



LITHGOW CITY COUNCIL

MINUTES

ORDINARY MEETING OF COUNCIL

HELD ON

17 JULY 2006

**MINUTES OF THE LITHGOW CITY COUNCIL MEETING
HELD AT THE CIVIC CENTRE, LITHGOW ON 17 JULY 2006**

Meeting Commenced 7.00pm

Public Gallery: 21

PRESENT

His Worship the Mayor
Councillor Neville Castle
Councillor B P Morrissey
Councillor M F Ticehurst
Councillor W McAndrew
Councillor H K Fisher
Councillor B S Moran
Councillor M M Collins
Councillor A E Thompson
Councillor M J Wilson

APOLOGIES

NIL

Also in attendance

General Manager, Mr Paul Anderson
Acting Group Manager Regional Services, Mr Andrew Muir
Community and Corporate Group Manager, Kathy Woolley
Minutes Secretary, Miss Casey Clarke

CONFIRMATION OF MINUTES

Confirmation of the Minutes of the Ordinary Meeting of Council held on the 19 June 2006 were taken as read and confirmed by Councillors M J Wilson and W McAndrew

**06- 211 RESOLVED
CARRIED**

DECLARATION OF INTEREST

His Worship the Mayor called for Declarations of Interest on any matter before the Meeting.

NIL

QUESTIONS FROM THE PUBLIC GALLERY

At 7.00pm members of public gallery were invited to address questions through the Mayor to Councillors and Staff: -

QPG - MR NEVILLE DIXON

1. Can you please furnish my property access? 11 Burton Street, Portland.
Can you please explain as to why it's not finished?

The site has been inspected today by Council's Works Engineer. The problem appears to relate to the steepness of Mr Dixon's driveway access from the layback kerb to his property. Whilst it appears that some measures have been undertaken to try and alleviate the problem, these may not have been successful. Further investigation will be undertaken this week to determine if it is feasible to adjust the gradient of the driveway. However, this may depend on whether it is possible to lower the sewer main and relocate Telstra services. The Acting Group Manager Regional Services wants to meet with Mr Dixon to discuss this matter in more detail.

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GENERAL MANAGER REPORTS

ITEM:1 EXEC - 17/07/06 - PROPOSED REDISTRIBUTION OF FEDERAL ELECTORAL BOUNDARIES IN NEW SOUTH WALES

REFERENCE

Nil

SUMMARY

The Redistribution Committee is proposing a redistribution of the Federal Electoral Boundaries in New South Wales. This proposal will result in the entire Lithgow Local Government Area (LGA) being located in the division of Macquarie. This report outlines the proposal's impact on the LGA and recommends the submission of an objection to the proposed Macquarie division.

COMMENTARY

Background

On 17 November 2005, the Electoral Commissioner made a determination of the State and Territory representation entitlements under the Commonwealth Electoral Act 1918 (the Electoral Act). It was determined that New South Wales is entitled to 49 Members of the House of Representatives which is one less than its previous entitlement. Therefore, the Electoral Act required a redistribution to take place. This redistribution process has commenced and has involved the following to date:

- Appointment of a Redistribution Committee
- Invitation for written public suggestions
- Invitation for written comments on the suggestions
- Preparation of the proposed redistribution report
- Exhibition of the proposed redistribution report until 28 July 2006.

Redistribution Proposal for the Lithgow LGA

The redistribution proposal for the Lithgow LGA will result in it being located within the division of Macquarie as shown in the diagram below. The Report of the Redistribution Committee, *"The 2006 Proposed Redistribution of New South Wales into 49 Electoral Divisions"* outlines the information and general strategy behind the proposal. A brief summary of the main points are included in the following:

- The Committee identified the Hunter, Blue Mountains and the Southern Highlands as having a "strong connection between rural, coastal and metropolitan areas"; they have "major road and rail transport corridors through the State" and the "Blue Mountains has historically been regarded as the gateway to the west" (p18).
- The existing divisions of Calare and Macquarie have projected enrolments within the statistical tolerances. However, the proposed amalgamation of Gwydir and Parkes (current divisions with the lowest projected enrolment numbers which were insufficient to sustain 2 divisions) led the Committee to reconfigure all inland rural divisions.
- The Committee viewed the Blue Mountains as providing a "strong link between the coastal hinterland and the west" (p21).
- The Committee considered that the Lithgow, Oberon and part of the Bathurst LGA "shared communities of interest amongst each other and with the Blue Mountains centred on domestic and international tourism, national parks, wilderness and weekend recreational

activities" (p21). It was also noted that major rail and road transport routes linked these LGAs.

