councillors have been advised by letter of the election of Mayor procedure and nominations invited.

In Council's case, the Mayor is elected by Councillors, from among Councillors, (pursuant to Section 227 of the Act) and if so elected, holds office for 1 year. The Office of Mayor commences on the day he/she is declared elected.

The election for Mayor is required to be held at the first meeting of Council or within 3 weeks of the Declaration of the Poll.

Council's Code of Meeting Practice states, "*Voting at a Council meeting, including voting in an election at such a meeting, is to be by open means (such as on the voices or by show of hands). However, Council may resolve that the voting in any election by Councillors for Mayor is to be by secret ballot*". Note: Part 11 of this Regulation provides that a Council is to resolve whether an election by the Councillors for Mayor is to be by preferential ballot, ordinary ballot or open voting (clause 394 and clause 3 of Schedule 7). Clause 3 of Schedule 7 also makes it clear that ballot has its normal meaning or secret ballot.

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

IP&R

DP 6.1.1

DP 6.3.1

Attachments

1 Regulations 3 Pages

02) ELECTION OF DEPUTY MAYOR
(General Manager)

RECOMMENDED:

1. That Council resolved whether to appoint a Deputy Mayor, and if so, that the nomination for the position of Deputy Mayor be accepted; and
2. That if more than one nomination is received for the position of Deputy Mayor, the method of voting be by open means (such as on voices or show of hands).

REPORT

Section 231 of the Act states that Councillors may elect a person from among their number to be the Deputy Mayor.

In Council's case, the Deputy Mayor is elected by Councillors, from among Councillors, (pursuant to Section 227 of the Act) and if so elected, holds office for the same term as Mayor, or a shorter term, and may exercise any function of the Mayor at the request of the Mayor). The Office of Deputy Mayor commences on the day he/she is declared to be elected.

Council's Code of meeting Practice states, "*Voting at a Council meeting, including voting in an election at such a meeting, is to be by open means (such as on the voices or by show of hands). However, Council may resolve that the voting in any election by Councillors for Deputy Mayor is to be by secret ballot*". Note: Part 11 of this Regulation provides that a Council is to resolve whether an election by the Councillors for Deputy Mayor is to be by preferential ballot, ordinary ballot or open voting (clause 394 and clause 3 of Schedule 7). Clause 3 of Schedule 7 also makes it clear that ballot has its normal meaning or secret ballot.

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect

IP&R

DP 6.1.1

DP 6.3.1

Attachments

Nil

03) CENTRAL TABLELANDS (WATER) COUNTY COUNCIL
(General Manager)

RECOMMENDED:

1. That Council confirm the nominations of Cr xxxxxxx & xxxxxx as representatives to the Central Tablelands (Water) County Council.

REPORT

Committee Objectives

The Central Tablelands (Water) County Council provides water supply to Blayney Shire Council, Cabonne Council and Weddin Shire Council. The Council is a separate statutory authority. Meetings of Council are held on the second Wednesday of alternate months, commencing in February of each year. The meetings are alternated between the towns of Grenfell, Blayney and Molong. Meetings are held in Molong in June and December, Grenfell in February and August and Blayney in April and October.

Reporting to Council

A Delegate's report of meetings is required to Council and Council minutes to be presented to Council.

Committee Members

- Each constituent Council is entitled to two members (preferably consumers of the county council)

Council Staff Members

- Nil

Community Strategic Plan Objectives

- CSP 1.5
- CSP 1.6
- CSP 3.4
- CSP 4.2
- CSP 5.1
- CSP 6.1

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

04) UPPER MACQUARIE COUNTY COUNCIL
(General Manager)

RECOMMENDED:

1. That Council confirm the nominations of Cr xxxxxxx & xxxxxx as representatives to the Upper Macquarie County Council.

REPORT

Committee Objectives

The Upper Macquarie (Noxious Weeds) County Council manage noxious weed control for Blayney Shire Council, Bathurst Regional Council, Lithgow City Council and Oberon Council. The Council is a separate statutory authority. Meetings are held on the first Friday of each month (except January), commencing at 2.30pm.

Reporting to Council

A Delegate's report of meetings is required to Council and Council minutes to be presented to Council.

Committee Members

- Each constituent Council is entitled to two members.

Council Staff Members

- Nil

Community Strategic Plan Objectives

- CSP 1.1
- CSP 3.1
- CSP 3.2
- CSP 3.4
- CSP 6.1

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

05) BLAYNEY SHIRE ACCESS ADVISORY COMMITTEE
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Cr xxxxxxx & xxxxxx (reserve) as representatives to the Blayney Shire Access Advisory Committee.

REPORT

Committee Objectives

To provide a forum for discussion with Council and to advise on relevant access and equity issues. Act as a contact point for people with disabilities in the community to advise Council in decision-making regarding access to local buildings and services, particularly with regard to redevelopments in the Blayney Shire.

The role of this Committee is purely advisory and does not commit Council resources. The Committee is to work within the framework of the Community Strategic Plan and does not deal with day to day operational matters. It should be noted that employees of the Council are not subject to the direction of the Advisory Committee or any of its members.

Reporting to Council

Minutes of meeting to be reported to Council.

Committee Members

1 Councillor (plus 1 reserve)
4 representatives from the Community
Tablelands Area Roads Safety Officer
2 Staff member

Council Staff Members

Director Environmental Services
Director Infrastructure Services

CSP Objectives

- CSP 4.1
- CSP 4.3
- CSP 5.4

BUDGET IMPLICATIONS

Nil effect

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

06) BLAYNEY SHIRE AUDIT COMMITTEE
(General Manager)

RECOMMENDED:

1. That Council confirm the membership of the Mayor and Cr xxxxxx and Cr xxxxxx (reserve) on the Blayney Shire Audit Committee.

REPORT

Committee Objectives

To provide independent assurance and assistance to the Blayney Shire Council on risk management, control, governance, and external accountability responsibilities.

Reporting to Council

Minutes of meeting to be reported to Council.

Committee Members

Mayor (or delegate)

General Manager

2 independent external members who have relevant experience or qualifications.

1 Councillor (plus 1 reserve)

1 Staff (secretariat)

Council Staff Members

General Manager

Director Corporate Services (secretariat)

CSP Objectives

- CSP 6.3
- CSP 6.4

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

07) **BLAYNEY SHIRE COUNCIL AUSTRALIA DAY COMMITTEE**
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Cr xxxxxxx as representative to the Blayney Shire Council Australia Day Committee.

REPORT

Committee Objectives

To seek nominations from the community and to select recipients for the Australia Day Awards for Blayney Shire. Meetings are held once a year.

Reporting to Council

Minutes of meeting to be reported to Council.

Committee Members

- Mayor
- A representative from the Blayney Rotary Club
- A representative from the Minister's Association
- The previous year's Citizen of the Year recipient

Council Staff Members

- Director Corporate Services (or their delegate)

Community Strategic Plan Objectives

CSP 5.4

BUDGET IMPLICATIONS

Nil effect

POLICY IMPLICATIONS

Nil effect

Attachments

Nil

08) BLAYNEY SHIRE ECONOMIC DEVELOPMENT COMMITTEE
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Crs xxxxxxx & xxxxxx as representatives to the Blayney Shire Economic Development Committee.

REPORT

Committee Objectives

To advise Council on issues relating to Economic Development. To identify and promote business, tourism, agricultural and natural resource growth and development.

Reporting to Council

Minutes of meeting to be reported to Council.

Committee Members

- 2 Councillor representatives
- 2 representatives of the tourism sector
- 2 representatives of the industry/business sector
- 2 representatives of the agriculture sector

Council Staff Members

- General Manager (or delegate)
- Economic and Community Development Officer

Community Strategic Plan Objectives

- CSP 1.1
- CSP 1.3
- CSP 1.4
- CSP 1.6
- CSP 2.3
- CSP 4.5
- CSP 5.3
- CSP 6.2

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect

Attachments

Nil

09) BLAYNEY SHIRE FINANCIAL ASSISTANCE COMMITTEE
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Cr xxxxxxx & xxxxxx (reserve) as representatives to the Blayney Shire Financial Assistance Committee

REPORT

Committee Objectives

To make an assessment of applications received under the general Financial Assistance and Heritage programs and to consider recommendations from the Sports Council for funding for development of sporting organisations and facilities.

Reporting to Council

Minutes of meeting to be reported to Council.

Committee Members

- 1 Councillor (1 reserve)
- 1 Staff Member (Director Corporate Services)
- 1 member Sports Council (nominated annually)
- 3 representatives from the community (nominated annually) (*one of these representatives is from Newcrest Mining as part of the IPART Special Rate Variation*)
- 1 representative from each industry grant provider

Council Staff Members

Director Corporate Services

CSP Objectives

- CSP 1.2
- CSP 3.3
- CSP 5.1
- CSP 5.4
- CSP 2.1
- CSP 2.2
- CSP 2.3

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

10) **BLAYNEY SHIRE SPORTS COUNCIL**
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Cr xxxxxxx & Cr xxxxxx (reserve) as representatives to the Blayney Sports Council.

REPORT

Committee Objectives

The Committee's aim is to provide community input into the management of the sporting grounds and facilities in the Shire. To consider applications for funding under the sporting grants category of the Financial Assistance Program and refer these to the Financial Assistance Committee.

Reporting to Council

Minutes of meeting to be reported to Council.

Committee Members

- One Councillor Representative (plus 1 reserve)
- One Council Staff Representative
- One Representative from each sporting [g1]code within the Shire

Council Staff Members

- Director Infrastructure Services (or their delegate)

Community Strategic Plan Objectives

- CSP 2.1
- CSP 2.2
- CSP 1.4
- CSP 5.2
- CSP 6.2

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

11) **BLAYNEY SHIRE TIDY TOWN COMMITTEE**
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Cr xxxxxxx & xxxxxx (reserve) as representatives to the Blayney Shire Tidy Town Committee

REPORT

Committee Objectives

To manage and develop project initiatives, including detailed project submissions, promoting Blayney Shire as a Tidy Town within the parameters of Keep Australia Beautiful campaign/criteria.

Reporting to Council

Minutes of meeting to be reported to Council.

Committee Members

1 person from each Village Committee
1 Councillor (plus 1 reserve)
1 Staff

Council Staff Members

Economic and Community Development Officer

CSP Objectives

- CSP 3.1
- CSP 5.1
- CSP 5.2
- CSP 5.4
- CSP 6.2

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

12) **BLAYNEY SHIRE YOUTH COUNCIL**
(General Manager)

RECOMMENDED:

1. That appointment to this committee be deferred to allow Council to discuss the role and outcomes to be achieved.

REPORT

Committee Objectives

To empower young people to play a positive role in the Blayney Shire and be a voice to community leaders. To work with Council and community on youth issues in the Blayney Shire and accomplish community goals by working directly with youth representatives.

Reporting to Council

Minutes of meeting to be reported to Council.

Committee Members

- Two Councillor Representatives (1 representative and 1 reserve)
- One Council Staff Representative
- A representative (mentor) from the community
- A representative (mentor) from the Blayney Rotary Club
- Up to 25 members, aged 12 to 25 years in Blayney Shire (including maximum of 12 nominated by Blayney High School from Leadership Program)

Council Staff Members

- Economic and Community Development Officer

CSP Objectives

CSP 2.1

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

13) **ARTS OUTWEST BOARD**
(General Manager)

RECOMMENDED:

That Council confirm the nomination of Cr xxxxxxx as representative to the Arts OutWest Board.

REPORT

Committee Objectives

Arts OutWest is the regional arts development service for the Central West of New South Wales in Australia. Its role is to promote, facilitate and advocate for the arts and cultural development of the communities in the region. Arts OutWest is an independent incorporated association funded through contributions from Arts NSW and its 12 participating local Councils and Charles Sturt University. Meetings are held quarterly.

Reporting to Council

A Delegate's report of meetings is required to Council and minutes to be presented to Council.

Committee Members

- The Arts OutWest Board is chaired by regional Council staff, media members, artists, business owners and key members of the Central West community. Council has one delegate.

Council Staff Members

- Nil

Community Strategic Plan Objectives

- CSP 2.1
- CSP 2.3

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

14) **ASSOCIATION OF MINING RELATED COUNCILS**
(General Manager)

RECOMMENDED:

That Council confirm the Mayor, as representative to the Association of Mining Related Councils.

REPORT

Committee Objectives

The Association of Mining Related Councils represents mining related councils and their communities throughout New South Wales. The Association's mission is to advocate on behalf of members and their communities on mining related issues and to ensure that mining activity is conducted in accordance with the principles of Ecologically Sustainable Development. Meetings are held quarterly.

Reporting to Council

A Delegate's report of meetings is required to Council and Council minutes to be presented to Council.

Committee Members

- The Mayor of each member Council

Council Staff Members

- General Manager (or their delegate)

Community Strategic Plan Objectives

CSP 1.2

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

15) **CENTRAL WEST GROUP APPRENTICES BOARD**
(General Manager)

RECOMMENDED:

1. That appointment to this board is deferred, until further discussion is held to determine Council's roles and board objectives.

REPORT

Committee Objectives

Central West Group Apprentices Ltd is a not for profit company that employs apprentices and trainees, and places them with local tradespeople and businesses aiming to develop skillful young people for the future; create business success through applied learning, build strong and sustainable communities. Meetings are held every second month.

Reporting to Council

A Delegate's report of meetings is required to Council and minutes to be presented to Council.

Committee Members

- One Councillor Representative from each of the eight member organisations

Council Staff Members

- Nil

Community Strategic Plan Objectives

- CSP 1.1
- CSP 1.2
- CSP 1.6

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

16) **CENTRAL WEST LIBRARIES COMMITTEE**
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Cr xxxxxxx as representative to the Central West Libraries Committee.

REPORT

Committee Objectives

Central West Libraries is a regional library service located on the Central Tablelands and Western Slopes of New South Wales. The Committee encompasses the Local Government areas of Orange, Blayney, Cabonne, Cowra and Forbes. The committee must meet a minimum of twice a year and has the power and responsibility to provide and control the library services.

Reporting to Council

A Delegate's report of meetings is required to Council and minutes to be presented to Council.

Committee Members

- The Central West Libraries Committee has representation from the five Member Councils. Each local government authority may nominate two representatives one of whom must be an elected member.
- 1 Councillor plus Director Corporate Services.

Council Staff Members

- Director Corporate Services

Community Strategic Plan Objectives

- CSP 2.3
- CSP 5.3

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

17) **CENTRAL WEST REGIONAL ORGANISATION OF COUNCILS
(CENTROC) BOARD**
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Cr xxxxxxx as representative to the Central West Regional Organisation of Councils (CENTROC) Board.

REPORT

Committee Objectives

The Central West is a recognised area of New South Wales, regarded as attractive in both physical and human assets, and vital to the future economy of New South Wales and Australia. CENTROC aims to be recognised as the lead organisation advocating on agreed regional positions and priorities for the Central West; whilst providing a forum for facilitating regional cooperation and sharing knowledge, expertise and resources; effectively nurturing suitable investment and infrastructure development. Meetings are held quarterly.

Reporting to Council

A Delegate's report of meetings is required to Council and Council minutes to be presented to Council.

Committee Members

- The Mayor of each member Council

Council Staff Members

- General Manager

Community Strategic Plan Objectives

- CSP 1.5
- CSP 6.1

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

18) **CENTROC WEIGHT OF LOADS GROUP**

(General Manager)

RECOMMENDED:

That Council confirm the nomination of Cr xxxxxx as representative to the Centroc Weight of Loads Group.

REPORT

Committee Objectives

The Weight of Loads Group is a sub-committee of CENTROC. The objectives of the Group are:

- Work in cooperation with Roads & Maritime Services to ensure compliance with the provisions of the Roads Act 2005 and the Roads (Mass, Loading & Access) Regulations 2005.
- Patrol State, Regional and Local Roads in the participating Council areas.
- Conduct random mass checks on heavy vehicles to make sure they operate within the statutory requirements
- Liaise with the transport industry and assist with training.

Meetings are held twice a year during February and August.

Reporting to Council

A written Delegate's report of meetings is required to Council and minutes to be presented to Council.

Committee Members

- One Councillor Representative from each member Council

Council Staff Members

- Director Infrastructure Services (or their delegate)

Community Strategic Plan Objectives

- CSP 1.5
- CSP 4.1
- CSP 6.1

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

19) **LACHLAN REGIONAL TRANSPORT COMMITTEE**
(General Manager)

RECOMMENDED:

That Council confirm the nomination of Crs xxxxxx and xxxxx (alternate) as representatives and to the Lachlan Regional Transport Committee.

REPORT

Committee Objectives

Lachlan Regional Transport Committee is made up of a group of Council that recognises the critical need to improve public transport in the light of the increasing cost of petroleum and its reducing availability. Meetings are held quarterly.

Reporting to Council

A Delegate's report of meetings is required to Council and minutes to be presented to Council.

Committee Members

- One Councillor Representative (& 1 Alternate) from each member Council.

Council Staff Members

- Director Infrastructure Services

Community Strategic Plan Objectives

- CSP 1.1
- CSP 1.2
- CSP 1.4
- CSP 1.5
- CSP 4.1
- CSP 4.5

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

20) **LOCAL AREA TRAFFIC COMMITTEE**
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Mayor, Cr xxxxxx as representative to Local Area Traffic Committee.

REPORT

Committee Objectives

The Police Accountability Community Teams Committee is a NSW Police initiative providing an opportunity for police and the community to find local solutions to local problems. In addition to providing a summary of current crime issues and strategies, this Committee allows an opportunity to raise issues of concern of the local communities. Meetings are held quarterly.

Reporting to Council

A Delegate's report of meetings is required to Council and Council minutes to be presented to Council.

Committee Members

- The Mayor from each member Council (in the Bathurst command)
- Three Representatives from the NSW Police

Council Staff Members

- General Manager

Community Strategic Plan Objectives

- CSP 1.6
- CSP 5.4
- CSP 6.4

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

21) **NSW RURAL FIRE SERVICE - CANOBOLAS ZONE
BUSHFIRE MANAGEMENT COMMITTEE**
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Cr xxxxxxx as representative to NSW Rural Fire Service – Canobolas Zone Bushfire Management Committee.

REPORT

Committee Objectives

The Canobolas Zone Bush Fire Management Committee (BFMC) provide a forum for cooperative and coordinated bushfire management within the zone. It provides for community involvement in the Bush Fire Risk Management process and assists the Bush Fire Coordinating Committee to consider issues relevant to the protection of life, property and the environment from bushfires.

BFMC's are groups of people with technical expertise, experience and local knowledge who work together for bush fire management purposes, and who can collaboratively develop better bush fire management decision.

The BFMC is responsible for

- Preparing, coordinating, reviewing and monitoring the Plan of Operations and Bush Fire Risk Management Plan for the area;
- Assist in the coordination of bush fire detection, mitigation, control and suppression;
- Provide a cohesive, enthusiastic Volunteer Rural Fire Service trained and equipped to meet the needs of the community in an efficient, effective and professional manner. Meetings are held pre and post the bushfire season.

Reporting to Council

A Delegate's report of meetings is required to Council and minutes to be presented to Council.

Committee Members

- Representatives from the Local authority, Road and Maritime Services, Office of Environment & Heritage, Fire & Rescue NSW, NSW Police, Essential Energy, Livestock Health & Pest Authority, John Holland Rail – CRN, Australian Rail Track Corporation, National Parks and Wildlife Service, Forest NSW, a person representing the local authority's functions respecting the environment, Nature Conservation Council New South Wales, One or two people from Rural Fire Brigades (volunteers)
- 1 Councillor plus 1 Staff

Council Staff Members

- Director Infrastructure Services (or their delegate)

Community Strategic Plan Objectives

- CSP 3.4

- CSP 6.4

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

22) **NSW RURAL FIRE SERVICE - CANOBOLAS ZONE LIAISON COMMITTEE**
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Cr xxxxxxx as representative to NSW Rural Fire Service – Canobolas Zone Liaison Committee.

REPORT

Committee Objectives

The Liaison Committee reviews the performance of the Service Agreement between the Councils and the Rural Fire Service. The Liaison Committee also reviews the annual budget, business plan and the quarterly financial and performance reports prepared by the Zone Manager prior to submission to, and consideration by, the Councils. Meetings are held at least once every three months.

Reporting to Council

A Delegate's report of meetings is required to Council and minutes to be presented to Council.

Committee Members

- One Councillor from each of the Councils, the General Manager of each of the Councils (or their delegate), two volunteer rural fire fighters from each of the Districts, one member of the Service staff assigned to the Zone, the Zone Manager who will be the committee's Executive Officer.

Council Staff Members

- Director Infrastructure Services (or their delegate) for General Manager

Community Strategic Plan Objectives

- CSP 3.4
- CSP 6.4

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

23) **ORANGE, BLAYNEY, CABONNE BUSINESS ENTERPRISE CENTRE BOARD**
(General Manager)

RECOMMENDED:

That Council confirm the nomination of Mayor, Cr xxxxxx as representative to the Orange, Blayney Cabonne Business Enterprise Centre Board.

REPORT

Committee Objectives

The Business Enterprise Centre's mission is to assist in the generation of employment, through the development and promotion of viable and sustainable local enterprises in the Cabonne, Orange and Blayney area, by providing professional business counselling and the facilitation of training utilising community resources. Meetings are held bi monthly.

Reporting to Council

A Delegate's report of meetings is required to Council and minutes to be presented to Council.

Committee Members

- The Mayor of each member Council (3)

Council Staff Members

- Economic and Community Development Officer

Community Strategic Plan Objectives

- CSP 1.1
- CSP 1.6

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

24) **ROADS AND TRAFFIC AUTHORITY REGIONAL CONSULTATIVE COMMITTEE**
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Cr xxxxxxx as representative to the Roads and Traffic Authority Regional Consultative Committee.

REPORT

Committee Objectives

Regional Consultative Committees are established as a partnership between Roads and Maritime Services and Councils with the key objectives of:

- Facilitating open and transparent consultation between Roads and Maritime Services and Councils on the management of the roads and traffic system in general.
- Facilitating cooperation and coordination between councils in their management of Regional Roads in particular;
- Introducing change – technical, administrative, structural; and
- Providing and receiving feedback on issues and performance.

Meetings are held annually.

Reporting to Council

A Delegate's report of meetings is required to Council and minutes to be presented to Council.

Committee Members

Twenty-eight Councils in the Region, each being represented by one elected representative and one non-elected member from each council.

Council Staff Members

- Director Infrastructure Services (or their delegate)

Community Strategic Plan Objectives

- CSP 1.1
- CSP 1.2
- CSP 1.5
- CSP 4.1

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

25) **WELLINGTON BLAYNEY CABONNE STRATEGIC ALLIANCE BOARD**
(General Manager)

RECOMMENDED:

1. That Council confirm the nomination of Mayor, Cr xxxxxx & Deputy Mayor, Cr xxxxxx as representatives to the Wellington Blayney Cabonne Strategic Alliance Board.

REPORT

Committee Objectives

The Wellington Blayney Cabonne Strategic Alliance is a partnership between these three rural Councils designed to provide economies of scale which have produced significant savings and a better range of services for ratepayers and residents. Formalised on 29 August 2003, it is the first Alliance of its kind in NSW and now is being used as a model for the formation of similar Council partnerships in other parts of the Nation. Meetings are held every second month.

Reporting to Council

A Delegate's report of meetings is required to Council.

Committee Members

- The Mayor, Deputy Mayor and General Manager of each of the three Councils

Council Staff Members

- General Manager

Community Strategic Plan Objectives

- CSP 6.1

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

CORPORATE SERVICES REPORTS
PRESENTED TO THE BLAYNEY SHIRE COUNCIL
MEETING HELD ON WEDNESDAY, 3 OCTOBER 2012



26) **MEETING DATES AND TIMES FOR ORDINARY MEETING OF COUNCIL FOR THE FOLLOWING 12 MONTHS**
(General Manager)

RECOMMENDED:

1. That the dates outlined in the Report by the General Manager, relating to meeting dates and times for ordinary meetings of Council for the next 12 months, be adopted.

REPORT

As outlined in the Local Government Act, Section 365, and Council's Code of Meeting Practice, Council is required to consider and set the meeting dates and times for Ordinary meetings of Council for the forthcoming 12 month period.

Accordingly, the following dates and times are recommended for Ordinary Meetings of Council over the following 12 month period:

Monday 12 November 2012
Monday 10 December 2012
Monday 11 February 2013
Monday 11 March 2013
Monday 8 April 2013
Monday 13 May 2013
Monday 17 June 2013 (Queens Birthday holiday is Monday 10 June 2013)
Monday 8 July 2013
Monday 12 August 2013
Monday 9 September 2013

Ordinary meetings of Council commence at 6.00 pm in the Council Chambers, Blayney Shire Community Centre, 44 Church Street, Blayney.

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

As per Section 365 of the Local Government Act and Council's Code of Meeting Practice, Council is required to determine the meeting dates for ordinary meetings of Council for the forthcoming 12 month period.

IP&R

DP 6.1.1
DP 6.2.1
DP 6.2.3
DP 6.3.1

Attachments

Nil

27) **CODE OF MEETING PRACTICE**
(General Manager)

RECOMMENDED:

1. That Council's Code of Meeting Practice, as provided in the Business Paper Attachment, be adopted.

REPORT

A copy of Council's Code of Meeting Practice has been provided as an attachment to this Business Paper. As the recommendation is proposing to adopt Council's existing code, Section 362(2) of the Local Government Act 1993 allows Council to adopt this Code without the need for public exhibition.

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

The Code of Meeting Practice reflects Council's current practices.

IP&R

DP 6.1.1

DP 6.1.3

DP 6.3.1

Attachments

1 Code of Meeting Practice 64 Pages

28) CADIA VALLEY OPERATIONS VOLUNTARY PLANNING AGREEMENT

(General Manager)

RECOMMENDED:

1. That Council note the outcome of the Cadia East Voluntary Planning Agreement, and that the agreement is advertised in accordance with the Environmental Planning & Assessment Act.
2. Council authorise the affixing of the Common Seal to the Voluntary Planning Agreement document.
3. An appropriate announcement be made in conjunction with the three Councils and Cadia Operations.
4. An inspection of the mine be authorised with the new Council in November 2012.

REPORT

Council has received previous reports in relation to the Cadia Voluntary Planning Agreement (VPA) and verbal advice which indicated that the Department of Planning & Infrastructure had determined the break up of the \$8M contribution by Cadia Operations to be as follows:

- Blayney Shire Council \$2M (25%)
- Cabonne Council \$2M (25%)
- Orange City Council \$4M (50%)

Council discussed this VPA at a Cadia Steering Committee meeting which was held on 1 August 2012. There were a number of issues discussed at the Steering Committee meeting, the main one being the finalisation of the VPA and the authorisation for the signing of the legal document and an announcement concerning the distribution of funds.

It was agreed at the meeting that the legal document could now be signed. Councillors should note that Blayney and Cabonne have sought joint legal advice on this matter to reduce costs to individual councils and Blayney will be arranging the final document for signature under Seal.

The outcome of the negotiations is a very satisfactory result for Blayney Shire Council. In essence, Council has received \$1M upfront and will receive \$52,632 on an annual basis, CPI adjusted.

The mine management have also offered to provide a presentation to Blayney Shire Council in relation to the ongoing developments at the mine and also conduct an onsite inspection.

It is very pleasing that the cooperative arrangement that has been developed by the Steering Committee since its inception in 1995 continues. All appears well for the future of the mine and the involvement of Blayney Shire Council.

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

IP&R

DP 1.2.1

DP 1.2.2

DP 1.2.3

Attachments

Nil

29) REPORT OF COUNCIL INVESTMENTS AS AT 31 AUGUST 2012

(Manager Financial Services)

RECOMMENDED:

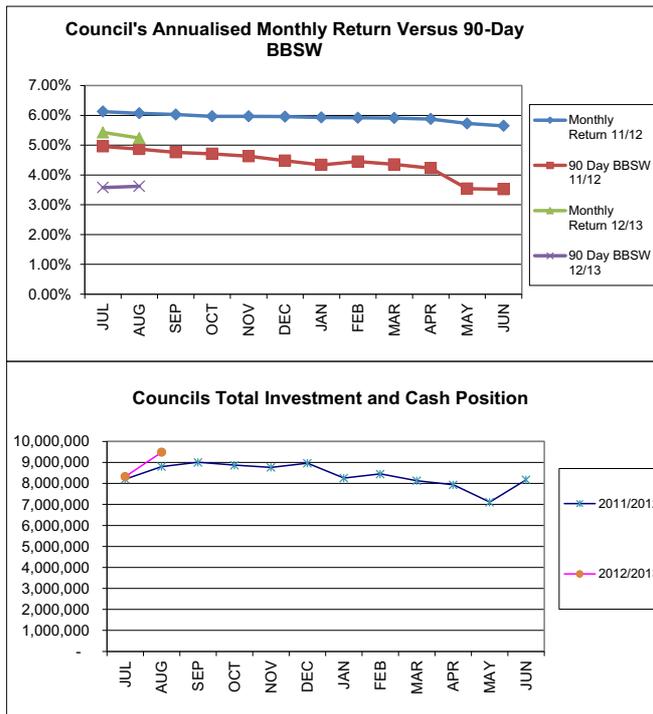
1. That the report indicating Council’s investment position as at 31 August 2012 be received and noted.
2. That the certification of the Responsible Accounting Officer be noted and the report be adopted.

REPORT

This report provides details of Council’s Investment Portfolio as at 31 August 2012.

Council’s total investment and cash position as at 31 August 2012 is \$9,484,575. Investments earned interest of \$35,177 for the month of August 2012.

Council’s monthly net return annualised for August of 5.24% outperformed the 90 day Bank Bill Swap Rate of 3.62%.



REGISTER OF INVESTMENTS AND CASH AS AT AUGUST 2012

Institution	Maturity	Amount \$	Monthly Net Return Annualised
<u>Term Deposits</u>			
NAB	4/02/2013	500,000.00	5.13%
Bankstown City Credit Union	4/09/2012	500,000.00	5.40%
Beirut Hellenic Bank Ltd	11/10/2012	500,000.00	5.95%
The Rock Building Society	12/09/2012	500,000.00	5.15%
ME Bank	16/10/2012	500,000.00	5.10%
Bank of Cyprus Australia	27/11/2012	500,000.00	4.90%
Bank of Queensland	6/11/2012	500,000.00	5.10%
Railways Credit Union	14/11/2012	500,000.00	5.00%
IMB	4/09/2012	500,000.00	5.10%
Police & Nurses Credit Union	7/11/2012	500,000.00	4.94%
Gateway Credit Union	20/11/2012	500,000.00	5.01%
ING	30/01/2013	500,000.00	5.17%
Peoples Choice	18/09/2012	500,000.00	5.18%
BankWest	25/09/2012	500,000.00	5.20%
Warwick Credit Union	19/02/2013	500,000.00	5.17%
Total		7,500,000.00	5.17%
<u>Collateralised Debt Obligation (CDO's)</u>			
ANZ Custodian (Kakadu, BBSW + 140	20/03/2014	500,000.00	4.91%
Total		500,000.00	4.91%
Total Investments		8,000,000.00	5.15%
Benchmark: BBSW 90 Day Index			3.62%
Commonwealth Bank - At Call Account		652,258.03	
Commonwealth Bank Balance		832,316.63	
TOTAL INVESTMENTS & CASH		9,484,574.66	

Summary of Investment movements - AUGUST		
Financial Institution	Invst/(Recall) Amount \$	Commentary
<u>Term Deposits</u>		
NAB	500,000.00	Term Deposit invested 08/08/2012
AMP	(514,876.71)	Term Deposit matured 07/08/2012
Police & Nurses Credit Union	500,000.00	Term Deposit invested 08/08/2012
Warwick Credit Union	500,000.00	Term Deposit invested 15/08/2012
Railways Credit Union	(509,550.68)	Term Deposit matured 16/08/2012
Railways Credit Union	500,000.00	Term Deposit invested 16/08/2012
Suncorp Metway	(506,606.85)	Term Deposit matured 21/08/2012
Gateway Credit Union	500,000.00	Term Deposit invested 22/08/2012
Bank of Cyprus Australia	(506,482.19)	Term Deposit matured 28/08/2012
Bank of Cyprus Australia	500,000.00	Term Deposit invested 28/08/2012

Collateralised Debt Obligations (CDO's)

As per Council's Auditor recommendations the disclosure of the impact of market conditions on the value of the Collateralised Debt Obligations held is provided. It is estimated by ANZ Custodian Services that the market value of Kakadu is \$62,822 as at 30 June 2012. It is anticipated that as the investment draws near to maturity the market value will increase. Council is also involved in ongoing legal action to minimise any losses.

Council's monthly net return annualised for August on the CDO is 4.91% outperforming the 90 day Bank Bill Swap Rate of 3.62%.

CERTIFICATION – RESPONSIBLE ACCOUNTING OFFICER

I, Chris Hodge, certify that the investments listed in this report have been made in accordance with Section 625 of the Local Government Act 1993, the Local Government (General) Regulation 2005 and Council Policy.

