

CENTRAL TABLELANDS *Water*



Business Paper

Ordinary Meeting of Central Tablelands Water

16th October 2013

Blayney



10 October 2013

Notice to Members

Your attendance is requested at an Ordinary Meeting of Council to be held at the Blayney Shire Council on Wednesday, 16 October 2013 at 10.30am. Morning tea will be served at 10.00am.

Agenda

1. Public Forum
2. Presentation by Jenny Bennett, Executive Officer - CENTROC
3. Apologies for non-attendance
4. Leaves of absence granted
5. Confirmation of Minutes - Ordinary Meeting held on 09.10.13
6. Chairman's Minute
7. Councillor Representation
8. Notices of Motion
9. Reports of Staff
10. Adjourn Meeting and proceed into Committee of the Whole
11. Resume Ordinary Meeting & Report of Committee of the Whole
12. Next Meeting – Molong – 11th December 2013

Yours faithfully

A. Perry
General Manager

INDEX OF REPORTS
OF THE ORDINARY MEETING OF CENTRAL TABLELANDS WATER
HELD ON WEDNESDAY 16 OCTOBER 2013

NOTICES OF MOTION

- 01 Rescission Motion - Capital Contribution for In-fill Blocks (DB.LA.1) 3

CORPORATE & FINANCIAL SERVICES REPORTS

- 02 Election of Chairman and Deputy Chairman (GO.CO.2) 6
- 03 Council Committees (GO.CO.2) 7
- 04 Meeting Times and Dates (GO.CO.2)..... 8
- 05 Annual Financial Statements - 30/06/2013 (FM.FR.1)..... 9
- 06 Budget Review Statement - 30th September 2013 (FM.FR.1) 21
- 07 Financial Matters (FM.BA.1) 28
- 08 Audit Committee - August 2013 Meeting Minutes (CM.AU.4)..... 30
- 09 Audit Committee - Appointment of Independent External Member
(CM.AU.4)..... 33
- 10 Local Government Reform Update (GR.LR.5)..... 34
- 11 Water Security - Central West NSW (WS.SP.4) 40
- 12 NSW Decentralisation Taskforce Report (GR.SL.3) 42
- 13 WBC Alliance - Executive Officer's Report (CM.AG.6) 46
- 14 WBC Alliance Forum 2013 (CM.AG.6) 47

ENGINEERING & OPERATIONS SERVICES REPORTS

- 15 Maintenance of Council's Systems (WS.MO.4) 49
- 16 Performance of Council's Systems (WS.MO.4) 51

COMMITTEE REPORTS

- 17 Questions on Notice 53
- 18 Water Leakage - Account 1716040009 (CR.EQ.1)
Water Leakage – Account 21201000003 (CR.EQ.1) 54
- 19 Proceed to Committee of the Whole 55
- 20 Report of the Committee of the Whole..... 56

01 Rescission Motion - Capital Contribution for In-fill Blocks (DB.LA.1)

(Tony Perry)

RECOMMENDATION:

1. For consideration.

We the below mentioned councillors wish to move a rescission motion in regards to the resolution of Council number 349 of the ordinary meeting held on 11 October 2006.

Councillor
Councillor

Geoff McClelland
Geoff Braddon

Resolution 349 of 11 October 2006 emanated from deliberation on the following report from the General Manager:

“Council has a policy that when a water connection application is received for a vacant block of land within a town or village and is not the subject of a subdivision, commonly referred to as an infill block as distinct from subdivided land, a capital contribution is payable rather than a developer charge.

The amount of the capital contribution was \$3,000.00 on 1 July 2005 and is indexed by the CPI on 1 July each year. The charge for 2006/2007 is \$3,075.00.

The General Manager is proposing that the capital contribution charge, applicable from 1 July 2005 for water connections to infill blocks not serviced from a water main, be removed from 1 July 2014 and replaced with the full Section 64 developer charge applicable at that time.

The reasoning for this proposal is that, as water rates on land value were removed and replaced with ‘User Pay Pricing’ in 1994, by 2014 vacant unbuilt upon infill blocks will not have paid any charges to Central Tablelands Water for 20 years.

Also, with all new subdivisions now being subject to Section 64 developer charges, in years to come there will be infill blocks within those subdivisions and it will be difficult to identify whether charges have been paid or not. As all blocks of land within new subdivisions are required to be serviced from the water main, it will be a simple exercise to identify that any infill blocks not serviced from a water main have not paid a capital contribution or developer charge.”

349. Resolved: *That the capital contribution charge, applicable from 1 July 2005 for water connections to infill blocks not serviced from a water main, be removed from 1 July 2014 and replaced with a capital contribution charge equivalent to the full Section 64 developer charge applicable at that time.*

(Cr Lawrence/Cr Goodacre)

The General Manager has reviewed the 30 year capital works programme and financial plan which allows for the capital contribution for in-fill blocks to rise on 1 July 2014, as per the 2006 resolution.

The consequence of the capital contribution charge not increasing to the equivalent of the developer charge means that in the first year there will be an estimated reduction of \$120,000 with a significant cumulative effect in corresponding years, this

will have an impact on the financial plan. Currently the financial plan provides for an 8% increase in consumption charges through to 2022/23, resulting in a price of \$4.30 per kilolitre in that year. If the capital contribution charge increases as per the original resolution, the review of the financial plan indicates that the consumption charges for all consumers can reduce from an annual increase of 8% to an increase of 3% from 2018/2019.

ATTACHMENTS

1 Recision Motion 1 Page

20/09/2013 12:00 63673139

GEOFF BRADDON

PAGE 01/01

20-09-13;11:24 ;Clive J Anderson & Co.

;01 0 63491497

1/ 1

20 September 2013

RECESSION MOTION

I wish to move that motion 349 dated 11 October 2006 be rescinded and that infill blocks be charged at the normal connection fee.

MOVED
Councillor Geoff McClelland



SECONDED
Councillor Geoff Braddon



02) Election of Chairman and Deputy Chairman (GO.CO.2)

(Tony Perry)

RECOMMENDATION:

1. That Council adopt the ordinary voting system for election of Chairman and Deputy Chairman.

REPORT

The Local Government Regulations (Sch 8 Parts 1&2) state that ‘an election for chairperson of a county council is to be held: (a) at the first meeting of the county council after an ordinary election of members of the county council, and (b) at the first meeting of the county council after each anniversary of that ordinary election until the next ordinary election of members of the county council is held.’

The procedures for election of the Chairman and Deputy Chairman can be summarised as follows:

- nominations are to be announced and elections are to be conducted at the same council meeting.
- a nomination is to be made in writing by 2 or more councillors, one of who may be the nominee.
- Council must resolve that the election proceed by preferential ballot, ordinary ballot or open voting.
- preferential ballots and ordinary ballots must be secret ballots.

Nomination forms are enclosed with the business paper. Nominations can be made at the meeting, prior to the conduct of elections.

Council has in the past opted to use the ordinary voting system for election of both Chairman and Deputy Chairman.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

03) Council Committees (GO.CO.2)

(Tony Perry)

RECOMMENDATION:

1. That Council confirm the Internal Audit Committee comprise of the Chairman (or delegate), two (2) external independents, the General Manager as an observer, and the Manager of Finance Manager and Corporate Services assuming the role of Secretariat to the Internal Audit Committee (responsible for the coordination of the audit committee, functions and processes).

REPORT

Council has only 1 constituted committee, namely, the Internal Audit Committee and is represented by the Chairman and General Manager on the Centroc and WBC Alliance Boards.

Internal Audit Committee

On 10 August 2011, Council resolved that membership of the Internal Audit Committee, as outlined in the Internal Audit Committee Charter, be amended to comprise of the Chairman (or delegate), two (2) external independents, the General Manager as an observer, and the Manager of Finance and Corporate Services assuming the role of Secretariat to the Internal Audit Committee (responsible for the coordination of the audit committee, functions and processes).

Centroc Board and WBC Alliance Board

The Centroc and WBC Alliance boards meet three or four times a year and are represented on the boards by the Mayor/Chairman and General Manager.

Both board meetings are generally full morning meetings and are followed by lunch.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

04) Meeting Times and Dates (GO.CO.2)

(Tony Perry)

RECOMMENDATION:

1. That Council hold its ordinary meetings on the 2nd Wednesday of alternate months, as follows:

Wednesday	11 th December 2013	-	Molong
Wednesday	12 th February 2014	-	Grenfell
Wednesday	9 th April 2014	-	Blayney
Wednesday	11 th June 2014	-	Molong
Wednesday	13 th August 2014	-	Grenfell
Wednesday	8 th October 2014	-	Blayney
2. Council consider the Draft Operational Plan and Budget at the April ordinary meeting each year.

REPORT**Special Meetings**

Council has held special meetings as determined by Council, or call of the Chairman, by giving 5 days written notice, or such shorter notice as emergency circumstances dictate.

Ordinary Meetings

Council has previously held its ordinary meetings on the 2nd Wednesday of alternate months, as follows:

February	-	Grenfell
April	-	Blayney
June	-	Molong
August	-	Grenfell
October	-	Blayney
December	-	Molong

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

05) Annual Financial Statements - 30/06/2013 (FM.FR.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That the audited financial reports for the year ended 30 June 2013, together with the auditor's report, be received and noted.