- Lithgow was part of the Macquarie division until 1976.



(Source: AEC website www.aec.gov.au)

Statutory Requirements for the Making of Proposed Redistribution

The Electoral Act sets out requirements for the redistribution committee when proposing a redistribution. The requirements of most interest include:

- The number of electors enrolled shall be within statistical tolerances.
- The Redistribution Committee shall give due consideration in relation to each proposed division:
 - community of interests within the proposed divisions including economic, social and regional interests;
 - means of communication and travel within the proposed division;
 - the physical features and area of the proposed division; and
 - the boundaries of the existing divisions in the State.

Discussion

The task of identifying commonality within the proposed Macquarie division is logical when it comes to transport routes, i.e. Great Western Highway and Main Western Railway. Also physical features such as National Parks are readily identifiable. However, it is considered that the proposed Macquarie division will change the focus and areas of interest for the electors located in the Lithgow LGA. Concerns include the following:

- The current division of Calare consists of regional and rural New South Wales but the proposed division of Macquarie will provide a mixture of transitional urban areas (i.e. Blue Mountains), regional and rural New South Wales.
- The projected enrolment figures for the proposed Macquarie division show a greater population from the current Macquarie and Lindsay divisions compared to the current

Calare division. Therefore, the Member of Parliament would be under pressure to represent the more highly urbanised parts of the electorate to the east which will be to the detriment of regional and rural areas to the west.

- It is considered that in regional and rural areas, community of interests is best demonstrated by local government boundaries. Whilst the entire Lithgow LGA is proposed to be located within the Macquarie division, this division does not fully consider the established working partnerships between local government authorities such as CENTROC and the recently formed Strategic Alliance between Lithgow, Mid Western and Oberon Councils (Note: Oberon is proposed to be in the Macquarie division).
- Lack of commonality in relation to community of interests exists within the proposed new division. That is, within the proposed Macquarie division there are differing economic, social and philosophical values.
- Conflicts will arise in the proposed Macquarie division due to the diverse communities and access to services. For example mobile phone coverage is generally good when travelling through the Blue Mountains towards Sydney on the Great Western Highway but sporadic when travelling north through the Lithgow LGA on the Castlereagh Highway.
- Lithgow is the logical gateway to central western New South Wales and not the Blue Mountains as suggested in the report.

In conclusion, it will be difficult for the Member for Macquarie in the proposed new division to provide quality service and represent the interests of such a diverse electorate. Therefore, it is suggested that Council provide a formal objection to the proposed Macquarie division based on the concerns expressed above.

POLICY IMPLICATIONS

There are no immediate policy implications as a result of this report.

FINANCIAL IMPLICATIONS

There are no financial implications as a result of this report.

LEGAL IMPLICATIONS

There are no legal implications as a result of this report.

RECOMMENDATION

THAT an objection be forwarded to the Australian Electoral Commission in relation to the Lithgow Local Government Area's inclusion in the proposed Macquarie electoral division.

06- 212 RESOLVED

THAT no action be taken on this matter.

MOVED: Councillor W McAndrew

SECONDED: Councillor H K Fisher.

CARRIED

ITEM:2 EXEC - 17/07/06 - UPDATE ON LEGAL MATTERS

SUMMARY

This report provides an update on two matters that have been the subject of proceedings in the Land and Environment Court.

COMMENTARY

Delaney -v- Council – Peachtree Road Megalong Valley

A hearing into a preliminary point relating to permissibility was held on 10 July 2006 before Commissioner Moore. The Commissioner dismissed the proceedings finding on the evidence that whilst the religious retreat house was an innominate use, which otherwise would have been permissible in the zone, it would consist of two separate purposes. Although the Court considered that the commercial operations were subordinate to the spiritual, it did not find them to be subservient or ancillary to such and consequently it held the proposal to be prohibited.