BUDGET IMPLICATIONS

A good investment strategy optimises Council's return on investments.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

30) REGISTER OF INVESTMENTS AND CASH AS AT 20 SEPTEMBER 2012
(Manager Financial Services)

RECOMMENDED:

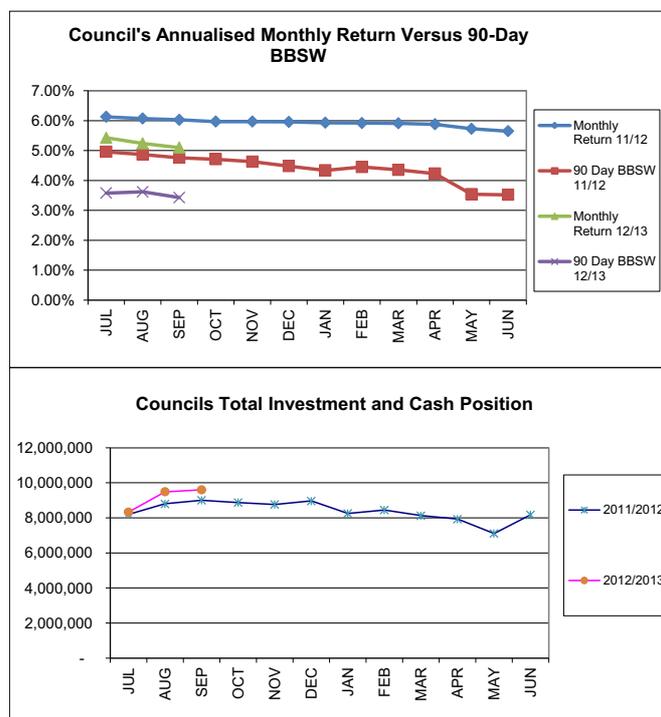
1. That the report indicating Council’s investment position as at 20 September 2012 be received and noted.
2. That the certification of the Responsible Accounting Officer be noted and the report be adopted.

REPORT

This report provides details of Council’s Investment Portfolio as at 20 September 2012.

Council’s total investment and cash position as at 20 September 2012 is \$9,601,922. Investments earned interest of \$38,644 for the month of September 2012.

Council’s monthly net return annualised for August of 5.10% outperformed the 90 day Bank Bill Swap Rate of 3.43%.



REGISTER OF INVESTMENTS AND CASH AS AT 20 SEPTEMBER 2012

Institution	Maturity	Amount \$	Monthly Net Return Annualised
<u>Term Deposits</u>			
NAB	4/02/2013	500,000.00	5.13%
Bankstown City Credit Union	4/12/2012	500,000.00	5.00%
Rural Bank	4/12/2012	500,000.00	5.05%
Beirut Hellenic Bank Ltd	11/10/2012	500,000.00	5.95%
The Rock Building Society	11/12/2012	500,000.00	4.95%
ME Bank	16/10/2012	500,000.00	5.10%
Bank of Cyprus Australia	27/11/2012	500,000.00	4.90%
Bank of Queensland	6/11/2012	500,000.00	5.10%
Railways Credit Union	14/11/2012	500,000.00	5.00%
IMB	4/12/2012	500,000.00	4.90%
Police & Nurses Credit Union	7/11/2012	500,000.00	4.94%
Gateway Credit Union	20/11/2012	500,000.00	5.01%
ING	30/01/2013	500,000.00	5.17%
Peoples Choice	18/12/2012	500,000.00	4.80%
BankWest	25/09/2012	500,000.00	5.20%
Warwick Credit Union	19/02/2013	500,000.00	5.17%
Total		8,000,000.00	5.09%
<u>Collateralised Debt Obligation (CDO's)</u>			
ANZ Custodian (Kakadu, BBSW + 140 points)	20/03/2014	500,000.00	4.91%
Total		500,000.00	4.91%
Total Investments		8,500,000.00	5.08%
Benchmark: BBSW 90 Day Index			3.43%
Commonwealth Bank - At Call Account		652,829.87	
Commonwealth Bank Balance		449,092.96	
TOTAL INVESTMENTS & CASH		9,601,922.83	

Summary of Investment movements - SEPTEMBER		
Financial Institution	Invst/(Recall) Amount \$	Commentary
<u>Term Deposits</u>		
Rural Bank	500,000.00	Term Deposit invested 04/09/2012
IMB	(506,357.53)	Term Deposit matured 04/09/2012
IMB	500,000.00	Term Deposit invested 04/09/2012
Bankstown City Credit Union	(506,731.51)	Term Deposit matured 04/09/2012
Bankstown City Credit Union	500,000.00	Term Deposit invested 04/09/2012
The Rock Building Society	(506,419.86)	Term Deposit matured 12/09/2012
Peoples Choice Credit Union	(506,883.01)	Term Deposit matured 18/09/2012
Peoples Choice Credit Union	500,000.00	Term Deposit invested 18/09/2012

Collateralised Debt Obligations (CDO's)

As per Council's Auditor recommendations the disclosure of the impact of market conditions on the value of the Collateralised Debt Obligations held is provided. It is estimated by ANZ Custodian Services that the market value of Kakadu is \$62,822 as at 30 June 2012. It is anticipated that as the investment draws near to maturity the market value will increase. Council is also involved in ongoing legal action to minimise any losses.

Council's monthly net return annualised for August on the CDO is 4.91% outperforming the 90 day Bank Bill Swap Rate of 3.43%.

CERTIFICATION – RESPONSIBLE ACCOUNTING OFFICER

I, Chris Hodge, certify that the investments listed in this report have been made in accordance with Section 625 of the Local Government Act 1993, the Local Government (General) Regulation 2005 and Council Policy.

BUDGET IMPLICATIONS

A good investment strategy optimises Council's return on investments.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil

31) 2011/2012 FINANCIAL STATEMENTS
(Manager Financial Services)

RECOMMENDED:

1. That Council adopt the 2011/2012 General Purpose Financial Statements and accept the Auditor's Report, as submitted by Hill Rogers Spencer Steer Assurance Partners.
2. That Council invite Auditors Hill Rogers Spencer Steer to present their audit report to the November Council meeting.

REPORT

Section 413(3) of the Local Government Act 1993, requires Council to prepare Financial Reports and refer those reports to audit within four (4) months after the end of the financial year (s416 (1)). On completion, section 419 of the Act requires Council to present its audited financial statements, together with the signed auditor's reports, at a meeting of the council. The date of the above meeting must be no more than five (5) weeks after the signing of the auditor's report.

For the 2012 financial year Council has presented a net operating result of (\$536,000), with a net operating result before the inclusion of grants and contributions for capital purposes of (\$1,301,000).

After the exclusion of non-cash items incorporated into the income statement there is a cash surplus from operating activities of \$2,809,000. This operating cash surplus contributed to funding Council's capital works program for the year, with the remainder of the required funding coming from the proceeds from asset sales and Council's reserves.

Council expended \$4,046,000 on infrastructure, property, plant and equipment throughout the year. A large amount of this was spent on the redevelopment of the Blayney Shire Community Centre, improving Council's road infrastructure and ongoing expenditure on plant and fleet replacement.

A copy of the Auditors report for the 2011/2012 Financial Statements is included as an attachment

Income Statement for the financial year ended 30 June 2012

	Actual 2012 \$ '000	Actual 2011 \$ '000
Income from Continuing Operations		
Rates & Annual Charges	5,640	5,292
User Charges & Fees	3,232	1,354
Interest & Investment Revenue	513	480
Other Revenues	191	200
Grants & Contributions provided for Operating Purposes	4,301	3,341
Grants & Contributions provided for Capital Purposes	765	433
Net Gains from Disposal of Assets	-	4

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Total Income from Continuing Operations	14,642	11,104
Expenses from Continuing Operations		
Employee Benefits & On-Costs	4,821	4,460
Borrowing Costs	161	164
Materials & Contracts	3,898	2,293
Depreciation & Amortisation	4,424	4,023
Other Expenses	1,597	1,430
Net Losses from the Disposal of Assets	277	-
Total Expenses from Continuing Operations	15,178	12,370
Operating Result for the Year	(536)	(1,266)
Net Operating Result for the year before Grants & Contributions provided for Capital Purposes	(1,301)	(1,699)
Balance Sheet as at 30 June 2012		
	Actual 2012 \$ '000	Actual 2011 \$ '000
Current Assets		
Cash & Cash Equivalents	7,102	7,622
Investments	-	380
Receivables	2,974	1,107
Inventories	854	1,000
Other	160	166
Total Current Assets	11,090	10,275
Non-Current Assets		
Investments	233	233
Receivables	178	219
Inventories	-	-
Plant, Property & Equipment	183,553	179,533
Total Non-Current Assets	183,964	179,985
Total Assets	195,054	190,260
Current Liabilities		
Payables	1,106	787
Borrowings	92	85
Provisions	1,174	1,135
Total Current Liabilities	2,372	2,007
Non-Current Liabilities		
Borrowings	1,809	1,901
Provisions	459	429
Total Non-Current Liabilities	2,268	2,330
Total Liabilities	4,640	4,337
Net Assets	190,414	185,923

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Equity

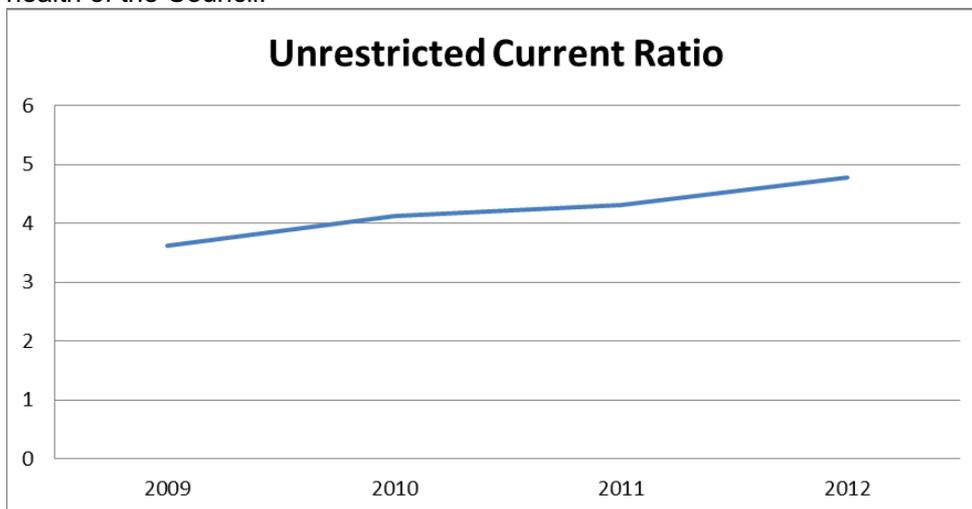
Retained Earnings	60,277	60,813
Asset Revaluation Reserve	130,137	125,110
Total Equity	190,414	185,923

Performance Indicators

These indicators are intended to be indicative of the financial health and presence of good business management practices being conducted at Council.

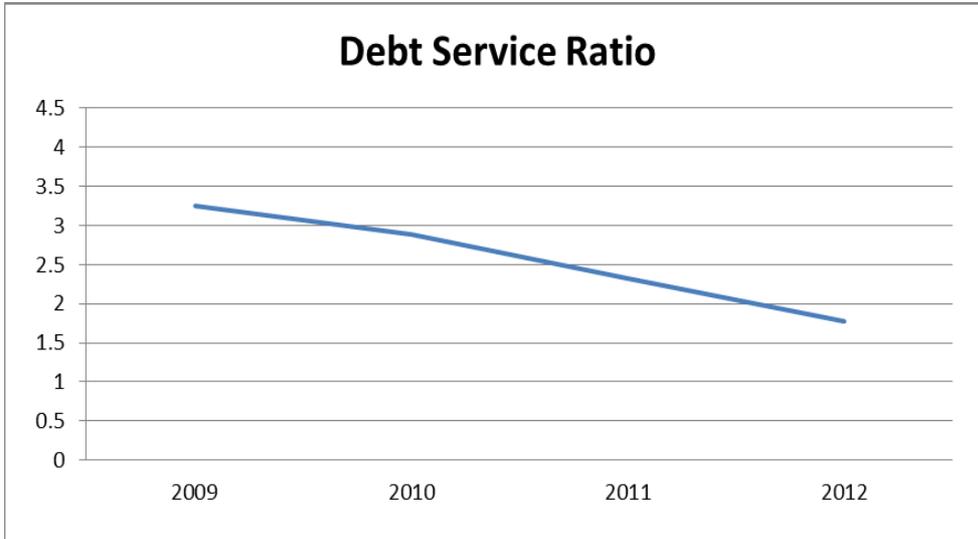
1. Unrestricted Current Ratio – 4.77:1

This ratio demonstrates the ability of Council to satisfy its financial obligations in the short term. The higher the ratio the stronger the short-term financial health of the Council.



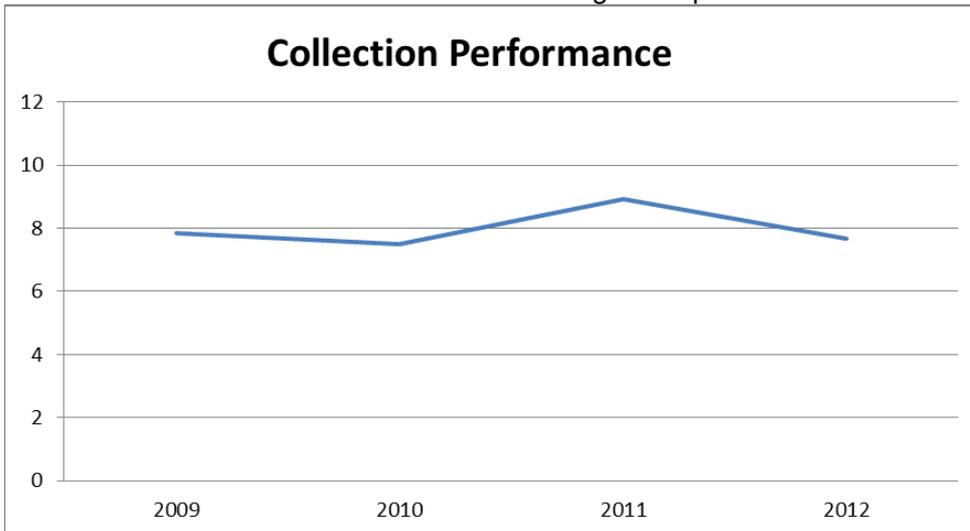
2. Debt Service Ratio – 1.78%

This ratio reflects the ability of Council to service its debt. It shows the amount of annual revenue necessary to service annual debt obligations (loan repayments).



3. Collection Performance – 7.68%

This ratio measure the effectiveness of Council in recovering debts legally owed to it. This ratio is a reflection of debt management policies.



BUDGET IMPLICATIONS

Council maintained a balanced budget throughout 2011/12.

POLICY IMPLICATIONS

Nil effect.

Attachments

1 Annual Financial Statements 2012 110 Pages

32) DISCLOSURES BY COUNCILLORS AND DESIGNATED PERSONS

(Director Corporate Services)

RECOMMENDED:

1. That the “Disclosures by Councillors and Designated Persons” Returns as tabled be received.

REPORT

In accordance with Sect 450A of the Local Government Act 1993, all returns disclosing interests of Councillors and designated persons, for the period 1 July 2011 to 30 June 2012, must be tabled at the first meeting of Council following the last day for lodgement of the returns. This date was 30 September 2012.

Accordingly, a copy of the returns will be tabled at this meeting for each Councillor, who held office at 30 June 2012, and the following designated persons as determined by the General Manager:

- General Manager
- Director Corporate Services
- Director Planning & Environmental Services
- Director Infrastructure Services
- Manager Financial Services
- Operations Manager
- Senior Health & Building Surveyor
- Senior Town Planner
- Human Resources Manager

Newly elected Councillors will be issued with returns for completion in the near future. These returns must be lodged by 3 December 2012 pursuant to section 449 of the Local Government Act.

BUDGET IMPLICATIONS

Nil effect.

POLICY IMPLICATIONS

Nil effect.

Attachments

Nil



Whole title | Parent Act | Historical versions | Historical notes | Search title | PDF |

Local Government (General) Regulation 2005

Current version for 10 August 2012 to date (accessed 5 September 2012 at 16:20)

Schedule 7

<< page >>

Schedule 7 Election of mayor by councillors

(Clause 394)

Part 1 Preliminary

1 Returning officer

The general manager (or a person appointed by the general manager) is the returning officer.

2 Nomination

- (1) A councillor may be nominated without notice for election as mayor or deputy mayor.
- (2) The nomination is to be made in writing by 2 or more councillors (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 council meeting at which the election is to be held.

3 Election

- (1) If only one councillor is nominated, that councillor is elected.
- (2) If more than one councillor is nominated, the 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 council meeting at which the 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

4 Application of Part

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

5 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 (6) 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.

6 Count—2 candidates

- (1) If there are only 2 candidates, the candidate with the higher number of votes is elected.
- (2) If there are only 2 candidates and they are tied, the one elected is to be chosen by lot.

7 Count—3 or more candidates

- (1) 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 subclause (2) is to be repeated until only 2 candidates remain.
- (4) A further vote is to be taken of the 2 remaining candidates.
- (5) Clause 6 of this Schedule then applies to the determination of the election as if the 2 remaining candidates had been the only candidates.
- (6) If at any stage during a count under subclause (1) or (2), 2 or more candidates are tied on the lowest number of votes, the one excluded is to be chosen by lot.

Part 3 Preferential ballot

8 Application of Part

This Part applies if the election proceeds by preferential ballot.

9 Ballot-papers and voting

- (1) The ballot-papers are to contain the names of all the candidates. The councillors 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 a 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.

10 Count

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- (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. The latter 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.

11 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

12 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.

13 Result

The result of the election (including the name of the candidate elected as mayor or deputy mayor) is:

- (a) to be declared to the councillors at the 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.

Top of page

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Blayney Shire Council

Policy Register

Policy No 1C

Policy Title	Code of Meeting Practice
Document/File No	C15-5
Officer Responsible	Director Corporate Services
Last Review Date	14/03/2011

Objectives

The objective of the Code of Meeting Practice is to provide a model for the convening and conduct of Council and Committee meetings. It establishes policy and guidelines for Council and promotes accountability to the community.

Policy Statement

Blayney Shire Council



Code of Meeting Practice Policy

Schedule of Amendments

Meeting Date	Minute Number
11 October 1999	681
11 September 2000	525
11 December 2000	722
09 April 2001	182
09 July 2001	340
13 August 2001	371
15 April 2004	104
08 August 2005	05/225
10 October 2005	05/280
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1.

INTRODUCTION

1.1. Objectives

This Code of Meeting Practice (the Code) has the following objectives:

- (1) to ensure that all meetings of Council and its Committees are conducted in an orderly, consistent and efficient manner;
- (2) to ensure that all meetings of Council and its Committees are conducted according to the principles of procedural fairness and due process;
- (3) to ensure that all Councillors have an equal opportunity to participate in the meeting to the fullest extent possible, with respect being accorded to the expression of differing views;
- (4) to ensure that all Councillors fully understand their rights and obligations as participants in meetings of Council; and
- (5) to ensure that proceedings are transparent and understandable to all persons participating in and observing meetings of Council and its Committees.

1.2. Guide to References in this Code

The Code consolidates provisions in relevant Acts and Regulations which are specific meeting provisions for Blayney Shire Council. References to relevant sections in the Local Government Act and regulations are included in the Code.

Clause	refers to Clauses within this Code
LGA Sec	refers to the Local Government Act 1993 - Section Number
Reg	refers to the Local Government (General) Regulation 2005 – Regulation Number
Blue Text	Clauses introduced by Blayney Shire Council.

2. THE CODE OF MEETING PRACTICE

2.1. Application of the Code

Conduct of meetings of council and committees

- (1) The regulations may make provision with respect to the conduct of meetings of councils and committees of councils of which all the members are councillors.
- (2) A council may adopt a code of meeting practice that incorporates the regulations made for the purposes of this section and supplements those regulations with provisions that are not inconsistent with them.

- (3) A council and a committee of the council of which all the members are councillors must conduct its meetings in accordance with the code of meeting practice adopted by it.

LGA Sec 360

2.2. Preparation of the Code of Meeting Practice

Preparation, public notice and exhibition of draft code

- (1) Before adopting a code of meeting practice, a council must prepare a draft code.
- (2) The council must give public notice of the draft code after it is prepared.
- (3) The period of public exhibition must not be less than 28 days.
- (4) The public notice must also specify a period of not less than 42 days after the date on which the draft code is placed on public exhibition during which submissions may be made to the council.
- (5) The council must publicly exhibit the draft code in accordance with its notice.

LGA Sec 361

2.3. Adoption and Amendment of the Code

Adoption of draft code

- (1) After considering all submissions received by it concerning the draft code, the council may decide:
 - (a) to amend those provisions of its draft code that supplement the regulations made for the purposes of section 360, or
 - (b) to adopt the draft code as its code of meeting practice.
- (2) If the council decides to amend its draft code, it may publicly exhibit the amended draft in accordance with this Division or, if the council is of the opinion that the amendments are not substantial, it may adopt the amended draft code without public exhibition as its code of meeting practice.

LGA Sec 362

Amendment of the Code

A council may amend a code adopted under this Part by means only of a code so adopted.

LGA Sec 363

Revision of the Code

The Council authorises the General Manager to reissue the Code without public exhibition to incorporate any amendments to the Act or Regulation.

2.4. Availability of the Code

Public availability of the code

- (1) The code of meeting practice adopted under this Division by a council must be available for public inspection free of charge at the office of the council during ordinary office hours.
- (2) Copies of the code must be available free of charge or, if the council determines, on payment of the approved fee.

LGA Sec 364

3. BEFORE COUNCIL MEETINGS

3.1. Frequency of Meetings

How often does the council meet?

The council is required to meet at least 10 times each year, each time in a different month.

LGA Sec 365

Dates

- (1) Council meets at 6:00pm on the second Monday of each month.
- (2) Where a Council meeting falls on a Monday that is a public holiday, the Council meeting shall be held on the Monday of the following week.
- (3) Council adopts an annual schedule of dates for Council and Council Committee meetings.
- (4) Any change from the date or commencement time of a Council meeting shall be by resolution of the Council or, in emergency circumstances, by the authorisation of the Mayor.
- (5) Extraordinary meetings of Council will be held as and when required.

1.1.

3.2. Notice of Meetings to Councillors

Notice of meetings

- (1) The general manager of a council must send to each councillor, at least 3 days before each meeting of the council, a notice specifying the time and place at which and the date on which the meeting is to be held and the business proposed to be transacted at the meeting.

LGA Sec 367(1)

Days of Notice

The day of issue and the day of the meeting are not to be counted as days of notice (*Sec 36 Interpretations Act 1987*).

Form of Notice

- (3) A notice under this section and the agenda for, and the business papers relating to, the meeting may be given to a councillor in electronic form but only if all councillors have facilities to access the notice, agenda and business papers in that form.

LGA Sec 367(3)

3.3. Notice for Extraordinary Meeting

Calling of extraordinary meeting on request by councillors

If the mayor receives a request in writing signed by at least 2 councillors, the mayor must call an extraordinary meeting of the council to be held as soon as practicable but in any event within 14 days after receipt of the request.

LGA Sec 366

The Mayor can be one of the two Councillors, but the Mayor cannot call extraordinary meetings by himself or herself without having a written request with another Councillor's signature.

Notice of meetings

- (2) Notice of less than 3 days may be given of an extraordinary meeting called in an emergency.

LGA Sec 367(2)

3.4. Public Notice of Meetings

Public notice of meetings

- (1) A council must give notice to the public of the times and places of its meetings and meetings of those of its committees of which all the members are councillors.

LGA Sec 9(1)

- (2) A notice of a meeting of a council or of a committee must be published in a newspaper circulating in the area before the meeting takes place.
- (3) The notice must specify the time and place of the meeting.
- (4) Notice of more than one meeting may be given in the same notice.
- (5) This clause does not apply to an extraordinary meeting of a council or committee.

Reg 232(2)-(5)

A notice will be published in a locally circulated newspaper prior to each meeting.

Public notices of meetings will also be displayed on the Council's website.

4. QUORUM AND ATTENDANCE

4.1. Quorum for a Meeting

What is the quorum for a meeting?

The quorum for a meeting of the council is a majority of the councillors of the council who hold office for the time being and are not suspended from office.

LGA Sec 368

Councillors, or committee members, who have declared an interest and have left the meeting during the consideration of an item, are still to be counted for the purposes of calculating a quorum for the meeting.

4.2. Councillor Presence at Council Meetings

Presence at council meetings

A councillor cannot participate in a meeting of a council unless personally present at the meeting.

Reg 235

4.3. Quorum not Present

What happens when a quorum is not present

- (1) A meeting of a council must be adjourned if a quorum is not present:
 - (a) within half an hour after the time designated for the holding of the meeting, or
 - (b) at any time during the meeting.

- (2) In either case, the meeting must be adjourned to a time, date and place fixed:
 - (a) by the chairperson, or
 - (b) in his or her absence—by the majority of the councillors present, or
 - (c) failing that, by the general manager.
- (3) The general manager must record in the council's minutes the circumstances relating to the absence of a quorum (including the reasons for the absence of a quorum) at or arising during a meeting of the council, together with the names of the councillors present.

Reg 233

4.4. Councillor Attendance at Meetings

When does a vacancy occur in a civic office?

- (1) A civic office becomes vacant if the holder:
 - (a) dies, or
 - (b) resigns the office by writing addressed to the general manager, or
 - (c) is disqualified from holding civic office, or
 - (d) is absent from 3 consecutive ordinary meetings of the council (unless the holder is absent because he or she has been suspended from office under section 482) without:
 - (i) prior leave of the council, or
 - (ii) leave granted by the council at any of the meetings concerned, or
 - (e) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for their benefit, or
 - (f) becomes a mentally incapacitated person, or
 - (g) is dismissed from civic office, or
 - (h) ceases to hold the office for any other reason.

LGA Sec 234(1)

4.5. Application for Leave of Absence

- (1) For the purposes of subsection (1) (d) (LGA Sec 234(1)), a councillor applying for a leave of absence from a meeting of a council does not need to make the application in person and the council may grant such leave in the absence of that councillor.

LGA Sec 234(2)

- (1) A councillor's application for leave of absence from council meetings should, if practicable, identify (by date) the meetings from which the councillor intends to be absent.

Reg 235A(1)

4.6. Meeting Attendance while on Leave of Absence

- (3) If the holder of a civic office attends a council meeting (whether or not an ordinary meeting) despite having been granted leave of absence, the leave of absence is taken to have been rescinded as regards any future council meeting.
- (4) Subsection (3) does not prevent the council from granting further leave of absence in respect of any future council meeting.

LGA Sec 234(3)-(4)

- (2) A councillor who intends to attend a council meeting despite having been granted leave of absence should, if practicable, give the general manager at least 2 days' notice of his or her intention to attend.

Reg 235A(2)

4.7. Who is entitled to Attend Council Meetings

- (1) Except as provided by this Part:
 - (a) everyone is entitled to attend a meeting of the council and those of its committees of which all the members are councillors, and
 - (b) a council must ensure that all meetings of the council and of such committees are open to the public.
- (2) However, a person (whether a councillor or another person) is not entitled to be present at a meeting of the council or of such a committee if expelled from the meeting:
 - (a) by a resolution of the meeting, or
 - (b) by the person presiding at the meeting if the council has, by resolution, authorised the person presiding to exercise the power of expulsion.
- (3) A person may be expelled from a meeting only on the grounds specified in, or in the circumstances prescribed by, the regulations.

LGA Sec 10

4.8. Attendance of General Manager

- (1) The general manager is entitled to attend, but not to vote at, a meeting of the council or a meeting of a committee of the council of which all the members are councillors.
- (2) The general manager is entitled to attend a meeting of any other committee of the council and may, if a member of the committee, exercise a vote.
- (3) However, the general manager may be excluded from a meeting of the council or a committee while the council or committee deals with a matter relating to the standard of performance of the general manager or the terms of the employment of the general manager.

LGA Sec 376

4.9. Attendance of Council Employees

The General Manager shall arrange for the attendance of such Council employees as are considered necessary by the General Manager for the transaction of the notified Council business.

5. PRESIDING OVER MEETINGS OF COUNCIL**5.1. Chairperson and Deputy Chairperson of Council*****Who presides at meetings of the Council?***

- (1) The mayor or, at the request of or in the absence of the mayor, the deputy mayor (if any) presides at meetings of the council.
- (2) If the mayor and the deputy mayor (if any) are absent, a councillor elected to chair the meeting by the councillors present presides at a meeting of the council.

LGA Sec 369

5.2. Councillor to be elected to preside at certain meetings

- (1) If no chairperson is present at a meeting of a council at the time designated for the holding of the meeting, the first business of the meeting must be the election of a chairperson to preside at the meeting.
- (2) The election must be conducted:
 - (a) by the general manager or, in his or her absence, an employee of the council designated by the general manager to conduct the election, or
 - (b) if neither of them is present at the meeting or there is no general manager or designated employee—by the

person who called the meeting or a person acting on his or her behalf.

- (3) If, at an election of a chairperson, 2 or more candidates receive the same number of votes and no other candidate receives a greater number of votes, the chairperson is to be the candidate whose name is chosen by lot.
- (4) For the purposes of subclause (3), the person conducting the election must:
 - (a) arrange for the names of the candidates who have equal numbers of votes to be written on similar slips, and
 - (b) then fold the slips so as to prevent the names from being seen, mix the slips and draw one of the slips at random.
- (5) The candidate whose name is on the drawn slip is the candidate who is to be the chairperson.

Reg 236

5.3. Chairperson to have Precedence

When the chairperson rises during a meeting of a council:

- (a) any councillor then speaking or seeking to speak must, if standing, immediately resume his or her seat, and
- (b) every councillor present must be silent to enable the chairperson to be heard without interruption.

Reg 237

5.4. Chairperson's Duty with Respect to Motions

- (1) It is the duty of the chairperson at a meeting of a council to receive and put to the meeting any lawful motion that is brought before the meeting.
- (2) The chairperson must rule out of order any motion that is unlawful or the implementation of which would be unlawful.
- (3) Any motion, amendment or other matter that the chairperson has ruled out of order is taken to have been rejected.

Reg 238

The Chairperson may rule that a proposed motion is out of order if the proposed motion:

- (a) is vague and equivocal in its language;
- (b) is the direct negative of a resolution just passed by the meeting;
- (c) proposes an action that is unlawful;

- (d) is ultra vires in that it is outside the scope of the meeting;
- (e) contains defamatory statements;
- (f) is inconsistent with a resolution just adopted;
- (g) is unnecessary in that it proposes a course of action or policy already resolved upon by the meeting;
- (h) is vexatious and proposed only as a way to impede the orderly transaction of business.

5.5. Recognition of Chairperson

- (1) In addressing Council, Councillors and other persons addressing the Council shall at all times speak through the Chairperson.
- (2) Councillors and other persons addressing the Council shall at all times show appropriate respect and observe the ruling of the Chairperson.
- (3) A Councillor, despite the clauses immediately above, may, through a motion of dissent, challenge a ruling from the Chairperson.

5.6. Mode of Address

- (1) To facilitate debate Councillors, with the exception of the Chairperson, are to stand in their place when speaking at a meeting of Council (except when prevented by disability or injury). This procedure does not need to be followed at meetings of committees, or in circumstances where the Chairperson rules that standing is not required.
- (2) In addressing Council, Councillors and other persons addressing the Council will use the appropriate mode of address to the Mayor, Deputy Mayor, fellow Councillors, employees of Council and members of the public in attendance.
- (3) Councillors shall refrain from the use of offensive or inappropriate words in reference to any Councillors, employees of Council and members of the public, consistent with Council's Code of Conduct.
- (4) Councillors shall not make imputations of improper motives or personal reflections on Councillors, employees of Council and members of the public, consistent with Council's Code of Conduct.

6. MEETING AGENDA AND BUSINESS

6.1. Order of Business

- (1) At a meeting of a council (other than an extraordinary meeting), the general order of business is (except as provided by this Regulation) as fixed by the council's code of meeting practice or (if the council does not have a code of meeting practice or its code of meeting practice does not fix the general order of business) as fixed by resolution of the council.
- (2) The order of business fixed under subclause (1) may be altered if a motion to that effect is passed. Such a motion can be moved without notice.
- (3) Despite clause 250, only the mover of a motion referred to in subclause (2) may speak to the motion before it is put.

Reg 239

Order of Business

Currently the order of business followed by Council is:

- (1) Acknowledgment of Country
- (2) Apologies for non-attendance
- (3) Confirmation of Minutes of previous meeting(s)
- (4) Matters arising from Minutes
- (5) Disclosure(s) of Interests
- (6) Public Forum
- (7) Mayoral Minute
- (8) Notice(s) of Motion and Rescission Motion(s)
- (9) Reports of Staff
 - (i) Corporate Services
 - (ii) Engineering Services
 - (iii) Environmental Services
- (10) Committee Reports
- (11) Questions from Councillors
- (12) Closed Meeting

At the Ordinary Meeting of Council, which includes the election of the Mayor and Deputy Mayor, the following items shall precede item 3 of the above general order of business:

- (1) Prayer
- (2) Election of Mayor
- (3) Election of Deputy Mayor
- (4) Fixation of Dates and Times of Ordinary Meetings of Council for the following twelve months.

