



LITHGOW CITY COUNCIL

MINUTES

FINANCE AND SERVICES COMMITTEE
MEETING OF COUNCIL

HELD ON

07 MAY 2007

**MINUTES OF THE LITHGOW CITY COUNCIL MEETING
HELD AT THE CIVIC CENTRE, LITHGOW ON 7 MAY 2007**

A suspension of standing orders was moved that Council begin the Finance and Services Committee Meeting at 7.26pm.

07-172 RESOLVED

MOVED: Councillor M J Wilson
CARRIED

SECONDED: Councillor M M Collins.

Meeting Commenced 7.26pm

Public Gallery: 9

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 J Anderson
Group Manager Community and Corporate, Ms Kathy Woolley
Group Manager Regional Services, Mr Andrew Muir
Minutes Secretary, Miss Casey Clarke
Executive Secretary, Miss Cortney Wood

CONFIRMATION OF MINUTES

Confirmation of the Minutes of the Finance and Services Committee Meeting of Council held on the 2 April 2007 were taken as read and confirmed by Councillors B S Moran and M J Wilson

07-173 RESOLVED

CARRIED

DECLARATION OF INTEREST

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

Kathy Woolley declared a pecuniary interest in Number 7 of Councillor M F Ticehurst's questions due to her partner working with this company.

Councillor M J Wilson declared a pecuniary interest in Number 6 of Councillor M F Ticehurst's Questions due to Delta Electricity being his employer.

QUESTIONS FROM THE PUBLIC GALLERY

At 7.26pm members of public gallery were invited to address questions through the Mayor to Councillors and Staff: -

NIL

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REGIONAL SERVICES REPORTS

ITEM:1 REG - 07/05/2007 - UPPER MACQUARIE COUNTY COUNCIL -
WEEDS REPORT - MARCH 2007

REPORT FROM: GROUP MANAGER REGIONAL SERVICES – ANDREW MUIR

SUMMARY

To advise of the most recent Upper Macquarie County Council Weeds Report.

COMMENTARY

Attached are the reports from the Chief Weeds Officer of Upper Macquarie County Council for March 2007.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

07-174 RESOLVED

THAT the information be received.

MOVED: Councillor H K Fisher

SECONDED: Councillor W McAndrew.

CARRIED

ITEM:2 REG - 07/04/2007 - UPPER MACQUARIE COUNTY COUNCIL - WEEDS REPORT - APRIL 2007

REPORT FROM: GROUP MANAGER REGIONAL SERVICES - ANDREW MUIR

SUMMARY

To advise of the most recent Upper Macquarie County Council Weeds Report.

COMMENTARY

Attached are the reports from the Chief Weeds Officer of Upper Macquarie County Council for April 2007.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

07-175 RESOLVED

THAT the information be received.

MOVED: Councillor H K Fisher

SECONDED: Councillor B S Moran.

CARRIED

ITEM:3 REG - 07/05/07 - DEVELOPMENT AND CONSTRUCTION APPROVALS

REPORT FROM: GROUP MANAGER REGIONAL SERVICES – ANDREW MUIR

SUMMARY

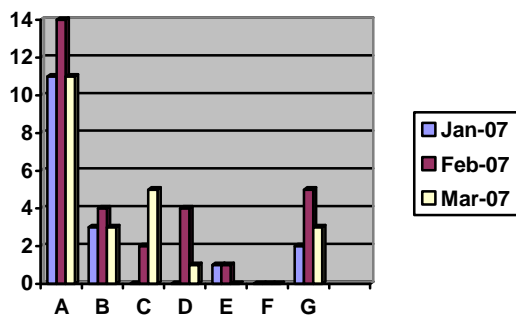
To provide statistical information on Development Applications and Construction Certificates processed.