Charles -v- Council – Tweed Road

A hearing date has now been set for Tuesday 25 July 2006. The hearing will start on site at 10.30am and, thereafter, adjourn to conclude at the Court House. Those residents who objected to the application have been notified of the date of the hearing and advised as to how they may be involved.

POLICY IMPLICATIONS

No policy implications directly arise as a result of this report.

FINANCIAL IMPLICATIONS

The final costs of proceedings in Megalong Valley matter are yet to be finalised. However, a great deal of time and expense has now been saved.

LEGAL IMPLICATIONS

The subject of this report.

RECOMMENDATION

THAT information be received.

06- 213 RESOLVED

THAT:

1. The information be received.
2. Congratulations be passed on to the Council staff for their work on these cases.
3. Council delegate the authority to the General Manager to pursue the costs with reports to the declaring matter.

MOVED: Councillor B S Moran

SECONDED: Councillor M J Wilson.

CARRIED

ENGINEERING SERVICES REPORTS

**ITEM:3 ENG - 17/07/06 - LICENCE FOR LEASE OF CROWN LAND -
 CAPERTEE TELEVISION RETRANSMISSION TOWER**

REFERENCE

Nil

SUMMARY

Details of a proposed Licence Agreement (lease) between Council and the Department of Lands for an area off the Castlereagh Highway at Capertee, for Council's Television Retransmission Tower.

COMMENTARY

Council received permission from the Department of Lands to construct the television retransmission tower on a portion of crown land (400 square metres of Lot 7005 DP 755758) off the Castlereagh Highway, Capertee, under the Federal Government's Television Blackspots Programme.

Council is now in possession of the official Licence Agreement documents for this portion, which require the Mayor and General Manager to execute under Council's official seal.

This Agreement officially allows Council to use this portion of land for a transmission tower and hut located within a 20 metre by 20 metre section of Crown Land adjoining R89939 at Capertee for a period of three (3) years.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The rental fee for this licence is \$1,650.00 which is allocated in the recurrent budget.

LEGAL IMPLICATIONS

Nil

RECOMMENDATION

THAT Council affix the Common Seal to the license agreement for the land adjacent to the Castlereagh Highway, Capertee for the television transmission tower and hut.

06- 214 RESOLVED

THAT:

1. Council affix the Common Seal to the license agreement for the land adjacent to the Castlereagh Highway, Capertee for the television transmission tower and hut.
2. Council delegate the authority to General Manager to negotiate the purchase/acquisition of the land in question.

MOVED: Councillor M M Collins

SECONDED: Councillor W McAndrew.

CARRIED

CORPORATE SERVICES REPORTS

ITEM:4 CORP - 17/07/06 - COUNCIL INVESTMENTS JUNE 2006

SUMMARY

To advise Council of investments held and cash movements for the month period ending 30 June 2006.

REPORT

The amount invested as at 30 June 2006 when compared to 31 May 2006 has increased by \$1,018,048.77. The most significant outgoing amounts were:

CREDITOR	AMOUNT	PURPOSE
Henrys Plant Hire	31,569.67	Plant Hire
Jardine Llyodd Thompson	77,901.10	Insurance Premiums
AGL Western	13,293.38	Gas supply
Country Energy	11,529.45	Electricity supply
Gracey Earthmoving	15,903.25	Plant Hire
Hyrock	12,405.24	Road Materials
Masta Mix	16,468.10	Road Materials
J R Richards	82,899.25	Waste Contract
Geolyse	101,927.59	LEP Contract
Shell	32,905.54	Petrol Supply
Telstra	18,535.34	Telephone
TOTAL FOR MONTH (ABOVE ONLY SAMPLE VALUE > \$11k)	\$976,075.02	(Less investment transfers)