REPORT

Councils Financial Statements, for the year ended 30 June 2013, have been finalised and the audit completed. A complete copy of the audited Financial Statements and Auditors Report has been included with this business paper.

Council's Auditor, Mr John O'Malley, a Partner with Intentus Chartered Accountants, will be present at the meeting to speak to his report and answer any questions that may emanate from it.

The Income Statement shows a net operating surplus for the year of \$385,000 with Council's Net Assets and Total Equity reducing from \$57,860,000 to \$55,582,000.

The Income Statement also reveals a net operating surplus before capital grants and contributions of \$130,000 after allowing for depreciation of \$1,749,000.

Section 418 of the Local Government Act (1993) states that public notice must be given of the date of the meeting at which it is proposed to present the audited financial reports to the public.

Accordingly, in compliance with Section 418, a public notice has been circulated in the relevant local newspapers advising the public that the audited financial reports for the year ended 30 June 2013 can be inspected at Council's Blayney office or on Council's website and that any member of the public is invited to make a submission on those reports prior to 31 October 2013.

A copy of the final Management Letter from Intentus Chartered Accountants, in regards to the 2012/2013 audit, is attached.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 Final Management Letter - Intentus 11 Pages



Thorough, Attentive, Earnest

JO'M:CTW001

26 September 2013

The General Manager
Central Tablelands Water
PO Box 61
BLAYNEY NSW 2799



Dear Tony

Re: Audit of Council's Financial Statements

We advise having completed our audit of the Council's financial statements for the period ended 30 June 2013 and enclose the following:

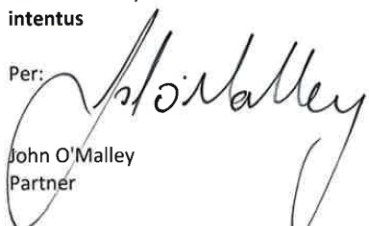
- our independent auditor's report on the general purpose financial statements of Council;
- our independent auditor's report on the special purpose financial statements of Council; and
- our independent auditor's report on the conduct of the audit of Council;

As required by the Act we have forwarded a copy of our Auditors Reports directly to the Department of Local Government. The council must now lodge the financial statements, including our auditors' reports, with the Division by 7 November 2013.

If we can be of further assistance to you in relation to any of the above matters, please do not hesitate to contact us.

Yours faithfully
intentus

Per:



John O'Malley
Partner



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**INDEPENDENT AUDITOR'S REPORT
ON THE GENERAL PURPOSE FINANCIAL STATEMENTS OF
CENTRAL TABLELANDS WATER**

Report on the Financial Statements

We have audited the accompanying financial statements of Central Tablelands Water for the financial year ended 30 June 2013. The financial statements comprise the Statement by Councillors and Management, Income Statement, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and accompanying Notes to the Financial Statements. Our audit responsibility does not extend to the original budget figures included in the Income Statement and Statement of Cash Flows, the original budget disclosures in Notes 2(a) and 16, accordingly, we express no opinion on them.

Councils' Responsibility 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. This responsibility includes establishing 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.

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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the financial statements of Central Tablelands (Water) County Council (Council) for the year ended 30 June 2013 included on Council's web site. Council is responsible for the integrity of Council's web site. We have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

Audit 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;
- (b) the Council's financial statements:
 - (i) have been prepared 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 cash flows; and
 - (iv) are in accordance with applicable Australian Accounting Standards, and other mandatory professional reporting requirements.
- (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 have come to light in the course of the audit.



intentus

237 Lords Place
Orange
Dated: 26 September 2013



JD O'Malley
Partner



**INDEPENDENT AUDITOR'S REPORT
ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS OF
CENTRAL TABLELANDS WATER**

Report on the Financial Statements

We have audited the special purpose financial statements of Central Tablelands Water for the year ended 30 June 2013, comprising the Statement by Council, Income Statement by Business Activities, Balance Sheet by Business Activities, and accompanying Notes to the Financial Statements. Our audit responsibility does not extend to the best practice management disclosures in Notes 2 and 3 and accordingly we express no opinion on them.

Councils' Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements 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 Council and the Division of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. The Council's responsibility also includes establishing 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the Council. 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.

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 entity'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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Liability limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW)

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the financial statements of Central Tablelands (Water) County Council (Council) for the year ended 30 June 2013 included on Council's web site. Council is responsible for the integrity of Council's web site. We have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

Audit Opinion

In our opinion, the special purpose financial statements of Central Tablelands Water are presented fairly in accordance with the requirements of those applicable accounting policies detailed in Note 1, the accounting requirements of the Local Government Act 1993 and the Local Government Code of Accounting Practice and Financial Reporting.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial statements, which describes the basis of accounting. The special purpose financial statements have been prepared for distribution to the Council and the Division of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. As a result, the financial statements may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Council or the Division of Local Government or for any purpose other than for which the statements were prepared.

**intentus**

237 Lords Place
Orange

Dated: 26 September 2013



JD O'Malley
Partner



Thorough, Attentive, Earnest

26 September 2013

The Chairman
Central Tablelands Water
PO Box 61
BLAYNEY NSW 2799

Dear Mr Chairman

**INDEPENDENT AUDITOR'S REPORT ON THE CONDUCT OF THE AUDIT – Section 417(3)
CENTRAL TABLELANDS WATER YEAR ENDED 30 JUNE 2013**

We advise having completed our audit of the financial statements of Central Tablelands Water for the financial year ended 30 June 2013. Our audit resulted in the issuing of an unmodified audit report on both the general purpose and special purpose financial statements of Council.

In accordance with Section 417 of the Local Government Act 1993 we submit our report on the conduct of the audit of Central Tablelands Water for the year ended 30 June 2013. Our audit reports on the general purpose financial statements of Council and the special purpose financial statements on Council's business units outline the legislative framework of our audit and should be referred to in order to establish the context in which our comments are made.

Council's Responsibility 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. This responsibility includes establishing 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.

Auditor's 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 technical and ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements is free from material misstatement.

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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

The following comments are provided in accordance with Section 415(3) of the Local Government Act 1993 and Regulation 227 of the Local Government (General) Regulation 2005 to assist in the understanding of the financial statements and our reports.



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Review of Financial Results**(a) Operating Result**

As disclosed in Council's Income Statement the year's operations resulted in a net operating surplus of \$385,000 (2012 deficit - \$865,000). Selected items of note in the operating statement include:

- The operating result *before* capital amounts was a surplus of \$130,000 (2012 deficit – \$1,019,000).
- Rates and Annual Charges revenue increased \$279,000 (29%) to \$1,234,000 (2012 - \$955,000) following an increase in the availability charge for a standard 20mm connection from \$160 p.a. to \$200 p.a. with larger services increasing respectively.
- User Charges and Fees increased following warmer and drier seasonal conditions leading to increased water consumption.
- Interest and Investment Revenue reported a marked increase - \$260,000 (2012 - \$172,000) this followed the sale of an “available for sale” investment and the resultant transfer of the previously unrealised gain of \$73,500 to the income statement.
- Grants and Contributions for capital purposes increased by \$101,000 due to growth in section 64 contributions.
- Expenses for Materials & Contracts and other expenses were higher in line with increased water consumption placing demand on the water supply network. As a result there was increased electricity use and additional contractor services required at the Carcoar Filtration Plant and various Pump Stations throughout the network.

Council's other major items of income and expenditure remained relatively consistent with the prior period.

b) Financial Position

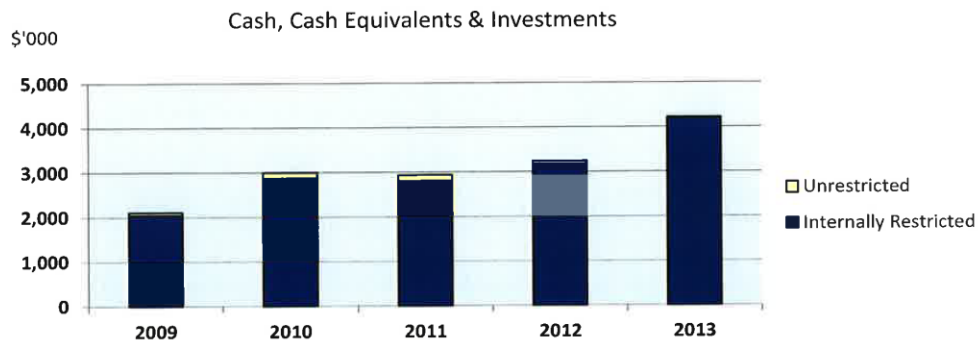
The Statement of Financial Position discloses that for the year ended 30 June 2013 Council's net assets stood at \$57,140,000 (2012 - \$55,582,000), which represents an increase of \$1,558,000. The increase comprises:

- the net operating result after capital amounts of \$385,000;
- a \$1,246,000 net revaluation increment attributable to the indexed revaluation of water infrastructure and the revaluation of buildings ; and
- The transfer to the income statement of “available for sale” investment reserves of (\$73,500).