COMMENTARY

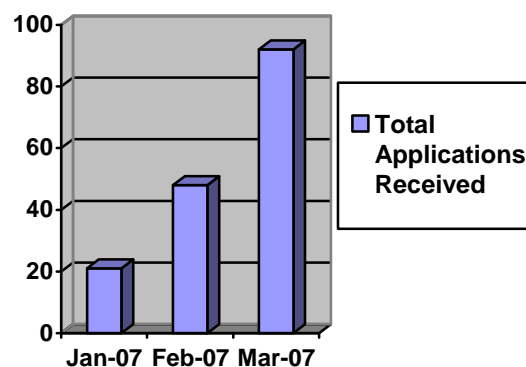
Following installation of a new electronic registration system the traditional reports on Development Applications and Construction Certificates have been replaced with a report detailing the types of applications processed in each month. Over time this will evolve into useful statistical information. A full list of individual applications will be made available to Councillors and the press.

	Minor Development Approvals (including carports, garages and patios) A	Dwelling Approvals B	Dwelling Addition Approvals C	Other Residential Applications (including Dual Occupancies, Flats) D	Rural Subdivision Approvals E	Residential Subdivision Approvals F	Commercial /Industrial Approvals G	Total Applications Received
Jan 2007	11	3	0	0	1	0	2	21
Feb 2007 *	14	4	2	4	1	0	5	47
Mar 2007	11	3	5	1	0	0	3	92

* includes Approvals from 27/03/2007 TO 30/04/2007



APPROVALS



Total Estimated Cost:
Average Approval Time
Total Cost of Approvals from 1/01/2007
No. of Applications from 1/01/2007

\$9,342,448
21 days
\$11,706,347
143

07-176 RESOLVED

THAT the information be received

MOVED: Councillor B P Morrissey

SECONDED: Councillor W McAndrew.

CARRIED

ITEM:4 REG - 07/05/07 - LITHGOW WORKMANS CLUB RLFC - REQUEST FOR FINANCIAL ASSISTANCE

REPORT FROM: GROUP MANAGER REGIONAL SERVICES – ANDREW MUIR

SUMMARY

To advise of a request for Council to re-allocate Lithgow Workmen's Club RLFC \$2,200.00 for expenses incurred in hiring water filled barriers to allow the safe conduct of the 2006 Group 10 Rugby League Grand Final on Sunday, 3 September 2006.

COMMENTARY

At Council's meeting held on Monday, 21 August 2006, Council received a request for financial assistance from Lithgow Workmen's Club RLFC should they be successful in hosting the 2006 Group 10 Grand Final. Council resolved to provide "In Kind" financial support of \$2,400.00 to the Lithgow Workmen's Club RLFC, and to seek advice if barriers can be hired from the Roads and Traffic Authority.

Council has received correspondence from Lithgow Workmen's Club RLFC, requesting 'reimburse' Lithgow Workmen's Club RLFC for \$2,200.00 for expenses incurred for portable barriers to allow the safe conduct of the 2006 Group 10 Rugby League Grand Final at Tony Luchetti Sportsground, Lithgow on Sunday, 3 September 2006.

The Club currently have an outstanding account with Council of \$2,200.00, which was imposed as ground rental and training fees for 2006.

The Club were of the understanding that Council would provide \$2,400.00 toward the cost of hiring barriers for the 2006 Group 10 Grand Final, and arranged for the appropriate barriers to be delivered and set up.

The only in kind assistance that was able to be provided related to unloading the hired barriers which in wages, plant and on-costs totalled \$263.89.

The Club have paid the account for the hire of the barriers in full, and have requested that rather than Council reimburse them for this expense, their outstanding account be credited. Should Council resolve to issue a credit to the club to reflect the in kind financial assistance less the \$263.89, this would amount to \$2136.11 leaving an amount of \$63.89 to be paid.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

07-177 RESOLVED

THAT Council adjust the outstanding account for Lithgow Workmen's Club RLFC by an amount of \$2136.11 leaving an amount of \$63.89 to be paid and acknowledge that this satisfies Council's resolution of 21 August 2006.