INVESTMENT REGISTER 2005/06								
INSTITUTION	INV TYPE	DATE LODGED	DATE DUE	DAYS	INT	VALUE 31.05.06	VALUE 30.06.06 (Inc Accrued Int to 30.06.06)	% OF TOTAL
ANZ	TD	27.06.06	27.06.06	92	6.02	532,268.29	537,573.93	5.34%
CBA	SHIELD	04.12.04	04.12.06	730	6.75	600,000.00	602,887.07	5.99%
	On Call				5.70	1,518,247.85	1,021,804.29	10.15%
	Ethical	20.06.06	20.06.11	1825	6.85	500,000.00	500,938.92	4.97%
CITIBANK	TD	17.06.06	19.09.06	92	6.07	0.00	501,080.96	4.98%
LG FINANCIAL	TD	13.06.06	13.06.06	60	5.89	1,143,597.02	1,157,897.46	11.50%
	TD	28.06.06	29.08.06	30	6.03	760,954.94	764,866.42	7.60%
	TD	30.05.06	31.07.06	60	5.86	590,165.10	595,850.09	5.92%
IMBS	On Call				5.70	1,922.10	4,940.52	0.05%
	TD	10.05.06	10.07.06	61	5.97	524,649.00	529,025.44	5.25%
	TD	03.06.06	04.09.06	91	6.02	0.00	1,004,741.64	9.98%
	TD	28.06.06	29.06.07	364	6.41	0.00	450,079.03	4.47%
ALLIANCE	Managed	01.04.02	28.02.07	365		1,000,000.00	1,004,771.58	9.98%
ST GEORGE	TD	06.05.06	06.07.06	60	5.50	515,419.37	519,691.00	5.16%
	TD	05.06.06	08.08.06	64	5.86	1,000,000.00	502,087.12	4.99%
	TD	26.06.06	25.08.06	60	5.98	364,917.92	371,954.89	3.69%
			TOTAL			9,052,141.59	10,070,190.36	100.00%

I, Carol G Farnsworth, Lithgow City Council Act Manager Internal Services (Responsible Accounting Officer) certify as required under Local Government (General) Regulations 2005, that Councils investments have been made in accordance with the Local Government Act 1993, Regulations and Lithgow City Councils Investment Policy.

Policy Implications

All Councils investments are held in accordance with Lithgow City Councils Investment Policy.

Financial Implications

Investment income to date, 30 June 2006 totals \$571,613.73 (including accrued interest to 30.06.06). Interest is paid on the maturity date of the investment and managed funds report earning quarterly.

Legal Implications

Investments are held in accordance with the Lithgow City Councils Investment Policy which accords with the requirements of the:

- Local Government Act 1993 - Section 625
- Local Government Act 1993 - Order (of Minister) dated 17 March 2000
- The Trustee Amendment (Discretionary Investments) Act 1997- Section 14A(2), 14c(1) & (2)
The Local Government (General) Regulation 2005

06- 215 RESOLVED

THAT Councils investments for the month of June 2006 be received

MOVED: Councillor B S Moran

SECONDED: Councillor A E Thompson.

CARRIED

ITEM:5 CORP - 17/07/06 - IMPLEMENTATION OF AIFRS 2005/06 GPFRS

REFERENCE

14.06.05: Min No 05-306 Ordinary Meeting of Council - Implementation of AIFRS

SUMMARY

To advise Council of the full implementation of AIFRS required for the 2005/06 General Purpose Financial reports.

COMMENTARY

Council is required to implement Australian International Financial Reporting Standards (AIFRS), including comparatives and reconciliations between Australian Generally Accepted Principles (AGAAP) and AIFRS. The Local Government Code of Accounting Practice and Financial Reporting (the Code) prescribes the form of the financial statements approved by the NSW Department of Local Government.

The Code applies to each NSW Council in respect of its General Purpose Financial Statements, Special Purpose Financial Reports and Special Schedules and is intended to facilitate the practical and effective implementation of all Australian Accounting Standards in particular the Australian equivalents to International Financial Reporting Standards.

Code Update #14 has been released by the DLG and is comprehensive in dealing with the required changes. It has been developed in partnership with Pricewaterhouse Coopers who have also conducted workshop in the local area in consultation with the LGMA.

The following summarises major changes, which will occur, to comply with AIFRS and specific details follow:

- Property, Plant and Equipment
- Impairment of Assets
- Restoration and Remediation
- Investment Properties
- Employee Benefits
- Financial Instruments
- Non Commercial Loans

PROPERTY, PLANT & EQUIPMENT

The DLG has mandated that all Councils hold assets at 'deemed cost.' Our assets are currently held at cost so no major change is required.

