

ITEM NO: 1

SUBJECT: ELECTION OF MAYOR

FILE NO: C00314

Report by General Manager:

Background

As required by Section 290 of the Local Government Act, 1993 the Council must elect the Mayor for the ensuing year in the month of September. The election is managed subject to Schedule 7 of the Local Government (Elections) Regulation. This schedule is set out in its entirety as an attachment to this report.

Implementation of Schedule 7

The following is a brief overview of the process to be followed for the Election of the Mayor:

- Control of the electoral process is vested in the Returning Officer (i.e. the General Manager or a person appointed by the General Manager);
- Nominations for Mayor are called for in writing and each nominee must be supported by two Councillors;
- If there is more than one nominee the Council must resolve the method by which voting will occur;
- Depending on the method of voting, ballot papers may be provided;
- Voting is undertaken and counted under the control of the Returning Officer;
- Procedures are followed in relation to any tie in the vote; and
- Final Results are called and recorded.
- Council should therefore make an initial resolution concerning the means it wishes to use to determine tied votes on procedural matters. At the appropriate time during the electoral process, the Council, as required by the Local Government (Elections) Regulation, must resolve whether the election is to proceed by preferential ballot, ordinary ballot or open voting.

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ATTACHMENT

LOCAL GOVERNMENT (GENERAL) REGULATION 2005 - SCHEDULE 7

SCHEDULE 7 – Election of mayor by councillors

(Clause 394)

Part 1 - Preliminary

1 Returning officer

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

2 Nomination

(1) A councillor may be nominated without notice for election as mayor or deputy mayor.

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

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

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

3 Election

(1) If only one councillor is nominated, that councillor is elected.

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

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

(4) In this clause:

"ballot" has its normal meaning of secret ballot.

"open voting" means voting by a show of hands or similar means.

Part 2 - Ordinary ballot or open voting

4 Application of Part

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

5 Marking of ballot-papers

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

(2) The formality of a ballot-paper under this Part must be determined in accordance with clause 345 (1) (b) and (c) and (6) of this Regulation as if it were a ballot-paper referred to in that clause.

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

6 Count-2 candidates

(1) If there are only 2 candidates, the candidate with the higher number of votes is elected.

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

7 Count-3 or more candidates

- (1) If there are 3 or more candidates, the one with the lowest number of votes is to be excluded.
- (2) If 3 or more candidates then remain, a further vote is to be taken of those candidates and the one with the lowest number of votes from that further vote is to be excluded.
- (3) If, after that, 3 or more candidates still remain, the procedure set out in subclause (2) is to be repeated until only 2 candidates remain.
- (4) A further vote is to be taken of the 2 remaining candidates.
- (5) Clause 6 of this Schedule then applies to the determination of the election as if the 2 remaining candidates had been the only candidates.
- (6) If at any stage during a count under subclause (1) or (2), 2 or more candidates are tied on the lowest number of votes, the one excluded is to be chosen by lot.

Part 3 - Preferential ballot

8 Application of Part

This Part applies if the election proceeds by preferential ballot.

9 Ballot-papers and voting

- (1) The ballot-papers are to contain the names of all the candidates. The councillors are to mark their votes by placing the numbers "1", "2" and so on against the various names so as to indicate the order of their preference for all the candidates.
- (2) The formality of a ballot-paper under this Part is to be determined in accordance with clause 345 (1) (b) and (c) and (5) of this Regulation as if it were a ballot-paper referred to in that clause.
- (3) An informal ballot-paper must be rejected at the count.

10 Count

- (1) If a candidate has an absolute majority of first preference votes, that candidate is elected.
- (2) If not, the candidate with the lowest number of first preference votes is excluded and the votes on the unexhausted ballot-papers counted to him or her are transferred to the candidates with second preferences on those ballot-papers.
- (3) A candidate who then has an absolute majority of votes is elected, but, if no candidate then has an absolute majority of votes, the process of excluding the candidate who has the lowest number of votes and counting each of his or her unexhausted ballot-papers to the candidates remaining in the election next in order of the voter's preference is repeated until one candidate has received an absolute majority of votes. The latter is elected.
- (4) In this clause, "absolute majority", in relation to votes, means a number that is more than one-half of the number of unexhausted formal ballot-papers.

11 Tied candidates

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

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

Part 4 - General

12 Choosing by lot

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

13 Result

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

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

ITEM NO: 2

SUBJECT: ELECTION OF DEPUTY MAYOR

FILE NO: C00314

Report by General Manager:

Section 231 of the Local Government Act, 1993 allows Councillors to elect a person from among their number to be the Deputy Mayor, with this person being elected for the Mayoral term or a shorter term.

It has been the practice of the Council to elect a Deputy Mayor for twelve months.

It is the intention of the Returning Officer (being the Executive Officer as appointed by the General Manager) to conduct the election in accordance with the procedures utilised to elect the Mayor.