MOVED: Councillor W McAndrew**SECONDED:** Councillor H K Fisher.**CARRIED**

**ITEM:5 REG - 07/05/07 - SPORTS ADVISORY COMMITTEE MEETING -
MINUTES OF 30 APRIL 2007**

REPORT BY: STRATEGIC ENGINEER – LEANNE KEARNEY

SUMMARY

Details of the Minutes of the Sports Advisory Committee Meeting held on Monday, 30 April 2007 for Council adoption.

COMMENTARY

At the Sports Advisory Committee Meeting held on Monday, 30 April 2007, there were seventeen (17) 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

07-178 RESOLVED

THAT Council note the recommendations of the Sports Advisory Committee for the meeting held on Monday, 30 April 2007.

MOVED: Councillor M J Wilson**SECONDED:** Councillor H K Fisher.**CARRIED****ITEM:6 REG - 07/05/07 - LITHGOW LOCAL GOVERNMENT WATER USAGE****REPORT FROM: Strategic Engineer – L. Kearney****REFERENCE**

Nil

SUMMARY

Comparison of figures for 2006 and 2007 for water usage within the Lithgow Local Government area.

COMMENTARY

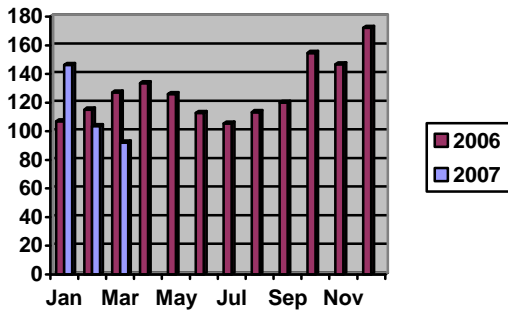
Lithgow Local Government Area Water Usage, including use from Farmers Creek Dam and Fish River Water Supply as at 30 April 2007. It should be noted that Council's maximum annual allocation of water from the Fish River Water Supply is 2,092 megalitres, and to date, Council has utilised 615 megalitres of water from this supply, equating to approximately 29% of its annual allocation (allocation issued per financial year, not calendar year).

	2006			2007		
	Farmers Creek Dam (ML)	Fish River Water Supply (ML)	Total (ML)	Farmers Creek Dam (ML)	Fish River Water Supply (ML)	Total (ML)
January	107.086	85.456	192.542	146.283	93.943	240.226
February	115.126	108.236	223.362	103.612	72.054	155.666
March	127.115	120.423	247.538	92.098	59.350	151.448
April	133.557	92.345	225.902			
May	125.966	77.810	203.776			
June	112.814	52.381	165.195			
July	105.382	62.530	167.912			

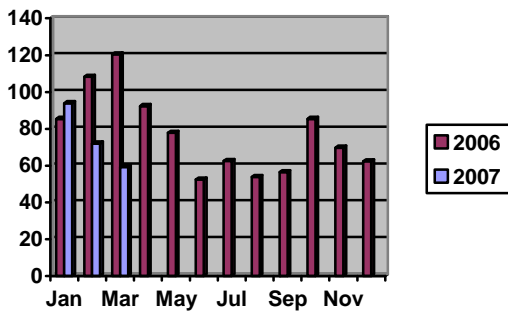
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August	113.398	53.792	167.19			
September	119.937	56.443	176.38			
October	154.694	85.386	240.08			
November	146.773	69.673	216.446			
December	172.212	62.376	234.588			
TOTAL (ML)	1,534.06	926.851	2,460.911	341.993	225.347	547.34

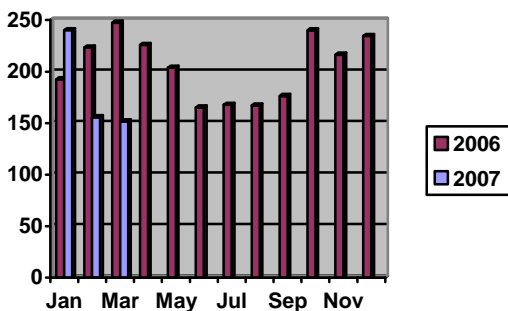
Farmers Creek Dam Usage (ML)



Fish River Water Supply Usage (ML)



Total Water Consumption in Lithgow LGA (ML)



Farmers Creek Dam is currently at 96.7% of its full capacity and Oberon Dam is currently at 17.99% of its full capacity.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

RECOMMENDATION

THAT the information be received.