6.2. Business Paper for Council Meetings

Agenda and business papers for council meetings

- (1) The general manager must ensure that the agenda for a meeting of the council states:
 - (a) all matters to be dealt with arising out of the proceedings of former meetings of the council, and
 - (b) if the mayor is the chairperson—any matter or topic that the chairperson proposes, at the time when the agenda is prepared, to put to the meeting, and
 - (c) subject to subclause (2), any business of which due notice has been given.
- (2) The general manager must not include in the agenda for a meeting of the council any business of which due notice has been given if, in the opinion of the general manager, the business is (or the implementation of the business would be) unlawful. The general manager must report (without giving details of the item of business) any such exclusion to the next meeting of the council.
- (3) The general manager must cause the agenda for a meeting of the council or a committee of the council to be prepared as soon as practicable before the meeting.
- (4) The general manager must ensure that the details of any item of business to which section 9 (2A) of the Act applies are included in a business paper for the meeting concerned.
- (5) Nothing in this clause limits the powers of the chairperson under clause 243.

Reg 240

Close of Business Paper Agenda

- (1) Receipt of business paper reports and notices of business by a Councillor closes eight (8) working days before the meeting at 4:00pm, or as otherwise determined by the General Manager.
- (2) Councillor's notice(s) of business shall be submitted in writing to the General Manager.

6.3. Availability of Business Papers

Public notice of meetings

- (2) A council and each such committee must have available for the public at its offices and at each meeting copies (for inspection or taking away by any person) of the agenda and the associated business papers (such as correspondence and reports) for the meeting.

- (2A) In the case of a meeting whose agenda includes the receipt of information or discussion of other matters that, in the opinion of the general manager, is likely to take place when the meeting is closed to the public:
- (a) the agenda for the meeting must indicate that the relevant item of business is of such a nature (but must not give details of that item), and
 - (b) the requirements of subsection (2) with respect to the availability of business papers do not apply to the business papers for that item of business.
- (3) The copies are to be available to the public as nearly as possible to the time they are available to councillors.
- (4) The copies are to be available free of charge.
- (5) A notice given under this section or a copy of an agenda or of a business paper made available under this section may in addition be given or made available in electronic form.

LGA Sec 9(2)-(5)

Business Papers (Councillor Access)

The business paper for Council meetings shall be delivered to Councillors on the Wednesday prior to the meeting in sealed envelopes.

Business Papers (Public Access)

Council business papers shall be available to the press and public on Council's website: www.blayney.local-e.nsw.gov.au and from the Council Offices on the Friday prior to the meeting free of charge.

Council business papers shall also be able to be viewed at Blayney Library, Tourism Information Centre and Village Post Offices from the Friday prior to the meeting.

6.4. Availability of Other Materials

Public access to correspondence and reports

- (1) A council and a committee of which all the members are councillors must, during or at the close of a meeting, or during the business day following the meeting, give reasonable access to any person to inspect correspondence and reports laid on the table at, or submitted to, the meeting.
- (2) This section does not apply if the correspondence or reports:
- (a) relate to a matter that was received or discussed, or
 - (b) were laid on the table at, or submitted to, the meeting,

- when the meeting was closed to the public.
- (3) This section does not apply if the council or committee resolves at the meeting, when open to the public, that the correspondence or reports, because they relate to a matter specified in section 10A (2), are to be treated as confidential.

LGA Sec 11

6.5. Giving Notice of Business

- (1) A council must not transact business at a meeting of the council:
- (a) unless a councillor has given notice of the business in writing within such time before the meeting as is fixed by the council's code of meeting practice or (if the council does not have a code of meeting practice or its code of meeting practice does not fix that time) as is fixed by resolution of the council, and
 - (b) unless notice of the business has been sent to the councillors in accordance with section 367 of the Act.
- (2) Subclause (1) does not apply to the consideration of business at a meeting if the business:
- (a) is already before, or directly relates to a matter that is already before, the council, or
 - (b) is the election of a chairperson to preside at the meeting as provided by clause 236 (1), or
 - (c) is a matter or topic put to the meeting by the chairperson in accordance with clause 243, or
 - (d) is a motion for the adoption of recommendations of a committee of the council.

Reg 241(1)-(2)

6.6. Dealing with matters Without Notice

Giving notice of business

- (3) Despite subclause (1), business may be transacted at a meeting of a council even though due notice of the business has not been given to the councillors. However, this can happen only if:
- (a) a motion is passed to have the business transacted at the meeting, and
 - (b) the business proposed to be brought forward is ruled by the chairperson to be of great urgency.
- Such a motion can be moved without notice.
- (4) Despite clause 250, only the mover of a motion referred to in subclause (3) can speak to the motion before it is put.

Reg 241(3)-(4)**6.7. Mayoral Minute****Official minutes**

- (1) If the mayor is the chairperson at a meeting of a council, the chairperson is, by minute signed by the chairperson, entitled to put to the meeting without notice any matter or topic that is within the jurisdiction of the council or of which the council has official knowledge.
- (2) Such a minute, when put to the meeting, takes precedence over all business on the council's agenda for the meeting. The chairperson (but only if the chairperson is the mayor) may move the adoption of the minute without the motion being seconded.
- (3) A recommendation made in a minute of the chairperson (being the mayor) or in a report made by a council employee is, so far as adopted by the council, a resolution of the council.

Reg 243**6.8. Agenda for Extraordinary Meetings**

- (1) The general manager must ensure that the agenda for an extraordinary meeting of a council deals only with the matters stated in the notice of the meeting.

Reg 242(1)**6.9. Dealing with matters without notice at an Extraordinary Meeting****Agenda for extraordinary meetings**

- (2) Despite subclause (1), business may be transacted at an extraordinary meeting of a council even though due notice of the business has not been given to the councillors. However, this can happen only if:
 - (a) a motion is passed to have the business transacted at the meeting, and
 - (b) the business proposed to be brought forward is ruled by the chairperson to be of great urgency.Such a motion can be moved without notice but only after the business notified in the agenda for the meeting has been disposed of.
- (3) Despite clause 250, only the mover of a motion referred to in subclause (2) can speak to the motion before it is put.

Reg 242(2)-(3)

6.10. Members of the Public Addressing Council

Public Forum

Members of the public wishing to address Council are permitted to do so provided that the following guidelines are adhered to:

- (1) A person may address Council for a maximum period of five (5) minutes.
- (2) Members of the public may address Council on any issue, however, should there be an agenda item, there must be a direct link between the member of the public wishing to address Council and the substance of the agenda item.
- (3) The Public Forum shall not be used to request reports from the Mayor, Councillors or Staff, nor used to address matters in the Minutes of an earlier meeting or other matters already dealt with at the meeting.
- (4) Persons speaking in Public Forum may, with the permission of the Chairperson, use appropriate materials or documents to support their position, but may not table documents to be actioned.
- (5) Any person making use of the Public Forum shall observe the same standards required of a Councillor. Specifically the person shall:
 - (a) obey the directions of the Chairperson, and
 - (b) not use any behaviour or language inconsistent with good order and decorum, and
 - (c) not make personal reflections or impute improper motives to Councillors and/or Staff.
- (6) The Chairperson may ask staff to comment on an issue, or if an investigation is required, request a report to a subsequent meeting.
- (7) No motions or resolutions may be moved during Public Forum.
- (8) The duration of the Public Forum shall not exceed fifteen (15) minutes in total.
- (9) Should there be more than one person wishing to address Council on an issue, then those persons shall nominate one person to represent the group. (Note: This clause only applies to those occasions where the total group time would exceed fifteen (15) minutes).

Members of the public wishing to address Council shall complete the prescribed request form (Appendix C) and present it to the General Manager's Office prior to the closure of the business paper agenda for the meeting.

6.11. Public Recording of Meetings prohibited without Council authority

- (1) A person may use a tape recorder to record the proceedings of a meeting of a council or a committee of a council only with the authority of the council or committee.
- (2) A person may, as provided by section 10 (2) (a) or (b) of the Act, be expelled from a meeting of a council or a committee of a council for using or having used a tape recorder in contravention of this clause.
- (3) If any such person, after being notified of a resolution or direction expelling him or her from the meeting, fails to leave the place where the meeting is being held, a police officer, or any person authorised for the purpose by the council or person presiding, may, by using only such force as is necessary, remove the first-mentioned person from that place and, if necessary, restrain that person from re-entering that place.
- (4) In this clause, tape recorder includes a video camera and any electronic device capable of recording speech, whether a magnetic tape is used to record or not.

Reg 273

7. DECLARATIONS OF INTERESTS**7.1. What is a Pecuniary Interest?*****What is a "pecuniary interest"?***

- (1) For the purposes of this Chapter, a pecuniary interest is an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person.
- (2) A person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to the matter or if the interest is of a kind specified in section 448.

LGA Sec 442

7.2. Interests that do not require disclosure***What interests do not have to be disclosed?***

The following interests do not have to be disclosed for the purposes of this Chapter:

- (a) an interest as an elector,
- (b) an interest as a ratepayer or person liable to pay a charge,
- (c) an interest in any matter relating to the terms on which the provision of a service or the supply of goods or

- commodities is offered to the public generally, or to a section of the public that includes persons who are not subject to this Part,
- (d) an interest in any matter relating to the terms on which the provision of a service or the supply of goods or commodities is offered to a relative of the person by the council in the same manner and subject to the same conditions as apply to persons who are not subject to this Part,
 - (e) an interest as a member of a club or other organisation or association, unless the interest is as the holder of an office in the club or organisation (whether remunerated or not),
 - (f) an interest of a member of a council committee as a person chosen to represent the community or as a member of a non-profit organisation or other community or special interest group if the committee member has been appointed to represent the organisation or group on the committee,
 - (g) an interest in a proposal relating to the making, amending, altering or repeal of an environmental planning instrument other than an instrument that effects a change of the permissible uses of:
 - (i) land in which the person or a person, company or body referred to in section 443 (1) (b) or (c) has a proprietary interest (which, for the purposes of this paragraph, includes any entitlement to the land at law or in equity and any other interest or potential interest in the land arising out of any mortgage, lease, trust, option or contract, or otherwise), or
 - (ii) land adjoining, adjacent to or in proximity to land referred to in subparagraph (i),
if the person or the person, company or body referred to in section 443 (1) (b) or (c) would by reason of the proprietary interest have a pecuniary interest in the proposal,
 - (h) an interest relating to a contract, proposed contract or other matter if the interest arises only because of a beneficial interest in shares in a company that does not exceed 10 per cent of the voting rights in the company,
 - (i) an interest of a person arising from the proposed making by the council of an agreement between the council and a corporation, association or partnership, being a corporation, association or partnership that has more than 25 members, if the interest arises because a relative of the person is a shareholder (but not a director) of the corporation or is a member (but not a member of the

- committee) of the association or is a partner of the partnership,
- (j) an interest of a person arising from the making by the council of a contract or agreement with a relative of the person for or in relation to any of the following, but only if the proposed contract or agreement is similar in terms and conditions to such contracts and agreements as have been made, or as are proposed to be made, by the council in respect of similar matters with other residents of the area:
 - (i) the performance by the council at the expense of the relative of any work or service in connection with roads or sanitation,
 - (ii) security for damage to footpaths or roads,
 - (iii) any other service to be rendered, or act to be done, by the council by or under any Act conferring functions on the council or by or under any contract,
 - (k) an interest relating to the payment of fees to councillors (including the mayor and deputy mayor),
 - (l) an interest relating to the payment of expenses and the provision of facilities to councillors (including the mayor and deputy mayor) in accordance with a policy under section 252,
 - (m) an interest relating to an election to the office of mayor arising from the fact that a fee for the following 12 months has been determined for the office of mayor,
 - (n) an interest of a person arising from the passing for payment of a regular account for wages or salary of an employee who is a relative of the person,
 - (o) an interest arising from being covered by, or a proposal to be covered by, indemnity insurance as a councillor or member of a council committee,
 - (p) an interest arising from appointment of a councillor to a body as representative or delegate of the council, whether or not a fee or other recompense is payable to the representative or delegate.

LGA Sec 448

7.3. Who has a Pecuniary Interest?

- (1) For the purposes of this Chapter, a person has a pecuniary interest in a matter if the pecuniary interest is the interest of:
 - (a) the person, or
 - (b) the person's spouse or de facto partner or a relative of the person, or a partner or employer of the person, or

- (c) a company or other body of which the person, or a nominee, partner or employer of the person, is a member.
- (2) (Repealed)
- (3) However, a person is not taken to have a pecuniary interest in a matter as referred to in subsection (1) (b) or (c):
 - (a) if the person is unaware of the relevant pecuniary interest of the spouse, de facto partner, relative, partner, employer or company or other body, or
 - (b) just because the person is a member of, or is employed by, a council or a statutory body or is employed by the Crown, or
 - (c) just because the person is a member of, or a delegate of a council to, a company or other body that has a pecuniary interest in the matter, so long as the person has no beneficial interest in any shares of the company or body.

LGA Sec 443

7.4. Disclosure of Pecuniary Interests and Presence in Meetings

- (1) A councillor or a member of a council committee who has a pecuniary interest in any matter with which the council is concerned and who is present at a meeting of the council or committee at which the matter is being considered must disclose the nature of the interest to the meeting as soon as practicable.
- (2) The councillor or member must not be present at, or in sight of, the meeting of the council or committee:
 - (a) at any time during which the matter is being considered or discussed by the council or committee, or
 - (b) at any time during which the council or committee is voting on any question in relation to the matter.
- (3) For the removal of doubt, a councillor or a member of a council committee is not prevented by this section from being present at and taking part in a meeting at which a matter is being considered, or from voting on the matter, merely because the councillor or member has an interest in the matter of a kind referred to in section 448.

LGA Sec 451

Declarations of Pecuniary Interest

- (1) A Councillor or a member of a Council committee who has a pecuniary interest in a matter being considered at a

Council or committee meeting shall disclose the existence of the interest and also the nature of that interest.

- (2) Such a disclosure shall be made in writing on the prescribed "Declaration of Conflict of Interest" form (Appendix B). Each completed form shall be handed to the Mayor, General Manager or Chairperson prior to the commencement of the meeting.
- (3) A Councillor with a pecuniary interest in a matter is not counted for the purposes of quorum on that matter.

7.5. Sufficient General Disclosure

A general notice given to the general manager in writing by a councillor or a member of a council committee to the effect that the councillor or member, or the councillor's or member's spouse, de facto partner or relative, is:

- (a) a member, or in the employment, of a specified company or other body, or
- (b) a partner, or in the employment, of a specified person, is, unless and until the notice is withdrawn, sufficient disclosure of the councillor's or member's interest in a matter relating to the specified company, body or person that may be the subject of consideration by the council or council committee after the date of the notice.

LGA Sec 454

7.6. Disclosure of Non-Pecuniary Interests

- (1) A Councillor or member of a Council committee who has a non-pecuniary interest in a matter being considered at a Council or committee meeting shall disclose the existence of the interest and also the nature of that interest.
- (2) Such a disclosure shall be made in writing on the prescribed "Declaration of Conflict of Interest" form (Appendix B). Each completed form shall be handed to the Mayor, General Manager or Chairperson prior to the commencement of the meeting.
- (3) A Councillor or member of a Council committee having disclosed a non-pecuniary interest in a matter shall manage their non-pecuniary interest in accordance with Council's adopted Code of Conduct.

- (4) A Councillor with a non-pecuniary interest in a matter who leaves the meeting during the consideration and/or voting of that matter is not counted for the purposes of a quorum on that matter.

7.7. Disclosure by Adviser

- (1) A person who, at the request or with the consent of the council or a council committee, gives advice on any matter at any meeting of the council or committee must disclose the nature of any pecuniary interest the person has in the matter to the meeting at the time the advice is given.
- (2) The person is not required to disclose the person's interest as an adviser.

LGA Sec 456

7.8. Circumstances Where Disclosure Rules are not Breached

A person does not breach section 451 or 456 if the person did not know and could not reasonably be expected to have known that the matter under consideration at the meeting was a matter in which he or she had a pecuniary interest.

LGA Sec 457

7.9. Disclosure to be Recorded in Minutes

A disclosure made at a meeting of a council or council committee must be recorded in the minutes of the meeting.

LGA Sec 453

The minutes shall record the disclosure, the nature of the interest and the actions taken by the Councillor or the member of the Council committee.

7.10. Powers of Minister in relation to meetings

The Minister may, conditionally or unconditionally, allow a councillor or a member of a council committee who has a pecuniary interest in a matter with which the council is concerned to be present at a meeting of the council or committee, to take part in the consideration or discussion of the matter and to vote on the matter if the Minister is of the opinion:

- (a) that the number of councillors prevented from voting would be so great a proportion of the whole as to impede the transaction of business, or
- (b) that it is in the interests of the electors for the area to do so.

LGA Sec 458

7.11. Disclosure of pecuniary interests when dealing with council matters

- (1) A designated person must disclose in writing to the general manager (or if the person is the general manager, to the council) the nature of any pecuniary interest the person has in any council matter with which the person is dealing.
- (1A) However, subsection (1) does not require a designated person who is a member of staff of the council to disclose such a pecuniary interest if the interest relates only to the person's salary as such a member of staff or to his or her other conditions of employment or the like.
- (2) The general manager must, on receiving a disclosure from a designated person, deal with the matter to which the disclosure relates or refer it to another person to deal with.
- (3) A disclosure by the general manager must, as soon as practicable after the disclosure is made, be laid on the table at a meeting of the council and the council must deal with the matter to which the disclosure relates or refer it to another person to deal with.

LGA Sec 459

8. QUESTIONS AND TABLING OF MATTERS

8.1. Questions to Councillors and Employees

Questions may be put to councillors and council employees

- (1) A councillor:
 - (a) may, through the chairperson, put a question to another councillor, and
 - (b) may, through the general manager, put a question to a council employee.
- (2) However, a councillor or council employee to whom a question is put is entitled to be given reasonable notice of the question and, in particular, sufficient notice to enable reference to be made to other persons or to documents.

- (3) The councillor must put every such question directly, succinctly and without argument.
- (4) The chairperson must not permit discussion on any reply or refusal to reply to a question put to a councillor or council employee under this clause.

Reg 249

8.2. Questions to General Manager

- (1) The General Manager may exercise the option to take on notice a question raised under Clause 8.1.
- (2) A question raised under Clause 8.1 and taken on notice may be answered in writing directly to all Councillors or by way of inclusion in a General Manager's report at subsequent meetings.

8.3. Questions on Notice

- (1) Questions on Notice shall be lodged in writing with the General Manager or specified delegate prior to the closure of the business paper agenda for the meeting of Council at which the Questions on Notice are to be considered.
- (2) Questions on Notice shall directly relate to the business of Council and shall comply with the Local Government (General) Regulation 2005 which provides at Clause 249 that a "councillor must put every such question directly, succinctly and without argument".
- (3) Questions shall not contain:
 - (a) statements of facts or names of persons unless they are strictly necessary to render the question intelligible and can be authenticated;
 - (b) argument;
 - (c) inference;
 - (d) imputation.
- (4) Questions shall not ask for legal opinion to be provided at the Council meeting.
- (5) Questions shall not refer to confidential matters that have been previously, or are yet to be, discussed by Council in closed meeting, nor refer to confidential matters as listed in Section 10A(2) of the Local Government Act 1993.

- (6) Where an answer has been provided to a Question on Notice and a Councillor seeks to have a matter arising from that question, notice shall be given to the General Manager in accordance with Clause 8.3(1).
- (7) The General Manager or specified delegate may exclude from the agenda any Question on Notice which may have the effect of exposing a Councillor, the Council, or an employee of Council, to an action for defamation.
- (8) The General Manager or specified delegate may return to a Councillor any Question on Notice that does not comply with the Code of Meeting Practice and provide a written reason. The question may be rewritten and resubmitted in accordance with Clause 8.3(1).
- (9) A Councillor may appeal to the Mayor against a decision of the General Manager or specified delegate made under Clause 8.3(7). The Mayor will decide in those circumstances if the Question on Notice complies with the Code of Meeting Practice.
- (10) The Mayor may rule that a Question on Notice does not comply with the Code of Meeting Practice, notwithstanding a decision made under Clause 8.3(7) - and in such cases the Mayor is to provide a written reason for such a decision.
- (11) Should a Question on Notice have any resource implications, financial or otherwise, the General Manager will advise Council. This advice will be included in the business paper.

**8.4. Tabling a Report of Departmental Representative
*Report of a Departmental representative to be tabled at council meeting***

When a report of a Departmental representative has been presented to a meeting of a council in accordance with section 433 of the Act, the council must ensure that the report:

- (a) is laid on the table at that meeting, and
- (b) is subsequently available for the information of councillors and members of the public at all reasonable times.

Reg 244

8.5. Tabling of Correspondence

Letters submitted to Council requesting that they be tabled at a Council or committee meeting shall be tabled and a copy included in the business paper for that meeting.

8.6. Petitions

- (1) A Councillor may table a petition to the Council.
- (2) The subject matter of a petition tabled to the Council shall not be discussed at the meeting at which the petition has been tabled unless the provisions of Clause 6.5 are followed.
- (3) The publication of petitions in Council's business papers shall occur only after due consideration has been given to:
 - (a) Section 10 of the Privacy and Personal Information Protection Act 1998 (PPIPA) – Requirements when collecting personal information;
 - (b) Section 18 of the PPIPA – Limits on disclosure of personal information; and
 - (c) the subject matter and the wording of the petition.

9. MOTIONS

9.1. Notice of Motion

Notices of Motion

- (1) Notices of Motions shall be lodged in writing with the General Manager or their delegate prior to the closure of the business paper agenda for the meeting of Council at which the Notices of Motion are to be considered.
- (2) The rules applying to the content of Questions on Notice (Clause 8.3) also apply to the content of Notices of Motion.
- (3) Councillors shall ensure, where it is intended that employees of the Council be asked to carry out some specific defined action, that a Notice of Motion is written in such a way that, if carried, the motion carries clear and unambiguous direction.

Other motions

- (1) The rules applying to the content of Questions on Notice (Clause 8.3) and Notices of Motion (Clause 9.1) apply to the content of any other motion or amendment moved at a Council or committee meeting.

9.2. Notice of Motion - Absence of Mover

In the absence of a councillor who has placed a notice of motion on the agenda for a meeting of a council:

- (a) any other councillor may move the motion at the meeting, or
- (b) the chairperson may defer the motion until the next meeting of the council at which the motion can be considered.

Reg 245

9.3. Motions to be Seconded

A motion or an amendment cannot be debated unless or until it has been seconded. This clause is subject to clauses 243 (2) and 250 (5).

Reg 246

9.4. Dealing with (Debating) Motions**Mover**

- (1) A Councillor or a member of a Council committee proposing a motion is to be provided with a right to speak to introduce the proposition.
- (2) In the absence of the proposition being seconded, the mover may exercise their right to speak to obtain the support of a seconder for the proposition.
- (3) The mover's right to speak shall only be exercised at the time the proposition is made. The mover cannot reserve this right to be exercised at a later stage of the debate.
- (4) The mover of a motion shall be permitted no more than five (5) minutes to introduce their motion.
- (5) If the motion is accepted and debated, the mover is to be provided with a right of reply.

Debate

- (1) Upon the mover exercising, waiving, or deferring, their right of address, the Chairperson shall invite Councillors or committee members to debate the motion, in the order of one speaker against the motion and one speaker for the motion.
- (2) Speakers "For" or "Against" a motion shall be permitted no more than three (3) minutes to address the meeting.

- (3) The sequence of against and for is followed until debate is closed. The close of debate is reached should one of the following conditions emerge:
- (a) only speakers for one particular side of the debate are now emerging so that the previous consecutive speakers were on the same side of the debate;
 - (b) the time allotted has expired;
 - (c) the limit of number of speakers allowed to speak on the motion has been reached;
 - (d) a procedural motion that "the motion now be put" has been successful.

9.5. Speaking to Motions

- (1) A councillor who, during a debate at a meeting of a council, moves an original motion has the right of general reply to all observations that are made by another councillor during the debate in relation to the motion and to any amendment to it, as well as the right to speak on any such amendment.
- (2) A councillor, other than the mover of an original motion, has the right to speak once on the motion and once on each amendment to it.

Reg 250 (1)-(2)

9.6. Right of Reply – Mover

- (1) The mover of a motion shall be permitted no more than three (3) minutes to provide their "right of reply".
- (2) Once the mover has exercised their Right of Reply all further debate on the substantive motion ceases.
- (3) In exercising their Right of Reply the following conventions shall be observed by the mover:
 - (a) the mover can waive their Right of Reply and the meeting can go straight to the vote;
 - (b) the purpose of the Right of Reply is to respond to any points raised in the debate and to present a final brief summary of the case for the motion;
 - (c) not to introduce any new material or arguments.

9.7. Speaking to a Misrepresentation or Misunderstanding

- (3) A councillor must not, without the consent of the council, speak more than once on a motion or an amendment, or for longer than 5 minutes at any one time. However, the chairperson may permit a councillor who claims to have been misrepresented or misunderstood to speak more than once on a motion or an amendment, and for longer than 5 minutes on that motion or amendment to enable the councillor to make a statement limited to explaining the misrepresentation or misunderstanding.

Reg 250 (3)

Note: Nothing in clauses 9.5 or 9.7 affects questions being asked, with the leave of the Chairperson, relevant to any matter under discussion at a meeting.

9.8. Variations to Motions

- (1) A Councillor may seek to vary a motion by:
- (a) obtaining the unanimous consent of Council; or
 - (b) proposing an amendment to the motion.
- (2) If the meeting is considering a motion which is difficult to comprehend and of a complex structure, the Chairperson has the discretion to separate the constituent parts of the substantive motion. The meeting may agree to deal with them in their separate parts as if they were separate motions.

9.9. Variations by Consent

- (1) If a Councillor, including the seconder to the original motion, proposes a variation to a motion, the Chairperson shall ask whether any Councillor objects to the variation.
- (2) If there is no objection, the proposed variation is adopted into the motion by consent of the Council.
- (3) If there is an objection, the proposed variation must be dealt with as an amendment and seconded and voted on accordingly.
- (4) If the variation is proposed by the seconder to the original motion, but not accepted by Councillors, then a new seconder should be sought for the original motion.

Note: The intention of a variation by consent is to enable a change to a motion that is non-contentious, improves clarity or effects a correction. This is also consistent with the common law rule that a seconder to a motion cannot move an amendment but enables a seconder to move a variation.

9.10. Amendments to Motions

- (1) An amendment is a proposition to alter a motion that is under consideration by the meeting and is not subject to the Notice of Motion requirements set out at clause 9.1.
- (2) An amendment must be moved and seconded.
- (3) To be accepted as an amendment, it must relate and be relevant to the motion.
- (4) The amendment must also be moved before the debate on the motion has been concluded and the right of reply of the mover of the motion has been exercised.
- (5) An amendment cannot be accepted if it is a direct rebuttal of the motion it seeks to amend.
- (6) An amendment should not be moved that is substantially the same as an earlier rejected amendment on the motion.
- (7) An amendment that is in opposition to an amendment already accepted should not be moved or accepted for debate.
- (8) In the situation where a number of amendments have been foreshadowed, it is important that they should be considered in due succession ensuring the practicality of the motion.
- (9) Each amendment is separately considered and voted on.
- (10) Only one amendment may be considered by the meeting at any one time. Debate is confined to the amendment under consideration although during debate a Councillor may foreshadow a motion or amendment.
- (11) Once an amendment has been moved and seconded, it cannot be withdrawn without the consent of the mover and seconder.

9.11. How Subsequent Amendments may be Moved

If an amendment has been rejected, a further amendment can be moved to the motion to which the rejected amendment was moved, and so on, but no more than one motion and one proposed amendment can be before the council at any one time.

Reg 247

9.12. Foreshadowed Motions or Amendments

- (1) Foreshadowed motions and amendments will be considered in the order they were notified to the meeting.
- (2) The Chairperson may exercise discretion and recommend to the meeting a change of order for foreshadowed motions or amendments.
- (3) Foreshadowed motions or amendments are subject to clause 9.3.

9.13. Motions without Notice***Giving notice of business***

- (3) Despite subclause (1), business may be transacted at a meeting of a council even though due notice of the business has not been given to the councillors. However, this can happen only if:
 - (a) a motion is passed to have the business transacted at the meeting, and
 - (b) the business proposed to be brought forward is ruled by the chairperson to be of great urgency.Such a motion can be moved without notice.
- (4) Despite clause 250, only the mover of a motion referred to in subclause (3) can speak to the motion before it is put.

Reg 241(3)-(4)

9.14. Defeated Motions

If a motion at a Council meeting has been lost, a motion having the same effect may not be brought forward within 3 months, unless by a Mayoral Minute or by a report from a committee of Council.

10. PROCEDURAL MOTIONS

10.1. General Procedural Motions

- (1) A procedural motion is a motion that refers to the conduct of a meeting.
- (2) Procedural motions are not subject to the Notice of Motion requirements in clause 9.1.
- (3) In general, a procedural motion requires a seconder, unless stated to the contrary in the Code of Meeting Practice.
- (4) Unless stated to the contrary in this Code of Meeting Practice, there is no debate on a procedural motion.
- (5) A procedural motion has precedence over substantive motions and must be put to the meeting for a decision.

10.2. Point of Order

- (1) A Councillor may draw the attention of the Chairperson to an alleged breach of the Code of Meeting Practice.
- (2) The Councillor shall draw the attention of the Chairperson by raising a "point of order". A point of order does not require a seconder.
- (3) A point of order must be taken immediately it is raised.
- (4) The Chairperson must suspend business before the meeting and permit the Councillor raising the point of order to state the meeting procedure(s) he/she believes has been infringed.
- (5) Immediately this has been done, the Chairperson should rule either upholding the point of order or overruling it.

10.3. Motions of Dissent

- (1) A councillor can, without notice, move to dissent from the ruling of the chairperson on a point of order. If that happens, the chairperson must suspend the business before the meeting until a decision is made on the motion of dissent.
- (2) If a motion of dissent is passed, the chairperson must proceed with the suspended business as though the ruling

- dissented from had not been given. If, as a result of the ruling, any motion or business has been discharged as out of order, the chairperson must restore the motion or business to the agenda and proceed with it in due course.
- (3) Despite clause 250, only the mover of a motion of dissent and the chairperson can speak to the motion before it is put. The mover of the motion does not have a right of general reply.

Reg 248

A motion of dissent does not require a seconder.

10.4. Putting the Motion or Amendment

Limitation as to number of speeches

- (4) Despite subclauses (1) and (2), a councillor may move that a motion or an amendment be now put:
- (a) if the mover of the motion or amendment has spoken in favour of it and no councillor expresses an intention to speak against it, or
 - (b) if at least 2 councillors have spoken in favour of the motion or amendment and at least 2 councillors have spoken against it.
- (5) The chairperson must immediately put to the vote, without debate, a motion moved under subclause (4). A seconder is not required for such a motion.
- (6) If a motion that the original motion or an amendment be now put is passed, the chairperson must, without further debate, put the original motion or amendment to the vote immediately after the mover of the original motion has exercised his or her right of reply under subclause (1).
- (7) If a motion that the original motion or an amendment be now put is rejected, the chairperson must allow the debate on the original motion or the amendment to be resumed.

Reg 250(4)-(7)

11. ORDER AT MEETINGS

11.1. Observe the Code of Conduct and Code of Meeting Practice

- (1) Councillors, employees of Council and other persons at the meeting are required to observe the Code of Meeting Practice at all meetings of Council.
- (2) Failure on the part of a Councillor or an employee to observe the Code of Meeting Practice may be subject to a

complaint under the Code of Conduct (Clause 9.5 of Council's Code of Conduct).

- (3) The Chairperson of the meeting, a Councillor, employee or any other person in attendance may report in writing to the General Manager a complaint alleging a breach of the Code of Meeting Practice.

11.2. Questions of Order

- (1) The chairperson, without the intervention of any other councillor, may call any councillor to order whenever, in the opinion of the chairperson, it is necessary to do so.
- (2) A councillor who claims that another councillor has committed an act of disorder, or is out of order, may call the attention of the chairperson to the matter.
- (3) The chairperson must rule on a question of order immediately after it is raised but, before doing so, may invite the opinion of the council.
- (4) The chairperson's ruling must be obeyed unless a motion dissenting from the ruling is passed.

Reg 255

11.3. Act of Disorder

- (1) A councillor commits an act of disorder if the councillor, at a meeting of a council or a committee of a council:
 - (a) contravenes the Act or any regulation in force under the Act, or
 - (b) assaults or threatens to assault another councillor or person present at the meeting, or
 - (c) moves or attempts to move a motion or an amendment that has an unlawful purpose or that deals with a matter that is outside the jurisdiction of the council or committee, or addresses or attempts to address the council or committee on such a motion, amendment or matter, or
 - (d) insults or makes personal reflections on or imputes improper motives to any other councillor, or
 - (e) says or does anything that is inconsistent with maintaining order at the meeting or is likely to bring the council or committee into contempt.
- (2) The chairperson may require a councillor:
 - (a) to apologise without reservation for an act of disorder referred to in subclause (1) (a) or (b), or

- (b) to withdraw a motion or an amendment referred to in subclause (1) (c) and, where appropriate, to apologise without reservation, or
 - (c) to retract and apologise without reservation for an act of disorder referred to in subclause (1) (d) or (e).
- (3) A councillor may, as provided by section 10 (2) (a) or (b) of the Act, be expelled from a meeting of a council for having failed to comply with a requirement under subclause (2). The expulsion of a councillor from the meeting for that reason does not prevent any other action from being taken against the councillor for the act of disorder concerned.