To assess the health of Council's net current asset position (available working capital) it is necessary to review the level of restrictions placed against the use of Council's assets. The notes to the financial statements indicate clearly where restrictions exist, and the effect of the restrictions is summarised below:

	2013 \$'000	2012 \$'000
Net Current Assets	3,563	2,001
Less: Amounts externally restricted for special purposes (refer Notes 6; 7; & 8 of financial statements)	-	-
Council internally imposed restrictions (refer Note 6 of financial statements)	(4,172)	(2,874)
Add: Applicable current liabilities refer Note 10	-	-
Employee Leave Entitlements to be paid > 12 months	342	506
Unrestricted net current asset surplus/(deficit)	<u>(267)</u>	<u>(367)</u>
Unrestricted net current assets comprise: -		
Assets		
Cash	5	59
Receivables	407	336
Inventories	337	286
Other	31	45
Less: General Purpose Liabilities	(1,389)	(1,599)
Plus: Employee Leave Entitlements to be paid > 12 months	342	506
Unrestricted net current asset surplus/(deficit)	<u>(267)</u>	<u>(367)</u>

Although the net unrestricted current assets position is a deficit, the timing of payments of the internal restrictions is controlled by council and is unlikely to precipitate liquidity pressure.



Liquidity

Note 6 to the accounts discloses total cash and investments have grown to \$4,216,000 (2012 - \$3,241,000). Of this amount \$4,211,000 (2012 - \$3,182,000) is subject to internal restrictions agreed upon by the Council for designated purposes. These internal restrictions may be altered at the discretion of Council, consistent with their operational plan.

The unrestricted balance of \$5,000 (2012 - \$59,000) represents funds available to cover non-budgeted discretionary expenditure and short-term cash flow requirements.

(c) Performance Indicators

Note 13 to the Financial Statements provide a measure of Council's performance using a number of selected ratios as follows:

Unrestricted Current Ratios

The Unrestricted Current Ratio is a measure of Council's liquidity that demonstrates Council's ability to satisfy obligations out of short-term and immediate asset balances.

Council's ratio of 4.73:1 (2012 – 3.29:1), has increased substantially on the prior period indicating healthy liquidity.

Debt Service Ratio

The cost of repaying debt is reflected in the debt service ratio, which expresses that cost as a proportion of revenue from ordinary activities.

Whilst there is no definitive guide on what constitutes an acceptable ratio it is generally accepted that a ratio of up to 20% depending on the level of long-term development (infrastructure) plans, is considered tolerable. At 11.39% (2012 – 15.86%) Central Tablelands Water's ratio is trending down towards industry benchmarks, which is consistent with the Council's repayment of long-term borrowing to fund major capital works.

Annual & Water Charges Coverage Ratio

The Annual & Water Charges Coverage Ratio indicates the proportion of total revenue that is generated by annual and user charges. The ability of the Council to meet user expectations in relation to water services is directly influenced by the discretion it can exercise in the allocation of its resources. A high level of coverage should mean that the Council would have more discretion over the allocation of funds, and also that a small increase in user charges will yield a greater increase in total revenue. Central Tablelands County Council's ratio of 85.47% (2012 – 85.48%) is consistent with prior years and indicates that outside of environmental factors, the council's pricing structure is the main determining factor of their income.

Annual & Water Charges Outstanding Ratio

The Annual & Water Charges Outstanding percentage is a measure of management efficiency. Whilst prevailing economic conditions may influence Council's ability to collect revenue, the efficiency, timing and application of collection procedures are still the largest determinants of this ratio.

The ratio for Central Tablelands Water stands at just 3.10% (2012 – 4.07%) which remains impressive in comparison with industry benchmarks

Building & Infrastructure Renewal Ratio

The purpose of this ratio is to assess the rate at which assets are being renewed against the rate at which they are depreciating. As each individual council's determination of what comprises renewals versus additions or maintenance is arbitrary, it is difficult to make meaningful observations in relation to this ratio.

Superficially, the fact that this ratio stands at 40.69% and has been below 50% for the past four years suggest that Council is not adequately maintaining its infrastructure. In order to make more valid assessments on this measure, it would be appropriate to align the measure with the Council's major capital works program which has periodic spikes of activity.

(d) Cash Flow Statement

The Statement of Cash Flows reports a net increase in cash assets held of \$544,000 (2012 increase - \$176,000) as follows:

	2013 \$'000	2012 \$'000	Movement \$'000
Cash flow provided by / (used in)			
Operating activities	1,919	1,253	666
Investing activities	(1,060)	(783)	(277)
Financing activities	(315)	(294)	(21)
Net increase / (decrease) in cash held	544	176	368

Cash flows from operating activities

The cash flows provided by operating activities have increased against the prior financial year. The main contributor being an increase in rates and water user charges billed and received during the period.

Cash flows from investing activities

The major cash inflows and outflows from investing activities related to the disposal of plant, redemption of investments and purchase of water supply network infrastructure.

Cash flows from financing activities

The net cash flow used in financing activities was \$315,000 (2012 - \$294,000), which related solely to the principal repayment of borrowings during the year.

(e) **Comparison of Actual and Budgeted Performance**

Council's surplus from ordinary activities after capital amounts of \$385,000 was \$950,000 better than Council's original estimates.

It is beyond the intent of this report to provide a detailed analysis of individual budget variations. Note 16 to Council's financial statements addresses the contributing factors to these variations in detail.

(f) **Other Matters**

National Competition Policy

In accordance with the requirements of National Competition Policy guidelines, Central Tablelands Water has prepared special purpose financial statements on its business units for the year ended 30 June 2013. Council has determined that it has one business unit within its operations: Water Supply.

The Division of Local Government's July 1997 guidelines 'Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality' outlines the process for identifying and allocating costs of 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, rate of return on investments in business units and dividends paid.

An unqualified audit report on the special purpose statements for the year ended 30 June 2013 has been issued.

Management Letters

Our most recent management letter was issued on 16 July 2013. Issues raised with management requiring attention have been satisfactorily dealt with.

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the financial statements of Central Tablelands (Water) County Council (Council) for the year ended 30 June 2013 included on Council's web site. Council is responsible for the integrity of Council's web site. We have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

Conclusion

- a) The Council's accounting records have been kept in a manner and form that facilitated the preparation of the general purpose financial statements and allowed proper and effective audit of these statements;
- b) The Council's accounting records have been kept in a manner and form that facilitated the preparation of the special purpose financial statements and allowed proper and effective audit of these statements; and
- c) All information relevant to the conduct of the audit has been obtained.

intentus

intentus

237 Lords Place
Orange
Dated: 26 September 2013


JD O'Malley
Partner

06) Budget Review Statement - 30th September 2013 (FM.FR.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That the budget review statement for the quarter ended 30th September 2013 be accepted, and the variations therein be adopted.

REPORT

The Quarterly Budget Review (QBR) for the period ended 30 September 2013 is submitted for examination by Council (refer Attachment 1).

It is estimated that the original budget surplus of \$1,829 will increase by \$15,000 to \$16,829.

There are three variations to the operating budget recommended. These variations are listed on page 4 of the QBR and are recommended to allow for the estimated increased operating surplus. There are no estimated changes for the capital budget at this stage.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 Budget Review Statement - 30th September 2013 6 Pages

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/07/13 to 30/09/13

Table of Contents	page
1. Responsible Accounting Officer's Statement	2
2. Income & Expenses Budget Review Statement's	3
- Income Statement variations	4
3. Capital Budget Review Statement	5
- Capital Budget Review variations	6

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/07/13 to 30/09/13

Report by Responsible Accounting Officer

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2005:

It is my opinion that the Quarterly Budget Review Statement for Central Tablelands Water for the quarter ended 30/09/13 indicates that Council's projected financial position at 30/6/14 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed:



Gavin Rhodes
Responsible Accounting Officer

Date: 10/10/2013

Quarterly Budget Review Statement
for the period 01/07/13 to 30/09/13

Central Tablelands Water
Income & Expenses Budget Review Statement

Budget review for the quarter ended 30 September 2013
Income & Expenses - Water Fund

	Original Budget 2013/14	Approved Changes		Revised Budget 2013/14	Variations for this Sep Qtr	Notes	Projected Year End Result	Actual YTD figures
		Other than by a QBRS	Sep QBRS					
Income								
Rates and Annual Charges	1,235,673			1,235,673			1,235,673	304,115
User Charges and Fees	3,300,442			3,300,442			3,300,442	610,294
Interest and Investment Revenues	148,000		20,000	168,000		1a	168,000	19,346
Other Revenues	346,832			346,832			346,832	74,896
Grants & Contributions - Operating	53,707			53,707			53,707	14,952
Grants & Contributions - Capital	138,415		20,000	158,415		1b	158,415	38,492
Net gain from disposal of assets	64,699			64,699			64,699	15,372
Total Income from Continuing Operations	5,287,768	-	40,000	5,327,768			5,327,768	1,077,467
Expenses								
Employee Costs	1,647,617			1,647,617			1,647,617	353,200
Borrowing Costs	244,365			244,365			244,365	63,643
Materials & Contracts	790,159		25,000	815,159		2a	815,159	123,706
Depreciation	1,849,161			1,849,161			1,849,161	462,290
Legal Costs	8,000			8,000			8,000	-
Consultants	51,000			51,000			51,000	-
Other Expenses	695,637			695,637			695,637	174,465
Interest & Investment Losses								
Net Loss from disposal of assets								
Total Expenses from Continuing Operations	5,285,939	-	25,000	5,310,939			5,310,939	1,177,304
Net Operating Result from Continuing Operations	1,829	-	15,000	16,829			16,829	(99,837)
Discontinued Operations								
Net Operating Result from All Operations	1,829	-	15,000	16,829			16,829	(99,837)
Net Operating Result before Capital Items	(136,566)	-	(5,000)	(141,566)			(141,566)	(138,329)

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 31/12/12 and should be read in conjunction with the total QBRS report

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/07/13 to 30/09/13

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details

1(a) Additional interest on investment income of \$20,000 is estimated for the financial year based on the recent purchase of a new term deposit.