07-179 RESOLVED**THAT:**

1. The information be received
2. Council report back on the water restrictions that are currently in place

MOVED: Councillor B P Morrissey**SECONDED:** Councillor M J Wilson.**CARRIED**

**ITEM:7 REG - 07/05/07 - SOUTH BOWENFELS WATER RESERVOIR
ASSESSMENT OF TENDERS**

REPORT BY: GROUP MANAGER REGIONAL SERVICES – ANDREW MUIR

SUMMARY

To advise on the assessment of tenders received for the construction of a new reservoir at South Bowenfels and to recommend engaging a successful tenderer.

COMMENTARY

Council will be aware of a project to construct a new 2.0 mega litre reservoir at South Bowenfels. The Department of Commerce, who is assisting Council in the tender and project management for the project, has called tenders which have now been assessed by a panel including Council's Assets Manager.

Complying tenders were received from Pioneer water tanks, Tyco flow control pacific, Australian Prestressing, Precision Pipelines, O'Brien Civil Bedi Enterprises and QMC group.

The table below outlines the tenders

Company	Pioneer	Tyco	Australian Prestressing	Australian Prestressing	Precision pipe lines	O'Brien Civil	O'Brien Civil	QMC Group
Type of Reservoir	Panel tank	Panel tank with liner	Prestress Reinforced concrete Tank	Aust Panel Tank	Reinforced concrete Tank	Slip form Reinforced concrete tank	Permastore steel tank	Reinforced concrete Tank
Total Tendered Lump Sum	\$378,807	\$1,103,457	\$1,260,000	\$1,220,000	\$1,351,900	\$1,357,000	\$1,089,000	\$2,979,000

Tenders for the proposed pipeline to connect the reservoir to the existing reservoir have also been assessed, however prior to proceeding on this part of the project a feasibility is being undertaken into whether Council resources can be used to undertake this part of the project.

Council will also recall that a parcel of land is being purchased for the reservoir site and whilst agreement has been reached and contracts prepared, final settlement is yet to occur as the survey identified some road encroachments that will be settled as part of the same process. Therefore, the award of any contract will be conditional upon the landowner formally agreeing that the works can proceed prior to settlement.

TENDER ASSESSMENT PROCESS

Tenders were received by Department of Commerce and assessed on the basis of type of tank, cost and previous experience in this type of project. Whilst the permastore steel tank costs significantly less it has a guaranteed minimum life of 40 years where as reinforced concrete tank has an estimated life of at least 100 years. Panel tanks with liners were also ruled out due to concern over asset life and costs of replacing liners.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

An amount of \$1.6m is set aside in the 2007/2008 budget for the project which also includes the pipeline from the existing reservoir to the new reservoir.

LEGAL IMPLICATIONS

Nil

07-180 RESOLVED

THAT the tender for the construction of a 2.0ML reservoir at South Bowenfels be awarded to Precision Pipe Lines for the lump sum price of \$1,351,900 including GST subject to a formal agreement with the property owner that the works may proceed prior to settlement of the sale of the land upon which the reservoir will be situated.

MOVED: Councillor B P Morrissey
CARRIED

SECONDED: Councillor M J Wilson.

ITEM:8 REG - 07/05/07 - TRAFFIC AUTHORITY LOCAL COMMITTEE MEETING - MINUTES OF 14 FEBRUARY 2007

REPORT BY: GROUP MANAGER REGIONAL SERVICES– ANDREW MUIR

SUMMARY

Details of the Minutes of the Traffic Authority Local Committee Meeting held on 14 February 2007 for Council adoption.