IMPAIRMENT OF ASSETS

All assets are subject to impairment testing depending on whether the assets are commercial (cash generating) or for community use. It is unlikely that any Council assets are impaired because they are generally not cash generating, for example roads, unless tolls are collected.

Where there is an indication that an asset is impaired, the recoverable amount of that asset must be determined and compared to its carrying value at reporting date. Where the carrying value exceeds the recoverable amount, then an impairment loss is recognised.

RESTORATION AND REMEDIATION

The AASB 116 definition of the cost of an asset includes the following items:

1. Its purchase price
2. Costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended and
3. The initial estimate of the costs of dismantling and removing the items and restoring the site on which it is located, the obligation for which Council incurs either whether the item is acquired or as a consequence of having used the item

Points 1 and 2 are traditionally included in the cost of an asset, 3 is a new concept introduced by the AIFR standards.

The intent is that the full cost of the asset is accounted for and in some cases this includes the cost of restoring a site to its original state and the recognition of the corresponding liability as a provision for the restoration.

Under the requirements of AASB 137 - Provision, Contingent Liabilities and Contingent Assets, a provision would only be made if Council has a present legal or constructive obligation to restore the site, or the asset, and if so the restoration costs must be reliably estimated. Any such provision will be discounted to the present value of future cash flows and added to the cost of the asset at acquisition date. This is then depreciated along with the remainder of the asset over the estimated useful life.

Due to EPA obligations restoration and remediation costs will be applied to all waste disposal facilities and the gasworks site. Under the terms of the Contaminated Lands Management Act Council has a potential ongoing legal obligation for the gasworks site. Council's obligation for remediation will continue regardless of future ownership by Council or another party dependent on the results on ongoing monitoring.

An assessment will be undertaken in regard to Council's obligation for the remediation of waste disposal facilities and potentially the gasworks site in addition to providing a projection of the expected life of the assets. Once this assessment has been completed the discounted obligation will be calculated.

INVESTMENT PROPERTIES

AASB 140 defines investment property as land and or buildings which are held for the purpose of earning rental income, for capital appreciation, or for both. Two audit sources indicate that few councils will hold properties that meet the definition of an investment property under the standard. An example of a Council investment property is an inner Sydney Council, which purchased two fast food outlets in another local government area. The properties were purchased for capital gain rather than the Council investing cash in Managed Funds or investments.

A property is not classed as an investment property if it is held to meet service delivery objectives of the entity and in such cases it will be separately accounted for. A property is not held for investment purposes if it is:

- held for strategic purposes
- held to provide a community or social service

Councils leased properties are itemised below and the purpose for holding each property is stated.