1(b) Additional Section 64 Developer income of \$20,000 is estimated for the financial year.

2(a) An additional \$25,000 is required for the instrumentation replacement at Carcoar Water Filtration Plant.

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Quarterly Budget Review Statement
for the period 01/07/13 to 30/09/13

Central Tablelands Water

Capital Budget Review Statement

Budget review for the quarter ended 30 September 2013

Capital Budget - Water Fund

	Original Budget 2013/14	Approved Changes		Revised Budget 2013/14	Variations for this Sep Qtr	Notes	Projected Year End Result	Actual YTD figures
		Other than by a QBRS	Sep QBRS					
Capital Expenditure								
New Assets								
- Plant & Equipment	416,000			416,000			416,000	103,860
- Land & Buildings								
- Office Equipment	10,000			10,000			10,000	7,957
Renewal Assets (Replacement)								
- Plant & Equipment								
- Land & Buildings	40,000			40,000			40,000	
- Water Supply Network	235,811			235,811			235,811	62,944
- Land & Buildings								
Loan Repayments (Principal)	336,292			336,292			336,292	81,521
Total Capital Expenditure	1,038,103	-	-	1,038,103			1,038,103	256,282
Capital Funding								
User Fees & Charges Funding	336,292			336,292			336,292	81,521
Capital Grants & Contributions								
Reserves:								
- External Restrictions/Reserves								
- Internal Restrictions/Reserves	285,811			285,811			285,811	70,901
New Loans								
Receipts from Sale of Assets								
- Plant & Equipment	416,000			416,000			416,000	103,860
- Land & Buildings								
Total Capital Funding	1,038,103	-	-	1,038,103			1,038,103	256,282
Net Capital Funding	-	-	-	-			-	-

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 31/12/2012 and should be read in conjunction with the total QBRS report

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/07/13 to 30/09/13

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details

07) Financial Matters (FM.BA.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That the information be noted.

REPORT

Details of all payments made to creditors in the preceding two months are available for inspection at the Blayney office.

The Bank Reconciliation, as at 30th September 2013, together with a Statement of Funds Invested, is attached to the business paper.

Council's Petty Cash Book and the Warrant Listing will be **tabled** on meeting day.

As required by Council, the following table details the status of Council's investments through Lehman Bros at 30th September 2013:

Investment	Interest Rate	Above BBSW	Call Date	Maturity Date	Interest Paid	Face Value	Current % value	Current Value
Aphex (Glenelg AA-)	4.5192%	1.92%	22/06/2009	22/12/2014	Quarterly	50,000	82.38	41,190
MAS (Parkes AA-)	N/A	N/A	20/12/2009	20/06/2015	Quarterly	300,000	N/A	N/A
Total						\$350,000	11.77	\$41,190

The value of the CDO investments acquired through Lehman's have a current valuation as at 30th September 2013, of \$41,190. This is an increase of \$2,590 from the last reported valuation of \$38,600 as at 30 June 2013. The CDO investments are now valued at 11.77% of par value.

The MAS Parkes investment of \$300,000 shown in the above table was previously written-off in the 2011/2012 Financial Year. As reported to previous meetings, legal action is continuing with no final result at this stage. Any recovery from this investment will be written-back and will be reflected as an improvement in Council's financial performance at that time.

Council's remaining investment portfolio, other than CDO's of approximately \$4.35 million is all capital guaranteed, primarily in term deposits.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 Bank Reconciliation - September 2013 1 Page

CENTRAL TABLELANDS COUNTY COUNCIL
STATEMENT OF BANK BALANCES AS AT 30TH SEPTEMBER 2013

GENERAL FUND

(a) Cash Book Balance	\$ 354,249.18
(b) Bank Balance	\$ 352,783.34
(c) Limit of Overdraft (Bank)	Nil
(d) Limit of Overdraft (Statutory)	\$ 1,130,000.00

BANK RECONCILIATION

Balance as per Bank Statement	\$352,783.34
Add: Outstanding deposits	\$ 1,625.84
	<u>\$354,409.18</u>
Less: Outstanding Cheques	\$ 160.00
Less: Deposits not processed	
Balance as per Cash Book	<u>\$354,249.18</u>

FUNDS INVESTED AS AT 30 SEPTEMBER 2013

<u>Form of Investment</u>	<u>Amount</u>	<u>Rate of Interest</u>	<u>Bank Bill Swap Rate</u>
(1) Floating Rate CDO	\$ 50,000.00	4.52%	2.60%
(2) Floating Rate CDO	\$ 300,000.00	N/A	2.60%
	<u>\$ 350,000.00</u>		
(3) Term Deposit	\$ 500,000.00	3.75%	2.60%
(4) Term Deposit	\$ 500,000.00	4.28%	2.60%
(5) Term Deposit	\$ 500,000.00	3.95%	2.60%
(6) Term Deposit	\$ 500,000.00	4.26%	2.60%
(7) Term Deposit	\$ 500,000.00	3.65%	2.60%
(8) Term Deposit	\$ 500,000.00	3.93%	2.60%
(9) Term Deposit	\$ 500,000.00	3.85%	2.60%
(10) Term Deposit	\$ 500,000.00	3.85%	2.60%
	<u>\$ 4,350,000.00</u>		
(11) Cheque Account	\$ 23.26	0.00%	2.60%
(12) Cheque Account	\$ 72,377.65	2.45%	2.60%
(13) Business On-line Saver	\$ 280,382.43	2.80%	2.60%
	<u>\$ 4,702,783.34</u>		

In accordance with the Local Government (Finance Regulations) 1993 (Part 4, Cl. 19), I hereby certify:

The above Investment Summary represents Council's total investments as at 30 September 2013 and that the investments have been made in accordance with the Act, the regulations and Council's investment policies.



Gavin Rhodes
Manager Finance & Corporate Services

08) Audit Committee - August 2013 Meeting Minutes (CM.AU.4)

(Gavin Rhodes)

RECOMMENDATION:

1. That Council receive and note the August 2013 Audit Committee Meeting Minutes.

REPORT

A copy of the August 2013 Audit Committee Meeting Minutes are attached for Councils notation.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 CTW Audit Committee Meeting Minutes - August 2013 2 Pages

Minutes of the Audit Committee Meeting of Central Tablelands Water Held at Blayney on Thursday, 29th August 2013, commencing at 11.00am

PRESENT: Mr Steve Kent (Chair - Independent Member - voting)
Cr Geoff Braddon OAM (Independent Member - voting)
G. Rhodes (Manager Finance & Corporate Services - Secretariat)

1. Welcome

The Chair of the Committee Mr Steve Kent welcomed all attendees at the meeting.

2. Declarations of any Conflicts of Interest

Members declared that they had no conflicts of interest.

3. Apologies for non-attendance

The Audit Committee accepted the apology for non-attendance of Mr Tony Perry.

4. Confirmation of Minutes – Audit Committee Meeting 9/5/2013

The Minutes of the Audit Committee Meeting of Central Tablelands Water (CTW), held on 9 May 2013 were confirmed by the Audit Committee.

5. Recruitment of Audit Committee Independent Member

MFCS advised the Audit Committee that recruitment of an Audit Committee Independent Member had commenced with an advertisement being placed in various local newspapers. It is envisaged that the recruitment process will be finalised with an Independent Audit Committee Member being appointed prior to the next Audit Committee Meeting.

6. Internal audit report – Information Technology Controls

The Audit Committee was advised that the joint internal audit on Information Technology Strategy and Network Security Systems Health Check for Blayney Shire Council and Central Tablelands Water had been completed and finalised by Dr Stephen James (IAB Services). This joint internal audit was approved by Blayney Shire Council and Central Tablelands Water Audit Committees as part of their approved 2012 Internal Audit Plans and was rated as high risk for both Councils. The objectives of the review were to assess the adequacy of the IT Strategy and security related controls over Councils network, operating systems and workstations.

The Internal Audit Report for the Information Technology Strategy and Network Security Systems Health Check with management responses was presented to the Audit Committee.

This is Page No. 1 of the Minutes of the Audit Committee Meeting held 29th August 2013

It was advised by the Audit Committee that CTW liaise with Blayney Shire Council to discuss and address report recommendations where necessary.

7. Future of Internal Audits

The Audit Committee requested that the current Audit Plan be reviewed at the next Audit Committee meeting. This will enable a reassessment of internal audit priorities to be undertaken.

8. External Interim Audit Management letter

A copy of Council's external interim audit management letter dated 29 July 2013 issued by Intentus Chartered Accounts was presented to the Audit Committee. The interim audit management letter stated the following, "*Generally, our audit confirmed that the financial management procedures and systems have been controlled effectively in a manner relevant to Council's structure and resources.*"

9. Update on 2012/2013 Annual Financial Statements preparation and audit

MFCS advised the Audit Committee that the external audit of Council's Annual Financial Statements had been undertaken by Intentus Chartered Accountants on 26 and 27 August 2013. Council is now awaiting the final audit report from Intentus Chartered Accountants. A copy of the 2012/2013 Annual Financial Statements together with the audit report will be provided to the Audit Committee.