COMMENTARY

At the Traffic Authority Local Committee Meeting held on 14 February 2007, there were five (5) 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

07-181 RESOLVED

THAT Council note the recommendations of the Traffic Authority Local Committee for the meeting held on 14 February 2007.

MOVED: Councillor H K Fisher

SECONDED: Councillor M J Wilson.

CARRIED

ITEM:9 REG - 07/05/07 - TRAFFIC AUTHORITY LOCAL COMMITTEE MEETING - MINUTES OF 14 FEBRUARY 2007

REPORT BY: GROUP MANAGER REGIONAL SERVICES– ANDREW MUIR

SUMMARY

Details of the Minutes of the Traffic Authority Local Committee Meeting held on 14 February 2007 for Council adoption.

COMMENTARY

At the Traffic Authority Local Committee Meeting held on 14 February 2007, there were five (5) 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

07-182 RESOLVED

THAT Council note the recommendations of the Traffic Authority Local Committee for the meeting held on 14 February 2007.

COMMUNITY AND CORPORATE SERVICES REPORTS**ITEM:10 COMM - 07/05/07 - ENVIRONMENTAL ADVISORY COMMITTEE MEETING MINUTES****REPORT FROM: COMMUNITY AND CULTURAL MANAGER– P. HALL**

REFERENCE

Min 06-54: Policy and Strategy Committee meeting 6 March 2006

SUMMARY

Attached are the Environmental Advisory Committee meeting minutes held on the 28 March 2007 provided for Council's information.

COMMENTARY

Item 5 and Item 6 refer to the role of the committee and future direction for the committee. Council has determined a review of all committees should be conducted and the recommendations should be taken into account in that review. It is proposed that a Terms of reference document will be prepared for each s355 committee which will include but not be limited to the following items:

- Purpose of the committee
- Responsibilities of the committee
- Need to abide by the Council's Code of Conduct
- Reporting requirements – to ensure Council is provided with all minutes and provides direction and approvals back to committees via a formal resolution of council
- Budgetary allocation
- Level of support from Councillors/Council staff(secretarial etc)
- Membership – including tenure, chair selection etc
- Risk assessment
- Induction program for committee members

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

07-183 RESOLVED**THAT**

1. Council note the minutes of the Environmental Advisory Committee held 28 March 2007
2. Staff advise the Committee of the planned review and preparation of Terms of Reference which will provide details on committee membership and responsibilities and that a draft of the terms of reference will be presented to the committee for their comment prior to Council considering the matter.

MOVED: Councillor W McAndrew**SECONDED:** Councillor M J Wilson.**CARRIED****ITEM:11 COMM - 07/05/07 - FIRST INTERIM AUDIT REPORT FOR 2006/07****REPORT FROM - INTERNAL SERVICES MANAGER - C FARNSWORTH**

REFERENCE

Min 06-183: Ordinary Meeting 19 June 2006
Min 06-368: Finance & Services Committee 7 November 2006
Min 07-40: Finance & Services Committee 5 Feb 2007

SUMMARY

To advise Council of the first interim audit visit by auditors Alan Morse & Co for the 2006/07 financial year.

COMMENTARY

Council's auditors Alan Morse and Co completed their 2006/07 first interim audit of Council records on 12 to 14 February 2007. This covered the period 1 July 2006 to 14 February 2007.

An interim audit letter was received on the 5 April 2007 and I am pleased to advise the audit was completed very efficiently and no areas of concern arose.

Of interest to Councillors may be the scope of the audit, which the auditors address as follows:

There were no matters to address in our (Alan Morse & Co) previous management letter dated 30 November 2006.

Specific areas addressed during the review included:

- *Expenditure*
- *Receipt*
- *Payroll*
- *Plant*
- *Bank Reconciliations*
- *Debtors Reconciliations*
- *Inventory Reconciliations*
- *Water Debtors Reconciliations*
- *Other Debtors Reconciliations*
- *Water Billing*

The examination of transactions and records was conducted at Council's premises.