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ITEM NO: 3

SUBJECT: APPOINTMENT OF COUNCILLOR REPRESENTATIVES TO LOCAL AND REGIONAL COMMITTEES

FILE NO:

Recommendations:

1. *That the Council note the ongoing representation of Councillors on Local and Regional Committees and if required new nominations are undertaken; and*
 2. *That the Council review, nominate and confirm representatives to the following Committees:*
 - a. *Sydney Catchment Authority Local Government Reference Panel;*
 - b. *Western Sydney Academy of Sport; and*
 - c. *Blue Mountains and East Timor Friendship Committee.*
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Report by General Manager:

Background

The appointment of Councillor representative/s has previously been undertaken by a specific agenda item at a Council Meeting for each of the relevant Committees. There are instances where some committee representation has not been reviewed as it has not arisen in a particular business context for the Council.

It is therefore desirable to develop a consistent business practice to ensure that:

- All Councillor representation on local and regional committees is regularly reviewed;
- The community are offered information on local and regional Councillor representation on committees;
- Councillor workloads are managed effectively; and
- Council input to relevant committees is provided i.e. that is where it is difficult for a current Councillor representative to attend a particular committee, there is an alternate representative who can be contacted to represent the Council.

Current committee representation by Councillors

The following schedule of committees and Councillor representatives is put forward for consideration and a review of nominations.

If Councillors are aware of omissions from or corrections to this list, they are invited to advise the Executive Officer so that a complete and accurate schedule can be considered by the Council. It should be noted that the Mayor is an ex-officio member of all Council auspiced Committees.

COMMITTEE NAME	COUNCILLOR REPRESENTATIVES	TERM
BMCC Sports Council	Myles (Chair) Frappell McInnes Hamilton	Annual
Blue Mountains Bush Fire Management Committee	Van der Kley Frappell (Alternate)	Term of Council
Mountains Community Resource Network Inc Management Committee	McInnes Brown (Alternate)	Term of Council
Community Donations Working Party	Trindall Van der Kley Hamilton Creed	Term of Council
Youth Council Advisory Committee	Trindall McInnes O'Grady	Term of Council
WSROC Limited	McLaren Searle Myles (Alternate)	Term Of Council
Board of Blue Mountains Tourism Ltd	Hamilton O'Grady (Alternate)	Term of Council
Hawkesbury Nepean Catchment Management Local Government Advisory Group	McInnes	Term of Council
BM World Heritage Advisory Council	Angel O'Grady	Term of Council
Westpool	Myles	Term of Council
Sydney Road Links Committee	Myles	Term of Council
Lachlan Regional Transport Committee	McInnes	Term of Council
Library Technical Advisory Committee	Angel Hamilton (Mayoral nominee as Chair)	Term of Council
Sister City Committee	Brown Creed McLaren Van der Kley	Term of Council
Country Public Libraries Association	Van der Kley	Term of Council
Premises Review Panel	Angel O'Grady McInnes	Term of Council
Western Sydney Area Assistance Scheme	Trindall McInnes Myles (Alternate)	Term of Council

COMMITTEE NAME	COUNCILLOR REPRESENTATIVES	TERM
RFS District Liaison Committee	Frappell Van der Kley (Alternate)	Term of Council
Waste Reference Advisory Committee	Van der Kley	Elected in Feb 2007 by Resolution (no timeframe)
Community Safety Committee	Angel Hamilton (Alternate) Myles (Alternate)	July 2007 with no term specified
Sydney Catchment Authority Local Government Reference Panel	Hamilton McInnes (Alternate)	13 April 2004 with no term specified
Western Sydney Academy of Sport	Creed Myles (Alternate)	9 May 2006 with no term specified
BM & East Timor Friendship Committee	O'Grady McInnes Frappell McLaren	25 January 2005 with no specified term
Blaxland Sports Stadium Management Committee	Frappell	3 April 2007 with no specified term

Future committee representation by Councillors

It is preferable that the Council, on an annual basis:

- Reviews the Committees on which Councillor Representation is provided or required;
- Appoints a representative/s or an alternate for a term on those Committees requiring Councillor representation:
 - Hawkesbury Nepean Catchment Management Authority
 - Westpool
 - Sydney Road Links Committee
 - Lachlan Regional Transport Committee
 - Waste Reference Advisory Committee
 - Blaxland Sports Stadium Management Committee; and
- Where there is no specified term for current nominations that nominations are confirmed and authorised for a relevant term:
 - Waste Reference Advisory Committee
 - Community Safety Committee
 - Sydney Catchment Authority Local Government Reference Panel
 - Western Sydney Academy of Sport
 - BM & East Timor Friendship Committee
 - Blaxland Sports Stadium Management Committee.

Sustainability Assessment

Area	Positive	Negative
Social	Councillors are fulfilling the elected representative role for relevant Council activities	Limited input to activities which could have negative social impact.
Economic	Provides a Council perspective on issues that arise relevant to Economic Development for the LGA	Limited cohesion in the inputs to Economic Development for the LGA
Environmental	For specific Committees raises the awareness of environmental issues	Limited input to activities which could have negative environmental impacts.