10. Risk Management update

The Audit Committee was advised that Blayney Shire Council (BSC) has recently employed a permanent Risk Management Officer (RMO) who will also provide assistance to CTW. Senior Management of both CTW and BSC are in the process of formalising a 'fee for service' agreement for risk management services.

11. Any major developments/issues since last meeting

MFCS advised the Audit Committee that there have been no major developments/issues since the last meeting.

12. Status of prior report recommendations

A status of prior report recommendations was presented to the Audit Committee for review.

13. Any other business

There was no other business raised by Committee Members.

14. Next meeting – Blayney 17 October 2013

The next Audit Committee Meeting is scheduled for Thursday 17 October 2013 at Blayney Shire Community Centre.

There being no further business, the Chair of the Audit Committee declared the meeting closed at 12.00pm.

09) Audit Committee - Appointment of Independent External Member (CM.AU.4)

(Gavin Rhodes)

RECOMMENDATION:

1. That Council approve the appointment of Mr Phillip Burgett FCA as an independent external member of Central Tablelands Water (CTW) Audit Committee.

REPORT

The CTW Audit Committee has a vacancy following the passing of an independent external member earlier in the year.

Council's Audit Committee Charter provides for the following:

Composition and Tenure

Members (voting)

- Chairman (or delegate)
- Two independent external members (not members of the Council) who have relevant experience or qualifications.

The WBC as advocate for all member Councils, excluding Wellington, has been active over the last month in attracting independent representation to fill this vacancy for their respective Council Audit Committees.

At the close of applications the WBC received only one application from Mr Phillip Burgett FCA. Mr Burgett is a Fellow of the Institute of Chartered Accountants, Life Fellow of the Local Government Auditors' Association, Registered Company Auditor and has 24 years' experience as Partner in a Public Accounting Practice.

The proposed appointment would be within the DLG Internal Audit Guidelines and Council Audit Committee Charter. The appointment of Mr Burgett as an independent external member will permit the Audit Committee to have its complement of two independent external members and support a framework of internal governance within Council.

BUDGET IMPLICATIONS

The position of independent external member is paid an allowance and provision exists in Council's 2013/14 Operational Plan for such expenses.

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

10) Local Government Reform Update (GR.LR.5)

(Tony Perry)

RECOMMENDATION:

1. That the information be noted.

REPORT

At the recent Local Government NSW Conference in Sydney, attended by Cr Somerville and the General Manager, the Chairman of the Local Government Independent Review Panel, Professor Graham Sansom, gave a presentation outlining where the Panel is up to in finalising its report.

It is interesting to note that, under the heading “A 10 point starter package” dot point 1, the Panel indicates that there are 2-3 ‘pilot’ regions ready to start negotiations to run ‘joint regional organisations’, the WBC Alliance pilot proposal is one of those he referred to.

A copy of Professor Sansom’s presentation is attached.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 Speech notes - Graham Sansom's presentation 5 Pages



***Speech notes - Graham Sansom's presentation at the LGNSW Inaugural Conference
– Sydney Town Hall – 2 October 2013***

Note: the presentation notes have been amended in a few places to include the Panel's responses to key points raised in the subsequent Q&A session

This afternoon I would like to do three things:

First, give you a progress report on where the Panel is up to in finalising its report.

Second, explain how we're responding to some of the chief concerns that were expressed about our April 'Future Directions' paper.

Third, offer some thoughts on the way forward that you might take into account when you consider the relevant items in your business papers.

- We said in 'Future Directions' that the Panel's ideas were crystallising but not set in concrete. We meant that. 'Future Directions' set out OPTIONS not recommendations.
- In our final round of consultations we held 63 sessions in 38 locations across the State. We've also held dozens of roundtables, meetings with local government representatives and State agencies, and follow-up consultations with individual councils. We received over 1400 written submissions.
- Consultation is still under way. We're finalising our discussions with a number of key State agencies such as DLG, TCorp, the Grants Commission, the Premier's Department, the Department of Planning, Roads and Maritime Services and the Office of Water to fine-tune some of our ideas.
- We've also commissioned some additional research to check our facts and draw on inter-state experience in developing our ideas. This HAS BEEN an evidence-based review as we promised. It's all on the website. Whether you agree with our interpretation of the evidence is up to you – but please take time to read the material carefully before you assert that we've got it wrong.
- Finally, we've put a lot of time into cross-referencing our review with the work of the Acts Task Force and the relevant aspects of the Planning Review. From where we sit, the suggestion that a further phase of work is needed to bring the reviews into alignment is simply not warranted. What IS needed is a program for coordinated implementation.

At this stage we expect to hand the report to the Minister in 2-3 weeks.

Responding to submissions

- Before I discuss some of our responses to comments on 'Future Directions', let me re-iterate three key points about our approach.
- First, the Panel's goal has been to build local government's capacity for the long haul to meet the challenges of the mid-21st Century. This is not about quick fixes. There are no silver bullets. A PACKAGE of measures is required to deal with inter-related problems.
- Second, our absolute commitment is to make recommendations that will create a stronger, more sustainable and more effective system of local government – NOT to diminish local democracy or to rob communities of their identity.
- Third, we are basing ALL our proposals on established leading practice in NSW, elsewhere in Australia and NZ, and in a few instances, Canada and the UK. In that sense, there's nothing radical about what we have to say.
- The following slides address 10 of the main areas of concern with the options put forward for discussion in 'Future Directions', and summarise how the Panel has responded.

Concerns with 'Future Directions'**Amalgamations:**

- Panel fully respects Government policy of 'no forced amalgamations' but will be putting forward OPTIONS in accordance with its terms of reference. Panel remains convinced that some mergers must be part of the mix in due course: it will be up to the Government and local government to work out what should happen and when.
- Consideration should be given to what exactly 'No Forced Amalgamations' means. For example, do councils and local communities have an absolute veto? Can one community hold out when its partners want to merge? Is it a 'forced amalgamation' if there has been a proper, evidence-based inquiry and an independent body says the merger should go ahead?
- Panel is looking at a new approach to strengthen role of the Boundaries Commission as an independent umpire.

County Councils:

- Panel has completed extensive further consultations and is preparing a substantially revised approach (regional 'joint organisations') to address concerns raised with County Council model
- There must be mandatory participation in new regional organisations to make them work effectively
- Water utilities should remain in local government ownership and there should be no forced transfer of assets to the new joint organisations
- Close regional cooperation between councils is seen as essential to underpin sustainability and improved State-Local relations
- Good progress has been made with key State agencies on agreeing common regional boundaries

Local Boards

- Panel is preparing a substantially revised concept

TCorp assessments (Financial Sustainability Ratings)

- Panel has had detailed follow-up discussions with TCorp and DLG; Panel believes TCorp got it right given information available at the time; but sustainability ratings will need to be progressively updated

Rate-pegging

- Panel is formulating two options both of which go further than the 'streamlining approach put forward in 'Future Directions', but total abolition still seen as unlikely
- What exactly does 'abolish' mean – surely not a free-for-all so there has to be some sort of framework to promote fiscal responsibility

Cost-shifting

- Concern that this was not discussed in 'Future Directions'.
- Final report will cover this issue, but NB clause in State-Local Agreement that ensures consultation before functions are shifted to local government

Increasing grants

- Concern that Panel did not advocate for this in 'Future Directions'
- Panel remains sceptical that significant increases in grants are possible in the foreseeable future given constraints on federal and State budgets, and believes the focus must be on re-distribution of existing grants to channel funds to most needy communities

Western Region Authority

- Panel has had extensive further discussions with affected councils
- It still sees an overarching regional authority as necessary but will present a revised concept: the goal will be to implement a new, positive agenda for the Far West

Governance issues

- Panel has convened a Working Party of key stakeholders as proposed in 'Future Directions' and a revised package has been largely agreed (eg roles and relationships of Mayors, Councillors, General Managers)

State's performance

- Concern that 'Future Directions' did not say enough about the need for the State to match changes in local government with reform of its own activities
- Final report will place more emphasis on a 2-way street in reform

The Way Forward

Finally, let me turn to some of the issues raised in the conference business paper and offer what I hope will be some helpful comments.

At the outset, I have to stress that the great majority of the Panel's recommendations will NOT be about amalgamations and boundary changes. So my comments will also cover matters relating to your sessions on financial sustainability and State-local relations.

I'd also like to emphasise our view that there's no need for a confrontational approach. The Minister has highlighted the importance of dialogue, and the State-Local Government Agreement provides an excellent framework for just that. The Panel has constantly promoted the need for give-and-take to get the best result.

So based on our consultations, we think there are numerous sections of our report that could be the subject of early dialogue and swift implementation. Here's a 10-point plan.