PROPERTY HELD	PURPOSE OF PROPERTY	CLASSIFIED
FIRE STATION		
1 Cripps Ave Wallerawang	CROWN: NSW Fire Brigade	Community Service
Cnr Bren & Rabaul Street Lithgow	CROWN: NSW Fire Brigade	Community Service
COMMUNITY CENTRE		
1 Padley Street Lithgow	LINC Community Service	Community Service
CHILD CARE		
1 Proto Avenue Lithgow	Gumnut Child Care	Community Service
3 Lett Street Portland	Blinky Bill Child Care	Community Service
HERMITAGE LAND		
2A Coalbrook Street Lithgow	Community Nursery	Community Service
PROPERTY 30780 COMBINED VALUATION LCC		
16 Main Street Lithgow	Community Movie Club	Community Service
18-20 Main Street Lithgow	Central West Group Apprentice	Community Service
22 Main Street Lithgow	Vacant	
24 Main Street Lithgow	Access Industries	Community Service
26 Main Street Lithgow	Mid West Audio	
LAND STOCK (INVENTORY NOT PROPERTY INVESTMENT)		
Barton Ave Wallerawang Marrangaroo Land Stock Forest Ridge : Residual Cary Ave Wallerawang		Held as Inventory Note 8 AIFRS separate treated
SPORTS CENTRES		
Lot 2 Barton Ave Wallerawang	Stadium \$1.00 per annum	Strategic Purpose: Recreation
Barton Ave Lithgow	Stadium \$1.00 per annum	Strategic Purpose: Recreation
PROPERTY FOR STRATEGIC PURPOSES ADMINISTRATION PRECINCT: LAND BOUNDED MORT ST		
162 Mort Street Lithgow	Vacant	Strategic Purpose: Administration / Cultur:
164 Mort Street Lithgow	Employment Service	Strategic Purpose: Administration / Cultur:
176 Mort Street Lithgow	Centrelink	Strategic Purpose: Administration / Cultur:
Unit 2/160 Mort Street Lithgow	Community Tenancy Scheme	Strategic Purpose: Administration / Cultur:
Unit 3/160 Mort Street Lithgow	Community Tenancy Scheme	Strategic Purpose: Administration / Cultur:
Suite 1 Hartley Bld Lithgow	Employment Service	Strategic Purpose: Administration / Cultur:
Suite 17 & 7 Hartley Bld Lithgow	Land Care	Strategic Purpose: Administration / Cultur:
Suite 2 Hartley Bld Lithgow	Employment Service	Strategic Purpose: Administration / Cultur:
Suite 20,21,22 Hartley Bld Lithgow	Hawkesbury - Nepean Catchment	Strategic Purpose: Administration / Cultur:
Suite 9-12 Hartley Bld Lithgow	Mineral Resources	Strategic Purpose: Administration / Cultur:
25 Eskbank Street Lithgow	Hairdresser	Strategic Purpose: Administration / Cultur:
27 Eskbank Street Lithgow	GLATSIC	Strategic Purpose: Administration / Cultur:
29 Eskbank Street Lithgow	Vacant	Strategic Purpose: Administration / Cultur:
31 Eskbank Street Lithgow	Computer	Strategic Purpose: Administration / Cultur:
Library Flat	Residential	Strategic Purpose: Cultural
Union Theatre Shop		Strategic Purpose: Cultural

DEPOT / LIBRARY BUILDING

Blaxland Bld Wallerawang

Doctors Surgery

Strategic Purpose: Administration / Cultur:

OTHER LAND

Old Woollen Mills Site Tweed Road Reserve Lot 21 Tweed Road Lithgow

Agistment

Strategic Purpose: Road Realignment Sth Western Bowenfels Study M'Roo Fields to Tweed Rd

Cnr Tank & Donald Lithgow
Sheedy's Gully

Historical Society
CROWN: Pony Club

Community Service: Heritage / Cultural
Community Service Organisation

Eskroy Park Marrangaroo
Por 44 Geordie Street Lithgow
Swimming Pool Residence

Clubhouse
Recycling Depot
Caretaker

Strategic Purpose: Recreation / Open Space
Strategic Purpose: Waste
Strategic Purpose: Recreation

Council's leased land and buildings are basically held for strategic purposes and / or community use. Commercial shops located at 16-26 Main St have been owned by Council for over 50-60 years and were not purchased for capital appreciation nor are they expected to be sold for capital gain in the near future.

They are amalgamated by one property valuation and 75% of their use is for community purposes. The first shop houses the 'Community Movie Club,' a second provides premises for the disability workshop 'Access Industries' and the a third is used as the local apprenticeship centre. In the past the premises have also been used as a shopfront for the Salvation Army. The nature of the businesses do not lend themselves to be classified as an investment property as defined by the AIFRS.

EMPLOYEE BENEFITS

Provision for employees entitlements are now subject to AASB 119 Employee Benefits.

This standard classifies wages, salaries, annual and sick leave entitlement expected to occur within 12 months of balance date as short term employees' benefits.

The impact will move all ELE into current because it cannot be unconditionally deferred. This action will not affect Note 13 ratios because adjustments are made to reflect the liquidity position.

AASB 119 also requires the recognition of defined benefit superannuation schemes. Council is a member of the Local Government Superannuation Scheme, which includes an existing defined retirement benefit scheme, Division B. This plan closed to members in late 1980's but Councils obligation will continue until the scheme ceases.