Generally our audit confirmed that Council's internal control systems appeared to be operating effectively. There are no matters which we feel necessary to bring to Council's attention at this time.

Policy Implications

Nil

Financial Implications

Nil

Legal Implications

Nil

07-184 RESOLVED

THAT the information be received

MOVED: Councillor H K Fisher

SECONDED: Councillor M J Wilson.

CARRIED

ITEM:12 COMM - 07/05/07 - COUNCIL INVESTMENTS MARCH 2007**REPORT FROM - INTERNAL SERVICES MANAGER - C FARNSWORTH****REFERENCE**

Min 06-237: Finance and Services Committee 7 August 2006 (July 2006)
 Min 06-330: Finance and Services Committee 3 October 2006 (August 2006)
 Min 06-378 Finance and Services Committee 6 November 2006 (September 2006)
 Min 06-436 Finance and Services Committee 4 December 2006 (October 2006)
 Min 07-35 Finance and Services Committee 5 February 2007 (November 2006)
 Min 07-36 Finance and Services Committee 5 February 2007 (December 2006)
 Min 07-92 Finance and Services Committee 5 March 2007 (January 2007)
 Min 07-124 Finance and Services Committee 5 March 2007 (February 2007)

SUMMARY

To advise Council of 2006/07 investments held for the period ending 31 March 2007.

COMMENTARY

The amount invested as at 31 March 2007 when compared to 28 February 2007 has increased by \$312,742.34. The additional income may be attributed to payment of the third rate instalment of the 2006/07 rate levy which was due for payment on 28 February 2007.

INVESTMENT REGISTER 2006/07

INSTITUTION	INV TYPE	DATE LODGED	DATE DUE	DAYS	INT	VALUE 31.03.07	VALUE 28.02.07	% OF TOTAL
ANZ	TD	28.02.07	30.03.07	30	6.30	560,024.21	560,024.21	4.52%
CBA	CMS Nt	06.11.11	06.11.16	1,825	7.12	500,000.00	500,000.00	4.04%
	On Call				6.20	168,547.47	412,651.21	1.36%
	Ethical	20.06.06	20.06.11	1825	9.25	500,000.00	500,000.00	4.04%
	TD	03.03.07	03.05.07	60	8.31	500,000.00		4.04%
CITIBANK	TD	05.02.07	11.04.07	60	6.41	514,000.34	514,000.34	4.15%
LG FINANCIAL	On Call				6.15	1,184,714.43	1,184,714.43	9.57%
	TD	06.03.07	04.05.07	60	6.39	798,120.43	785,644.82	6.45%
	TD	05.03.07	16.04.07	32	6.38	517,279.92	513,882.66	4.18%
	TD	06.03.07	05.06.07	90	6.40	505,317.31	500,000.00	4.08%
IMBS	On Call				5.75	5,013.50	5,013.49	0.04%
	TD	05.03.07	07.06.07	92	6.45	1,047,920.10	1,042,419.55	8.47%
	TD	28.06.06	29.06.07	364	6.41	450,000.00	450,000.00	3.64%
	TD	22.01.07	23.04.07	90	6.54	256,631.12	253,871.23	2.07%
	TD	06.03.07	06.06.07	92	6.46	762,249.86	750,000.00	6.16%
	TD	20.02.07	21.05.07	91	6.47	750,000.00	750,000.00	6.06%
ALLIANCE	Managed	01.04.02	28.02.08	365		1,000,000.00	1,000,000.00	8.08%
ST GEORGE	TD	10.01.07	07.05.07	122	6.30	256,298.15	256,298.15	2.07%
	TD	16.01.07	16.03.07	60	6.44	1,341,238.63	1,327,420.37	10.83%
	TD	06.03.07	11.04.07	30	6.32	761,940.64	757,853.42	6.15%
			TOTAL			12,379,296.11	12,066,553.77	100.00%

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

POLICY IMPLICATIONS

All Council's investments are held in accordance with Lithgow City Council's Investment Policy.