Reg 256

11.4. Disorder at Meetings - Adjournment

How disorder at a meeting may be dealt with

- (1) If disorder occurs at a meeting of a council, the chairperson may adjourn the meeting for a period of not more than 15 minutes and leave the chair. The council, on reassembling, must, on a question put from the chair, decide without debate whether the business is to be proceeded with or not. This subclause applies to disorder arising from the conduct of members of the public as well as disorder arising from the conduct of councillors.
- (2) A member of the public may, as provided by section 10 (2) (a) or (b) of the Act, be expelled from a meeting of a council for engaging in or having engaged in disorderly conduct at the meeting.

Reg 257

11.5. Effect of Expulsion

Who is entitled to attend meetings?

- (2) However, a person (whether a councillor or another person) is not entitled to be present at a meeting of the council or of such a committee if expelled from the meeting:
 - (a) by a resolution of the meeting, or
 - (b) by the person presiding at the meeting if the council has, by resolution, authorised the person presiding to exercise the power of expulsion.

LGA Sec 10 (2)

11.6. Warning to Councillors

- (1) If the Chairperson of the meeting is of the view that the ongoing behaviour of a Councillor is disruptive to the good order of the meeting, the Chairperson:
 - (a) shall warn the Councillor that he/she could face a motion to authorise removal from the meeting if he/she continues to breach the Code of Meeting Practice, and
 - (b) if a further breach occurs, seek the views of the meeting as to the removal of the Councillor.

11.7. Power to Remove Persons from Council Meeting

The power to expel a person or persons from a meeting is delegated to the mayor or to another chairperson of the meeting in respect of a council meeting and to the chairperson of each council committee of which all members are councillors in respect of a meeting of that committee.

If a councillor or a member of the public fails to leave the place where a meeting of a council is being held:

- (a) immediately after the council has passed a resolution expelling the councillor or member from the meeting, or
- (b) where the council has authorised the person presiding at the meeting to exercise the power of expulsion—
immediately after being directed by the person presiding to leave the meeting,

a police officer, or any person authorised for the purpose by the council or person presiding, may, by using only such force as is necessary, remove the councillor or member from that place and, if necessary, restrain the councillor or member from re-entering that place.

Reg 258

12. ADJOURNMENT OF MEETINGS

12.1. Motion to Adjourn Meeting

- (1) A Councillor may move the procedural motion "that the meeting be adjourned".
- (2) The motion before being put to the vote must be seconded by a Councillor.
- (3) The mover of the motion may address the meeting on the motion.

- (4) No further debate on the motion is permitted.

12.2. Amendment to Adjourn Meeting Motion

- (1) Amendments to the motion are permitted, but only to the extent that they relate to the timing and place of reconvening the meeting.
- (2) Amendments to the motion to adjourn a meeting are to be moved and seconded.
- (3) The mover of the amendment may address the meeting as to the content of the proposed amendment.
- (4) Any address to the motion of adjournment or amendment is limited to three (3) minutes.

12.3. Re-convening an Adjourned Meeting

- (1) The Notice of Meeting provisions do not apply to a re-convened meeting.
- (2) A re-convened meeting will commence in accordance with any motion or amendment and will continue as if there had been no break in the proceedings of the meeting.
- (3) To the extent that it is practical, public notice of the re-convened meeting is to be given.
- (4) In the circumstances of an adjourned meeting for which there was no specified time and place for the meeting to be re-convened, Council will deal with any unfinished business for which notice was given at the next ordinary meeting of Council.

13. CLOSED MEETINGS

13.1. Motion to Close Part of the Meeting

Which parts of a meeting can be closed to the public?

- (1) A council, or a committee of the council of which all the members are councillors, may close to the public so much of its meeting as comprises:
 - (a) the discussion of any of the matters listed in subclause (2), or
 - (b) the receipt or discussion of any of the information so listed.

LGA Sec 10A(1)

Refer Appendix A for the announcements to go into, or out of, a closed meeting.

13.2. Grounds to close meetings

- (2) The matters and information are the following:
- (a) personnel matters concerning particular individuals (other than councillors),
 - (b) the personal hardship of any resident or ratepayer,
 - (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business,
 - (d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret,
 - (e) information that would, if disclosed, prejudice the maintenance of law,
 - (f) matters affecting the security of the council, councillors, council staff or council property,
 - (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege,
 - (h) information concerning the nature and location of a place or an item of Aboriginal significance on community land.
- (3) A council, or a committee of the council of which all the members are councillors, may also close to the public so much of its meeting as comprises a motion to close another part of the meeting to the public.

LGA Sec10A(2)-(3)**13.3. Limitations to Closing Meetings*****Further limitations relating to closure of parts of meetings to the public***

- (1) A meeting is not to remain closed during the discussion of anything referred to in section 10A (2):
- (a) except for so much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security, and

- (b) if the matter concerned is a matter other than a personnel matter concerning particular individuals, the personal hardship of a resident or ratepayer or a trade secret—unless the council or committee concerned is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

LGA Sec 10B(1)

13.4. Discussion of Legal Matters

Further limitations relating to closure of parts of meetings to the public

- (2) A meeting is not to be closed during the receipt and consideration of information or advice referred to in section 10A (2) (g) unless the advice concerns legal matters that:
 - (a) are substantial issues relating to a matter in which the council or committee is involved, and
 - (b) are clearly identified in the advice, and
 - (c) are fully discussed in that advice.

LGA Sec 10B(2)

13.5. Motions to Close other Parts of a Meeting

Further limitations relating to closure of parts of meetings to the public

- (3) If a meeting is closed during the discussion of a motion to close another part of the meeting to the public (as referred to in section 10A (3)), the consideration of the motion must not include any consideration of the matter or information to be discussed in that other part of the meeting (other than consideration of whether the matter concerned is a matter referred to in section 10A (2)).

LGA Sec 10B(3)

13.6. Matters of Public Interest

Further limitations relating to closure of parts of meetings to the public

- (4) For the purpose of determining whether the discussion of a matter in an open meeting would be contrary to the public interest, it is irrelevant that:
 - (a) a person may misinterpret or misunderstand the discussion, or
 - (b) the discussion of the matter may:

- (i) cause embarrassment to the council or committee concerned, or to councillors or to employees of the council, or
- (ii) cause a loss of confidence in the council or committee.

LGA Sec 10B(4)

13.7. Department Guidelines for Meeting Closure
Further limitations relating to closure of parts of meetings to the public

- (5) In deciding whether part of a meeting is to be closed to the public, the council or committee concerned must have regard to any relevant guidelines issued by the Director-General.

LGA Sec 10B(5)

13.8. Representation by Public Before a Council Meeting is Closed

- (4) A council, or a committee of a council, may allow members of the public to make representations to or at a meeting, before any part of the meeting is closed to the public, as to whether that part of the meeting should be closed.

LGA Sec 10A(4)

- (1) A representation at a council meeting by a member of the public as to whether a part of the meeting should be closed to the public can only be made for a fixed period immediately after the motion to close the part of the meeting is moved and seconded.
- (2) That period is as fixed by the council's code of meeting practice or (if the council does not have a code of meeting practice or its code of meeting practice does not fix that period) as fixed by resolution of the council. Different periods can be fixed according to the different types of matters to be discussed or received and discussed at closed parts of meetings.

Reg 252

A member of the public who wishes to address a Council meeting on a motion that the meeting be closed to the public for discussion on a confidential item may address the Council for up to five (5) minutes.

13.9. Specifying Grounds for Closing Meetings

Grounds for closing part of meeting to be specified

- (1) The grounds on which part of a meeting is closed must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting.
- (2) The grounds must specify the following:
 - (a) the relevant provision of section 10A (2),
 - (b) the matter that is to be discussed during the closed part of the meeting,
 - (c) the reasons why the part of the meeting is being closed, including (if the matter concerned is a matter other than a personnel matter concerning particular individuals, the personal hardship of a resident or ratepayer or a trade secret) an explanation of the way in which discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

LGA Sec 10D

13.10. Notice of Closure not required in Urgent Cases

Part of a meeting of a council, or of a committee of the council of which all the members are councillors, may be closed to the public while the council or committee considers a matter that has not been identified in the agenda for the meeting as a matter that is likely to be considered when the meeting is closed, but only if:

- (a) it becomes apparent during the discussion of a particular matter that the matter is a matter referred to in section 10A (2), and
- (b) the council or committee, after considering any representations made under section 10A (4), resolves that further discussion of the matter:
 - (i) should not be deferred (because of the urgency of the matter), and
 - (ii) should take place in a part of the meeting that is closed to the public.

LGA Sec 10C

13.11. Resolutions to be Made Public

If a council passes a resolution during a meeting, or a part of a meeting, that is closed to the public, the chairperson must make the resolution public as soon as practicable after the meeting or part of the meeting has ended.

Reg 253

14. VOTING AND DECISIONS OF COUNCIL

14.1. What Constitutes a Decision of the Council?

A decision supported by a majority of the votes at a meeting of the council at which a quorum is present is a decision of the council.

LGA Sec 371

14.2. Voting Entitlements of Councillors and Chairperson's Casting Vote

What are the voting entitlements of councillors?

- (1) Each councillor is entitled to one vote.
- (2) However, the person presiding at a meeting of the council has, in the event of an equality of votes, a second or casting vote.

LGA Sec 370

14.3. Abstentions to be Counted

Voting at council meetings

- (1) A councillor who is present at a meeting of a council but who fails to vote on a motion put to the meeting is taken to have voted against the motion.
- (2) If a councillor who has voted against a motion put at a council meeting so requests, the general manager must ensure that the councillor's dissenting vote is recorded in the council's minutes.

Reg 251(1)-(2)

14.4. Divisions

Conducting a Division

- (3) The decision of the chairperson as to the result of a vote is final, unless the decision is immediately challenged and not fewer than 2 councillors rise and demand a division.
- (4) When a division on a motion is demanded, the chairperson must ensure that the division takes place immediately. The general manager must ensure that the names of those who vote for the motion and those who vote against it are respectively recorded in the council's minutes.

Reg 251(3)-(4)

Recording of Voting on Planning Matters

- (1) In this section, planning decision means a decision made in the exercise of a function of a council under the Environmental Planning and Assessment Act 1979:

- (a) including a decision relating to a development application, an environmental planning instrument, a development control plan or a development contribution plan under that Act, but
 - (b) not including the making of an order under Division 2A of Part 6 of that Act.
- (2) The general manager is required to keep a register containing, for each planning decision made at a meeting of the council or a council committee, the names of the councillors who supported the decision and the names of any councillors who opposed (or are taken to have opposed) the decision.
 - (3) For the purpose of maintaining the register, a division is required to be called whenever a motion for a planning decision is put at a meeting of the council or a council committee.
 - (4) Each decision recorded in the register is to be described in the register or identified in a manner that enables the description to be obtained from another publicly available document, and is to include the information required by the regulations.
 - (5) This section extends to a meeting that is closed to the public.

LGA Sec 375A

When a planning matter is presented to a Council or Committee meeting for consideration, a Division be automatically called to facilitate the recording of the names of the Councillors who voted "for", and the names of the Councillors who voted "against", the decision.

14.5. Open Voting at Council excepting Elections

- (5) Voting at a council meeting, including voting in an election at such a meeting, is to be by open means (such as on the voices or by show of hands). However, the council may resolve that the voting in any election by councillors for mayor or deputy mayor is to be by secret ballot.

Reg 251(5)

14.6. Voting at Committees

Procedure in committees

- (1) Subject to subclause (3), each committee of a council may regulate its own procedure.
- (2) Without limiting subclause (1), a committee of a council may decide that, whenever the voting on a motion put to a

meeting of the committee is equal, the chairperson of the committee is to have a casting vote as well as an original vote.

- (3) Voting at a committee meeting is to be by open means (such as on the voices or by show of hands).

Reg 265

14.7. Invalidation of Council or Committee Proceedings
Certain circumstances do not invalidate council decisions

Proceedings at a meeting of a council or a council committee are not invalidated because of:

- (a) a vacancy in a civic office, or
- (b) a failure to give notice of the meeting to any councillor or committee member, or
- (c) any defect in the election or appointment of a councillor or committee member, or
- (d) a failure of a councillor or a committee member to disclose a pecuniary interest, or to refrain from the consideration or discussion of, or vote on, the relevant matter, at a council or committee meeting in accordance with section 451, or
- (e) a failure to comply with the code of meeting practice.

LGA Sec 374

14.8. Rescinding or Altering Resolutions of the Council

- (1) A resolution passed by a council may not be altered or rescinded except by a motion to that effect of which notice has been duly given in accordance with regulations made under section 360 and, if applicable, the council's code of meeting practice.
- (2) If notice of motion to rescind a resolution is given at the meeting at which the resolution is carried, the resolution must not be carried into effect until the motion of rescission has been dealt with.
- (3) If a motion has been negatived by a council, a motion having the same effect must not be considered unless notice of it has been duly given in accordance with the council's code of meeting practice.
- (4) A notice of motion to alter or rescind a resolution, and a notice of motion which has the same effect as a motion which has been negatived by the council, must be signed by 3 councillors if less than 3 months has elapsed since the resolution was passed, or the motion was negatived, as the case may be.

- (5) If a motion to alter or rescind a resolution has been negated, or if a motion which has the same effect as a previously negated motion, is negated, no similar motion may be brought forward within 3 months. This subsection may not be evaded by substituting a motion differently worded, but in principle the same.
- (6) A motion to which this section applies may be moved on the report of a committee of the council and any such report must be recorded in the minutes of the meeting of the council.
- (7) The provisions of this section concerning negated motions do not apply to motions of adjournment.

LGA Sec 372

The closing date and time for receipt of Rescission Motions is 5:00pm on the following day after the meeting.

15. COMMITTEES OF COUNCIL

15.1. Committee of Council

Committee of council

A council may resolve itself into a committee to consider any matter before the council.

LGA Sec 373

15.2. Committee of the Whole

- (1) All the provisions of this Regulation relating to meetings of a council, so far as they are applicable, extend to and govern the proceedings of the council when in committee of the whole, except the provision limiting the number and duration of speeches.
- (2) The general manager or, in the absence of the general manager, an employee of the council designated by the general manager is responsible for reporting to the council proceedings in committee of the whole. It is not necessary to report the proceedings in full but any recommendations of the committee must be reported.
- (3) The council must ensure that a report of the proceedings (including any recommendations of the committee) is recorded in the council's minutes. However, the council is not taken to have adopted the report until a motion for adoption has been made and passed.

Reg 259

15.3. Council may establish committees

- (1) A council may, by resolution, establish such committees as it considers necessary.
- (2) A committee is to consist of the mayor and such other councillors as are elected by the councillors or appointed by the council.
- (3) The quorum for a meeting of a committee is to be:
 - (a) such number of members as the council decides, or
 - (b) if the council has not decided a number—a majority of the members of the committee.

Reg 260**15.4. Function of Committees**

A council must specify the functions of each of its committees when the committee is established, but may from time to time amend those functions.

Reg 261

Meetings of Council committees are to be conducted in accordance with this Code of Meeting Practice.

15.5. Notice of Committee meetings to be given

- (1) The general manager of a council must send to each councillor, at least 3 days before each meeting of the committee, a notice specifying:
 - (a) the time and place at which and the date on which the meeting is to be held, and
 - (b) the business proposed to be transacted at the meeting.
- (2) However, notice of less than 3 days may be given of a committee meeting called in an emergency.

Reg 262**15.6. Councillors Entitled to Attend Committee Meetings*****Non-members entitled to attend committee meetings***

- (1) A councillor who is not a member of a committee of a council is entitled to attend, and to speak at, a meeting of the committee.
- (2) However, the councillor is not entitled:
 - (a) to give notice of business for inclusion in the agenda for the meeting, or
 - (b) to move or second a motion at the meeting, or
 - (c) to vote at the meeting.

Reg 263

15.7. Chairperson and Deputy Chairperson of Committees

- (1) The chairperson of each committee of the council must be:
 - (a) the mayor, or
 - (b) if the mayor does not wish to be the chairperson of a committee—a member of the committee elected by the council, or
 - (c) if the council does not elect such a member—a member of the committee elected by the committee.
- (2) A council may elect a member of a committee of the council as deputy chairperson of the committee. If the council does not elect a deputy chairperson of such a committee, the committee may elect a deputy chairperson.
- (3) If neither the chairperson nor the deputy chairperson of a committee of a council is able or willing to preside at a meeting of the committee, the committee must elect a member of the committee to be acting chairperson of the committee.
- (4) The chairperson is to preside at a meeting of a committee of a council. If the chairperson is unable or unwilling to preside, the deputy chairperson (if any) is to preside at the meeting, but if neither the chairperson nor the deputy chairperson is able or willing to preside, the acting chairperson is to preside at the meeting.

Reg 267

15.8. Addressing Committees

- (1) Members of the public may address meetings of committees on items that are on the committee agendas, subject to the approval of the relevant committee.
- (2) The committee Chairperson may ask members of the public to restrict their addresses to no more than five (5) minutes.
- (3) The committee Chairperson may suggest that, if a satisfactory resolution to the matter on the agenda is being considered, there may be no need for members of the public to address the committee.
- (4) Committees, and employees of Council on behalf of committees, may invite applicants, consultants, Government authorities and other groups or individuals to

provide a presentation to a committee on a matter that is on the committee agenda. Time limits for such presentations may be set by the committee.

15.9. Representations by Members of the Public before closure of Committee meeting

- (1) A representation at a committee meeting by a member of the public as to whether a part of the meeting should be closed to the public can only be made for a fixed period immediately after the motion to close the part of the meeting is moved and seconded.
- (2) That period is as fixed by the council's code of meeting practice or (if the council does not have a code of meeting practice or its code of meeting practice does not fix that period) as fixed by resolution of the council. Different periods can be fixed according to the different types of matters to be discussed or received and discussed at closed parts of meetings.

Reg 264

15.10. Voting Procedure in Committees

- (1) Subject to subclause (3), each committee of a council may regulate its own procedure.
- (2) Without limiting subclause (1), a committee of a council may decide that, whenever the voting on a motion put to a meeting of the committee is equal, the chairperson of the committee is to have a casting vote as well as an original vote.
- (3) Voting at a committee meeting is to be by open means (such as on the voices or by show of hands).

Reg 265

A Councillor, or committee member, who is present at a meeting of a committee but who fails to vote on a motion put to the meeting is taken to have voted against the motion. (This subclause does not apply to a Councillor or committee member who does not vote because he or she has a pecuniary interest in the subject matter of the motion.)

If a Councillor or committee member who has voted against a motion put at a committee meeting so requests, the minutes of the meeting must ensure that the Councillor's or committee member's dissenting vote is recorded.

15.11. Absence from Committee Meetings

- (1) A member (other than the mayor) ceases to be a member of a committee if the member:
 - (a) has been absent from 3 consecutive meetings of the committee without having given reasons acceptable to the committee for the member's absences, or
 - (b) has been absent from at least half of the meetings of the committee held during the immediately preceding year without having given to the committee acceptable reasons for the member's absences.
- (2) Subclause (1) does not apply in respect of a committee that consists of all of the members of the council.

Reg 268

15.12. Disorder in Committee meetings

The provisions of the Act and of this Regulation relating to the maintenance of order in council meetings apply to meetings of committees of the council in the same way as they apply to meetings of the council.

Reg 270

15.13. Certain persons may be expelled from Council Committee meetings

- (1) If a meeting or part of a meeting of a committee of a council is closed to the public in accordance with section 10A of the Act, any person who is not a councillor may be expelled from the meeting as provided by section 10 (2) (a) or (b) of the Act.
- (2) If any such person, after being notified of a resolution or direction expelling him or her from the meeting, fails to leave the place where the meeting is being held, a police officer, or any person authorised for the purpose by the council, committee or person presiding, may, by using only such force as is necessary, remove the first-mentioned person from that place and, if necessary, restrain that person from re-entering that place.

Reg 271

15.14. Committees to keep Minutes

- (1) Each committee of a council must ensure that full and accurate minutes of the proceedings of its meetings are kept. In particular, a committee must ensure that the following matters are recorded in the committee's minutes:

- (a) details of each motion moved at a meeting and of any amendments moved to it,
 - (b) the names of the mover and seconder of the motion or amendment,
 - (c) whether the motion or amendment is passed or lost.
- (2) As soon as the minutes of an earlier meeting of a committee of the council have been confirmed at a later meeting of the committee, the person presiding at the later meeting must sign the minutes of the earlier meeting.

Reg 266

15.15. Reports of Committees

- (1) If in a report of a committee of the council distinct recommendations are made, the decision of the council may be made separately on each recommendation.
- (2) The recommendations of a committee of the council are, so far as adopted by the council, resolutions of the council.
- (3) If a committee of a council passes a resolution, or makes a recommendation, during a meeting, or a part of a meeting, that is closed to the public, the chairperson must:
 - (a) make the resolution or recommendation public as soon as practicable after the meeting or part of the meeting has ended, and
 - (b) report the resolution or recommendation to the next meeting of the council.

Reg 269

16. MINUTES AND ACCESS TO INFORMATION

16.1. Minutes of Meeting

- (1) The council must ensure that full and accurate minutes are kept of the proceedings of a meeting of the council.
- (2) The minutes must, when they have been confirmed at a subsequent meeting of the council, be signed by the person presiding at that subsequent meeting.

LGA Sec 375

16.2. Matters to be included in minutes of Council meeting

The general manager must ensure that the following matters are recorded in the council's minutes:

- (a) details of each motion moved at a council meeting and of any amendments moved to it,
- (b) the names of the mover and seconder of the motion or amendment,
- (c) whether the motion or amendment is passed or lost.

Reg 254

In the event that Council makes a decision against the recommendations of their officers or Council engaged experts, the minutes may include the reasons for Council's decision.

16.3. Inspection of the minutes of a Council or Committee Meeting

- (1) An inspection of the minutes of a council or committee of a council is to be carried out under the supervision of the general manager or an employee of the council designated by the general manager to supervise inspections of those minutes.
- (2) The general manager must ensure that the minutes of the council and any minutes of a committee of the council are kept secure and in safe custody and that no unauthorised person is allowed to interfere with them.

Reg 272

16.4. Disclosure and misuse of information

- (1) A person must not disclose any information obtained in connection with the administration or execution of this Act unless that disclosure is made:
 - (a) with the consent of the person from whom the information was obtained, or
 - (b) in connection with the administration or execution of this Act, or
 - (c) for the purposes of any legal proceedings arising out of this Act or of any report of any such proceedings, or
 - (d) in accordance with a requirement imposed under the Ombudsman Act 1974 or the Freedom of Information Act 1989, or
 - (e) with other lawful excuse.
- (1A) In particular, if part of a meeting of a council or a committee of a council is closed to the public in accordance with section 10A (1), a person must not, without the authority of the council or the committee, disclose (otherwise than to the council or a councillor of

- the council) information with respect to the discussion at, or the business of, the meeting.
- (1B) Subsection (1A) does not apply to:
- (a) the report of a committee of a council after it has been presented to the council, or
 - (b) disclosure made in any of the circumstances referred to in subsection (1) (a)–(e), or
 - (c) disclosure made in circumstances prescribed by the regulations, or
 - (d) any agenda, resolution or recommendation of a meeting that a person is entitled to inspect in accordance with section 12.
- (2) A person acting in the administration or execution of this Act must not use, either directly or indirectly, information acquired by the person in that capacity, being information that is not generally known, for the purpose of gaining either directly or indirectly a financial advantage for the person, the person's spouse or de facto partner or a relative of the person.
- (3) A person acting in the administration or execution of this Act, and being in a position to do so, must not, for the purpose of gaining either directly or indirectly an advantage for the person, the person's spouse or de facto partner or a relative of the person, influence:
- (a) the determination of an application for an approval, or
 - (b) the giving of an order.

LGA Sec 664

17. MISCELLANEOUS

17.1. Council Seal

- (1) The seal of a council must be kept by the mayor or the general manager, as the council determines.
- (2) The seal of a council may be affixed to a document only in the presence of:
 - (a) the mayor and the general manager, or
 - (b) at least one councillor (other than the mayor) and the general manager, or
 - (c) the mayor and at least one other councillor, or
 - (d) at least 2 councillors other than the mayor.
- (3) The affixing of a council seal to a document has no effect unless the persons who were present when the seal was affixed (being persons referred to in subclause (2)) attest by their signatures that the seal was affixed in their presence.
- (4) The seal of a council must not be affixed to a document unless the document relates to the business of the council

- and the council has resolved (by resolution specifically referring to the document) that the seal be so affixed.
- (5) For the purposes of subclause (4), a document in the nature of a reference or certificate of service for an employee of the council does not relate to the business of the council.

Reg 400

17.2. Minister to convene meetings in certain cases

- (1) Whenever an area is constituted or reconstituted, the Minister is required:
- (a) to convene the first meeting of the council of the area, and
 - (b) to nominate the business to be transacted at the meeting, and
 - (c) to give the councillors notice of the meeting.
- (2) If there is no quorum at that meeting, the Minister may convene meetings in the same manner until a quorum is present.
- (3) The council must transact the business nominated by the Minister for a meeting convened under this clause.

Reg 234

17.3. Citizenship Ceremonies

That, by arrangement with the recipient(s), citizenship ceremonies shall be held at 5:45pm on the day of any ordinary meeting of Council, or as otherwise determined by the General Manager.

18. DEFINITIONS

amendment, in relation to an original motion, means a motion moving an amendment to that motion.

chairperson:

- (a) in relation to a meeting of a council – means the person presiding at the meeting as provided by section 369 of the Act, and
- (b) in relation to a meeting of a committee of a council – means the person presiding at the meeting as provided by clause 267.

committee, in relation to a council, means a committee established under clause 260 or the council when it has resolved itself into a committee of the whole.

councillor includes a member of the governing body of a county council.

Reg 231

relative, in relation to a person, means any of the following:

- (a) the parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child of the person or of the person's spouse or de facto partner,
- (b) the spouse or de facto partner of the person or of a person referred to in paragraph (a).

LGA Sec 1650

APPENDICES

Appendix A – Closed Council Announcements

For Going Into Closed Meeting

Resolved that the meeting now be closed to the public in accordance with Section 10A(2) of the Local Government Act 1993 for consideration of the following matters:

- Details of the matter (Agenda Heading)
- Relevant provision of Section 10A(2)
- Reason why discussion in open Council would be contrary to the public interest.

For Going Out of Closed Meeting

Resolved that as consideration of the matters referred to in the closed meeting have been concluded, the meeting now be opened to the public.

(The General Manager then reports the recommendations of the closed meeting for consideration.)

Resolved that the recommendations of the closed meeting, being Minute Numbers XX to YY be received and adopted as resolutions of Council.

Appendix B – Declaration of Conflict of Interest form

C11-4	
DECLARATION OF CONFLICT OF INTEREST FORM	
To General Manager,	
Surname: _____	
Given Names: _____	
Nature of Meeting: <input type="checkbox"/> Ordinary (Please tick) <input type="checkbox"/> Extraordinary <input type="checkbox"/> Other (Please Specify).....	
Date of Meeting: .../.../.....	
<u>Report Item</u>	
Item No: _____	
Page No: _____	
Reason for the Interest:	
This conflict of interest has been identified as an: (Please tick appropriate boxes)	
Actual conflict of interest <input type="checkbox"/>	Pecuniary Interest <input type="checkbox"/>
Perceived conflict of interest <input type="checkbox"/>	Non-pecuniary Interest <input type="checkbox"/>
Potential conflict of interest <input type="checkbox"/>	<i>having a</i>
I hereby declare that the above details are correct to the best of my knowledge and I make this conflict declaration in good faith.	I hereby declare that I have received and appropriately noted this conflict of interest declaration.
Signature (<i>Councillor</i>) Date: .../.../.....	Signature (<i>General Manager</i>) Date: .../.../.....

Appendix C – Public Forum Speaker's Request form

	<h3 style="margin: 0;">PUBLIC FORUM SPEAKER'S REQUEST FORM</h3>
<p>Please complete, sign and present this form to the General Manager's Office prior to 12 NOON on 1st Monday of the month.</p>	
NAME:	TELEPHONE:
ADDRESS:	
REPRESENTING:	
(Self/Name of Organisation/Other Party)	
SUBJECT FOR DISCUSSION:	
.....	
<hr style="border: 1px solid black;"/> <p>SUMMARY OF GUIDELINES FOR SPEAKERS IN PUBLIC FORUM</p>	
<ol style="list-style-type: none"> 1. A person can address Council for a maximum period of five (5) minutes. 2. Members of the public may address Council on any issue, however, should there be an agenda item, there must be a direct link between the member of the public wishing to address Council and the substance of the agenda item. 3. Public Forum cannot be used to request reports from the Mayor, Councillors or staff, nor used to address matters in the Minutes of an earlier meeting or other matters already dealt with at the meeting. 4. Persons speaking in Public Forum may, with the permission of the Chair, use appropriate materials or documents to support their position, but may not table documents to be actioned. 5. Any person making use of the Public Forum is required to observe the same standards required of a Councillor. Specifically, the person shall: <ol style="list-style-type: none"> a. obey the directions of the Chairperson, and b. not use any behaviour or language inconsistent with good order and decorum, and c. not make personal reflections or impute improper motives to Councillors and/or staff. 6. The duration of the Public Forum in its entirety, must not exceed 15 minutes in total. 7. Should there be more than one person wishing to address Council on an issue, then those persons are to nominate one person to represent the group (Note: Only applies on those occasions where the total group time would exceed 15 minutes). 	
<p>In signing this request I acknowledge and agree to abide by the Council Code of Meeting Practice relating to Public Access and recognise that I am speaking in a public forum and that Council meetings are minuted.</p>	
<p>.....</p> <p>SIGNATURE OF SPEAKER</p>	
<p>Office Use Only</p>	
Received by:	Date:
Time:	
<hr style="border: 1px solid black;"/>	
<p><i>For Enquiries - Phone 6368 2104 OR Forms may be faxed to: 6368 9640</i></p>	

End of Policy

Adopted:	Date:11/10/1999	Minute:681
Lasted Reviewed:	Date: 14/03/2011	Minute: 1103/006
Next Reviewed:	Date: 11/03/2013	

Blayney Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2012

*"an innovative, inspirational
and enjoyable environment..."*



Blayney Shire Council

General Purpose Financial Statements
for the financial year ended 30 June 2012

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Overview

- (i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Blayney Shire Council.
- (ii) Blayney Shire Council is a body politic of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.
- Council's Statutory Charter is specified in Paragraph 6 of the LGA and includes:
- * carrying out activities and providing goods, services & facilities appropriate to the current & future needs of the Local community and of the wider public
 - * responsibility for administering regulatory requirements under the LGA and other applicable legislation, &
 - * a role in the management, improvement and development of the resources of the local government area.
- A description of the nature of Council's operations and its principal activities are provided in Note 2(b).
- (iii) All figures presented in these financial statements are presented in Australian Currency.
- (iv) These financial statements were authorised for issue by the Council on 20/09/12. Council has the power to amend and reissue the financial statements.
-

Blayney Shire Council

General Purpose Financial Statements
for the financial year ended 30 June 2012

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across NSW are required to present a set of audited Financial Statements to their Council & Community.

What you will find in the Statements

The Financial Statements set out the financial performance, financial position & cash flows of Council for the financial year ended 30 June 2012.

The format of the Financial Statements is standard across all NSW Councils and complies with both the accounting & reporting requirements of Australian Accounting Standards and requirements as set down by the NSW Division of Local Government.

About the Councilor/Management Statement

The Financial Statements must be certified by Senior staff as "presenting fairly" the Council's financial results for the year, and are required to be adopted by Council - ensuring both responsibility for & ownership of the Financial Statements.

About the Primary Financial Statements

The Financial Statements incorporate 5 "primary" financial statements:

1. An Income Statement

A summary of Council's financial performance for the year, listing all income & expenses.

This Statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. A Statement of Comprehensive Income

Primarily records changes in the fair values of Council's Infrastructure, Property, Plant & Equip.

3. A Balance Sheet

A 30 June snapshot of Council's Financial Position including its Assets & Liabilities.

4. A Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. A Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

This Statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the 5 Primary Financial Statements.

About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialize in Local Government).

In NSW, the Auditor provides 2 audit reports:

1. An opinion on whether the Financial Statements present fairly the Council's financial performance & position, &
2. Their observations on the conduct of the Audit including the Council's financial performance & financial position.

Who uses the Financial Statements ?

The Financial Statements are publicly available documents & must be presented at a Council meeting between 7 days & 5 weeks after the date of the Audit Report.

Submissions from the public can be made to Council up to 7 days subsequent to the public presentation of the Financial Statements.

Council is required to forward an audited set of Financial Statements to the Division of Local Government.

Blayney Shire Council

General Purpose Financial Statements
for the financial year ended 30 June 2012

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

The attached General Purpose Financial Statements have been prepared in accordance with:

- The Local Government Act 1993 (as amended) and the Regulations made thereunder,
- The Australian Accounting Standards and professional pronouncements, and
- The Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these Financial Statements:

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

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

Signed in accordance with a resolution of Council made on 13 August 2012.