A 10 point 'starter package'

1. Get the new regional 'joint organisations' up and running quickly (including Regional Roads Groups, Water Alliances and metropolitan sub-regional planning groups): 2-3 'pilot' regions appear ready to start negotiations.
2. Build a 3-way strategic planning process that brings together a new regional component of Integrated Planning and Reporting (IPR), Department of Planning Regional Growth Plans, and Premiers Department Regional Action Plans.
3. Further upgrade asset and financial management components in IPR (amongst other things, to provide a basis for ongoing changes to rate-pegging).
4. Place local government audits under the auspice of the Auditor General and improve internal audit processes.
5. Make a start on improving the rating system eg reviewing exemptions in line with the recent Deloitte Access Economics report; introducing a more equitable system for rating apartments.
6. Establish a state-wide local government finance facility to cut the cost of borrowing.
7. Commission IPART to review the regulatory, compliance and reporting burdens imposed on councils.
8. Strengthen political leadership: re-write the roles and relationships of Mayors, Councillors and General Managers in the Local Government Act; introduce minimum 2-year terms for mayors elected by the councillors; increase opportunities for communities to choose a directly-elected mayor.
9. Amend the State Constitution to secure recognition of ELECTED local government (as in Victoria, Queensland).

10. Enhance the role and independence of the Boundaries Commission to ensure evidence-based, impartial assessment of possible mergers and boundary changes.

An agenda along those lines could perhaps be the subject of a MOU with the Minister and Premier under the auspice of the State-Local Government Agreement. It embodies give-and-take. All the measures are ones flagged in 'Future Directions' and where the Panel's consultations indicate solid support across the sector.

Concluding remarks

When the Panel released 'Future Directions' we said it's time for a reality check, for fresh thinking and new ideas. If progressive changes are not made soon, then the quality and relevance of local government will inevitably decline and local communities and NSW as a whole will be the poorer.

The new Association has an absolutely critical role to play. We sincerely hope the Panel's report will be seen as a foundation for your future work, and NOT as a threat that requires a fierce campaign of opposition. We urge you to review and re-position the previous associations' agenda on rate-pegging, increased State and federal funding, cost-shifting, and amalgamations. The world is changing and local government needs a fresh, creative narrative about its future.

The three of us on the Panel are career-long supporters of local government. We've done our best to come up with a balanced package of proposals that will achieve YOUR goals for the future of the sector and for the communities you serve.

We congratulate the new Association on its inauguration at this conference, and we wish you well.

11) Water Security - Central West NSW (WS.SP.4)

(Tony Perry)

RECOMMENDATION:

1. That the information be noted.

REPORT

At the August 2013 Council meeting it was resolved as follows:

“Council write to the candidates in the forthcoming Federal election seeking support for increased water storage in the Central West Region in particular putting forward the options of either an augmented Lake Rowlands or preferably a new State Water endorsed 90,000 ML dam at The Needles on the Belubula River”.

Accordingly, letters were written to the relative candidates, in particular, the Hon. John Cobb MP, Member for Calare and the former Shadow Minister for Agriculture and Food Security.

Mr Cobb has subsequently replied advising that, should he be returned to represent Calare and be a part of the new government, he will further discuss the water security options for the region and relevant stakeholders.

A copy of Mr Cobb’s letter is attached to this business paper.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

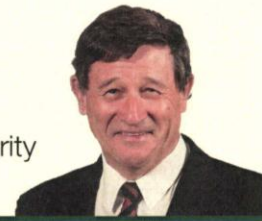
Nil

ATTACHMENTS

- 1 Letter received from The Hon John Cobb 1 Page



The Hon. John Cobb MP
Federal Member for Calare
Shadow Minister for Agriculture and Food Security



Mr A Perry
Central Tablelands Water
30 Church Street
BLAYNEY NSW 2799



Ref:MI1116483
- 6 SEP 2013

Dear Tony,

Thank you for your letter regarding increased water storage for the Central West.

As you are aware, I have always supported the investigation of permanent water security options, particularly those that will ensure long term water security to the entire Calare electorate.

The western half of the electorate needs new storage options. There are several possibilities currently under discussion including the expansion of the Lake Rowlands Dam and a potential location for a new dam at the original Carcoar Dam site, both in the Blayney Shire which could help alleviate the water issues facing Calare.

I met with CENTROC earlier this year to discuss this issue and have recently visited the proposed Needles site.

While the Orange Macquarie Pipeline project intends to provide some water security for the city of Orange, it will not solve the water issues in the wider electorate.

Should I be given the responsibility to represent Calare and be part of a new government I will further discuss the water security options for the region with the relevant stakeholders.

Yours sincerely,

Hon John Cobb MP

Caring for Calare

You may wish to access my website www.johncobb.com.au where you can read more about Calare matters and take a look at my media and parliamentary activities. You can also access information about funding and grants that are currently available and advise me of your Federal Government concerns.

179a Anson St, Orange - P.O. Box 673, Orange NSW 2800 – Tel: 02 6361 7138 – Fax: 02 6362 3480
85 Keppel St, Bathurst - P.O. Box 54, Bathurst NSW 2795 – Tel: 02 6331 0524 – Fax: 02 6331 2561

12) NSW Decentralisation Taskforce Report (GR.SL.3)

(Tony Perry)

RECOMMENDATION:

1. That the information be noted.

REPORT

The General Manager presented a report to the February 2013 Council meeting informing Councillors that the NSW Government had appointed a new Decentralisation Taskforce in November 2012 to review the Government's Decade of Decentralisation Strategy and associated regional policies and programs.

Councillors were also informed that the Taskforce was calling for submissions from regional stakeholders to inform its work and advise and support the Government's decentralisation efforts. The General Manager made a submission to the Taskforce, a copy of which was given to Councillors as an attachment to his report.

The submission focused on water security for the Central West and the '*need to collect more water to cope with fluctuating climate conditions*' (D James 2005) with an enlarged Lake Rowlands promoted to provide that security.

The submission argued that if the NSW Government was serious about decentralisation and if there is to be a genuine effort to reduce the population in Sydney and grow the regional areas, there needs to be employment and an attraction for industry and commercial enterprises to relocate to regional areas in order to create employment opportunities to those people relocating. In turn there needs to be the appropriate infrastructures in place and water security has to be high on the list. It was further pointed out that the NSW State Government placed enormous importance on ensuring that Sydney does not have a water security problem in the future by spending billions on a desalination plant and that Central West NSW, and in fact regional NSW, needs to have and demands the same security.

The NSW Decentralisation Taskforce completed its report in April 2013 and presented it to the NSW Government. The General Manager is extremely disappointed that, apart from a fleeting comment stating that water security was raised amongst the number of submissions received by the Taskforce, the final report makes no mention of water security in any of its recommendations.

In the NSW Government's response to the Taskforce report there is mention that the State Government has committed \$56 million to the Country Towns Water Supply and Sewerage Program (CTWSSP) and \$40 million to water supply and drought priority projects.

The \$56 million allocated to the CTWSSP is a deception as this is not new money but money that had been previously allocated to already approved projects. The CTWSSP has been closed and no further infrastructure projects are being accepted for funding consideration. The projects approved for funding prior to the closure of the CTWSSP will be funded through to 2017 and represented by the \$56 million allocation.

The General Manager has sought information from the NSW Office of Water in regards to the \$40 million that has been identified for water supply and drought priority projects and what criteria applies to accessing any of that funding.

Copies of the two reports are enclosed with the business paper.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

1 NSW Decentralisation Taskforce 2 Pages




Trade &
Investment



NSW Decentralisation Taskforce

29 August 2013

Mr Tony Perry
General Manager
Central Tablelands Water County Council
30 Church Street
BLAYNEY NSW 2799

Dear Mr Perry 

I am pleased to advise that the NSW Government's response to the report of the NSW Decentralisation Taskforce has been released.

I believe the Taskforce produced a comprehensive report which has been welcomed by the Government. The Taskforce was broadly supportive of the Government's *Decade of Decentralisation* policy and associated initiatives. However, the Taskforce made 19 recommendations designed to strengthen and provide better focus for the Government's commitment to decentralisation and regional development.

The Government has accepted most of the Taskforce's recommendations, and some are already being implemented.

As part of the Government response, a number of changes are being made to a range of regional policies and programs. These include:

- expanding eligibility for the \$7,000 *Regional Relocation Grant* to include long-term renters in metropolitan Sydney, Newcastle and Wollongong; and
- introducing a new *Skilled Regional Relocation Incentive* of \$10,000 to encourage people to relocate to regional NSW for work. This new scheme is expected to boost regional development by filling skills gaps in the local economies.

Households will be able to apply for one of these grants under the program.

Both the *Regional Relocation Grant* and the new *Skilled Regional Relocation Incentive* will have a new minimum distance requirement for relocations of 100km to prevent misuse of the scheme by people making minor moves. This will ensure that the grants support genuine relocations by people to regional NSW.

NSW Trade & Investment
Level 47, MLC Centre, 19 Martin Place, Sydney NSW 2000
GPO Box 5477 Sydney NSW 2001
Tel: (02) 9338 6600 Fax: (02) 9338 6950 www.trade.nsw.gov.au ABN: 72 189 919 072

These changes are subject to legislative amendment which will be introduced to Parliament shortly. If passed, the initiatives will commence on 1 January 2014.

NSW public sector jobs already make a significant contribution to regional economies. The Government has now committed to relocating more public sector jobs to regional NSW, and agencies have been set relocation targets. This will not only bring jobs to regional NSW, but will also be part of broader initiatives across government to support an increased role for local communities in decision-making.

These measures, along with significant commitments to infrastructure provision, planning reforms, support for new investment and payroll tax concessions for new employment, will position regional economies for future growth.

The NSW Decentralisation Taskforce report and NSW Government response can be accessed at www.business.nsw.gov.au/doing-business-in-nsw/nsw-governments-decentralisation-efforts

I take this opportunity to thank you for taking the time to provide your views to the Taskforce. Your contribution was of great value to the Taskforce's work and has played a part in shaping government policy to support the future growth of our regional economies.