FINANCIAL IMPLICATIONS

Investment income to date 31 March 2007 is \$ 357,827.92 with interest paid on the maturity date of the investment and managed funds report earnings quarterly.

LEGAL IMPLICATIONS

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

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

07-185 RESOLVED

THAT Council's 2006/07 investments for the period ending 31 March 2007 be received.

MOVED: Councillor H K Fisher **SECONDED:** Councillor B S Moran.

CARRIED

ITEM:13 COMM - 07/05/07 - VALUATION OF ASSETS AT FAIR VALUE

REPORT FROM - INTERNAL SERVICES MANAGER - C FARNSWORTH

REFERENCE

Nil

SUMMARY

To advise Council of DLG (Department of Local Government) Circular 06-75 with regard to the revaluation of Water and Wastewater Assets at 'fair value' for the 2006/07 financial year and further advise of Council's position to implement changes in order to comply.

COMMENTARY

DLG Circular 06-75 requires Council to report on the revaluation of non current assets at 'fair value' as follows:

- 2006/07 - Water and Wastewater
- 2007/08 - Property, Plant and Equipment, Land, Buildings and Other Structures
- 2008/09 - Roads, Bridges, Footpaths and Drainage

The revaluation of assets to fair value in 2006/07 applies to the entire class of Water and Wastewater assets and it is this value which Council will carry in the assets register. The value will comprise the revaluated amount less accumulated depreciation and accumulated impairment costs.

Fair Value is the best estimate of the price reasonably obtainable in the market at the date of valuation and is defined as "amount for which an asset could be exchanged between willing parties in an arms length transaction" in Accounting Standard, AASB 116. It is the most reasonable price obtainable by the seller as well as being the most satisfactory price to the purchaser. The estimate specifically excludes a price inflated or deflated by special terms or circumstances such as financing, sale and leaseback arrangements, or any concession which may be granted by the seller.

To obtain a value for the Water and Wastewater assets Council is required to take into account the assets:

- Identification
- Condition rating, by sample or physical inspections
- Age
- Components
- Material of construction
- History of failings and maintenance history
- Water and Wastewater assets are to be indexed annually between revaluations in accordance with the NSW Reference Rates Manual for Valuation of Water Supply, Sewerage and Stormwater Assets, 2003

To comply with the finalisation date required for the revaluation, 30 June 2007 Council has contracted the services of a licensed valuer and the following methodology will apply:

- Site visit to each Water and Wastewater works to gain understanding of the system, capacity, condition, presentation, age etc
- List of all major assets as well as grouping components eg mechanical, electrical, infrastructure etc
- Discuss relevant matters onsite with Council personnel
- Meet with each Council Manager and/or Engineer to assist with the valuation, eg current and future technology, life remaining each structure, current maintenance programs and break up replacement costs for each component of the infrastructure
- Submerged pumps or those located in confined spaces at Water and Wastewater pumping stations will be valued on a 'sight unseen' basis and from information discussed with Council personnel the age, condition, break up between the mechanical, electrical and infrastructure costs will be determined.

- Replacement values will be based on the current capacity and technology of each of the works as at the date of valuation and in accordance with the NSW Reference Rates manual "Valuation of Water Supply, Sewerage and Stormwater Assets."

Following the initial revaluation Council needs to reassess, every financial year, if there is any indication that the carrying amount of the asset may differ materially should the asset have been revalued again at the reporting date. If any such indication exists the asset will be adjusted. External revaluations will occur every three to five years.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Revaluation of non current assets at 'fair value' as follows:

- 2006/07 - Water and Wastewater
- 2007/08 - Property, plant and equipment, land , buildings and other
- 2008/09 - Roads, Bridges, Footpaths and drainage

LEGAL IMPLICATIONS

Nil

07-186 RESOLVED

THAT DLG directive, via Circular 06-75 "Valuation of Assets at Fair Value" be received and Council's progress with regard to the revaluation of Water and Wastewater Assets for the 2006/07 financial year be noted.