The Local Government Superannuation Scheme in discussion with the Department of Local Government, LGMA, Auditor General and Auditor have agreed that due to the complexity of the scheme, which includes the superannuation 'holiday' provided to all NSW Councils in the past, they are unable to provide accurate information required to enable each Council to adjust their financial statements and as such disclosure for 2005/06 will be by the way of note as has been the practice in the past.

FINANCIAL INSTRUMENTS

Council's financial instruments are now subject to AASB 139 - Financial Instruments: Recognition and Measurement and AASB 132 - Financial Instruments Disclosure and Presentation.

The standards will include Council assets and liabilities, with the exception of the following:

- Physical Assets (such as fixed assets and inventories)

- Prepayments
- Provisions

Council must designate each financial instrument by one of four following categories:

- Financial asset or financial liability at fair value through profit or loss
- Held to maturity investments
- Loans and receivables
- Available for sale financial assets

The main item on Council Balance Sheet that will require detailed analysis under the standards are cash equivalents and investments. It should be noted comparatives are not required for financial instruments in 2006

NON COMMERCIAL LOANS

Should a situation exist where a Council has a loan from a third party on which it pays below market interest rates, there is a possibility that the Council has an asset based on the difference between commercial rates and actual charges under the loan agreement. Alternatively Council may have granted a loan on concessional terms in which case it may have a liability.

Loans of this nature need to be identified and an assessment made as to the existence of an asset of reliability.

Policy Implications

Council determination of investment properties.

Financial Implications

Finalisation and adoption of the 2005/06 General Purpose Financial Reports

Legal Implications

Compliance with The Australian Accounting Standard Board, Australian International Financial Reporting Standards, Department of Local Government: Local Government Code of Accounting Practice and Financial Reporting, Update Code #14 which facilitates the practical and effective implementation of all Australian Accounting Standards and in particular the Australian equivalents to International Financial Reporting Standards.

06- 216 RESOLVED

THAT:

- 1) The information be received and progress with regard to the implementation of AIFRS be noted
- 2) Remediation and restoration costs be calculated for all waste disposal depots and the gasworks site
- 3) Council determine that no investment properties are held as defined by the AIFRS

MOVED: Councillor W McAndrew

SECONDED: Councillor B S Moran.

CARRIED

ITEM:6 CORP - 17/07/06 - JUNE STOCKTAKE LITHGOW & WALLERAWANG STORES

REFERENCE

06.02.06 Min Finance & Services Committee

SUMMARY

To advise Council of the six monthly stocktake at Councils Lithgow and Wallerawang stores

COMMENTARY

A six monthly stock take was conducted at Wallerawang and Lithgow stores on June 28 & June 29 2006 respectively.

Details of the variations request a write off of \$42.62 at Lithgow store and a write on of \$65.70 at Wallerawang store. Considering the value of the adjustment requested from a value of stock held it is considered acceptable.

PRODUCT NO	DESCRIPTION	ADJ QUANTITY	ADJUST VALUE
603201	Gib Joint	1	\$ 48.00
79992	Adaptor	-1	-\$ 2.91
426454	File Round	2	\$ 15.59
417065	Poly to Poly	-2	-\$ 7.76
79937	Poly	-1	-\$ 3.59
77938	Poly 1"	-3	-\$ 7.14
66805	Malco	1	\$ 21.01
61565	Gib Joint	1	\$ 133.00
61515	Tapping Band	-1	-\$ 40.42
61545	Gib Joint	1	\$ 42.00
61530	Gib Joint	-1	-\$ 62.08
627705	Gib Joint	1	\$ 56.00
79957	Bend	-1	-\$ 126.00
323700	Quick Set Cement	-6	-\$ 30.99
1511	Tapping Band	-1	-\$ 28.91
13001	Bend	-3	-\$ 24.56
22039	Rain Trousers	-1	-\$ 6.58
85054	Oliver Boots	1	\$ 35.45
318701	Water Meter	-3	-\$ 105.00
326720	Dettol	-2	-\$ 11.78
602910	Gib Joint	3	\$ 156.00
704391	Bolted Trap Screw	-1	-\$ 10.56
704791	Inspection Tee	-1	-\$ 4.84
706092	Manhole Spacer	-1	-\$ 42.42
326530	Gladhands	6	\$ 31.57
			23.08

Policy Implications

Nil

Financial Implications

Adjustment to Council stores of a write on of \$23.08 for the 05/06 June stocktake.