B R Kingham
MAYOR


K G Radburn
COUNCILLOR


G Wilson
GENERAL MANAGER


C M Hoage
RESPONSIBLE ACCOUNTING OFFICER

Financial Statements 2012

Blayney Shire Council

Income Statement

for the financial year ended 30 June 2012

Budget ⁽¹⁾		Notes	Actual	Actual
2012	\$ '000		2012	2011
Income from Continuing Operations				
<i>Revenue:</i>				
5,723	Rates & Annual Charges	3a	5,640	5,292
1,224	User Charges & Fees	3b	3,232	1,354
363	Interest & Investment Revenue	3c	513	480
138	Other Revenues	3d	191	200
2,862	Grants & Contributions provided for Operating Purposes	3e,f	4,301	3,341
493	Grants & Contributions provided for Capital Purposes	3e,f	765	433
<i>Other Income:</i>				
-	Net gains from the disposal of assets	5	-	4
-	Net Share of interests in Joint Ventures & Associated Entities using the equity method	18	-	-
10,803	Total Income from Continuing Operations		14,642	11,104
Expenses from Continuing Operations				
4,249	Employee Benefits & On-Costs	3g	4,821	4,460
137	Borrowing Costs	4b	161	164
2,513	Materials & Contracts	4c	3,898	2,293
4,301	Depreciation & Amortisation	4d	4,424	4,023
-	Impairment	4e	-	-
1,533	Other Expenses	4f	1,597	1,430
-	Net Losses from the Disposal of Assets	5	277	-
12,733	Total Expenses from Continuing Operations		15,178	12,370
(1,930)	Operating Result from Continuing Operations		(536)	(1,266)
Discontinued Operations				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
(1,930)	Net Operating Result for the Year		(536)	(1,266)
(1,930)	Net Operating Result attributable to Council		(536)	(1,266)
-	Net Operating Result attributable to Minority Interests		-	-
(2,423)	Net Operating Result for the year before Grants and Contributions provided for Capital Purposes		(1,301)	(1,699)

(1) Original Budget as approved by Council - refer Note 16

This Statement should be read in conjunction with the accompanying Notes.

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Financial Statements 2012

Blayney Shire Council

Statement of Comprehensive Income
for the financial year ended 30 June 2012

\$ '000	Notes	Actual 2012	Actual 2011
Net Operating Result for the year (as per income statement)		(536)	(1,266)
Other Comprehensive Income			
Gain (loss) on revaluation of I,PP&E	205 (ii)	5,027	8,471
Gain (loss) on revaluation of available-for-sale investments	205 (iii)	-	-
Gain (loss) on revaluation of other reserves	205 (iv)	-	-
Realised (gain) loss on available-for-sale investments recognised in P&L	205 (v)	-	-
Realised (gain) loss from other reserves recognised in P&L	205 (vi)	-	-
Impairment (loss) reversal relating to I,PP&E	205 (vii)	-	-
Other Movements in Reserves	205 (viii)	-	-
Total Other Comprehensive Income for the year		5,027	8,471
Total Comprehensive Income for the Year		4,491	7,205
Total Comprehensive income attributable to Council		4,491	7,205
Total Comprehensive income attributable to Minority Interests		-	-

This Statement should be read in conjunction with the accompanying Notes.

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Financial Statements 2012

Blayney Shire Council

Balance Sheet
as at 30 June 2012

\$ '000	Notes	Actual 2012	Actual 2011
ASSETS			
Current Assets			
Cash & Cash Equivalents	6a	7,102	7,622
Investments	8b	-	380
Receivables	7	2,974	1,107
Inventories	9	854	1,000
Other	8	160	166
Non-current assets classified as "held for sale"	10	-	-
Total Current Assets		11,090	10,275
Non-Current Assets			
Investments	8b	233	233
Receivables	7	178	219
Inventories	9	-	-
Infrastructure, Property, Plant & Equipment	9	183,553	179,533
Investments accounted for using the equity method	10	-	-
Investment Property	14	-	-
Intangible Assets	25	-	-
Total Non-Current Assets		183,964	179,985
TOTAL ASSETS		195,054	190,260
LIABILITIES			
Current Liabilities			
Payables	10	1,106	787
Borrowings	10	92	85
Provisions	10	1,174	1,135
Total Current Liabilities		2,372	2,007
Non-Current Liabilities			
Payables	10	-	-
Borrowings	10	1,809	1,901
Provisions	10	459	429
Total Non-Current Liabilities		2,268	2,330
TOTAL LIABILITIES		4,640	4,337
Net Assets		190,414	185,923
EQUITY			
Retained Earnings	20	60,277	60,813
Revaluation Reserves	20	130,137	125,110
Council Equity Interest		190,414	185,923
Minority Equity Interest		-	-
Total Equity		190,414	185,923

This Statement should be read in conjunction with the accompanying Notes.

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Financial Statements 2012

Blayney Shire Council

Statement of Changes in Equity
for the financial year ended 30 June 2012

\$ '000	Notes	Retained Earnings	Reserves (Refer 2011)	Council Interest	Minority Interest	Total Equity
2012						
Opening Balance (as per Last Year's Audited Accounts)		60,813	125,110	185,923	-	185,923
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (c)	-	-	-	-	-
Revised Opening Balance (as at 1/7/11)		60,813	125,110	185,923	-	185,923
c. Net Operating Result for the Year		(536)	-	(536)	-	(536)
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Reve	20b (e)	-	5,027	5,027	-	5,027
- Revaluations: Other Reserves	20c (e)	-	-	-	-	-
- Transfers to Income Statement	20d (e)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (e)	-	-	-	-	-
- Other Movements	20e (e)	-	-	-	-	-
Other Comprehensive income		-	5,027	5,027	-	5,027
Total Comprehensive income (c&d)		(536)	5,027	4,491	-	4,491
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		60,277	130,137	190,414	-	190,414

\$ '000	Notes	Retained Earnings	Reserves (Refer 2011)	Council Interest	Minority Interest	Total Equity
2011						
Opening Balance (as per Last Year's Audited Accounts)		61,440	116,639	178,079	-	178,079
a. Correction of Prior Period Errors	20 (c)	639	-	639	-	639
b. Changes in Accounting Policies (prior year effects)	20 (c)	-	-	-	-	-
Revised Opening Balance (as at 1/7/10)		62,079	116,639	178,718	-	178,718
c. Net Operating Result for the Year		(1,266)	-	(1,266)	-	(1,266)
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Reve	20b (e)	-	8,471	8,471	-	8,471
- Revaluations: Other Reserves	20c (e)	-	-	-	-	-
- Transfers to Income Statement	20d (e)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (e)	-	-	-	-	-
- Other Movements	20e (e)	-	-	-	-	-
Other Comprehensive income		-	8,471	8,471	-	8,471
Total Comprehensive income (c&d)		(1,266)	8,471	7,205	-	7,205
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		60,813	125,110	185,923	-	185,923

This Statement should be read in conjunction with the accompanying Notes.

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Financial Statements 2012

Blayney Shire Council

Statement of Cash Flows
for the financial year ended 30 June 2012

Budget		Notes	Actual	Actual
2012	\$ '000		2012	2011
Cash Flows from Operating Activities				
<u>Receipts:</u>				
5,723	Rates & Annual Charges		5,683	5,195
790	User Charges & Fees		3,217	1,420
363	Investment & Interest Revenue Received		493	453
3,355	Grants & Contributions		3,210	3,849
138	Other		1,094	561
<u>Payments:</u>				
(4,350)	Employee Benefits & On-Costs		(4,776)	(4,523)
(2,221)	Materials & Contracts		(3,479)	(2,615)
(137)	Borrowing Costs		(162)	(142)
-	Bonds, Deposits & Retention amounts refunded		(25)	(88)
(1,293)	Other		(2,446)	(1,681)
<u>2,368</u>	Net Cash provided (or used in) Operating Activities	10	<u>2,809</u>	<u>2,429</u>
Cash Flows from Investing Activities				
<u>Receipts:</u>				
-	Sale of Investment Securities		500	-
-	Sale of Real Estate Assets		-	55
255	Sale of Infrastructure, Property, Plant & Equipment		190	400
-	Deferred Debtors Receipts		112	103
<u>Payments:</u>				
(3,290)	Purchase of Infrastructure, Property, Plant & Equipment		(4,046)	(1,524)
-	Purchase of Real Estate Assets		-	(3)
-	Deferred Debtors & Advances Made		-	(40)
<u>(3,035)</u>	Net Cash provided (or used in) Investing Activities		<u>(3,244)</u>	<u>(1,009)</u>
Cash Flows from Financing Activities				
<u>Receipts:</u>				
Nil				
<u>Payments:</u>				
(85)	Repayment of Borrowings & Advances		(85)	(80)
<u>(85)</u>	Net Cash Flow provided (used in) Financing Activities		<u>(85)</u>	<u>(80)</u>
(752)	Net Increase/(Decrease) in Cash & Cash Equivalents		(520)	1,340
7,622	plus: Cash & Cash Equivalents - beginning of year	11a	7,622	6,282
<u>6,870</u>	Cash & Cash Equivalents - end of the year	11a	<u>7,102</u>	<u>7,622</u>
Additional Information:				
	plus: Investments on hand - end of year	11b	233	613
	Total Cash, Cash Equivalents & Investments		<u>7,335</u>	<u>8,235</u>

Please refer to Note 11 for additional cash flow information

This Statement should be read in conjunction with the accompanying Notes.

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Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

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n/a - not applicable

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards (AASB's), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

(a) Basis of preparation

(i) Background

These financial statements are general purpose financial statements which have been prepared in accordance with;

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board,
- the Local Government Act (1993) & Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

For the purpose of preparing these financial statements, Council has been deemed to be a not-for-profit entity.

(ii) Compliance with International Financial Reporting Standards (IFRSs)

Because Australian Accounting Standards (AASB's) are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the Not-For-Profit sector (including Local Government) which are not in compliance with IFRS's, or
- (b) specifically exclude application by Not for Profit entities.

Accordingly in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the Local Government Act (LGA), Regulations and Local Government Code of Accounting Practice & Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with Australian Accounting Standards.

(iii) New and amended standards adopted by Council

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2011 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(iv) Early adoption of Accounting Standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2011.

Refer further to paragraph (ab) relating to a summary of the effects of Standards with future operative dates.

(v) Basis of Accounting

These financial statements have been prepared under the **historical cost convention** except for:

- (i) financial assets and liabilities at fair value through profit or loss, available-for-sale financial assets and investment properties which are all valued at fair value,
- (ii) the write down of any Asset on the basis of Impairment (if warranted) and
- (iii) certain classes of Infrastructure, property, plant & equipment that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

(vi) Changes in Accounting Policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

There have also been no changes in accounting policies when compared with previous financial statements unless otherwise stated [refer Note 20(d)].

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

(vii) Critical Accounting Estimates

The preparation of financial statements requires the use of certain critical accounting estimates (in conformity with AASB's).

Accordingly this 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 entity 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 are set out below.

- (i) Estimated fair values of investment properties
- (ii) Estimated fair values of infrastructure, property, plant and equipment.
- (iii) Estimated tip remediation provisions.

Critical judgements in applying the entity's accounting policies

- (i) Impairment of Receivables - Council has made a significant judgement about the impairment of a number of its receivables in Note 7.
- (ii) Projected Section 94 Commitments - Council has used significant judgement in determining future Section 94 income and expenditure in Note 17.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that

future economic benefits will flow to the entity and specific criteria have been met for each of the Council's activities as described below.

Council bases any estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

Rates, Annual Charges, Grants and Contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Revenue from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, (i) it is probable that the economic benefits comprising the contribution will flow to the Council and (ii) the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g).

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of S94 of the EPA Act 1979.

Whilst Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon their physical receipt by Council, due to the possibility that individual Development Consents may not be acted upon by the applicant and accordingly would not be payable to Council.

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.

A detailed Note relating to developer contributions can be found at Note 17.

User Charges, Fees and Other Income

User charges, fees and other income (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided as at balance date.

Sale of Infrastructure, Property, Plant and Equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest and Rents

Rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

Interest Income from Cash & Investments is accounted for using the Effective Interest method in accordance with AASB 139.

(c) Principles of Consolidation

These financial statements incorporate (i) the assets and liabilities of Council and any Entities (or operations) that it **controls** (as at 30/6/12) and (ii) all the related operating results (for the financial year ended the 30th June 2012).

The financial statements also include Council's share of the assets, liabilities, income and expenses of any **Jointly Controlled Operations** under the appropriate headings.

In the process of reporting on Council's activities as a single unit, all inter-entity year end balances and reporting period transactions have been eliminated in full between Council and its controlled entities.

(i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

The Consolidated Fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the Consolidated Fund:

- General Purpose Operations
- Blayney Sewerage Fund
- Millthorpe Sewerage Fund
- CentrePoint Blayney Limited – (Council's multipurpose sports centre)

(ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of or in accordance with the trusts relating to those monies.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

Trust monies and property subject to Council's control have been included in these statements.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these statements.

A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

(iii) Joint Ventures

Council has no interest in any Joint Venture Entities, Assets or Operations.

(iv) Associated Entities

Where Council has the power to participate in the financial and operating decisions (of another entity), ie. where Council is deemed to have "significant influence" over the other entities operations but neither controls nor jointly controls the entity, then Council accounts for such interests using the equity method of accounting – in a similar fashion to Joint Venture Entities & Partnerships.

Such entities are usually termed Associates.

(v) County Councils

Council is a member of the following County Councils (which are bodies corporate under the Local Government Act);

- **Upper Macquarie County Council**

UMCC is a noxious weeds Council whose purpose is to control and eradicate noxious weeds in the area. UMCC manages noxious weed control in the following local government areas of:

- Bathurst Regional Council
- Blayney Shire Council
- Lithgow City Council

- **Central Tablelands Water County Council**

Central Tablelands Water is the water authority whose purpose is to provide the supply of water services in its area. CTWCC is the water authority in the local government areas of:

- Blayney Shire Council
- Cabonne Council
- Weddin Shire Council

The governing body of each County Council is responsible for managing its own affairs.

Council is of the opinion that it neither controls nor significantly influences the above County Councils and accordingly these entities have not been consolidated or otherwise included within these financial statements.

(vi) Additional Information

Note 19 provides more information in relation to Joint Venture Entities, Associated Entities and Joint Venture Operations where applicable.

(d) Leases

All Leases entered into by Council are reviewed and classified on inception date as either a Finance Lease or an Operating Lease.

Finance Leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of each leased asset's useful life and the lease term.

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

(e) Cash and Cash Equivalents

Cash and cash equivalents includes;

- cash **on hand**,
- deposits held **at call** with financial institutions,
- other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are incorporated into Cash & Cash Equivalents for presentation of the Cash Flow Statement.

(f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss**,
- **loans and receivables**,
- **held-to-maturity investments**, and
- **available-for-sale financial assets**.

Each classification depends on the purpose/intention for which the investment was acquired & at the time it was acquired.

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are "held for trading".

A financial asset is classified in the "held for trading" category if it is acquired principally for the purpose of selling in the short term.

Derivatives are classified as held for trading unless they are designated as hedges.

Assets in this category are primarily classified as current assets as they are primarily held for trading &/or are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

In contrast to the "Loans & Receivables" classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Investments must be designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Accordingly, this classification principally comprises marketable equity securities, but can include all types of financial assets that could otherwise be classified in one of the other investment categories.

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

Financial Assets – Reclassification

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term.

Council may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made.

Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

General Accounting & Measurement of Financial Instruments:**(i) Initial Recognition**

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at "fair value through profit or loss", directly attributable transactions costs

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

(ii) Subsequent Measurement

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value.

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as "**fair value through profit or loss**" category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as "**available-for-sale**" are recognised in equity in the available-for-sale investments revaluation reserve.

When securities classified as "**available-for-sale**" are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the income statement.

(iii) Types of Investments

Council has an approved Investment Policy in order to undertake its investment of money in accordance with (and to comply with) Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Council maintains its investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments that Council holds are no longer prescribed (e.g. managed funds, CDOs, and equity linked notes); however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

(g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in accordance with Council's policy.

A provision for impairment (ie. an allowance account) relating to receivables is established when there is objective evidence that the Council will not be able to

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

(i) Inventories**Raw Materials and Stores, Work in Progress and Finished Goods**

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

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

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

Land Held for Resale/Capitalisation of Borrowing Costs

Land held for resale is stated at the lower of cost and net realisable value.

Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made.

Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(j) Infrastructure, Property, Plant and Equipment (I,PP&E)**Acquisition of assets**

Council's non current assets have been progressively revalued to fair value in accordance with a staged implementation as advised by the Division of Local Government.

At balance date, the following classes of I,PP&E were stated at their Fair Value;

- **Investment Properties** – refer Note 1(p),
- **Water and Sewerage Networks**
(External Valuation)
- **Operational Land** (External Valuation)
- **Buildings – Specialised/Non Specialised**
(External Valuation)
- **Plant and Equipment**
(as approximated by depreciated historical cost)
- **Roads Assets incl. roads, bridges & footpaths**
(Internal Valuation)
- **Drainage Assets** (Internal Valuation)
- **Bulk Earthworks** (Internal Valuation)
- **Community Land** (Internal Valuation)
- **Land Improvements**
(as approximated by depreciated historical cost)

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

- **Other Structures** (Internal Valuation)

loss, then increase is first recognised in profit or loss.

- **Other Assets** (Internal Valuation)

- Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

Initial Recognition

On initial recognition, an asset's cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (ie. date of exchange) of the asset to arrive at fair value.

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date - being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Asset Revaluations (including Indexation)

In accounting for Asset Revaluations relating to Infrastructure, Property, Plant & Equipment:

- Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve.
- To the extent that the increase reverses a decrease previously recognised via the profit or

Sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water - Rates Reference Manual.

For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for all assets on a 5 year cycle.

Capitalisation Thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

Land	
- council land	100% Capitalised
- open space	100% Capitalised

Plant & Equipment	
Office Furniture	> \$1,000
Office Equipment	> \$1,000
Other Plant & Equipment	> \$1,000

Buildings & Land Improvements	
Park Furniture & Equipment	> \$2,000

Building	
- construction/extensions	100% Capitalised
- renovations	> \$5,000
Other Structures	
	> \$2,000

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

Sewer Assets		- Bridge : Concrete	100 years
Reticulation extensions	> \$5,000	- Bridge : Other	50 years
Other	> \$5,000		

Stormwater Assets

Drains & Culverts	> \$5,000
Other	> \$5,000

Transport Assets

Road construction & reconstruction	100% Capitalised
Reseal/Re-sheet & major repairs:	> \$10,000

Bridge construction & reconstruction	100% Capitalised
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- Road Pavements	60 years
- Kerb, Gutter & Paths	40 years

Sewer Assets

- Reticulation pipes : PVC	80 years
- Reticulation pipes : Other	25 to 75 years
- Pumps and telemetry	15 to 20 years

Other Infrastructure Assets

- Bulk earthworks	Infinite
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Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight line method in order to allocate an assets cost (net of residual values) over its estimated useful life.

Land is not depreciated.

Estimated useful lives for Council's I,PP&E include:

Plant & Equipment

- Office Equipment	5 to 10 years
- Office furniture	10 to 20 years
- Computer Equipment	4 years
- Vehicles	5 to 8 years
- Heavy Plant/Road Making equip.	5 to 8 years
- Other plant and equipment	5 to 15 years

Other Equipment

- Playground equipment	5 to 15 years
- Benches, seats etc	10 to 20 years

Buildings

- Buildings : Masonry	50 to 100 years
- Buildings : Other	20 to 40 years

Stormwater Drainage

- Drains	80 to 100 years
- Culverts	50 to 80 years

Transportation Assets

- Sealed Roads : Surface	20 years
- Sealed Roads : Structure	50 years
- Unsealed roads	20 years

All asset residual values and useful lives are reviewed and adjusted (where appropriate), at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount – refer Note 1(s) on Asset Impairment.

Disposal and De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

(k) Land

Land (other than Land under Roads) is in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) classified as either Operational or Community.

This classification of Land is disclosed in Note 9(a).

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

(l) Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment.

(m) Intangible Assets**IT Development and Software**

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service, direct payroll and payroll related costs of employees' time spent on the project.

Amortisation is calculated on a straight line bases over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where Council has an intention and ability to use the asset.

(n) Crown Reserves

Crown Reserves under Council's care and control are recognised as assets of the Council.

While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs

incurred by Council and revenues relating the reserves are recognised within Council's Income Statement.

Representations are currently being sought across State and Local Government to develop a consistent accounting treatment for Crown Reserves across both tiers of government.

(o) Rural Fire Service assets

Under section 119 of the Rural Fires Act 1997, "all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed".

At present, the accounting for such fire fighting equipment is not treated in a consistent manner across all Councils.

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to incorporate the assets, their values and depreciation charges within these financial statements.

(p) Investment property

Investment property comprises land &/or buildings that are principally held for long-term rental yields, capital gains or both that is not occupied by Council.

Investment property is carried at fair value, representing an in-house valuation based on a discounted cash flow analysis.

Annual changes in the fair value of Investment Properties are recorded in the Income Statement as part of "Other Income".

Full revaluations are carried out every three years with an appropriate index utilised each year in between the full revaluations.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

(q) Provisions for close down, restoration and for environmental clean up costs -- including Tips and Quarries

Close down, Restoration and Remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.

Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance.

Costs are estimated on the basis of a closure plan.

The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, Restoration and Remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period.

This amortisation of the discount is disclosed as a borrowing cost in Note 4(b).

Other movements in the provisions for Close down, Restoration and Remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment.

These costs are then depreciated over the lives of the assets to which they relate.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each balance sheet date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the balance sheet date. These costs are charged to the income statement.

Movements in the environmental clean up provisions are presented as an operating cost, except for the unwind of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Specific Information relating to Council's provisions relating to Close down, Restoration and Remediation costs can be found at Note 26.

(r) Non-Current Assets (or Disposal Groups) "Held for Sale" & Discontinued Operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and motor vehicles are retained in Non Current Assets under the classification of Infrastructure, Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets "held for sale", an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets "held for sale" are not depreciated or amortised while they are classified as "held for sale".

Non-current assets classified as "held for sale" are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of the entity that has been disposed of or is classified as "held for sale" and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

(s) Impairment of assets

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed 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 non-cash generating assets of Council such as roads, drains, public buildings etc - value in use is represented by the "deprival value" of the asset which is approximated as its written down replacement cost.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill & other Intangible Assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

(t) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

(u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

(v) Borrowing costs

Borrowing costs are expensed.

(w) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the provision due to the passage of time is recognised as interest expense.

(x) Employee benefits**(i) Short Term Obligations**

Short term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick

leave expected to be settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for non vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages & salaries, annual leave and vesting sick leave are all classified as Current Liabilities.

(ii) Other Long Term Obligations

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be settled within the 12 months after the reporting period) are recognised in the provision for employee benefits.

These liabilities are measured at the present value of the expected future payments to be made 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 then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 4 or more years of service has been classified as Current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death.

Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the "Local Government Superannuation Scheme – Pool B"

This Scheme has been deemed to be a "multi employer fund" for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

The amount of employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2012 was \$154,272. The last valuation of the Scheme was performed by Mr Martin Stevenson BSc, FIA, FIAA

on 16 February 2010 and covers the period ended 30 June 2009. However the position is monitored annually and the Actuary has estimated that as at 30 June 2012 a deficit still exists. Effective from 1 July 2009, employers were required to contribute additional contributions to assist in extinguishing this deficit. The share of this deficit that can be broadly attributed to the employer was estimated to be in the order of \$571,595 as at 30 June 2012.

Defined Contribution Plans

Contributions to Defined Contribution Plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30/6/12.

(y) Self insurance

Council does not self insure.

(z) Allocation between current and non-current assets & liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

months (such as vested long service leave), the liability is classified as current even if not expected to be settled within the next 12 months.

In the case of inventories that are "held for trading", these are also classified as current even if not expected to be realised in the next 12 months.

(aa) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

Goods & Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Cash Flow Statement are on a gross basis, ie. they are inclusive of GST where applicable.

Investing and Financing cash flows are treated on a net basis (where recoverable from the ATO), ie. they are exclusive of GST. Instead, the GST component of investing and financing activity cash flows which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable to) the ATO.

(ab) New accounting standards and IIG interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2012.

Council has not adopted any of these standards early.

Council's assessment of the impact of these new standards and interpretations is set out below.

Applicable to Local Government with implications:

AASB 9 Financial Instruments, AASB 2009 11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (effective from 1 January 2013)

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities.

The standard is not applicable until 1 January 2013 but is available for early adoption.

When adopted, the standard will affect in particular the Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss.

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such liabilities.

The derecognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

AASB 10 - Consolidated Financial Statements, AASB 11 - Joint Arrangements, AASB 12 - Disclosure of Interests in Other Entities, revised AASB 127 - Separate Financial Statements and AASB 128 - Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective 1 January 2013)

In August 2011, the AASB issued a suite of five new and amended standards which address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities.

The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation.

However, the standard introduces a single definition of control that applies to all entities.

It focuses on the need to have both power and rights or exposure to variable returns.

Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns.

There is also new guidance on participating and protective rights and on agent/principal relationships. Council does not expect the new standard to have a significant impact on its composition.

AASB 11 introduces a principles based approach to accounting for joint arrangements.

The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement.

Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture.

Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted.

Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard.

AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules.

As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128.

Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a "partial disposal" concept. Council is still assessing the impact of these amendments.

Council does not expect to adopt the new standards before their operative date. They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2014.

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013)

AASB 13 was released in September 2011.

It explains how to measure fair value and aims to enhance fair value disclosures. Council has yet to

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 1. Summary of Significant Accounting Policies (continued)

determine which, if any, of its current measurement techniques will have to change as a result of the new guidance.

It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements.

Council does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

Applicable to Local Government but no implications for Council;

None

Applicable to Local Government but not relevant to Council at this stage;

Revised AASB 119 Employee Benefits, AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements (effective 1 January 2013)

In September 2011, the AASB released a revised standard on accounting for employee benefits.

It requires the recognition of all remeasurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset.

This replaces the expected return on plan assets that is currently included in profit or loss.

The standard also introduces a number of additional disclosures for defined benefit liabilities/assets and could affect the timing of the recognition of termination benefits.

The amendments will have to be implemented retrospectively.

Council does not recognise defined benefit assets and liabilities for the reasons set out in note 1 (s)(iii) and so these changes will not have an impact on its reported results.

Not applicable to Local Government per se;

None

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(ac) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(ad) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(ae) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 2(a) Council Functions / Activities - Financial Information

Income, Expenses and Assets have been directly attributed to the following Functions / Activities.
Details of these Functions/Activities are provided in Note 2(b).

Functions/Activities	Income from Continuing Operations		Expenses from Continuing Operations		Operating Result from Continuing Operations		Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)			
	Original Budget 2012	Actual 2012	Original Budget 2012	Actual 2012	Original Budget 2012	Actual 2012	Actual 2011	Actual 2012	Actual 2011	Actual 2012	Actual 2011	
Governance	-	-	116	114	108	(116)	(114)	(108)	518	-	502	957
Administration	170	254	3,283	3,032	2,972	(3,113)	(2,778)	(2,693)	30	-	7,138	7,928
Public Order & Safety	16	6	532	435	495	(516)	(429)	(488)	-	-	1,257	1,422
Health	26	21	477	664	474	(451)	(643)	(454)	-	-	111	123
Environment	799	810	1,087	1,022	1,007	(288)	(212)	(307)	-	24	4,140	4,198
Community Services & Education	70	55	83	65	79	(13)	(10)	(23)	23	23	761	797
Housing & Community Amenities	181	291	508	495	470	(327)	(204)	(291)	31	3	572	626
Sewerage Services	1,162	1,301	1,279	981	829	318	320	450	16	16	23,697	18,561
Recreation & Culture	883	802	1,615	2,598	1,748	(732)	(1,796)	(971)	96	181	16,667	15,657
Mining, Manufacturing & Construction	188	107	68	2	10	120	105	133	-	-	373	465
Transport & Communication	868	3,728	3,916	5,368	3,948	(3,048)	(1,640)	(2,594)	802	573	138,204	137,772
Economic Affairs	213	317	204	402	230	9	(85)	41	-	5	1,632	1,754
Total Functions & Activities	4,576	7,892	12,733	15,173	12,378	(8,157)	(7,486)	(7,385)	1,516	825	195,054	190,280
General Purpose Income ¹	6,227	6,950	-	-	-	6,227	6,950	6,039	2,901	2,230	-	-
Operating Result from Continuing Operations	10,803	14,642	12,733	15,173	12,378	(1,930)	(530)	(1,286)	4,417	3,055	195,054	190,280

1. Includes: Rates & Annual Charges (incl. Ex Gratia), United General Purpose Grants & Unrestricted Interest & Investment Income.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 2(b). Council Functions / Activities - Component Descriptions

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:**GOVERNANCE**

Costs relating to the Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance.

ADMINISTRATION

Corporate Support and Other Support Services (not otherwise attributed to the listed functions / activities).

PUBLIC ORDER & SAFETY

Fire protection, animal control, beach control, enforcement of local government regulations, emergency services, other.

HEALTH

Inspection, immunisations, food control, health centres, other, administration.

ENVIRONMENT

Noxious plants and insect/vermin control, other environmental protection, solid waste management, street cleaning, drainage, stormwater management.

COMMUNITY SERVICES & EDUCATION

Administration, family day care, child care, youth services, other family and children, aged and disabled, migrant services, Aboriginal services, other community services, education.

HOUSING & COMMUNITY AMENITIES

Housing, town planning, street lighting, other sanitation and garbage, public cemeteries, public conveniences, other community amenities.

SEWERAGE SERVICES**RECREATION & CULTURE**

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens (lakes), other sport and recreation.

MINING, MANUFACTURING & CONSTRUCTION

Building control, abattoirs, quarries & pits, other.

TRANSPORT & COMMUNICATION

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RTA works, other.

ECONOMIC AFFAIRS

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, saleyards and markets, real estate development, commercial nurseries, other business undertakings.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2012	Actual 2011
(a). Rates & Annual Charges			
Ordinary Rates			
Residential		1,307	1,229
Farmland		1,646	1,579
Mining		626	601
Business		200	188
Total Ordinary Rates		3,779	3,597
Special Rates			
Community Centre Refurbishment		275	275
Total Special Rates		275	275
Annual Charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		686	573
Sewerage Services		900	847
Total Annual Charges		1,586	1,420
TOTAL RATES & ANNUAL CHARGES		5,640	5,292

Council has used 2007 year valuations provided by the NSW Valuer General in calculating its rates.