Should you require any further information on this matter, please contact Clive Faro, Senior Manager Policy, NSW Trade & Investment on (02) 9338 6768.

Yours sincerely



THE HON. THOMAS GEORGE MP
Member for Lismore
Decentralisation Taskforce Chair

NSW Trade & Investment
Level 47, MLC Centre, 19 Martin Place, Sydney NSW 2000
GPO Box 5477 Sydney NSW 2001
Tel: (02) 9338 6600 Fax: (02) 9338 6950 www.trade.nsw.gov.au ABN: 72 189 919 072

13) WBC Alliance - Executive Officer's Report (CM.AG.6)

(Donna Galvin)

RECOMMENDATION:

1. That the information be noted.

REPORT

The WBC Strategic Alliance Annual General meeting was held on 4th September at Cabonne. The 2012/13 Annual Report was adopted outlining the key activities and projects undertaken during the last 12 months.

This year the Alliance celebrates 10 years of operation – a significant milestone. The savings and efficiencies identified for this latest year total \$546,595 taking the accumulative savings over the 10 years to just under \$5.2million.

The Chairman and Secretariat roles have now moved to Blayney, with Cr Scott Ferguson assuming the role of Chairman. Thanks were conveyed to the previous Chair, Cr Ian Gosper, Mayor of Cabonne and secretariat from Andrew Hopkins, Cabonne General Manager. The efforts of Robyn Little, Executive Assistant and Dale Jones Communications and Media Officer at Cabonne were also acknowledged at the meeting.

Enclosed with the business paper is a copy of the Annual Report. If Councillors would like any further information or have any questions please contact the Executive Manager, Donna Galvin on 0419 611 204 or email to donna.galvin@cabonne.nsw.gov.au

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

14) WBC Alliance Forum 2013 (CM.AG.6)

(Tony Perry)

RECOMMENDATION:

1. That the information be noted.

REPORT

The annual WBC Alliance Forum is being held on 14 November 2013 in Molong.

This year the Forum coincides with a significant milestone, namely, the 10th year anniversary of the formation of the Alliance and there will be a celebratory lunch at which past mayors, councillors and staff involved in the Alliance over the past 10 years will be invited.

A flyer promoting the Forum with a brief agenda is attached. A more detailed agenda will be issued closer to the date.

At this meeting, and to assist with catering, Councillors will be asked to indicate whether they will be attending the Forum in order that the General Manager can respond by the deadline of 1 November.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 WBC Alliance Forum Flyer 1 Page

WBC FORUM 2013

Thursday 14th November 2013
9.30am for 10.00am start
3.00pm Finish

Baptist Church Function Centre
Thistle Street, Molong

The successful collaboration and partnership between the Councils of Wellington, Blayney, Cabonne and Central Tablelands Water celebrates 10 years this year.

To recognise this milestone, the Alliance is holding their annual forum involving staff and councillors. A celebratory lunch will also be held involving past mayors, councillors and staff who have contributed to the success of the Alliance.

The agenda for the day will include information sessions on:

- Local Government reform
- Community engagement
- The use of social media and websites
- Using technology in the workplace
- How to manage times of change — an interactive engaging and fun way to look at how to cope with change

A full agenda will be issued closer to the date.

RSVP

Email: robyn.little@cabonne.nsw.gov.au

Phone: (02) 6392 3208

By 1st November 2013



Celebrating
10 Years of
Successful
Collaboration



15) Maintenance of Council's Systems (WS.MO.4)

(Darrell Sligar)

RECOMMENDATION:

1. That the information be noted.

REPORT*a) Service Replacement Program*

Council staff have replaced six full services along with one hundred and thirty partial services.

b) Hydrant/Valve Maintenance

Hydrant and valve maintenance continued throughout the county area over the past two months.

A 100mm sluice valve was replaced in South Canowindra, one 250mm sluice valve on Trunk Main 'C' at Gooloogong, two 150mm sluice valves at Gooloogong Bore, one 150mm check valve at Gooloogong Bore and one 150mm reconditioned check valve in Blayney.

c) Pump Station Maintenance

Two new 50mm check valves were installed at Cargo Pumps replacing faulty units.

d) Trunk Main Maintenance

Two new 50mm air valves were installed on Trunk Main 'V' near Canowindra.

Six new concrete surrounds have been installed on air valves on Trunk Main 'C' between Canowindra and Gooloogong.

New fence markers have been installed on Trunk Main 'A', Lake Rowlands to Carcoar Filtration Plant, Trunk Main 'D' Carcoar Filtration Plant to the CTLX, Trunk Main 'B' and 'C' Carcoar Filtration Plant to Limestone Creek.

Weed control has been carried out around valves on Trunk Main 'K' Gooloogong to Grenfell and Trunk Main 'L' Gooloogong to Eugowra.

e) Tool Tagging

Annual tool tagging has been carried out at Blayney Depot, Blayney Office, Blayney Filtration Plant and Carcoar Filtration Plant.

f) Filtration Plant Maintenance

A 200mm Pneumatic Activator has been removed and returned to the manufacturer for reconditioning.

Three 1kw variable speed drives have been purchased to replace faulty units at Carcoar.

Four sludge lagoons have been cleaned and returned to service, one sludge lagoon has been refurbished.

g) Staff Training

Eight staff members have completed a renewal course for Traffic Control Yellow Cards.

Three staff members have completed a renewal course for Traffic Control Blue Cards.

h) Rural Systems

The rural systems of Nyrang Creek, North Canowindra and Trajere have all been inspected with all minor leaks repaired.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

16) Performance of Council's Systems (WS.MO.4)

(Darrell Sligar)

RECOMMENDATION:

1. That the information be noted.

REPORT*i) Main breaks*

The main failures recorded during the past two months are listed in the table below.

Location		Date	Size	Comment
Mandurama	Silver Street	02/09/2013	100mm	DNR
	Peach Street	03/09/2013	100mm	DNR
Canowindra	Wenz Lane	22/08/2013	100mm	DNR
Manildra	Orange Road	24/09/2013	100mm	DNR
Trunk Main 'C'	Mandurama to Canowindra	01/10/2013	250mm	Weld

j) Reservoir Levels

All reservoir levels have been maintained at or near 100% of capacity.

k) Service Complaints and Requests

A summary of service complaints and requests received for the last two months are as follows:

Location	Complaint/Request	Total
Blayney	Dirty Water	1
	Leaking Meter	1
	Leaking Service	3
	Meter Burst	1
	Restoration	1
Canowindra	Leaking meter	4
	Leaking service	2
	Meter not shutting off	1
Cudal	Leaking meter	3
Eugowra	Hydrant leaking	1
	Leaking service	1
Lyndhurst	Leaking Meter	1

Manildra	Leaking Meter	3
	Leaking Service	1
Millthorpe	Custoemr damaged service	1
	Leaking Meter	1
	Leaking Service	1
	Meter not Shutting off	1
	Stop valve failure	1
Quandialla	Dirty Water	1
	Leaking Service	1

l) Lake Rowlands

The level of Lake Rowlands has fluctuated up and down with rainfall and controlled discharges.

The present level is 89% of capacity as at 30th September 2013. 1,296 megalitres was discharged into the river system over the past two months.

o) New Water Services

During the past two months there have been 12 new water services connected to Councils mains:

2 x 20mm residential connections at Millthorpe

2 x 20mm residential connections at Canowindra

2 x 20mm rural connections at Canowindra

6 x 20mm residential connections at Grenfell

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

17) Questions on Notice

(Tony Perry)

No questions on notice were received.

ATTACHMENTS

Nil

18) **Water Leakage - Account 1716040009 (CR.EQ.1)**
Water leakage – Account 21201000003 (CR.EQ.1)

(Tony Perry)

RECOMMENDATION:

1. That, as this matter deals with items that are subject to the affairs of an individual, Council consider it in Committee of the Whole and that in terms of Section 10A (2) of the Local Government Act, the press and the public be excluded from the meeting of the Committee of the Whole.

ATTACHMENTS

Nil

19) Proceed to Committee of the Whole

(Tony Perry)

RECOMMENDATION:

1. That, as business for the Ordinary Meeting has now concluded, Council proceed into Committee of the Whole to discuss the items referred to in the report.

Council should exclude the press and public at this point, for confidential discussion on the items referred to Committee

ATTACHMENTS

Nil

20) Report of the Committee of the Whole

(Tony Perry)

RECOMMENDATION:

1. That the recommendations of the Committee of the Whole be adopted.

ATTACHMENTS

Nil

Minutes of the Ordinary Meeting of Central Tablelands Water held at Weddin Shire Council, on Wednesday, 14 August 2013, commencing at 10.30am

<u>Present</u>	Cr. Geoff Braddon OAM	(Chairman)	Blayney
	Cr. Geoffrey McClelland	(Deputy Chairman)	Weddin
	Cr. Kevin Walker		Cabonne
	Cr. David Somerville		Blayney
	Cr. Alan Griffiths		Weddin
	Tony Perry	(General Manager)	
	Darrell Sligar	(Operations Manager)	
	Gavin Rhodes	(Finance Manager)	

APOLOGIES**13/056 RESOLVED:**

That a leave of absence be granted to Cr. Durkin following receipt of his apology for non-attendance.