Legal Implications

Nil

06- 217 RESOLVED

THAT Council authorise an adjustment to the Council stores of \$23.08 for the June 2005/06 stock take.

MOVED: Councillor H K Fisher

SECONDED: Councillor M J Wilson.

CARRIED

REPORTS FROM DELEGATES

ITEM:7 DEL - 17/07/06 - CHARLES DARWIN

REFERENCE

NIL

SUMMARY

This report advises Council of correspondence received from the Mayor of Shrewsbury, England in relation to Charles Darwin.

COMMENTARY

Plans are well under way for a celebration of Charles Darwin (the renowned botanists) visit to this area and in particular Wallerawang. These celebrations are due to take place in early September 2006.

It seems that these celebrations have come to the attention of the Mayor of the town of Charles Darwin's birth place which is Shrewsbury, England. The Mayor of Shrewsbury and Atcham has sent correspondence to the Mayor of Lithgow, offering congratulations on marking this anniversary of Charles Darwin's visit.

He has also pointed out that Shrewsbury will become the focal point for worldwide celebrations in three years time as they will be celebrating the bicentenary of Darwin's birth.

Seeing a link has now been established with Shrewsbury, it may be worthwhile for Council to pursue, if at least in principle, a more substantial relationship between the two cities.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

NIL

LEGAL IMPLICATIONS

NIL

06- 218 RESOLVED

THAT Council investigate a possible Sister City or similar relationship with the Borough of Shrewsbury and Atcham, the birth place of Charles Darwin.

MOVED: Councillor M M Collins

SECONDED: Councillor Neville Castle.

CARRIED

COMMITTEE MEETINGS

ITEM:8 **ENG - 17/07/06 - SPORTS ADVISORY COMMITTEE MEETING 26
JUNE 2006**

REFERENCE

Nil

SUMMARY

Minutes of the Sports Advisory Committee Meeting held on Monday, 26 June 2006.

COMMENTARY

At the Sports Advisory Committee meeting held on Monday, 26 June 2006, there were 8 items discussed by the Committee and it is considered that all these items be adopted by Council as per the Committee's recommendations.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

06- 219 RESOLVED

THAT the Council adopt the recommendations of the Sports Advisory Committee for the meeting held on Monday, 26 June 2006.

MOVED: Councillor M J Wilson

SECONDED: Councillor B S Moran.

CARRIED

QUESTIONS WITHOUT NOTICE

QWN - COUNCILLOR H K FISHER

1. Could Council as a matter of urgency investigate why the footbridge at Brewery Lane across to Zig Zag School has been fenced off? Has the person who fenced this off got a right to do this?

The owners of the adjacent property had previously requested the footbridge be removed and had indicated a willingness to pay for such. The property owner believes that the land up to the creek bank is owned by them and provided a plan believing that this indicated such. This request was denied on the basis that due process and consultation would need to occur. Upon becoming aware that the access had been blocked, correspondence was forwarded to the property owner requesting they provide an identification survey to determine the location of the "traditional access track". A reply is awaited to conclusively determine if the track is on private property.

2. Mr Mayor I refer to question time at our meetings. Is it possible to return to the old process of Questions Without Notice as I am receiving numerous complaints from the public on our current system?

The Mayor advised that a report can be brought back to the next council meeting for discussion and conclusion.

QWN - COUNCILLOR A E THOMPSON

1. Mr Mayor can the dumping of asbestos behind Beaufort Street Lithgow be investigated?

The Mayor advised that this would be investigated as soon as possible.

QWN - COUNCILLOR B P MORRISSEY

1. Mr Mayor are you aware there was work carried out by State Rail over the Sandford Avenue Bridge and they have left a temporary barrier in place? Is it possible for this barrier to be removed, can Council investigate whether or not it needs to stay?

The Mayor advised that Council will investigate this in due course.

2. Mr Mayor are you aware that the Councillors received letter from Mr Troy regarding tree removal? Does Council have a Conflict of Interest Policy and if so can the General Manager comment on this?

The General Manager provided a comment on this matter.

The meeting closed at 7.30pm.