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2012	Actual 2011
(b). User Charges & Fees			
Specific User Charges (per s.502 - Specific "actual use" charges)			
Sewerage Services		77	74
Total User Charges		77	74
Other User Charges & Fees			
(i) Fees & Charges - Statutory & Regulatory Functions (per s.608)			
Building Regulation		255	198
Private Works - Section 67		302	199
Section 149 Certificates (EPA Act)		22	17
Section 603 Certificates		15	11
Total Fees & Charges - Statutory/Regulatory		594	425
(ii) Fees & Charges - Other (incl. General User Charges (per s.608))			
Cemeteries		38	26
Lease Rentals		36	36
Leaseback Fees - Council Vehicles		39	42
Multipurpose Centre		358	297
Quarry Revenues		3	60
RMS (formerly RTA) Charges (State Roads not controlled by Council)		1,957	234
Waste Disposal Tipping Fees		100	105
Other		30	55
Total Fees & Charges - Other		2,561	855
TOTAL USER CHARGES & FEES		3,232	1,354

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2012	Actual 2011
(c). Interest & investment Revenue (incl. losses)			
Interest & Dividends			
- Interest on Overdue Rates & Annual Charges		24	30
- Interest earned on Investments (interest & coupon payment income)		484	444
Other		5	6
TOTAL INTEREST & INVESTMENT REVENUE		513	480
Interest Revenue is attributable to:			
Unrestricted Investments/Financial Assets:			
Overdue Rates & Annual Charges (General Fund)		16	30
General Council Cash & Investments		270	212
Restricted Investments/Funds - External:			
Development Contributions			
- Section 94		22	16
- Section 64		34	25
Sewerage Fund Operations		171	197
Total Interest & Investment Revenue Recognised		513	480
(d). Other Revenues			
Rental Income - Other Council Properties		28	37
Fines		2	1
Commissions & Agency Fees		1	1
Diesel Rebate		35	27
Insurance Claim Recoveries		-	30
Insurance Rebates		33	40
Sale of Abandoned Vehicles		-	1
Legal Costs Recovered		50	-
Other		42	63
TOTAL OTHER REVENUE		191	200

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 3. Income from Continuing Operations (continued)

\$ '000	2012	2011	2012	2011
	Operating	Operating	Capital	Capital
(e). Grants				
General Purpose (Untied)				
Financial Assistance - General Component	2,144	1,492	-	-
Financial Assistance - Local Roads Component	700	680	-	-
Pensioners' Rates Subsidies - General Component	57	58	-	-
Total General Purpose	2,901	2,230	-	-
Specific Purpose				
Pensioners' Rates Subsidies:				
- Sewerage	16	16	-	-
- Domestic Waste Management	26	24	-	-
Bike Paths	-	-	3	2
Employment & Training Programs	30	-	-	-
Heritage & Cultural	5	4	-	-
Library	32	32	-	-
Recreation & Culture	64	149	-	-
Street Lighting	16	15	-	-
Tourism	1	5	-	-
Transport (Roads to Recovery)	-	-	267	236
Transport (Other Roads & Bridges Funding)	752	320	281	-
Youth Services	23	22	-	-
Total Specific Purpose	965	587	551	238
Total Grants	3,866	2,817	551	238
Grant Revenue is attributable to:				
- Commonwealth Funding	2,957	2,363	267	236
- State Funding	909	454	284	2
	3,866	2,817	551	238

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 3. Income from Continuing Operations (continued)

\$ '000	2012	2011	2012	2011
	Operating	Operating	Capital	Capital
(f). Contributions				
Developer Contributions:				
(s93 & s94 - EP&A Act, s64 of the NSW LG Act):				
S 94 - Contributions towards amenities/services	-	-	72	73
S 64 - Sewerage Service Contributions	-	-	62	99
Total Developer Contributions	-	-	134	172
Other Contributions:				
Bike Path	-	-	-	23
Bushfire Services	57	57	-	-
Recreation & Culture	-	-	59	-
Roads & Bridges	36	8	-	-
RMS Contributions (Regional Roads, Block Grant)	323	441	-	-
Sewerage (excl. Section 64 contributions)	-	-	21	-
Other	19	18	-	-
Total Other Contributions	435	524	80	23
Total Contributions	435	524	214	195
TOTAL GRANTS & CONTRIBUTIONS	4,301	3,341	765	433

\$ '000	Actual	Actual
	2012	2011
(g). Restrictions relating to Grants and Contributions		
Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:		
Unexpended at the Close of the Previous Reporting Period	1,379	984
add: Grants & contributions recognised in the current period but not yet spent:	423	682
less: Grants & contributions recognised in a previous reporting period now spent:	(455)	(287)
Net Increase (Decrease) in Restricted Assets during the Period	(32)	395
Unexpended and held as Restricted Assets	1,347	1,379
Comprising:		
- Specific Purpose Unexpended Grants	309	531
- Developer Contributions	1,038	848
	1,347	1,379

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Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2012	Actual 2011
(a) Employee Benefits & On-Costs			
Salaries and Wages		3,486	3,109
Travelling		84	84
Employee Leave Entitlements (ELE)		707	613
Superannuation		412	434
Workers' Compensation Insurance		184	113
Fringe Benefit Tax (FBT)		21	21
Training Costs (other than Salaries & Wages)		90	116
Sick Leave Insurance		3	8
Protective Clothing		12	13
Other		10	3
Total Employee Costs		5,009	4,514
less: Capitalised Costs		(188)	(54)
TOTAL EMPLOYEE COSTS EXPENSED		4,821	4,460
Number of "Equivalent Full Time" Employees at year end		79	83
(b) Borrowing Costs			
(i) Interest Bearing Liability Costs			
Interest on Loans		137	142
Total Interest Bearing Liability Costs		137	142
less: Capitalised Costs		-	-
Total Interest Bearing Liability Costs Expensed		137	142
(ii) Other Borrowing Costs			
Discount adjustments relating to movements in Provisions (other than ELE)			
- Remediation Liabilities		24	22
Total Other Borrowing Costs		24	22
TOTAL BORROWING COSTS EXPENSED		161	164

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2012	Actual 2011
(c) Materials & Contracts			
Raw Materials & Consumables		3,756	2,115
Auditors Remuneration ⁽¹⁾		28	26
Legal Expenses:			
- Legal Expenses: Planning & Development		66	10
- Legal Expenses: Other		14	17
- Legal Expenses: Debt Recovery		10	33
Operating Leases:			
- Operating Lease Rentals: Minimum Lease Payments ⁽²⁾		24	92
Total Materials & Contracts		3,898	2,293
less: Capitalised Costs		-	-
TOTAL MATERIALS & CONTRACTS		3,898	2,293

1. Auditor Remuneration

During the year, the following fees were incurred for services provided by the Council's Auditor (& the Auditors of other Consolidated Entities):

(i) Audit and Other Assurance Services

- Audit & review of financial statements: Council's Auditor	28	26
Remuneration for audit and other assurance services	28	26
Total Auditor Remuneration	28	26

2. Operating Lease Payments are attributable to:

Computers	24	92
	24	92

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2012	Actual 2011	Actual 2012	Actual 2011
(d) Depreciation, Amortisation & Impairment					
		-	-	699	728
		-	-	57	24
		-	-	24	24
		-	-	381	9
		-	-	123	116
		-	-	495	488
		-	-	81	78
		Infrastructure:			
		-	-	2,121	2,119
		-	-	57	57
		-	-	373	361
		Other Assets			
		-	-	-	7
		-	-	13	12
	9.9.26	-	-	4,424	4,023
		-	-	-	-
	9.9	-	-	-	-
		-	-	4,424	4,023

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2012	Actual 2011
(e) Other Expenses			
Other Expenses for the year include the following:			
Advertising		35	35
Bad & Doubtful Debts		118	-
Bank Charges		19	17
Boarding House Transport Payment		5	19
Contributions/Levies to Other Levels of Government			
- Emergency Services Levy		40	40
- NSW Fire Brigade Levy		126	121
Councillor Expenses - Mayoral Fee		22	21
Councillor Expenses - Councillors' Fees		69	67
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		21	20
Donations, Contributions & Assistance to other organisations (Section 356)		256	262
Electricity & Heating		299	276
Insurance		184	184
Postage		12	11
Printing & Stationery		27	22
Street Lighting		118	106
Subscriptions & Publications		35	25
Telephone & Communications		24	26
Valuation Fees		25	23
Water Charges		11	9
Other		151	146
Total Other Expenses		1,597	1,430
less: Capitalised Costs		-	-
TOTAL OTHER EXPENSES		1,597	1,430

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 5. Gains or Losses from the Disposal of Assets

\$ '000	Notes	Actual 2012	Actual 2011
Plant & Equipment			
Proceeds from Disposal - Plant & Equipment		190	324
less: Carrying Amount of P&E Assets Sold / Written Off		(177)	(334)
Net Gain/(Loss) on Disposal		13	(10)
Infrastructure			
Proceeds from Disposal - Infrastructure		21	-
less: Carrying Amount of Infrastructure Assets Sold / Written Off		(452)	(34)
Net Gain/(Loss) on Disposal		(431)	(34)
Real Estate Assets Held For Sale			
Proceeds from Disposal - Real Estate Assets		94	55
less: Carrying Amount of Real Estate Assets Sold / Written Off		(73)	(7)
Net Gain/(Loss) on Disposal		21	48
Financial Assets*			
Proceeds from Disposal / Redemptions / Maturities - Financial Assets		500	-
less: Carrying Amount of Financial Assets Sold / Redeemed / Matured		(380)	-
Net Gain/(Loss) on Disposal		120	-
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		(277)	4
* Financial Assets disposals / redemptions include:			
- Net Gain/(Loss) from Financial Instruments designated "Held to Maturity"		120	-
Net Gain/(Loss) on Disposal of Financial Instruments		120	-

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 6a. - Cash Assets and Note 6b. - Investment Securities

\$ '000	Notes	2012		2011	
		Actual Current	Actual Non Current	Actual Current	Actual Non Current
Cash & Cash Equivalents (Note 6a)					
Cash on Hand and at Bank		102	-	622	-
Cash-Equivalent Assets ¹					
- Short Term Deposits		7,000	-	7,000	-
Total Cash & Cash Equivalents		7,102	-	7,622	-
Investment Securities (Note 6b)					
- CDO's		-	233	380	233
Total Investment Securities		-	233	380	233
TOTAL CASH ASSETS, CASH EQUIVALENTS & INVESTMENTS		7,102	233	8,002	233

¹ Those Investments where time to maturity (from date of purchase) is < 3 mths.

Cash, Cash Equivalents & Investments were classified at year end in accordance with AASB 139 as follows:

Cash & Cash Equivalents					
a. "At Fair Value through the Profit & Loss"		7,102	-	7,622	-
Investments					
a. "Held to Maturity"	(b-i)	-	233	380	233
Investments		-	233	380	233

Note 6(b-i)

Reconciliation of Investments
classified as "Held to Maturity"

Balance at the Beginning of the Year		380	233	-	613
Disposals (sales & redemptions)		(380)	-	-	-
Transfers between Current/Non Current		-	-	380	(380)
Balance at End of Year		-	233	380	233

Comprising:

- CDO's		-	233	380	233
Total		-	233	380	233

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 6c. Restricted Cash, Cash Equivalents & Investments - Details

\$ '000	2012	2012	2011	2011
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Total Cash, Cash Equivalents and Investment Securities	7,102	233	8,002	233
attributable to:				
External Restrictions (refer below)	3,477	233	4,607	233
Internal Restrictions (refer below)	3,623	-	3,377	-
Unrestricted	2	-	18	-
	7,102	233	8,002	233

2012	Opening	Transfers to	Transfers from	Closing
\$ '000	Balance	Restrictions	Restrictions	Balance

Details of Restrictions

External Restrictions - Included in Liabilities
Nil

External Restrictions - Other

Developer Contributions - General (D)	326	94	-	420
Developer Contributions - Sewer Fund (D)	522	96	-	618
Specific Purpose Unexpended Grants (F)	527	-	(222)	305
Specific Purpose Unexpended Grants (F) - Sewer Fund	4	-	-	4
Sewerage Services (G)	2,729	-	(558)	2,171
Rates - Special Variation	670	275	(790)	155
Other	62	-	(25)	37
External Restrictions - Other	4,840	465	(1,595)	3,710
Total External Restrictions	4,840	465	(1,595)	3,710

D Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

F Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)

G Water, Sewerage, Domestic Waste Management (DWM) & other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 6c. Restricted Cash, Cash Equivalents & Investments - Details (continued)

2012 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
Internal Restrictions				
Plant & Vehicle Replacement	724	1,401	(937)	1,188
RMS Debtor Restriction	-	-	(1,375)	(1,375)
Employees Leave Entitlement	662	-	(98)	564
Blayney Town Works	152	50	(17)	185
Cemeteries	6	-	-	6
Construction of Buildings	8	-	-	8
Election Reserve	27	15	-	42
Financial Assistance Grant	550	606	-	1,156
Golden Gully	23	-	-	23
Inala Units	12	-	-	12
I.T Reserve	98	-	(98)	-
Multipurpose Centre	119	44	-	163
Property Account	358	110	-	468
Quarry	381	-	(17)	364
Asset Replacement Reserve	241	487	-	728
Showground Improvement Fund	6	-	-	6
Tourism Promotion Fund	10	10	-	20
Community Centre - PA	-	50	-	50
Local Museums	-	15	-	15
Total Internal Restrictions	3,377	2,768	(2,542)	3,623
TOTAL RESTRICTIONS	8,217	3,253	(4,137)	7,333

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 7. Receivables

\$ '000	Notes	2012		2011	
		Current	Non Current	Current	Non Current
Purpose					
Rates & Annual Charges		401	39	445	38
Interest & Extra Charges		20	39	16	37
User Charges & Fees		299	18	155	7
Private Works		38	221	264	136
Capital Debtors (being sale of assets)					
- Sale of Land		94	-	-	-
- Other Asset Sales		21	-	-	-
Accrued Revenues					
- Interest on Investments		67	-	53	-
Deferred Debtors		24	4	114	26
Government Grants & Subsidies		1,863	-	7	-
Net GST Receivable		80	-	25	-
Other Debtors		67	-	28	-
Total		2,974	321	1,107	244
less: Provision for impairment					
Rates & Annual Charges		-	(18)	-	(18)
Interest & Extra Charges		-	(7)	-	(7)
Other Debtors		-	(118)	-	-
Total Provision for impairment - Receivables		-	(143)	-	(25)
TOTAL NET RECEIVABLES		2,974	178	1,107	219
Externally Restricted Receivables					
Sewerage Services					
- Rates & Availability Charges		63	-	57	-
- Other		50	-	37	-
Total External Restrictions		113	-	94	-
Internally Restricted Receivables					
- Internal Restricted Receivables		1,375	-	-	-
Internally Restricted Receivables		1,375	-	-	-
Unrestricted Receivables		1,486	178	1,013	219
TOTAL NET RECEIVABLES		2,974	178	1,107	219

Notes on Debtors above:

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates & charges at 11.00% (2011 9.00%).
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

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Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 8. Inventories & Other Assets

\$ '000	Notes	2012		2011	
		Current	Non Current	Current	Non Current
Inventories					
Real Estate for resale (refer below)		554	-	627	-
Stores & Materials		95	-	79	-
Trading Stock		205	-	294	-
Total Inventories		854	-	1,000	-
Other Assets					
Prepayments		159	-	166	-
Work In Progress		1	-	-	-
Total Other Assets		160	-	166	-
TOTAL INVENTORIES/OTHER ASSETS		1,014	-	1,166	-

Externally Restricted Assets

There are no restrictions applicable to the above assets.

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 8. Inventories & Other Assets (continued)

\$ '000	2012		2011	
	Current	Non Current	Current	Non Current
(i) Other Disclosures				
(a) Details for Real Estate Development				
Residential	95	-	96	-
Industrial/Commercial	459	-	531	-
Total Real Estate for Resale	554	-	627	-
(Valued at the lower of cost and net realisable value)				
Represented by:				
Development Costs	554	-	627	-
Total Costs	554	-	627	-
less: Provision for Under Recovery	-	-	-	-
Total Real Estate for Resale	554	-	627	-
Movements:				
Real Estate assets at beginning of the year	627	-	631	-
- Purchases and other costs	-	-	3	-
- WDV of Sales (exp)	(73)	-	(7)	-
Total Real Estate for Resale	554	-	627	-

(b) Current Assets not anticipated to be settled within the next 12 months
The following Inventories & Other Assets, even though classified as current are not expected to be recovered in the next 12 months;

	2012	2011
Real Estate for Resale	554	627
	554	627

(c) Inventories recognised as an expense for the year included:

- Stores & Materials	565	431
- Trading Stock	95	78

(d) Inventory Write Downs

There were no amounts recognised as an expense relating to the write down of Inventory balances held during the year.

Blayney Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2012

Note 3a. Infrastructure, Property, Plant & Equipment

As at 30/6/2011	Asset Movements during the Reporting Period					As at 30/6/2012								
	At Cost	At Fair Value	Accumulated Dep'n	Impairment	Carrying Value	Asset Additions	WVDY of Asset Disposal	Depreciation Expense to Equity (A/NP)	Revaluation increments to Equity (A/NP)	At Cost	At Fair Value	Accumulated Dep'n	Impairment	Carrying Value
Part & Equipment	-	9,931	6,215	-	3,716	467	(175)	(699)	-	-	10,115	6,806	-	3,309
Office Equipment	-	381	287	-	94	303	(4)	(57)	-	-	689	333	-	336
Furniture & fittings	-	366	271	-	95	5	-	(24)	-	-	371	295	-	76
Land:														
- Operational Land	-	1,296	-	-	1,296	-	-	-	-	-	1,296	-	-	1,296
- Community Land	-	4,122	-	-	4,122	-	-	-	-	-	4,122	-	-	4,122
Land Improvements - depreciable	-	6,515	1,952	-	4,563	139	-	(381)	-	-	6,654	2,333	-	4,321
Buildings - Non Specialised	-	3,642	1,569	-	2,073	1,591	(111)	(123)	-	-	4,882	1,452	-	3,430
Buildings - Specialised	-	15,125	6,612	-	8,513	46	(337)	(495)	-	-	14,206	6,479	-	7,727
Other Structures	-	2,505	753	-	1,752	33	(2)	(81)	-	-	2,535	833	-	1,702
Infrastructure:														
- Roads, Bridges, Footpaths	-	163,577	39,621	-	123,956	1,462	-	(2,121)	-	-	165,039	41,742	-	123,297
- Bulk Earthworks (non-depreciable)	-	10,466	-	-	10,466	-	-	-	-	-	10,466	-	-	10,466
- Stormwater Drainage	-	5,691	1,493	-	4,198	-	-	(57)	-	-	5,691	1,550	-	4,141
- Sewerage Network	-	22,590	8,072	-	14,518	-	-	(373)	5,027	-	26,025	6,853	-	19,172
Restatement, Rehabilitation & Restoration Assets (refer Note 2b)														
- Tip Asset	225	-	79	-	147	-	-	(11)	-	-	225	89	-	136
- Charity Asset	37	-	13	-	24	-	-	(2)	-	-	37	15	-	22
TOTAL INFRASTRUCTURE	282	246,287	86,336	-	179,533	4,548	(429)	(4,434)	5,027	-	257,433	69,780	-	183,553
PROPERTY PLANT & EQUIP	282	246,287	86,336	-	179,533	4,548	(429)	(4,434)	5,027	-	257,433	69,780	-	183,553

Additions to Depreciable Land Improvements, Buildings, Other Structures & Infrastructure Assets are made up of Asset Renewals (\$3,069,000) and New Assets (\$30,000). Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 9b. Externally Restricted Infrastructure, Property, Plant & Equipment

\$'000	Actual 2012				Actual 2011			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
Sewerage Services								
Plant & Equipment	-	234	70	164	-	152	52	100
Land								
- Community Land	-	238	-	238	-	238	-	238
Buildings	-	427	74	353	-	421	65	356
Infrastructure	-	26,025	6,853	19,172	-	22,590	8,072	14,518
Total Sewerage Services	-	26,924	6,997	19,927	-	23,401	8,189	15,212
Domestic Waste Management								
Land								
- Community Land	-	160	-	160	-	160	-	160
Total DWM	-	160	-	160	-	160	-	160
TOTAL RESTRICTED IPP&E	-	27,084	6,997	20,087	-	23,561	8,189	15,372

Note 9c. Infrastructure, Property, Plant & Equipment - Current Year Impairments

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Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	2012		2011	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - operating expenditure		846	-	500	-
Payments Received In Advance		96	-	97	-
Accrued Expenses:					
- Borrowings		9	-	10	-
Security Bonds, Deposits & Retentions		155	-	180	-
Total Payables		1,106	-	787	-
Borrowings					
Loans - Secured ¹		92	1,809	85	1,901
Total Borrowings		92	1,809	85	1,901
Provisions					
Employee Benefits:					
Annual Leave		341	-	310	-
Long Service Leave		833	42	825	36
Sub Total - Aggregate Employee Benefits		1,174	42	1,135	36
Asset Remediation/Restoration (Future Works) ²		-	417	-	393
Total Provisions		1,174	459	1,135	429
Total Payables, Borrowings & Provisions		2,372	2,268	2,007	2,330

(i) Liabilities relating to Restricted Assets

	2012		2011	
	Current	Non Current	Current	Non Current
Externally Restricted Assets				
Sewer	47	970	44	1,012
Liabilities relating to externally restricted assets	47	970	44	1,012
Internally Restricted Assets				
Nil				
Total Liabilities relating to restricted assets	47	970	44	1,012

¹ Loans are secured over the General Rating Income of Council
Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 15.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 10a. Payables, Borrowings & Provisions (continued)

\$ '000	2012	2011
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(ii) Current Liabilities not anticipated to be settled within the next 12 months

The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.

Provisions - Employees Benefits	831	684
Payables - Security Bonds, Deposits & Retentions	37	133
	<u>868</u>	<u>817</u>

Note 10b. Description of and movements in Provisions

Class of Provision	2011		2012			
	Opening Balance as at 1/7/11	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	Closing Balance as at 30/6/12
Annual Leave	310	278	(247)	-	-	341
Long Service Leave	861	251	(237)	-	-	875
Asset Remediation	393	-	-	24	-	417
TOTAL	<u>1,564</u>	<u>529</u>	<u>(484)</u>	<u>24</u>	<u>-</u>	<u>1,633</u>

a. Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

c. Asset Remediation, Reinstatement & Restoration Provisions represent the Present Value estimate of future costs Council will incur in order to remove, restore & remediate assets &/or activities as a result of past operations.

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2012	Actual 2011
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	(a)	7,102	7,622
Less Bank Overdraft	(b)	-	-
BALANCE as per the STATEMENT of CASH FLOWS		7,102	7,622
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities			
Net Operating Result from Income Statement		(536)	(1,266)
Adjust for non cash items:			
Depreciation & Amortisation		4,424	4,023
Net Losses/(Gains) on Disposal of Assets		277	(4)
Unwinding of Discount Rates on Reinstatement Provisions		-	22
+/- Movement in Operating Assets and Liabilities & Other Cash Items:			
Decrease/(Increase) in Receivables		(1,941)	(111)
Decrease/(Increase) in Inventories		73	(113)
Decrease/(Increase) in Other Assets		6	(29)
Increase/(Decrease) in Payables		346	20
Increase/(Decrease) in accrued Interest Payable		(1)	-
Increase/(Decrease) in Other Liabilities		(26)	(50)
Increase/(Decrease) in Employee Leave Entitlements		45	(63)
NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS		2,809	2,429
(c) Non-Cash Investing & Financing Activities			
Nil			
(d) Financing Arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdraft Facilities ⁽¹⁾		50	50
Credit Cards / Purchase Cards		20	20
Total Financing Arrangements		70	70
Amounts utilised as at Balance Date:			
- Bank Overdraft Facilities		-	-
- Credit Cards / Purchase Cards		3	2
Total Financing Arrangements Utilised		3	2

1. The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.
Interest rates on overdrafts are Interest Rates on Loans & Other Payables are disclosed in Note 15.

(ii) Secured Loan Liabilities

Loans are secured by a mortgage over future years Rate Revenue only.

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Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 12. Commitments for Expenditure

.....
\$ '000
.....

(a) Capital Commitments (exclusive of GST)

Nil

(b) Finance Lease Commitments

Nil

(c) Operating Lease Commitments (Non Cancellable)

Nil

(d) Investment Property Commitments

Nil

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Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 13a(i). Statement of Performance Measurement - Indicators (Consolidated)

\$ '000	Amounts		Indicator	Prior Periods	
	2012	2012		2011	2010
Local Government Industry Indicators					
1. Unrestricted Current Ratio					
Current Assets less all External Restrictions ⁽¹⁾	<u>6,946</u>	4.77 : 1	4.32	4.12	
Current Liabilities less Specific Purpose Liabilities ^(2,3)	<u>1,457</u>				
2. Debt Service Ratio					
Debt Service Cost	<u>222</u>	1.78%	2.32%	2.69%	
Income from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	<u>12,477</u>				
3. Rates & Annual Charges Coverage Ratio					
Rates & Annual Charges	<u>5,640</u>	38.52%	47.66%	45.30%	
Income from Continuing Operations	<u>14,642</u>				
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage					
Rates, Annual & Extra Charges Outstanding	<u>474</u>	7.68%	9.92%	7.50%	
Rates, Annual & Extra Charges Collectible	<u>6,175</u>				
5. Building & Infrastructure Renewals Ratio					
Asset Renewals ⁽⁴⁾	<u>3,069</u>	96.84%	15.21%	45.32%	
Depreciation, Amortisation & Impairment	<u>3,169</u>				

Notes

⁽¹⁾ Refer Notes 6-8 inclusive.

Also excludes any Real Estate & Land for resale not expected to be sold in the next 12 months

⁽²⁾ Refer to Note 10(a).⁽³⁾ Refer to Note 10(a)(iii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).⁽⁴⁾ Asset Renewals represent the replacement &/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. Asset Renewals include building and infrastructure assets only.

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Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 13a(ii). Statement of Performance Measurement - Graphs (Consolidated)

<p>1. Unrestricted Current Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio : 1</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>3.62</td> </tr> <tr> <td>2010</td> <td>4.12</td> </tr> <tr> <td>2011</td> <td>4.32</td> </tr> <tr> <td>2012</td> <td>4.77</td> </tr> </tbody> </table>	Year	Ratio : 1	2009	3.62	2010	4.12	2011	4.32	2012	4.77	<p>Purpose of Unrestricted Current Ratio</p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</p>	<p>Commentary on 2011/12 Result</p> <p>2011/12 Ratio 4.77 : 1</p> <p>Council's Unrestricted Current Ratio has increased slightly from the previous year, it indicates that Council is comfortably able to satisfy its debts as and when they fall due.</p>
Year	Ratio : 1											
2009	3.62											
2010	4.12											
2011	4.32											
2012	4.77											
<p>2. Debt Service Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>3.25%</td> </tr> <tr> <td>2010</td> <td>2.89%</td> </tr> <tr> <td>2011</td> <td>2.32%</td> </tr> <tr> <td>2012</td> <td>1.78%</td> </tr> </tbody> </table>	Year	Ratio %	2009	3.25%	2010	2.89%	2011	2.32%	2012	1.78%	<p>Purpose of Debt Service Ratio</p> <p>To assess the impact of loan principal & interest repayments on the discretionary revenue of council.</p>	<p>Commentary on 2011/12 Result</p> <p>2011/12 Ratio 1.78%</p> <p>This means Council requires 1.77 % of its revenue to fund its loan repayments. This ratio compares very favourably with similar size Councils, indicating Council's strong capacity to meet its commitments.</p>
Year	Ratio %											
2009	3.25%											
2010	2.89%											
2011	2.32%											
2012	1.78%											
<p>3. Rates & Annual Charges Coverage Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>40.03%</td> </tr> <tr> <td>2010</td> <td>45.30%</td> </tr> <tr> <td>2011</td> <td>47.66%</td> </tr> <tr> <td>2012</td> <td>38.52%</td> </tr> </tbody> </table>	Year	Ratio %	2009	40.03%	2010	45.30%	2011	47.66%	2012	38.52%	<p>Purpose of Rates & Annual Charges Coverage Ratio</p> <p>To assess the degree of Council's dependence upon revenue from rates and annual charges and to assess the security of Council's income.</p>	<p>Commentary on 2011/12 Result</p> <p>2011/12 Ratio 38.52%</p> <p>Council's reliance on rates income decreased significantly this year due to the money received for flood damage works and RTA private works.</p>
Year	Ratio %											
2009	40.03%											
2010	45.30%											
2011	47.66%											
2012	38.52%											
<p>4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>7.85%</td> </tr> <tr> <td>2010</td> <td>7.50%</td> </tr> <tr> <td>2011</td> <td>8.92%</td> </tr> <tr> <td>2012</td> <td>7.68%</td> </tr> </tbody> </table>	Year	Ratio %	2009	7.85%	2010	7.50%	2011	8.92%	2012	7.68%	<p>Purpose of Rates & Annual Charges Outstanding Ratio</p> <p>To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.</p>	<p>Commentary on 2011/12 Result</p> <p>2011/12 Ratio 7.68%</p> <p>Council's result of 7.68% is a significant improvement to the previous year. Council staff will continue to maintain its recovery efforts throughout 2012/13 in an attempt to reduce outstanding rates and charges even further.</p>
Year	Ratio %											
2009	7.85%											
2010	7.50%											
2011	8.92%											
2012	7.68%											
<p>5. Building & Infrastructure Renewals Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>53.13%</td> </tr> <tr> <td>2010</td> <td>45.32%</td> </tr> <tr> <td>2011</td> <td>16.21%</td> </tr> <tr> <td>2012</td> <td>96.84%</td> </tr> </tbody> </table>	Year	Ratio %	2009	53.13%	2010	45.32%	2011	16.21%	2012	96.84%	<p>Purpose of Asset Renewals Ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on Result</p> <p>2011/12 Ratio 96.84%</p> <p>This ratio increased significantly from prior years as a result of Council's ongoing road capital works program and the rebuilding of the Blayney Shire Community Centre Council.</p>
Year	Ratio %											
2009	53.13%											
2010	45.32%											
2011	16.21%											
2012	96.84%											

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 13b. Statement of Performance Measurement - Indicators (by Fund)

\$ '000	Water 2012	Sewer 2012	General ¹ 2012
Local Government Industry Indicators			
1. Unrestricted Current Ratio			
<u>Current Assets less all External Restrictions⁽¹⁾</u>	n/a	47.83 : 1	4.77 : 1
Current Liabilities less Specific Purpose Liabilities ^(2,3)	prior period	n/a	61.23 : 1
			4.82 : 1
2. Debt Service Ratio			
<u>Debt Service Cost</u>	n/a	9.32%	0.95%
Income from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	prior period	n/a	9.81%
			1.28%
3. Rates & Annual Charges Coverage Ratio			
<u>Rates & Annual Charges</u>	n.a	69.63%	35.44%
Income from Continuing Operations	prior period	n.a	66.67%
			45.15%
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage			
<u>Rates, Annual & Extra Charges Outstanding</u>	n/a	6.87%	7.82%
Rates, Annual & Extra Charges Collectible	prior period	n/a	6.80%
			9.23%
5. Building & Infrastructure Renewals Ratio			
<u>Asset Renewals (Building & Infrastructure assets)</u>	n/a	0.00%	109.76%
Depreciation, Amortisation & impairment	prior period	n/a	0.00%
			18.43%

Notes

⁽¹⁾ General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 14. Investment Properties

.....
\$ '000
.....

Council has not classified any Land or Buildings as "Investment Properties"

Note 15. Financial Risk Management

.....
\$ '000
.....

Risk Management

Council's activities expose it to a variety of financial risks including (1) price risk, (2) credit risk, (3) liquidity risk and (4) interest rate risk.

The 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 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 Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2012	2011	2012	2011
Financial Assets				
Cash and Cash Equivalents	7,102	7,622	7,102	7,622
Investments				
- "Held to Maturity"	233	613	63	634
Receivables	3,152	1,326	3,152	1,326
Total Financial Assets	10,487	9,561	10,317	9,582
Financial Liabilities				
Payables	1,010	690	1,010	690
Loans / Advances	1,901	1,986	1,901	1,986
Total Financial Liabilities	2,911	2,676	2,911	2,676

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates mkt value.
- **Borrowings & Held to Maturity Investments** - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) "at fair value through profit & loss" or (ii) **Available for Sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 15. Financial Risk Management (continued)

.....
\$ '000
.....

(a) Cash & Cash Equivalents, Financial assets 'at fair value through the profit & Loss',
"Available-for-sale" financial assets & "Held-to-maturity" investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's Finance area manages the Cash & Investments portfolio with the assistance of independent advisors.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and it's staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is credit risk - the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

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

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
2012				
Possible impact of a 10% movement in Market Values	10	10	(10)	(10)
Possible impact of a 1% movement in Interest Rates	62	61	(61)	(61)
2011				
Possible impact of a 10% movement in Market Values	61	61	(61)	(61)
Possible impact of a 1% movement in Interest Rates	76	76	(76)	(76)

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 15. Financial Risk Management (continued)

.....
\$ '000
.....

(b) Receivables

Council's major receivables comprise (i) Rates & Annual charges and (ii) User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

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

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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

A profile of Council's receivables credit risk at balance date follows:

	2012	2012	2011	2011
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
(i) Ageing of Receivables				
Current (not yet overdue)	-	2,377	-	203
Past due by up to 30 days	106	11	141	185
Past due between 31 and 180 days	57	64	76	62
Past due between 181 and 365 days	84	-	90	249
Past due by more than 1 year	194	403	176	169
	<u>440</u>	<u>2,855</u>	<u>483</u>	<u>868</u>
(ii) Movement in Provision for Impairment of Receivables			2012	2011
Balance at the beginning of the year			25	25
+ new provisions recognised during the year			118	-
Balance at the end of the year			<u>143</u>	<u>25</u>

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 15. Financial Risk Management (continued)

\$ '000

(c) Payables & Borrowings

Payables & 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 & overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the Liquidity Table below:

\$ '000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
2012									
Trade/Other Payables	155	855	-	-	-	-	-	1,010	1,010
Loans & Advances	-	222	222	222	222	222	1,868	2,978	1,901
Total Financial Liabilities	155	1,077	222	222	222	222	1,868	3,988	2,911
2011									
Trade/Other Payables	180	510	-	-	-	-	-	690	690
Loans & Advances	-	222	222	222	222	222	2,090	3,200	1,986
Total Financial Liabilities	180	732	222	222	222	222	2,090	3,890	2,676

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

The following interest rates were applicable
to Council's Borrowings at balance date:

	2012		2011	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	1,010	0.0%	690	0.0%
Loans & Advances - Fixed Interest Rate	1,901	6.7%	1,986	6.7%
	2,911		2,676	

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 11/12 was adopted by the Council on 20 June 2011.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

Note that for Variations* of Budget to Actual :

Material Variations represent those variances that amount to 10% or more of the original budgeted figure.

F = Favourable Budget Variation, U = Unfavourable Budget Variation

\$ '000	2012 Budget	2012 Actual	2012 Variance*		
REVENUES					
Rates & Annual Charges	5,723	5,640	(83)	(1%)	U
User Charges & Fees	1,224	3,232	2,008	164%	F
Council was awarded various contracts by the Roads and Maritime Services throughout the year which resulted in a substantial increase in 'User Charges and Fees' for 2011/2012.					
Interest & Investment Revenue	363	513	150	41%	F
Original Estimates on investment revenue was conservative due to uncertainty in global markets. As a result of better than expected financial conditions, investment income has increased substantially.					
Other Revenues	138	191	53	38%	F
Variance is a result of settlement of Land and Environment Court dispute not budgeted for at the start of the year.					
Operating Grants & Contributions	2,862	4,301	1,439	50%	F
The large variation between budget and actual is primarily as a result of the early payment of the 2012/13 Financial Assistance Grant by the Federal Government and grant funding for flood damage received throughout the year that was unbudgeted at the start of the year.					
Capital Grants & Contributions	493	765	272	55%	F
As per 'User Charges and Fees' above Council was awarded various unexpected capital grants for road works throughout the year.					