MOVED: Councillor W McAndrew

SECONDED: Councillor M J Wilson.

CARRIED

QUESTIONS WITHOUT NOTICE

QWN - COUNCILLOR M F TICEHURST

3. Could the Lithgow Council advise if they or their Property Agents, LJ Hooker have been notified of claims against the Council for financial compensation by Main Street Shop Owners relating to recent storm and flood damage to their shops?

It is understood 3 claims have been made. They have been referred to Council's insurers for determination.

4. Could the Lithgow Council advise if there is any update with respect to the current DA for the Helicopter Joyrides Helipad at Capertee and when will the Council be advising all those persons and organisation's who made submissions in respect of the DA, that the matter will be coming back to Council for formal determination or has the matter now reached a 'deemed refusal' stage and require the matter now to be determined solely in the Land and Environment Court?

The matter is scheduled to be reported to Council's Finance & Service Meeting of 4 June 2007 for determination. Those who made submissions will be advised 2 weeks prior to this date.

5. Is the Lithgow Council aware that the following a Media Release by the Minister for Planning Mr Frank Sartor, the Sun-Herald reported that 'Transfers from Sydney Airport will be by helicopter.'" to the proposed Emirates Resort in the Wolgan Valley.

Given that Emirates previously advised the Lithgow Council and community that only four helicopter flights were proposed in their DA, what is now contained within the Emirates DA approved by the State Government for the number of helicopter flights to and from resort in the Wolgan Valley?

Council received advice of the Project Approval and modified Concept Plan approval on 3 May 2007. The Project Approval provides that the proponent shall ensure that the project does not generate more than 4 helicopter trips a week (ie 8 helicopter movements).

Councillor M J Wilson declared a pecuniary interest in Item 6 and vacated the Chambers.

6. Given the current water predicament for the Cadia Mine near Orange, could the Council seek a Council Presentation from Delta Electricity on how they propose to utilise the future use of diminishing local water for the production of electricity in NSW and will there be any adverse impacts on their local employment?

07-187 RESOLVED

THAT a presentation can be sought by Council for the next Ordinary meeting.

Moved: Councillor W McAndrew **Seconded:** Councillor M J Wilson.

CARRIED

Kathy Woolley declared an interest in this item and vacated the Chambers.

7. Could the Lithgow City Council advise if the legal costs incurred in the matter of Cutcliffe Vs Dukes have now been paid in full to the Cutcliffes and if the Council has recouped in full their legal costs from Dukes?

Council has paid Cutcliffe and recouped 50% of those costs from Dukes and also Dukes has paid an amount for Council's costs in relation to Council's motion for costs against Dukes.

QWN - 07/05/07 - COUNCILLOR B P MORRISSEY

Mr Paul Anderson, General Manager and Councillor M F Ticehurst both declared an interest in this item and vacated the Chambers.

1. Mr Mayor I refer to the defamation case that is currently taking place and ask Council if it is true that Council will be liable to pay for the legal costs incurred by Councillor M F Ticehurst?

The Mayor advised that it was in Councillor Ticehurst's own belief that this may occur however can only happen if:

1. *It was a resolution of Council to pay the costs*
2. *Money would only be refunded if the court case is successful*
3. *The Code of Meeting Practice does not specifically cover defamation, so therefore should not be applied to*
4. *The Councillor must be acting on bonafide Council business*

QWN - 07/05/07 - W MCANDREW

1. Mr Mayor from the public meeting held recently at Cullen Bullen, residents have complained to me regarding the quality of the water from the new reservoir. Can Council please look into this issue as the water is in a poor condition? Can we have a community meeting to advise the residents of the outcome?

The Mayor advised that Council will look into the water issue as soon as possible and a community meeting can be arranged in the near future.

QWN - 07/05/07 - COUNCILLOR M M COLLINS

1. Mr Mayor can we please chase up central White Linen regarding potential relocation?

The Mayor advise that this can be done.

The meeting closed at 7.57pm.