(Cr. McClelland/Cr. Somerville)

Proceedings in Brief

The General Manager pointed out to the meeting that he had approached the General Manager of Weddin Shire offering to compensate Weddin Shire for the cost of morning tea which has always been provided to CTW at no charge. The General Manager of Weddin Shire advised the General Manager that he should not be concerned and not to worry about it.

13/057 RESOLVED:

That the General Manager write to Weddin Shire Council expressing Council's gratitude for the supply of morning tea on the occasions when Council meets in Grenfell.

(Cr. Somerville/Cr. Walker)

CONFIRMATION OF MINUTES**13/058 RESOLVED:**

That the Minutes of the Ordinary Meeting of Central Tablelands Water, held on 12 June 2013, being minute numbers 13/035 to 13/055 inclusive, be confirmed.

(Cr. McClelland/Cr. Walker)

CHAIRMAN'S MINUTE

The Local Government Independent Review Panel is due to hand down its final report to Government in September and this continues to be a controversial topic of discussion across the region.

Council has already resolved to support the WBC Alliance submission to the Review Panel and Minister for Local Government seeking approval to conduct a pilot

program trialling a County Council Shared Services model with CTW as the vehicle for delivery of the program.

During the past two months our General Manager, together with the General Managers of Blayney and Cabonne and the WBC Executive Manager, travelled to Sydney and had a discussion with the Executive Officer of the DLG in regards to the pilot program proposal.

The Executive Manager of the WBC Alliance, Donna Galvin, has been invited by the Review Panel to attend a workshop in Sydney today on the County Council model which appears to be favoured by the Panel. It will be interesting to get the feedback from her at our next WBC board meeting.

Recently, the General Manager and I hosted a visit from representatives of Cabonne Council to the proposed dam site on the Belubula River at the location of The Needles. The General Manager and I previously hosted another visit to the site with John Cobb our local federal member. This is the site that has been identified by NSW State Water and Infrastructure NSW as an ideal location for new water storage providing water security to the Central West. The General Manager has a report to this meeting in which he is recommending that we lobby the federal election candidates to support the construction of a dam at The Needles which will free up Carcoar Dam for urban use. I am recommending that we support Blayney Shire Council who will be putting forward a motion to the next Centroc meeting requesting Centroc support and lobby for The Needles proposal.

At today's meeting we will be conducting the General Manager's annual performance review. The GM was due to retire this month at the end of his current contract and Councillors might remember that in February this year a resolution was carried extending the GM's contract for a further 12 months to August 2014.

That concludes my Chairman's minute, would someone like to move that my report be received and adopted.

13/059 RESOLVED:

That the Chairman's Minute, as read, be accepted and the contents therein be noted and endorsed.

(Cr. Somerville/Cr. Walker)

COUNCILLOR REPRESENTATION

Nil representation.

01) FINANCIAL MATTERS (FM.BA.1)

13/060 RESOLVED:

That the information be noted.

(Cr. Walker/Cr. Somerville)

02) FINANCIAL STATEMENT BY COUNCIL (FM.FR.1)**13/061 RESOLVED:**

1. That the statement required by Section 413(2)(c) of the Local Government Act, 1993 in relation to Council's Financial Reports for the period ending 30 June 2013 be completed.
2. That Intentus Chartered Accountants be invited (in accordance with regulations) to complete the audit for the financial year ending 30th June 2013.

(Cr. Somerville/Cr. McClelland)

03) POLICY REGISTER (CM.ME.1)**13/062 RESOLVED:**

That the updated Policy Register, as presented, be adopted.

(Cr. Walker/Cr. Somerville)

04) DISCLOSURE OF INTERESTS (GO.CO.3)**13/063 RESOLVED:**

That the information be noted.

(Cr. Walker/Cr. Griffiths)

05) AUDITORS - NOTIFICATION OF CHANGE OF NAME (CM.AU.1)**13/064 RESOLVED:**

That the information be noted and that consent is given for Council's external audit to continue under the changed business name of Intentus Chartered Accountants.

(Cr. McClelland/Cr. Griffiths)

06) INTENTUS - INTERIM AUDIT MANAGEMENT LETTER Y/E 30/06/2013 (CM.AU.1)**13/065 RESOLVED:**

That the information be noted.

(Cr. McClelland/Cr. Griffiths)

07) LOCAL GOVERNMENT INDEPENDENT REVIEW PANEL - DLG MEETING (GR.LR.5)**13/066 RESOLVED:**

That Council support and endorse the WBC submissions to the Local Government Independent Review Panel.

(Cr. Walker/Cr. Somerville)

08) WBC ALLIANCE - EXECUTIVE OFFICER'S REPORT (CM.AG.6)**13/067 RESOLVED:**

That the information be noted.

(Cr. McClelland/Cr. Walker)

09) LOCAL GOVERNMENT WATER MANAGEMENT CONFERENCE (CM.CF.1)**13/068 RESOLVED:**

That Council give approval for the Chairman, General Manager, Manager Operations & Technical Services and Cr Kevin Walker to attend the 2013 LG Water Management Conference in Terrigal.

(Cr. McClelland/Cr. Somerville)

10) LOCAL GOVERNMENT NSW CONFERENCE (CM.CF.1)**13/069 RESOLVED:**

That Council give approval for the Chairman and General Manager to attend the 2013 Local Government NSW Conference in Sydney, from Tuesday 1 October 2013 to Thursday 3 October 2013.

(Cr. Walker/Cr. Griffiths)

11) CENTROC - CANCER CARE WEST LODGE (CM.CF.3)**13/070 RESOLVED:**

That Council donate \$100.00 to the Cancer Care West Lodge fundraising appeal.

(Cr. Griffiths/Cr. Somerville)

12) STAFF PERFORMANCE REVIEWS (PE.EC.3)**13/071 RESOLVED:**

That the information be noted.

(Cr. Walker/Cr. Somerville)

13) DROUGHT MANAGEMENT PLAN (EM.PR.3)**13/072 RESOLVED:**

That Council formally adopt the 2012 Central Tablelands Water Drought Management Plan prepared by HydroScience Consulting and incorporate the regional water restriction definitions, outlined in Appendix B of the Plan, into Council's Policy Register.

(Cr. McClelland/Cr. Griffiths)

14) VISIT TO POTENTIAL DAM SITE AT THE NEEDLES (WS.SP.4)

13/073 RESOLVED:

1. Council write to the candidates in the forthcoming Federal election seeking support for increased water storage in the Central West Region in particular putting forward the options of either an augmented Lake Rowlands or preferably a new State Water endorsed 90,000 ML dam at The Needles on the Belubula River.
2. Council write to Centroc requesting the Board also lobby the federal candidates to support the State Water proposal to provide water security to the Central West with the provision of a new 90,000 ML dam at the Needles site on the Belubula River.

(Cr. Somerville/Cr. McClelland)

15) MAINTENANCE OF COUNCIL'S SYSTEMS (WS.MO.4)

13/074 RESOLVED:

That the information be noted.

(Cr. McClelland/Cr. Walker)

16) PERFORMANCE OF COUNCIL'S SYSTEMS (WS.MO.4)

13/075 RESOLVED:

That the information be noted.

(Cr. McClelland/Cr. Walker)

17) QUESTIONS ON NOTICE

Proceedings in Brief

The General Manager brought up a late item advising that he had been approached by the Rotary Club of Blayney seeking support for a fundraising Ball being held in Blayney in an effort to raise funds for a new community transport bus.

13/076 RESOLVED:

That, under Sec. 356 of the Local Government Act, Council contribute \$250.00 to the Rotary Club of Blayney towards the fund raising activity for a new community transport bus.

(Cr. Walker/Cr. McClelland)

18) GENERAL MANAGER - ANNUAL PERFORMANCE REVIEW (GO.CO.4)

13/077 RESOLVED:

That, as this matter deals with items that are subject to the affairs of an individual, Council consider it in Committee of the Whole and that in terms of Section 10A (2) of the Local Government Act, the press and the public be excluded from the meeting of the Committee of the Whole.

(Cr. Walker/Cr. Somerville)

19) PROCEED TO COMMITTEE OF THE WHOLE

13/078 RESOLVED:

That, as business for the Ordinary Meeting has now concluded, Council proceed into Committee of the Whole to discuss the items referred to in the report.

(Cr. Griffiths/Cr. McClelland)

REPORT OF THE COMMITTEE OF THE WHOLE

GENERAL MANAGER - ANNUAL PERFORMANCE REVIEW (GO.CO.4)

RECOMMENDATION:

That Council advise the General Manager that it is absolutely satisfied and has no problems whatsoever with the his performance and that the Chairman be authorised to sign the contract extending the General Manager's employment for a further 12 months to August 2014.

(Cr. McClelland/Cr. Braddon)

RECOMMENDATION:

That as the deliberation of the Committee is concluded, the Council reconvene the Ordinary Meeting.

(Cr. Somerville/Cr. Walker)

20) REPORT OF THE COMMITTEE OF THE WHOLE

13/079 RESOLVED:

That the recommendations of the Committee of the Whole be adopted.

(Cr. McClelland/Cr. Braddon)

Next Meeting: The next meeting of Central Tablelands Water will be held in Blayney on Wednesday 9th October 2013

There being no further business, the Chairman declared the meeting closed at 12.30pm.