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 16. Material Budget Variations (continued)

\$ '000	2012 Budget	2012 Actual	2012 Variance*		
EXPENSES					
Employee Benefits & On-Costs	4,249	4,821	(572)	(13%)	U
Original estimates provided for employee costs could not foresee the departure of staff and long service leave taken by existing staff and the retirement of a long standing Council employee resulting in expenditure being higher than original estimates.					
Borrowing Costs	137	161	(24)	(18%)	U
Unbudgeted amortisation of Tips and Quarries.					
Materials & Contracts	2,513	3,898	(1,385)	(55%)	U
As per 'User Charges and Fees' above Council was awarded various unexpected contracts for road works throughout the year.					
Depreciation & Amortisation	4,301	4,424	(123)	(3%)	U
Other Expenses	1,533	1,597	(64)	(4%)	U
Net Losses from Disposal of Assets	-	277	(277)	0%	U

\$ '000	2012 Budget	2012 Actual	2012 Variance*		
Budget Variations relating to Council's Cash Flow Statement include:					
Cash Flows from Operating Activities	2,368	2,809	441	18.6%	F
As per 'User Charges and Fees' above Council was awarded various unexpected contracts for road works throughout the year.					
Cash Flows from Investing Activities	(3,035)	(3,244)	(209)	6.9%	U
Cash Flows from Financing Activities	(85)	(85)	-	0.0%	F

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 17. Statement of Developer Contributions

\$ '000

Council recovers contributions, raises levies & enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions & levies and the value of all remaining funds which are "restricted" in their future use.

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future Income	Exp still outstanding	Over or under Funding	
Roads	236	51	-	16	-	-	383	206	(509)	0	-
Open Space	28	6	-	2	-	-	36	1	(80)	-	-
Community Facilities	54	14	-	4	-	-	72	8	(97)	-	-
Other	9	1	-	-	-	-	10	3	(13)	-	-
S94 Contributions - under a Plan	327	72	-	22	-	-	421	218	(639)	(0)	-
S94A Levies - under a Plan	-	-	-	-	-	-	-	-	-	-	-
Total S94 Revenue Under Plans	327	72	-	22	-	-	421	-	-	-	-
S94 not under Plans	-	-	-	-	-	-	-	-	-	-	-
S94 Contributions	521	62	-	34	-	-	617	-	-	-	-
Total Contributions	848	134	-	56	-	-	1,038	218	(639)	(0)	-

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 17. Statement of Developer Contributions (continued)

\$ '000

\$94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NUMBER BSC1 - Roads Rural

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Future Income	Projections		Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash						Exp outstanding	Over or (under) Funding	
Roads	83	2	-	5	-	-	90	192	(282)	-	-
Total	83	2	-	5	-	-	90	192	(282)	-	-

CONTRIBUTION PLAN NUMBER BSC 2 - Streets Blayney

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Future Income	Projections		Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash						Exp outstanding	Over or (under) Funding	
Roads	43	45	-	5	-	-	93	10	(109)	0	-
Total	43	45	-	5	-	-	93	10	(109)	0	-

CONTRIBUTION PLAN NUMBER BSC 3 - Streets Villages

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Future Income	Projections		Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash						Exp outstanding	Over or (under) Funding	
Roads	101	4	-	6	-	-	111	4	(115)	0	-
Total	101	4	-	6	-	-	111	4	(115)	0	-

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 17. Statement of Developer Contributions (continued)

\$ '000

\$94 CONTRIBUTIONS - UNDER A PLAN

PURPOSE	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		Cumulative Internal Borrowings due/(payable)
	Opening Balance	Cash					Non Cash	Future Income	
Open Space	28	6	2	-	-	36	1	(97)	-
Total	23	6	2	-	-	36	1	(97)	-

PURPOSE	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		Cumulative Internal Borrowings due/(payable)
	Opening Balance	Cash					Non Cash	Future Income	
Roads	8	-	-	-	-	8	-	(8)	-
Total	8	-	-	-	-	8	-	(8)	-

PURPOSE	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		Cumulative Internal Borrowings due/(payable)
	Opening Balance	Cash					Non Cash	Future Income	
Other	9	1	-	-	-	10	3	(13)	-
Total	9	1	-	-	-	10	3	(13)	-

PURPOSE	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		Cumulative Internal Borrowings due/(payable)
	Opening Balance	Cash					Non Cash	Future Income	
Community Facilities	54	14	4	-	-	72	8	(80)	-
Total	54	14	4	-	-	72	8	(80)	-

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 18. Contingencies & Other Assets/Liabilities Not Recognised

 \$ '000

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

Member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category with member Councils required to make significantly higher contributions in future years.

The last valuation of the Scheme was performed by Mr Martin Stevenson BSc, FIA, FIAA on 16 February 2010 and covers the period ended 30 June 2009. However the position is monitored annually and the Actuary has estimated that as at 30 June 2012 a deficit still exists. Effective from 1 July 2009, employers were required to contribute additional contributions to assist in extinguishing this deficit. The share of this deficit that can be broadly attributed to Council was estimated to be in the order of \$571,595 as at 30 June 2012.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable - similar to the accounting for Defined Contributions Plans.

(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 Councils 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 30/6 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.

(iv) Other Guarantees

Council has provided no other Guarantees other than those listed above.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

\$ '000

LIABILITIES NOT RECOGNISED (continued):

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.

(ii) S94 Plans

Council levies Section 94/94A Contributions upon various development across the Council area through the required Contributions Plans.

As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Councils intention to spend funds in the manner and timing set out in those Plans.

(iii) Potential Land Acquisitions due to Planning Restrictions imposed by Council

Council has classified a number of privately owned land parcels as Local Open Space or Bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (& subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED:

(i) Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

(ii) Infringement Notices/Fines

Fines & Penalty Income, the result of Council issuing Infringement Notices is followed up and collected by the Infringement Processing Bureau.

Councils Revenue Recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at Year End, there is a potential asset due to Council representing issued but unpaid Infringement Notices.

Due to the limited information available on the status, value and duration of outstanding Notices, Council is unable to determine the value of outstanding income.

Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

Council has no interest in any Controlled Entities, Associated Entities or Joint Ventures.

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2012	Actual 2011
a. Retained Earnings			
Movements in Retained Earnings were as follows:			
Balance at beginning of Year (from previous years audited accounts)		60,813	61,440
a. Correction of Prior Period Errors	20 (c)	-	639
b. Changes in Accounting Policies (prior period effects)	20 (d)	-	-
c. Other Comprehensive Income (excl. direct to Reserves transactions)		-	-
d. Net Operating Result for the Year		(536)	(1,266)
e. Distributions to/(Contributions from) Minority Interests		-	-
Balance at End of the Reporting Period		<u>60,277</u>	<u>60,813</u>

b. Reserves**(i) Reserves are represented by:**

- Infrastructure, Property, Plant & Equipment Revaluation Reserve	130,137	125,110
Total	<u>130,137</u>	<u>125,110</u>

(ii) Reconciliation of movements in Reserves:

Infrastructure, Property, Plant & Equipment Revaluation Reserve		
- Opening Balance	125,110	116,639
- Revaluations for the year	5,027	8,471
- Balance at End of Year	<u>130,137</u>	<u>125,110</u>
TOTAL VALUE OF RESERVES	<u>130,137</u>	<u>125,110</u>

(iii) Nature & Purpose of Reserves

Infrastructure, Property, Plant & Equipment Revaluation Reserve
- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.

c. Correction of Error/s relating to a Previous Reporting Period

Council made no correction of errors during the current reporting period.

d. Voluntary Changes in Accounting Policies

Council made no voluntary changes in any accounting policies during the year.

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Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 21. Financial Result & Financial Position by Fund

Income Statement by Fund	Actual	Actual	Actual
\$ '000	2012	2012	2012
<u>Continuing Operations</u>	Water	Sewer	General ¹
Income from Continuing Operations			
Rates & Annual Charges	-	917	4,723
User Charges & Fees	-	94	3,138
Interest & Investment Revenue	-	205	308
Other Revenues	-	2	189
Grants & Contributions provided for Operating Purposes	-	16	4,285
Grants & Contributions provided for Capital Purposes	-	83	682
Other Income	-	-	-
Share of interests in Joint Ventures & Associates using the Equity Method	-	-	-
Total Income from Continuing Operations	-	1,317	13,325
Expenses from Continuing Operations			
Employee Benefits & on-costs	-	96	4,725
Borrowing Costs	-	78	83
Materials & Contracts	-	529	3,369
Depreciation & Amortisation	-	400	4,024
Impairment	-	-	-
Other Expenses	-	66	1,531
Interest & Investment Losses	-	-	-
Net Losses from the Disposal of Assets	-	-	277
Total Expenses from Continuing Operations	-	1,169	14,009
Operating Result from Continuing Operations	-	148	(684)
<u>Discontinued Operations</u>			
Net Profit/(Loss) from Discontinued Operations	-	-	-
Net Operating Result for the Year	-	148	(684)
Net Operating Result attributable to each Council Fund	-	148	(684)
Net Operating Result attributable to Minority Interests	-	-	-
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	-	65	(1,366)

¹ General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal charges & recoveries made between the Funds.

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
as at 30 June 2012

Note 21. Financial Result & Financial Position by Fund

Balance Sheet by Fund	Actual	Actual	Actual
\$ '000	2012	2012	2012
ASSETS	Water	Sewer	General¹
Current Assets			
Cash & Cash Equivalents	-	2,560	4,542
Investments	-	-	-
Receivables	-	310	2,861
Inventories	-	-	854
Other	-	-	160
Non-current assets classified as 'held for sale'	-	-	-
Total Current Assets	-	2,870	8,417
Non-Current Assets			
Investments	-	233	-
Receivables	-	667	178
Inventories	-	-	-
Infrastructure, Property, Plant & Equipment	-	19,927	163,626
Investment Property	-	-	-
Intangible Assets	-	-	-
Other	-	-	-
Total Non-Current Assets	-	20,827	163,804
TOTAL ASSETS	-	23,697	172,221
LIABILITIES			
Current Liabilities			
Payables	-	-	1,303
Borrowings	-	47	45
Provisions	-	-	1,174
Total Current Liabilities	-	47	2,522
Non-Current Liabilities			
Payables	-	-	667
Borrowings	-	970	839
Provisions	-	-	459
Total Non-Current Liabilities	-	970	1,965
TOTAL LIABILITIES	-	1,017	4,487
Net Assets	-	22,680	167,734
EQUITY			
Retained Earnings	-	8,900	51,377
Revaluation Reserves	-	13,780	116,357
Total Equity	-	22,680	167,734

¹ General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal receivables & payables between the Funds.

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 22. "Held for Sale" Non Current Assets & Disposal Groups

.....
\$ '000
.....

Council did not classify any Non Current Assets or Disposal Groups as "Held for Sale".

Note 23. Events occurring after Balance Sheet Date

.....
Events that occur after the reporting date of 30 June 2012, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 20/09/12.

Events that occur after the Reporting Date represent one of two types:

(i) Events that have provided evidence of conditions that existed at the Reporting Date

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2012.

(ii) Events that have provided evidence of conditions that arose after the Reporting Date

These financial statements (& figures therein) do not incorporate any "non adjusting events" that have occurred after 30 June 2012 and which are only indicative of conditions that arose after 30 June 2012.

Council is unaware of any material or significant "non adjusting events" that should be disclosed.

Note 24. Discontinued Operations

.....
Council has not classified any of its Operations as "Discontinued".

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 25. Intangible Assets

.....
\$ '000
.....

Intangible Assets represent identifiable non-monetary asset without physical substance.

Council is unaware of any control over Intangible Assets that warrant recognition in the Financial Statements, including either internally generated and developed assets or purchased assets.

Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

.....
Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

Asset/Operation	Estimated year of restoration	NPV of Provision	
		2012	2011
Blayney Tip	2024	357	337
Blayney Quarry	2024	60	56
Balance at End of the Reporting Period	10(a)	417	393

Under AASB 116 - Property, Plant & Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 - Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Reconciliation of movement in Provision for year:

Balance at beginning of year	393	371
Amortisation of discount (expensed to borrowing costs)	24	22
Total - Reinstatement, rehabilitation and restoration provision	417	393

Amount of Expected Reimbursements

Of the above Provisions for Reinstatement, Rehabilitation and Restoration works, those applicable to Garbage Services & Waste Management are able to be funded through future charges incorporated within Council's Annual Domestic Waste Management Charge.

Financial Statements 2012

Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 27. Financial Review

\$ '000

Key Financial Figures of Council over the past 5 years (consolidated)

Financial Performance Figures	2012	2011	2010	2009	2008
Inflows:					
Rates & Annual Charges Revenue	5,640	5,292	5,012	4,747	4,367
User Charges Revenue	3,232	1,354	1,646	1,774	3,539
Interest & Investment Revenue (Losses)	513	480	340	301	6
Grants Income - Operating & Capital	4,417	3,055	2,724	3,317	2,353
Total Income from Continuing Operations	14,642	11,104	11,063	11,860	11,851
Sale Proceeds from I,PP&E	190	455	565	701	686
New Loan Borrowings & Advances	-	-	-	-	-
Outflows:					
Employee Benefits & On-cost Expenses	4,821	4,460	4,340	4,246	4,212
Borrowing Costs	161	164	169	179	141
Materials & Contracts Expenses	3,898	2,293	2,508	2,497	3,359
Total Expenses from Continuing Operations	15,178	12,370	10,995	10,822	11,064
Total Cash purchases of I,PP&E	4,046	1,524	2,296	2,411	2,719
Total Loan Repayments (incl. Finance Leases)	85	80	123	162	147
Operating Surplus/(Deficit) (excl. Capital Income)	(1,301)	(1,699)	(692)	149	12
Financial Position Figures					
	2012	2011	2010	2009	2008
Current Assets	11,090	10,275	8,440	7,754	6,518
Current Liabilities	2,372	2,007	2,107	2,046	2,267
Net Current Assets	8,718	8,268	6,333	5,708	4,251
Available Working Capital (Unrestricted Net Current Assets)	865	713	787	1,009	973
Cash & Investments - Unrestricted	2	18	2	1	4
Cash & Investments - Internal Restrictions	3,623	3,377	2,519	2,253	1,925
Cash & Investments - Total	7,335	8,235	6,895	6,155	5,101
Total Borrowings Outstanding (Loans, Advances & Finance Leases)	1,901	1,986	2,066	2,189	2,351
Total Value of I,PP&E (excl. Land & Earthworks)	236,449	230,585	222,181	101,698	98,978
Total Accumulated Depreciation	68,780	66,936	60,949	31,582	34,595
Indicative Remaining Useful Life (as a % of GBV)	71%	71%	73%	69%	65%

Source: Published audited financial statements of Council (current year & prior year)

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Blayney Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2012

Note 28. Council Information & Contact Details

Principal Place of Business:91 Adelaide Street
Blayney NSW 2799**Contact Details****Mailing Address:**PO Box 62
Blayney NSW 2799**Opening Hours:**9am to 4:30pm
Monday to Friday**Telephone:** 02 6368 2104**Facsimile:** 02 6368 3290**Internet:** www.blayney.local-e.nsw.gov.au**Email:** council@blayney.nsw.gov.au**Officers****GENERAL MANAGER**

G Wilcox

RESPONSIBLE ACCOUNTING OFFICER

C M Hodge

PUBLIC OFFICER

Anton Franze

AUDITORSHill Rogers Spencer Steer
Chartered Accountants**Elected Members****MAYOR**

B R Kingham

COUNCILLORS

Kevin Radburn

Don Bell

Geoff Braddon

Allan Ewin

Scott Ferguson

Roxanne Reeks

Other Information**ABN:** 47 619 651 511



BLAYNEY SHIRE COUNCIL

GENERAL PURPOSE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying *general purpose financial statements* of *Blayney Shire Council*, which comprises the Balance Sheet as at 30 June 2012, Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management. The financial statements include the consolidated financial statements of the economic entity and the entities it controlled at year end or from time to time during the year.

Responsibility of Council for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1993. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. Our audit responsibility does not extend to the original budget information disclosed in the Income Statement, Statement of Cash Flows, and Note 2(a) or the budget variation explanations disclosed in Note 16. Accordingly, no opinion is expressed on these matters.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

Assurance Partners

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F: +61 2 9233 3950	Sydney NSW 2000 Australia	Sydney NSW 2001	info@tr-ec.com.au	Trust Assurance Partners	

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Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion,

- (a) 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; and
- (b) the financial statements:
 - (i) have been presented in accordance with the requirements of this Division;
 - (ii) are consistent with the Council's accounting records;
 - (iii) present fairly the Council's financial position, the results of its operations and its cash flows; and
 - (iv) are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia.
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that we have become aware of during the course of the audit.

HILL ROGERS SPENCER STEER



GARY MOTTAU
Partner

Dated at Sydney this 20th day of September 2012.

Hill Rogers
Spencer Steer

20 September 2012.

The Mayor
Blayney Shire Council
PO Box 62
BLAYNEY NSW 2799

Mayor,

Audit Report - Year Ended 30 June 2012

We are pleased to advise completion of the audit of Council's books and records for the year ended 30 June 2012 and that all information required by us was readily available. We have signed our reports as required under Section 417(1) of the Local Government Act, 1993 and the Local Government Code of Accounting Practice and Financial Reporting to the General and Special Purpose Financial Statements.

Our audit has been conducted in accordance with Australian Auditing Standards so as to express an opinion on both the General and Special Purpose Financial Statements of the Council. We have ensured that the accounts have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) and the Local Government Code of Accounting Practice and Financial Reporting.

This report on the conduct of the audit is also issued under Section 417(1) and we now offer the following comments on the financial statements and the audit:

1. RESULTS FOR THE YEAR

1.1 Operating Result

The operating result for the year was a deficit of \$536,000 compared with \$1.266 million in the previous year.

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Heidi Rogers
Spencer Steer

The following table sets out the results for the year and the extent (%) that each category of revenue and expenses contributed to the total.

	2012 \$'000	% of Total	2011 \$'000	% of Total	Increase (Decrease) \$'000
Revenues before capital items					
Rates & annual charges	5,640	41%	5,292	50%	348
User charges, fees & other revenues	3,423	25%	1,558	15%	1,865
Grants & contributions provided for operating purposes	4,301	31%	3,341	31%	960
Interest & investment revenue	513	4%	480	4%	33
	13,877	100%	10,671	100%	3,206
Expenses					
Employee benefits & costs	4,821	32%	4,460	36%	361
Materials, contracts & other expenses	5,772	38%	3,723	30%	2,049
Depreciation, amortisation & impairment	4,424	29%	4,023	33%	401
Borrowing costs	161	1%	164	1%	(3)
	15,178	100%	12,370	100%	2,808
Surplus before capital items	(\$1,301)		(\$1,699)		\$398
Grants & contributions provided for capital purposes	765		433		332
Net Surplus/(Deficit) for the year	(\$536)		(\$1,266)		\$730

The table above shows an overall increase over the previous year of \$730,000.

Levies of rates and domestic waste management charges increased by \$348,000 and accounted for less than 50% of Council's operating revenue before capital receipts. An increase of \$1.723 million in charges levied for the maintenance of state roads accounted for the majority of increases in user charges and fees.

1.2 Funding Result

The operating result does not take into account all revenues and all expenditures and in reviewing the overall financial performance of Council it is useful to take into account the total source of revenues and where they were spent during the year which is illustrated in the table below.

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Spencer Steer

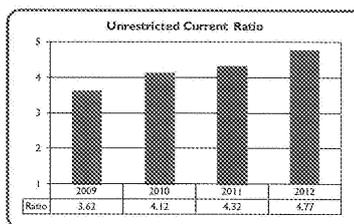
	2012	2011
	\$'000	\$'000
Funds were provided by:-		
Operating Result (as above)	(536)	(1,266)
Add back non funding items:-		
- Depreciation, amortisation & impairment	4,424	4,023
- Book value of non-current assets sold	629	368
	4,517	3,125
Decrease/Redemption in Non-Current Investments	0	380
Transfers from externally restricted assets (net)	1,114	0
Repayments from deferred debtors	112	103
Net Changes in current/non current assets & liabilities	136	0
	5,879	3,608
Funds were applied to:-		
Purchase and construction of assets	(4,046)	(1,524)
Principal repaid on loans	(85)	(80)
Transfers to externally restricted assets (net)	0	(857)
Transfers to internal reserves (net)	(1,621)	(858)
Advances to deferred debtors	0	(40)
Net Changes in current/non current-assets & liabilities	0	(143)
	(5,752)	(3,502)
Increase/(Decrease) in Available Working Capital	127	106

2. FINANCIAL POSITION

2.1 Unrestricted Current Ratio

The Unrestricted Current Ratio is a financial indicator specific to local government and represents Council's ability to meet its debts and obligations as they fall due.

After eliminating externally restricted assets and current liabilities not expected to be paid within the next 12 months net current assets amounted to \$5.489 million representing a factor of 4.77 to 1.



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Spencer Steer

2.2 Available Working Capital – (Working Funds)

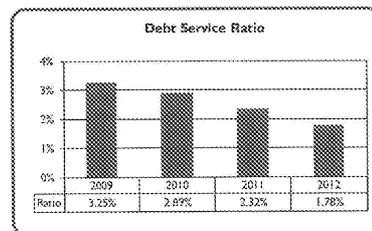
At the close of the year the Available Working Capital of Council stood at \$1.020 million as detailed below;

Net Current Assets (Working Capital) as per Accounts	8,718	8,268	450
Add: Payables, provisions & inventories not expected to be realised in the next 12 months included above	314	190	124
Adjusted Net Current Assets	9,032	8,458	574
Add: Budgeted & expected to pay in the next 12 months			
- Borrowings	92	85	7
- Employees leave entitlements	343	451	(108)
- Deposits & retention moneys	118	47	71
- Deferred debtors	(24)	(114)	90
Less: Externally restricted assets	(3,543)	(4,657)	1,114
Less: Internally restricted assets	(4,998)	(3,377)	(1,621)
Available Working Capital as at 30 June	1,020	893	127

The balance of Available Working Capital should be at a level to manage Council's day to day operations including the financing of hard core debtors and inventories and to provide a buffer against unforeseen and unbudgeted expenditures. Taking into consideration the nature and level of the internally restricted assets (Reserves) set aside we are of the opinion that Available Working Capital as at 30 June 2012 was adequate.

2.3 Debt

Operating revenue (excluding special purpose grants & contributions) required to service debt (loan repayments) was 1.78%.



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Spencer Steer

2.4 Summary

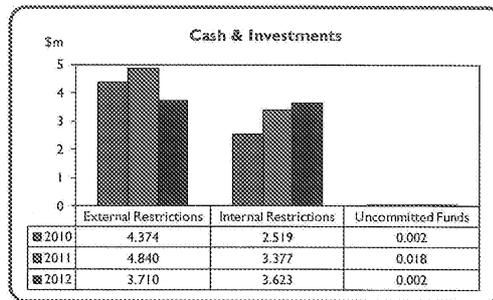
Council's overall financial position, when taking into account the above financial indicators is, in our opinion, satisfactory.

3. CASH ASSETS

3.1 Cash & Investments

Cash and investments held at the close of the year amounted to \$7.335 million as compared with \$8.235 million and \$6.895 million at the close of financial years 2011 and 2010 respectively.

The table alongside summarises the purposes for which cash & investments were held;



Externally restricted cash and investments are restricted in their use by externally imposed requirements and consisted of unexpended development contributions (\$1.038 million), special levy for Community Centre refurbishment (\$155,000), specific purpose grants and deposits (\$346,000) and sewerage funds (\$2.171 million).

Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect forward plans, identified programs of works, and are, in fact, Council's "Reserves". These Reserves totalled \$3.623 million and their purposes are more fully disclosed in Note 6 of the financial statements.

Unrestricted cash and investments amounted to \$2,000.

3.2 Cash Flows

The Statement of Cash Flows illustrates the flow of cash moving in and out of Council during the year and reveals that Cash Assets decreased by \$520,000 to \$7.102 million at the close of the year.

*Hill Rogers
Spencer Steer*

In addition to operating activities which contributed net cash of \$2.809 million were the sale of investment securities (\$500,000), proceeds from deferred debtors (\$112,000) and the sale of assets (\$190,000). Cash outflows other than operating activities were used to repay loans (\$85,000) and to purchase and construct assets (\$4.046 million).

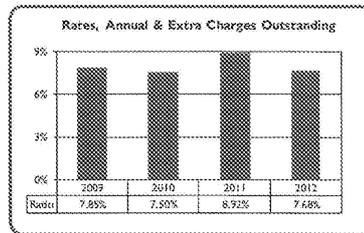
4. RECEIVABLES

4.1 Rates & Annual Charges

Net rates and annual charges levied during the year totalled \$5.640 million and represented 38.52% of Council's total revenues. Including arrears, the total rates and annual charges collectible was \$6.105 million of which \$5.683 million (93.09%) was collected.

4.2 Rates, Annual & Extra Charges

Arrears of rates, annual and extra charges stood at \$474,000 at the end of the year and represented 7.68% of those receivables.



4.3 Other Receivables

Receivables (other than rates annual & extra charges) totalled \$2.796 million and included amounts due from government departments (\$1.943 million), user charges, contributions to works and fees amounting to \$576,000 and deferred debtors of \$28,000. Of the amounts due from government departments, \$1.375 million will be restricted upon receipt to fund plant and vehicle replacements and works funded by the Financial Assistance Grant in the 2012/13 operational plan.

5. PAYABLES

Employees Leave Entitlements

Council's provision for its liability toward employees leave entitlements and associated on costs amounted to \$1.216 million. A cash reserve of \$564,000 was held at year end representing 46% of this liability and was, in our opinion, adequate to enable Council to meet unbudgeted and unanticipated retirements.

Hill Rogers
Spencer Steer

6. MANAGEMENT LETTER

An audit management letter addressing the findings from our interim audit was issued on 23 May 2012. This included management's responses to our recommendations on possible ways to strengthen and/or improve procedures and management's comments and proposed actions.

7. CONCLUSION

We wish to record our appreciation to your General Manager and his staff for their ready co-operation and the courtesies extended to us during the conduct of the audit.

Yours faithfully,

HILL ROGERS SPENCER STEER



GARY MOTTAU
Partner

Blayney Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2012

*"an innovative, inspirational
and enjoyable environment..."*



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Blayney Shire Council

Special Purpose Financial Statements
for the financial year ended 30 June 2012

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1. Statement by Councillors & Management	2
2. Special Purpose Financial Statements:	
- Income Statement of Water Supply Business Activity	n/a
- Income Statement of Sewerage Business Activity	3
- Income Statement of Other Business Activities	n/a
- Balance Sheet of Water Supply Business Activity	n/a
- Balance Sheet of Sewerage Business Activity	4
- Balance Sheet of Other Business Activities	n/a
3. Notes to the Special Purpose Financial Statements	5
4. Auditor's Report	12

Background

(i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.

(ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

(iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

These include (a) those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and (b) those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

(iv) In preparing these financial statements for Council's self classified Category 1 businesses and ABS defined activities, councils must (a) adopt a corporatisation model and (b) apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).

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Blayney Shire Council

Special Purpose Financial Statements
for the financial year ended 30 June 2012

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:

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government".
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality".
- The Local Government Code of Accounting Practice and Financial Reporting.
- The NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

To the best of our knowledge and belief, these Financial Statements:

- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- 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 13 August 2012.


B R Kingham
MAYOR


K G Radburn
COUNCILLOR


G Wilcox
GENERAL MANAGER


C M Hodge
RESPONSIBLE ACCOUNTING OFFICER

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Blayney Shire Council

Income Statement of Council's Sewerage Business Activity
for the financial year ended 30 June 2012

\$ '000	Actual 2012	Actual 2011	Actual 2010
Income from continuing operations			
Access charges	917	864	817
User charges	78	78	87
Liquid Trade Waste charges	-	-	-
Fees	16	15	8
Interest	205	222	59
Grants and contributions provided for non capital purposes	16	16	27
Profit from the sale of assets	-	-	-
Other income	2	2	2
Total income from continuing operations	1,234	1,197	1,000
Expenses from continuing operations			
Employee benefits and on-costs	96	96	100
Borrowing costs	78	80	83
Materials and contracts	529	497	498
Depreciation and impairment	400	383	373
Loss on sale of assets	-	-	-
Calculated taxation equivalents	-	-	-
Debt guarantee fee (if applicable)	-	-	-
Other expenses	66	56	40
Total expenses from continuing operations	1,169	1,112	1,094
Surplus (deficit) from Continuing Operations before capital amounts	65	85	(94)
Grants and contributions provided for capital purposes	83	99	124
Surplus (deficit) from Continuing Operations after capital amounts	148	184	30
Surplus (deficit) from discontinued operations	-	-	-
Surplus (deficit) from ALL Operations before tax	148	184	30
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(20)	(26)	-
SURPLUS (DEFICIT) AFTER TAX	129	159	30
plus Opening Retained Profits	8,752	8,568	8,538
plus/less: Prior Period Adjustments	-	-	-
plus Adjustments for amounts unpaid:			
- Taxation equivalent payments	-	-	-
- Debt guarantee fees	-	-	-
- Corporate taxation equivalent	20	26	-
less:			
- Tax Equivalent Dividend paid	-	-	-
- Surplus dividend paid	-	-	-
Closing Retained Profits	8,900	8,752	8,568
Return on Capital %	0.7%	1.1%	-0.1%
Subsidy from Council	461	628	757
Calculation of dividend payable:			
Surplus (deficit) after tax	129	159	30
less: Capital grants and contributions (excluding developer contributions)	(20)	-	-
Surplus for dividend calculation purposes	109	159	30
Potential Dividend calculated from surplus	54	79	15

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SPFS 2012

Blayney Shire Council

Balance Sheet of Council's Sewerage Business Activity
as at 30 June 2012

\$ '000	Actual 2012	Actual 2011
ASSETS		
Current Assets		
Cash and cash equivalents	2,560	3,126
Investments	-	-
Receivables	310	94
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	2,870	3,220
Non-Current Assets		
Investments	233	129
Receivables	667	-
Inventories	-	-
Infrastructure, property, plant and equipment	19,927	15,212
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
Total non-Current Assets	20,827	15,341
TOTAL ASSETS	23,697	18,561
LIABILITIES		
Current Liabilities		
Bank Overdraft	-	-
Payables	-	-
Interest bearing liabilities	47	44
Provisions	-	-
Total Current Liabilities	47	44
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	970	1,012
Provisions	-	-
Total Non-Current Liabilities	970	1,012
TOTAL LIABILITIES	1,017	1,056
NET ASSETS	22,680	17,505
EQUITY		
Retained earnings	8,900	8,752
Revaluation reserves	13,780	8,753
Council equity interest	22,680	17,505
Minority equity interest	-	-
TOTAL EQUITY	22,680	17,505

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Blayney Shire Council

Special Purpose Financial Statements
for the financial year ended 30 June 2012

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	6
2	Water Supply Business Best Practice Management disclosure requirements	n/a
3	Sewerage Business Best Practice Management disclosure requirements	9

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Blayney Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2012

Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Division of Local Government.

For the purposes of these statements, the Council's business activities (reported herein) are not reporting entities.

These special purpose financial statements, unless otherwise stated, have been prepared in accordance with;

- applicable Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board,
- Australian Accounting Interpretations,
- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis. They are based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

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' to 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 Government Policy statement on the "Application of National Competition Policy to Local Government".

The "Pricing & Costing for Council Businesses A Guide to Competitive Neutrality" issued by the Division of Local Government in July 1997 has also been adopted.

The pricing & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

Declared Business Activities

In accordance with *Pricing & 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)

Nil

Category 2

(where gross operating turnover is less than \$2 million)

a. Blayney Sewerage Service

Sewerage reticulation and treatment system servicing the town of Blayney, which has been established as a Special Rate Fund

b. Millthorpe Sewerage Service

Sewerage reticulation and treatment system servicing the town of Millthorpe, which has been established as a Special Rate Fund

Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars, with the exception of some figures disclosed in Note 3 (Sewerage Best Practice Management Disclosures).

As required by the NSW Office of Water (Department of Environment, Climate Change and Water) some amounts shown in Note 3 are disclosed in whole dollars.

(i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where

Blayney Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2012.

Note 1. Significant Accounting Policies (continued)

this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these 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 – 30%**

Land Tax – The first **\$396,000** of combined land values attracts **0%**. From \$396,001 to \$2,421,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$2,421,000, a premium marginal rate of **2.0%** applies.

Payroll Tax – **5.45%** on the value of taxable salaries and wages in excess of \$678,000.

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from Sewerage Business activities.

The payment of taxation equivalent charges, referred in the Best Practice Management of Water Supply and Sewerage Guides to as a "Dividend for Taxation equivalent", may be applied for any purpose allowed under the Local Government Act, 1993.

Achievement of substantial compliance against the guidelines for Best Practice Management of Water Supply and Sewerage 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.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of 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 corporate income tax rate, currently 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved.

Since this 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. Accordingly, there is no need for disclosure of internal charges in Council's GPFS.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

Local Government Rates & Charges

A calculation of the equivalent rates and charges payable on all Category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face "true" commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council's borrowing rate for its business activities.

Blayney Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2012.

Note 1. Significant Accounting Policies (continued)

(ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations.

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of Business Activities.

(iii) Return on Investments (Rate of Return)

The 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".

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The Rate of Return on Capital is calculated as follows:

$$\frac{\text{Operating Result before Capital Income} + \text{Interest Expense}}{\text{Written Down Value of I,PP\&E as at 30 June}}$$

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 3.03% at 30/6/12.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

(iv) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses or to any external entities.

Local Government Sewerage Businesses are permitted to pay an annual dividend from its sewerage business surplus.

The dividend, calculated and approved in accordance with the Best Practice Management Guidelines, must not exceed either (i) 50% of this surplus in any one year, or (ii) the number of sewerage assessments at 30 June 2012 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the NSW Office of Water prior to making the dividend and only after it has approved its payment.

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Blayney Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2012Note 3. Sewerage Business
Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2012

1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i) Calculated Tax Equivalents	-
(ii) No of assessments multiplied by \$3/assessment	5,517
(iii) Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	-
(iv) Amounts actually paid for Tax Equivalents	-

2. Dividend from Surplus

(i) 50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	54,250												
(ii) No. of assessments x (\$30 less tax equivalent charges per assessment)	55,170												
(iii) Cumulative surplus before dividends for the 3 years to 30 June 2012, less the cumulative dividends paid for the 2 years to 30 June 2011 & 30 June 2010	297,000												
<table border="0" style="width: 100%;"> <tr> <td>2012 Surplus</td> <td style="text-align: right;">108,500</td> <td>2011 Surplus</td> <td style="text-align: right;">158,500</td> <td>2010 Surplus</td> <td style="text-align: right;">30,000</td> </tr> <tr> <td></td> <td></td> <td>2011 Dividend</td> <td></td> <td>2010 Dividend</td> <td></td> </tr> </table>		2012 Surplus	108,500	2011 Surplus	158,500	2010 Surplus	30,000			2011 Dividend		2010 Dividend	
2012 Surplus	108,500	2011 Surplus	158,500	2010 Surplus	30,000								
		2011 Dividend		2010 Dividend									
(iv) Maximum dividend from surplus [least of (i), (ii) and (iii) above]	54,250												
(v) Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-												

3. Required outcomes for 4 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i) Completion of Strategic Business Plan (including Financial Plan)	YES
(ii) Pricing with full cost-recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
Complying charges (a) Residential [Item 2(c) in Table 1]	YES
(b) Non Residential [Item 2(c) in Table 1]	YES
(c) Trade Waste [Item 2(d) in Table 1]	YES
DSP with Commercial Developer Charges [Item 2(e) in Table 1]	YES
Liquid Trade Waste Approvals & Policy [Item 2(f) in Table 1]	YES
(iii) Complete Performance Reporting Form (by 15 September each year)	YES
(iv) a. Integrated Water Cycle Management Evaluation	YES
b. Complete and implement Integrated Water Cycle Management Strategy	YES

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SPFS 2012

Blayney Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2012

Note 3. Sewerage Business

Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2012

National Water Initiative (NWI) Financial Performance Indicators

NWI F2	Total Revenue (Sewerage) Total Income (s14) - Grants for Acquisition of Assets (s12a) - Interest Income (s10)	\$'000	1,091
NWI F10	Written Down Replacement Cost of Fixed Assets (Sewerage) Written down current cost of system assets (s48)	\$'000	19,763
NWI F12	Operating Cost (Sewerage) Management Expenses (s1) + Operational & Maintenance Expenses (s2)	\$'000	619
NWI F15	Capital Expenditure (Sewerage) Acquisition of Fixed Assets (s17)	\$'000	-
NWI F18	Economic Real Rate of Return (Sewerage) [Total Income (s14) - Interest Income (s10) - Grants for acquisition of Assets (s12a) - Operating cost (NWI F12) - Current cost depreciation (s3)] x 100 divided by [Written down current cost (ie. WDCC) of System Assets (s48) + Plant & Equipment (s34b)]	%	0.36%
NWI F27	Capital Works Grants (Sewerage) Grants for the Acquisition of Assets (12a)	\$'000	21

National Water Initiative (NWI) Financial Performance Indicators
Water & Sewer (combined)

NWI F3	Total Income (Water & Sewerage) Total Income (w13 + s14) + Gain/Loss on disposal of assets (w14 + s15) minus Grants for acquisition of assets (w11a + s12a) - Interest Income (w9 + s10)	\$'000	1,091
NWI F8	Revenue from Community Service Obligations (Water & Sewerage) Community Service Obligations (NWI F25) x 100 divided by Total Income (NWI F3)	%	1.47%
NWI F16	Capital Expenditure (Water & Sewerage) Acquisition of Fixed Assets (w16 + s17)	\$'000	-
NWI F19	Economic Real Rate of Return (Water & Sewerage) [Total Income (w13 + s14) - Interest Income (w9 + s10) - Grants for acquisition of assets (w11a + s12a) - Operating Cost (NWI F11 + NWI F12) - Current cost depreciation (w3 + s3)] x 100 divided by [Written down replacement cost of fixed assets (NWI F9 + NWI F10) + Plant & equipment (w33b + s34b)]	%	0.36%
NWI F20	Dividend (Water & Sewerage) Dividend paid from surplus (2(v) of Note 2 + 2(v) of Note 3)	\$'000	-
NWI F21	Dividend Payout Ratio (Water & Sewerage) Dividend (NWI F20) x 100 divided by Net Profit after tax (NWI F24)	%	0.00%

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SPFS 2012

Blayney Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2012

Note 3. Sewerage Business

Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2012

National Water Initiative (NWI) Financial Performance Indicators
Water & Sewer (combined)

NWI F22	Net Debt to Equity (Water & Sewerage)	%	-7.83%
	Overdraft (w36 + s37) + Borrowings (w38 + s39) - Cash & Investments (w30 + s31) x 100 divided by [Total Assets (w35 + s36) - Total Liabilities (w40 + s41)]		
NWI F23	Interest Cover (Water & Sewerage)		> 100
	Earnings before Interest & Tax (EBIT) divided by Net Interest		
	Earnings before Interest & Tax (EBIT):		72
	Operating Result (w15a + s16a) + Interest expense (w4a + s4a) - Interest Income (w9 + s10) - Gain/Loss on disposal of assets (w14 + s15) + Miscellaneous Expenses (w4b + w4c + s4b + s4c)		
	Net Interest:		- 127
	Interest Expense (w4a + s4a) - Interest Income (w9 + s10)		
NWI F24	Net Profit After Tax (Water & Sewerage)	\$'000	127
	Surplus before dividends (w15a + s16a) - Tax equivalents paid (Note 2-1(iv) + Note 3-1(iv))		
NWI F25	Community Service Obligations (Water & Sewerage)	\$'000	16
	Grants for Pensioner Rebates (w11b + s12b)		

- Notes:
- References to w (eg. s12) refer to item numbers within Special Schedules No. 5 & 6 of Council's Annual Financial Statements.
 - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

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BLAYNEY SHIRE COUNCIL
SPECIAL PURPOSE FINANCIAL STATEMENTS
INDEPENDENT AUDITORS' REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying *special purpose financial statements* of *Blayney Shire Council*, which comprises the Balance Sheet as at 30 June 2012, Income Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management.

Responsibility of Council for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with the Local Government Act 1993 and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements, are appropriate to meet the financial reporting requirements of the Division of Local Government. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. Our audit responsibility does not extend to the best practice management disclosures in Notes 2 and 3 and, accordingly, no opinion is expressed on these disclosures.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

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Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the special purpose financial statements of the Council are presented fairly in accordance with the requirements of those applicable Accounting Standards detailed in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the requirements of the Division of Local Government. As a result, the financial statements may not be suitable for another purpose.

HILL ROGERS SPENCER STEER



GARY MOTTAU
Partner

Dated at Sydney this 20th day of September 2012

Blayney Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2012

*"an innovative, inspirational
and enjoyable environment..."*



Blayney Shire Council

Special Schedules

for the financial year ended 30 June 2012

Contents	Page	
Special Schedules¹		
- Special Schedule No. 1	Net Cost of Services	2
- Special Schedule No. 2(a)	Statement of Long Term Debt (all purposes)	4
- Special Schedule No. 2(b)	Statement of Internal Loans (Sect. 410(3) LGA 1993)	n/a
- Special Schedule No. 3	Water Supply - Income Statement	n/a
- Special Schedule No. 4	Water Supply - Balance Sheet	n/a
- Special Schedule No. 5	Sewerage Service - Income Statement	5
- Special Schedule No. 6	Sewerage Service - Balance Sheet	9
- Notes to Special Schedules No. 3 & 5		10
- Special Schedule No. 7	Condition of Public Works	11
- Special Schedule No. 8	Financial Projections	13

¹ Special Purpose Schedules are not audited.

Background

(i) These Special Schedules have been designed to meet the requirements of special purpose users such as:

- * the NSW Grants Commission
- * the Australian Bureau of Statistics (ABS),
- * the NSW Office of Water,
- * the Department of Environment, Climate Change and Water, and
- * the Division of Local Government (DLG).

(ii) The financial data is collected for various uses including:

- * the allocation of Financial Assistance Grants,
- * the incorporation of Local Government financial figures in national statistics,
- * the monitoring of loan approvals,
- * the allocation of borrowing rights, and
- * the monitoring of the financial activities of specific services.

Special Schedules 2012

Blayney Shire Council

Special Schedule No. 1 - Net Cost of Services
for the financial year ended 30 June 2012

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Governance	114	-	-	(114)
Administration	3,032	254	-	(2,778)
Public Order and Safety				
Fire Service Levy, Fire Protection, Emergency Services	345	-	1	(344)
Beach Control	-	-	-	-
Enforcement of Local Govt. Regulations	-	-	-	-
Animal Control	90	5	-	(85)
Other	-	-	-	-
Total Public Order & Safety	435	5	1	(429)
Health	654	21	-	(643)
Environment				
Noxious Plants and Insect/Vermin Control	-	-	-	-
Other Environmental Protection	-	-	-	-
Solid Waste Management	804	810	-	6
Street Cleaning	144	-	-	(144)
Drainage	74	-	-	(74)
Stormwater Management	-	-	-	-
Total Environment	1,022	810	-	(212)
Community Services and Education				
Administration & Education	-	1	14	15
Social Protection (Welfare)	-	-	-	-
Aged Persons and Disabled	47	17	-	(30)
Children's Services	18	23	-	5
Total Community Services & Education	65	41	14	(10)
Housing and Community Amenities				
Public Cemeteries	46	38	-	(8)
Public Conveniences	68	-	-	(68)
Street Lighting	118	16	-	(102)
Town Planning	241	195	-	(46)
Other Community Amenities	22	42	-	20
Total Housing and Community Amenities	495	291	-	(204)
Water Supplies	-	-	-	-
Sewerage Services	981	1,218	83	320

page 2

Special Schedules 2012

Blayney Shire Council

Special Schedule No. 1 - Net Cost of Services (continued)
for the financial year ended 30 June 2012

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Recreation and Culture				
Public Libraries	135	33	-	(102)
Museums	-	-	-	-
Art Galleries	-	-	-	-
Community Centres and Halls	531	275	50	(206)
Performing Arts Venues	-	-	-	-
Other Performing Arts	-	-	-	-
Other Cultural Services	5	-	-	(5)
Sporting Grounds and Venues	341	23	15	(303)
Swimming Pools	-	-	-	-
Parks & Gardens (Lakes)	942	46	-	(896)
Other Sport and Recreation	644	360	-	(284)
Total Recreation and Culture	2,598	737	65	(1,796)
Fuel & Energy	-	-	-	-
Agriculture	-	-	-	-
Mining, Manufacturing and Construction				
Building Control	1	104	-	103
Other Mining, Manufacturing & Construction	1	3	-	2
Total Mining, Manufacturing and Const.	2	107	-	105
Transport and Communication				
Urban Roads (UR) - Local	92	-	88	(4)
Urban Roads - Regional	-	-	-	-
Sealed Rural Roads (SRR) - Local	1,169	125	316	(728)
Sealed Rural Roads (SRR) - Regional	46	532	195	681
Unsealed Rural Roads (URR) - Local	2,066	322	-	(1,744)
Unsealed Rural Roads (URR) - Regional	-	-	-	-
Bridges on UR - Local	19	-	-	(19)
Bridges on SRR - Local	328	190	-	(138)
Bridges on URR - Local	1	-	-	(1)
Bridges on Regional Roads	-	-	-	-
Parking Areas	-	-	-	-
Footpaths	10	-	3	(7)
Aerodromes	-	-	-	-
Other Transport & Communication	1,637	1,957	-	320
Total Transport and Communication	5,358	3,126	602	(1,640)
Economic Affairs				
Camping Areas & Caravan Parks	23	1	-	(22)
Other Economic Affairs	379	316	-	(63)
Total Economic Affairs	402	317	-	(85)
Totals – Functions	15,178	6,927	765	(7,486)
General Purpose Revenues⁽²⁾		6,950		6,950
Share of interests - joint ventures & associates using the equity method	-	-	-	-
NET OPERATING RESULT⁽¹⁾	15,178	13,877	765	(536)

(1) As reported in the Income Statement | (2) Includes: Rates & Annual Charges (incl. Ex Gratia, excl. Water & Sewer), Non Capital General Purpose Grants & Interest on Investments (excl. Ext. Restricted Assets)

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Blayney Shire Council

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)
for the financial year ended 30 June 2012

Classification of Debt	Principal outstanding at beginning of the year		New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year	
	Current	Non Current		From Revenue	Sinking Funds			Current	Non Current
Loans (by Source)									
Commonwealth Government	-	-	-	-	-	-	-	-	-
Treasury Corporation	-	-	-	-	-	-	-	-	-
Other State Government	-	-	-	-	-	-	-	-	-
Public Subscription	85	1,901	-	85	-	-	137	92	1,809
Financial Institutions	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Loans	85	1,901	-	85	-	-	137	92	1,809
Other Long Term Debt									
Ratepayers Advances	-	-	-	-	-	-	-	-	-
Government Advances	-	-	-	-	-	-	-	-	-
Finance Leases	-	-	-	-	-	-	-	-	-
Deferred Payments	-	-	-	-	-	-	-	-	-
Total Long Term Debt	-	-	-	-	-	-	-	-	-
Total Debt	85	1,901	-	85	-	-	137	92	1,809

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing. This Schedule is prepared using the face value of debt obligations, rather than fair value (which are reported in the GFRS).

Special Schedules 2012

Blayney Shire Council

Special Schedule No. 5 - Sewerage Income Statement

Includes ALL INTERNAL TRANSACTIONS, i.e. prepared on a Gross Basis.
for the financial year ended 30 June 2012

\$'000	Actuals 2012	Actuals 2011
A Expenses and income		
Expenses		
1. Management expenses		
a. Administration	186	280
b. Engineering and Supervision	-	-
2. Operation and Maintenance expenses		
- Mains		
a. Operation expenses	79	20
b. Maintenance expenses	-	-
- Pumping Stations		
c. Operation expenses (excluding energy costs)	31	25
d. Energy costs	17	19
e. Maintenance expenses	-	-
- Treatment		
f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	251	256
g. Chemical costs	-	-
h. Energy costs	49	38
i. Effluent Management	2	4
j. Biosolids Management	-	-
k. Maintenance expenses	-	-
- Other		
l. Operation expenses	4	7
m. Maintenance expenses	-	-
3. Depreciation expenses		
a. System assets	400	383
b. Plant and equipment	-	-
4. Miscellaneous expenses		
a. Interest expenses	78	80
b. Revaluation Decrements	-	-
c. Other expenses	72	-
d. Tax Equivalents Dividends (actually paid)	-	-
5. Total expenses	1,169	1,112

Special Schedules 2012

Blayney Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, i.e. prepared on a Gross Basis.
for the financial year ended 30 June 2012

\$'000	Actuals 2012	Actuals 2011
Income		
6. Residential charges (including rates)	917	864
7. Non-residential charges		
a. Access (including rates)	-	-
b. Usage charges	78	78
8. Trade Waste Charges		
a. Annual Fees	-	-
b. Usage charges	-	-
c. Excess mass charges	-	-
d. Re-inspection fees	-	-
9. Extra charges	-	-
10. Interest income	205	222
11. Other income	18	17
12. Grants		
a. Grants for acquisition of assets	21	-
b. Grants for pensioner rebates	16	16
c. Other grants	-	-
13. Contributions		
a. Developer charges	62	99
b. Developer provided assets	-	-
c. Other contributions	-	-
14. Total income	1,317	1,296
15. Gain (or loss) on disposal of assets	-	-
16. Operating Result	148	184
16a. Operating Result (less grants for acquisition of assets)	127	164

Special Schedules 2012

Blayney Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2012

\$'000	Actuals 2012	Actuals 2011
B Capital transactions		
Non-operating expenditures		
17. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	-	-
b. New Assets for Growth	-	-
c. Renewals	-	-
d. Plant and equipment	-	-
18. Repayment of debt		
a. Loans	37	35
b. Advances	-	-
c. Finance leases	-	-
19. Transfer to sinking fund		
	-	-
20. Totals	<u>37</u>	<u>35</u>
Non-operating funds employed		
21. Proceeds from disposal of assets		
	-	-
22. Borrowing utilised		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
23. Transfer from sinking fund		
	-	-
24. Totals	<u>-</u>	<u>-</u>
C Rates and charges		
25. Number of assessments		
a. Residential (occupied)	1,398	1,135
b. Residential (unoccupied, ie. vacant lot)	181	162
c. Non-residential (occupied)	217	147
d. Non-residential (unoccupied, ie. vacant lot)	43	17
26. Number of ETs for which developer charges were received		
	- ET	- ET
27. Total amount of pensioner rebates (actual dollars)	\$ 16,320	\$ 16,007

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Blayney Shire Council

Special Schedule No. 5 - Sewerage Cross Subsidies
for the financial year ended 30 June 2012

\$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
28. Annual charges			
a. Does Council have best-practice sewerage annual charges, usage charges and trade waste fees & charges*?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
If Yes, go to 29a.			
If No, please report if council has removed land value from access charges (ie rates)?			
NB. Such charges for both residential customers and non-residential customers comply with section 4.2 & 4.3 of the Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy to non-residential customers (page 45 of Guidelines)			<input type="text"/>
c. Cross-subsidy to trade waste discharges (page 46 of Guidelines)			<input type="text"/>
29. Developer charges			
a. Has council completed a sewerage Development Servicing** Plan?	<input type="checkbox"/>	<input type="checkbox"/> No	
b. Total cross-subsidy in sewerage developer charges for 2011/12 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
30. Disclosure of cross-subsidies			
Total of cross-subsidies (28b + 28c + 29b)			<input type="text"/> -

* Councils which have not yet implemented best practice sewer pricing & liquid waste pricing should disclose cross-subsidies in items 28b and 28c above.

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice sewerage and liquid waste pricing and is phasing in such pricing over a period of 3 years.

Special Schedules 2012

Blayney Shire Council

Special Schedule No. 6 - Sewerage Balance Sheet

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2012

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
31. Cash and investments			
a. Developer charges	618	-	618
b. Special purpose grants	4	-	4
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	1,938	233	2,171
32. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	63	-	63
c. Other (including User Charges)	247	667	914
33. Inventories	-	-	-
34. Property, plant and equipment			
a. System assets	-	19,763	19,763
b. Plant and equipment	-	164	164
35. Other assets	-	-	-
36. Total Assets	<u>2,870</u>	<u>20,827</u>	<u>23,697</u>
LIABILITIES			
37. Bank overdraft	-	-	-
38. Creditors	-	-	-
39. Borrowings			
a. Loans	47	970	1,017
b. Advances	-	-	-
c. Finance leases	-	-	-
40. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
41. Total Liabilities	<u>47</u>	<u>970</u>	<u>1,017</u>
42. NET ASSETS COMMITTED	<u>2,823</u>	<u>19,857</u>	<u>22,680</u>
EQUITY			
42. Accumulated surplus			8,900
44. Asset revaluation reserve			13,780
45. TOTAL EQUITY			<u>22,680</u>
Note to system assets:			
46. Current replacement cost of system assets			26,690
47. Accumulated current cost depreciation of system assets			(6,927)
48. Written down current cost of system assets			19,763

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Blayney Shire Council

Notes to Special Schedule No.'s 3 & 5
for the financial year ended 30 June 2012**Administration** ⁽¹⁾

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Meter reading.
- Bad and doubtful debts.
- Other administrative/corporate support services.

Engineering and supervision ⁽¹⁾

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Other technical and supervision staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.

Operational expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

Maintenance expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

Other expenses (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

Residential charges⁽²⁾ (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a Access Charges (including rates if applicable) and 6b Usage Charges.

Non-residential charges⁽²⁾ (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a Access Charges (including rates if applicable) and 7b Usage Charges.

Trade waste charges (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a Annual Fees, 8b Usage Charges and 8c Excess Mass Charges and 8d Re-inspection Fees.

Other income (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

Other contributions (items 12c and 13c of Special Schedules 3 and 5 respectively) incl. capital contributions for water supply or sewerage services received by Council under Section 565 of the Local Government Act.

Notes:

⁽¹⁾ Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

⁽²⁾ To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

Special Schedules 2012

Blayney Shire Council

Special Schedule No. 8 - Financial Projections
as at 30 June 2012

\$'000	Actual ⁽¹⁾ 11/12	Forecast 12/13	Forecast 13/14	Forecast ⁽²⁾ 14/15	Forecast ⁽³⁾ 15/16
(i) OPERATING BUDGET					
Income from continuing operations	14,642	13,205	13,601	13,771	14,890
Expenses from continuing operations	15,178	13,900	14,193	14,702	15,153
Operating Result from Continuing Operations	(536)	(695)	(592)	(931)	(263)
(ii) CAPITAL BUDGET					
New Capital Works ⁽²⁾	390	422	641	3,634	2,771
Replacement/Refurbishment of Existing Assets	2,582	2,500	3,543	4,136	3,531
Total Capital Budget	2,972	2,922	4,184	7,770	6,302
Funded by:					
- Loans	-	1,000	1,092	3,990	-
- Asset sales	2	191	185	190	184
- Reserves	172	-	529	115	-
- Grants/Contributions	839	858	1,150	538	554
- Recurrent revenue	1,821	873	1,228	2,937	5,564
- Other	28	-	-	-	-
	2,862	2,922	4,184	7,770	6,302

Notes:

- (1) From 11/12 Income Statement.
- (2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.
- (3) If Council has only adopted 3 years of projections then only show 3 years.
- (4) Financial Projections should be in accordance with Council's Integrated Planning & Reporting framework.

ENGINEERING SERVICES REPORTS
PRESENTED TO THE BLAYNEY SHIRE COUNCIL
MEETING HELD ON WEDNESDAY, 3 OCTOBER 2012



33) **REPLACEMENT OF TIMBER BRIDGES ON NEWBRIDGE AND GARLAND ROAD**
(Director Engineering)

RECOMMENDED:

1. That the report be noted.

REPORT

In accordance with Council's decision to replace the above bridges, work on the design of the new structures is now complete. It is proposed that the new bridges will be constructed in pre-cast concrete components, similar to previous projects including Ashburtons and Fagans bridges, to be undertaken using specialist contractors for the piling and other work as necessary, and the bridge assembly to be completed using Council's day labour staff.

The bridge on Garland Road will be constructed such that the level of the underside of the bridge beams (obvert) will be the same, as existing. This level was chosen so that the impacts on flooding upstream are not exacerbated by the new bridge. Raising the bridge deck height higher than say the 1:100 year flood event was not considered because a flood of this level will have covered the road in other locations making access to the bridge at that time not possible anyway.

The bridge level chosen for the bridge on Newbridge Road sees the deck level the same as the existing bridge. Because of the proximity of an existing concrete bridge, raising the level above this level would also not reduce the flood risk as the bridge approaches on the northern end would be inundated in even a small flood.

It is proposed that the Newbridge Road bridge will be constructed in 2 halves so as to maintain vehicular access, particularly to the Sea Link facility. One lane of the existing bridge will be demolished down to the level of the headstocks with traffic reduced to one lane over the remainder of the existing bridge. With this section gone, a lane of the new bridge will then be built and following, traffic diverted onto the new structure. When this is in place, the remainder of the existing bridge will be removed and the other lane of the new bridge completed. This form of construction has been adopted to maintain traffic flow on this road as there are no easy alternate routes to Blayney from this direction, and a piped side track is not considered appropriate at this location.

Council's Project Manager met with Sealink representatives to discuss the proposal on 20 September 2012 and it was indicated that their busy period is between now and Christmas and asked that the construction work on the bridge commence after that time. Accordingly, it is proposed that the demolition work will commence as early as possible in the third quarter of 2012/2013 to minimise the impact on the Sealink operation.

Work will commence at the Garland Road bridge site initially with the commencement of the demolition to start before mid October. The bridge is expected to be completed prior to Christmas. The Newbridge Road bridge will then commence once the Garland Road bridge is complete.

BUDGET IMPLICATIONS

A detailed estimate of cost of both projects is being prepared. Subject to verification, an early estimate of cost indicates that the expenditure will be within Council's budget.

POLICY IMPLICATIONS

Nil effect.

IP&R

CSP 4.1, DP 4.1.1, OP 4.1.1.c

DP 4.1.5, OP 4.1.5.b

Attachments

Nil

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**INFORMATION REPORTS
PRESENTED TO THE BLAYNEY SHIRE COUNCIL
MEETING HELD ON WEDNESDAY, 3 OCTOBER 2012**

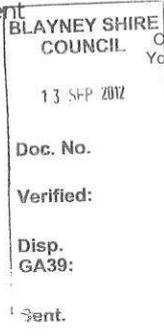


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Premier & Cabinet
Division of Local Government

5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541



Our Reference: A295023
Your Reference:
Contact: Communications
Phone: 02 4428 4100

Mr Glenn Wilcox
General Manager
Blayney Shire Council
PO Box 62
BLAYNEY NSW 2799

Dear Mr Wilcox

Thank you for your letter of 14 August 2012 to the Minister for Local Government, the Hon Don Page MP, about the closing date for submissions in response to the Independent Local Government Review Panel's consultation paper, *Strengthening Your Community*.

I note your request for an extension to the closing date for submissions to allow the incoming Council time to consider and provide a response on the Paper.

Given the independent nature of the Panel, I have referred a copy of your correspondence to Professor Graham Sansom, Chair of the Independent Local Government Review Panel, for his consideration and any appropriate action.

Thank you for raising this matter with the Minister.

Yours sincerely

Dennis Amey
Manager, Operations

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**Cabinet Secretary
Parliamentary Secretary for Climate Change and Energy Efficiency
Parliamentary Secretary for Industry and Innovation**

14 September 2012

Dear Councillor

I am writing to you to clarify local council obligations under the carbon pricing mechanism.

Recent media reports have quoted the New South Wales (NSW) Minister for Local Government the Hon Don Page MP, suggesting that local councils that are liable under the carbon pricing mechanism for emissions from landfill facilities could breach state laws regarding certain types of investments if they purchase emissions units to meet their liabilities. These suggestions are wrong and it is unfortunate that a NSW Minister has sought to mislead councils and the public in this manner. I want to make sure that councils are fully informed about their legal position.

The Australian Government is confident that the *NSW Local Government Act 1993* and related Ministerial Orders do not prevent NSW Councils from complying with the *Clean Energy Act 2011*. The restrictions outlined in the *NSW Local Government Act 1993* only apply to investment of money by local councils.

Carbon permits purchased from the Government at the fixed price will be automatically surrendered and cannot be traded or banked for future use.

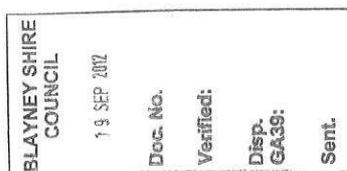
During the flexible price period, commencing on 1 July 2015, liable entities will have several options for meeting their compliance obligations including purchasing carbon units at auction, purchasing international units or purchasing units generated under the Carbon Farming Initiative (CFI).

If you have any questions about the carbon pricing mechanism and opportunities available through the CFI or other Government climate change measures, please contact Ms Jacqueline Roessgen on (02) 6159 7982 or via email at Jacqueline.Roessgen@climatechange.gov.au.

I look forward to working with you as the Government continues to implement our Clean Energy Future plan.

Yours sincerely

MARK DREYFUS QC MP



HOUSEHOLD CHEMICAL CLEANOUT
Project Update – 19 September 2012



RECENT ACTIVITIES/PROGRESS

- Dolomatrix Australia Pty Ltd (Chemsal Division) has been notified as the preferred Contractor for the upcoming Household Chemical Cleanout.
- NetWaste has exchanged letters with Chemsal, with the works to be undertaken in accordance with the existing EPA agreement which provides for negotiations with regional groups on a case basis.
- 16 Councils have indicated participation in the program, with collections at 17 sites.

Proposed collection timetable

The following timetable has been confirmed for the 2012 collections, which is an extremely condensed timeframe and has been formulated based on the specific Council requirements previously advised to NetWaste.

Date	Half/Full Day	Site
Mon 15 October 2012	1-4pm	Cowra Waste Facility, Cowra
Tues 16 October 2012	8-11am	Grenfell Waste Depot, Gooloogong Rd
Tues 16 October 2012	1-4pm	Ccl Works Depot, Bandon St, Forbes
Wed 17 October 2012	8-11am	Ccl Works Depot, Thornbury St, Parkes*. FDO at Waste Depot
Wed 17 October 2012	1-4pm	Cumnock Waste Depot, Baldry Rd
Thurs 18 October 2012	8am-3pm	Cook Hockey Complex MW Hwy, Bathurst*. FDO at BWMF (approx. 7km)
Fri 19 October 2012	8am-3pm	Waste Facility, Hill End Rd, Mudgee*
Sat 20 October 2012	1-4pm	Waste Depot, University Rd, Wellington*
Sat 20 October 2012	8-11am	WMF Lowes Mt Rd, Oberon*
Sat 20 October	1-4pm	Landfill, MW Hwy, Blayney*
Sat 20 October 2012	8-11am	Waste Depot, Wills St, Broken Hill.
Sat 20 October 2012	8am-3pm	Showground, Wingewarra St, Dubbo.
Sun 21 October 2012	8-11am	Ccl Depot, entry off Main St, Wallerawang.
Sun 21 October 2012	1-4pm	Ccl Depot, Mort St, Lithgow.
Sun 21 October 2012	8am-3pm	Ophir Rd RRC, Orange*
Sun 21 October 2012	8-11am	Waste Depot, Gainsborough Rd, Narromine.
Mon 22 October 2012	8-11am	WMF, Collison Drive, Gilgandra*

* Enclosure to be serviced at location

Council contact details

Chemsal have been provided with the following contacts for each Council who are considered to be the authorised contact during the collection time at your site – **please advise asap if any details are incorrect & mobile no. would be preferable especially if you have a wknd collection.** A reminder it is a contract requirement that each Council have someone available during their collection period to assist and also respond to any queries from the public, whether they be on-site or available on phone:

COUNCIL	Contact person	Phone
Bathurst Regional Council	Antony Cullen-Ward	
Blayney Shire Council	Leon Rodwell	
Broken Hill City Council	Libby Guest	
Cabonne Council	Lex Stewart	
Cowra Shire Council	Craig Lynch	
Dubbo City Council	Michael McCulloch	
Forbes Shire Council	Paul Bennett	
Gilgandra Shire Council	Lindsay Mathieson	C
Lithgow City Council	Peta Lette	
Mid-Western Regional Council	Julian Geddes	C
Narromine Shire Council	Mark P. Robertson	
Oberon Council	Matilda Dwyer	
Orange City Council	Weekend	
Parkes Shire Council	Steve Campbell	
Weddin Shire Council	Isabel Holmes	
Wellington Council	Michelle Burns	

ADVERTISING CAMPAIGN

We will be using the TV advert from last year which proved to be very effective in getting the message across and helping people understand what products are targeted. The TV ad will commence from 2 October for 2 weeks on both WIN and Prime TV.

NetWaste will also be placing localised newspaper and radio adverts specific to the individual areas a few days before each collection, but this still needs to be supplemented by each Council doing their own promotion. NetWaste will provide you with some template resources shortly to update your website, use in your mayoral columns/public notices etc. **Please make sure you promote the service locally as the NetWaste budget had to be stretched further this year due to more Councils participating.**

You will also be provided with updated flyers & A3 posters to display and include on your websites.

INTERESTED BUSINESSES TO UTILISE SERVICE

The NetWaste campaign is targeted at household quantities and customers only, however if any businesses wish to utilise the opportunity of having Chemsal in the area, they need to contact them directly to confirm details and pricing.

CHEMSAL CONTACT DETAILS

If anyone wants to speak directly with the Contractor, including potential business customers, details are:

Ian Parkes (NSW Major Contracts Manager)

Mobile: 0409938553

Email: ianp@chemsal.com.au

ANY QUESTIONS PLEASE CALL KRISTY COSIER ON 68178753 OR 0439131470