Legal and risk management

There are no identified legal or risk management implications arising from this report.

Financial implications

Councillor costs for attending Committees are accounted for through the Expenses and Facilities Policy and have a budget within Executive Services, Councillor Support.

Consultation

Nil.

Conclusion

That the Council note the Committee Representation outlined in this report and the nominated Councillors currently representing the Council. Where nominations need to be reviewed or the current Councillor representation term is not specified that this matter is addressed.

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ITEM NO: 4**SUBJECT: SUBMISSION OF RETURNS OF INTEREST****FILE NO: F00845**

Recommendation:

That, under Section 450A of the Local Government Act 1993, the Register of Disclosures by Councillors and designated staff for the period 1 July 2006 to 30 June 2007, be tabled.

Report by General Manager**Introduction**

This report is to table the Register of Pecuniary Interest Returns received for the period 1 July 2006 to 30 June 2007 to comply with Section 450A of the Local Government Act 1993 and the guidelines produced by the Department of Local Government.

The Pecuniary Interest Returns Register

The purpose of the Pecuniary Interest Returns Register is to ensure transparency and accountability in local government decision making. The obligations upon Councillors, the General Manager, Senior Staff and other designated persons to lodge a Return is as much a protection for them as it is for the community in the review of the Council's decisions. It is one of the important mechanisms in enhancing public confidence in local administration.

The Department of Local Government has issued a set of guidelines on the administrative processes associated with the completion of Pecuniary Interest Returns, including the need for completed Pecuniary Interest Returns to be tabled at a Council Meeting.

The persons required to lodge a Pecuniary Interest Return comprise of:

- Councillors – 12
- General Manager – 1
- Designated Personnel – 143

Some positions are vacant and when appointments are made the occupier of the position will be required to lodge a return within three months of commencement of duties.

The Pecuniary Interest Returns Register, containing all disclosures, will be tabled at this meeting for inspection by Councillors. The register will be held as a permanent record and will be available for public inspection, at the Katoomba Office during business hours, once the Council Resolution is confirmed.

Sustainability Assessment (Triple bottom line reporting):

There are no sustainability issues for this Item

Financial implications for the Council

There are no financial implications for this Item

Legal and risk management issues for the Council

The responsibility is that of each individual to ensure their Pecuniary Interest Return is completed accurately.

External consultation

There was no external consultation for this Item

Conclusion

It is recommended that the tabled Pecuniary Interest Returns Register be acknowledged.

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ITEM NO: 5**SUBJECT: SCHEDULE OF INVESTED MONIES****FILE NO: C00694**

Recommendation:

That the Schedule of Invested Monies as at 31 July 2007 be received.

Report by Group Manager, Community & Corporate:

This report is submitted for the purpose of financial accountability and in satisfaction of the investment reporting requirements of the Local Government (Financial Management) Regulation 1999 and the Local Government Act, 1993 (Section 625). The report also certifies that Council investments comply with the forms of investment made by order of the Minister under section 625(2) of the Local Government Act 1993. The current Ministerial Order was issued under Council Circular 05-53 on 23 September 2005.

The Schedule of Council Invested Monies as at 31 July 2007 is attached for information.

The increased returns, above budget, on the Council investments are due to a greater than anticipated rise in interest rates and increased cash position for the financial year.

Recent market developments

Global credit markets experienced exceptionally high volatility in July, which is impacting the value of worldwide credit products including Collateralised Debt Obligations (CDOs) that Council has exposure to within its investment portfolio (i.e. \$6M of the Grange Securities Portfolio).

The major correction in credit markets was triggered by a collapse in the value of US sub prime mortgage investments. In particular a Grange Securities AAA rated Federation CDO has experienced a 60% reduction in valuation and Council holds \$250k in this product. While the Council investment portfolio is dynamic in value and mix, there has been a general repricing of credit risk in the global market and this has affected other Council CDOs which have experienced declines in value of approximately 12%.

The global credit market conditions are having a strong bearing on current valuations of Council CDOs. However, the coupons (interest earnings) on Council's CDOs will continue to be paid and provided the investment does not experience an underlying default and can be held to maturity, the market valuation will not have a cash impact on Council. Council's cash position is sufficient to enable Council to hold its CDOs to maturity and thus not incur a capital loss.

It is important to note that Council, like most businesses, seeks advice from experts on where to invest, with the aim of minimising risk and maximising return to improve services and facilities for ratepayers. Additionally, investment of all Council funds are made in

compliance with orders of the Minister for Local Government, which are approved by the NSW Treasurer and published in the NSW Government Gazette.

In light of Council’s exposure to CDOs, a review has been undertaken of the current Investment Policy and Investment Strategy and independent financial advice has been sought on our investment portfolio. The Local Government Minister’s recent undertaking to review the guidelines that regulate all councils’ investments is noted and welcomed.

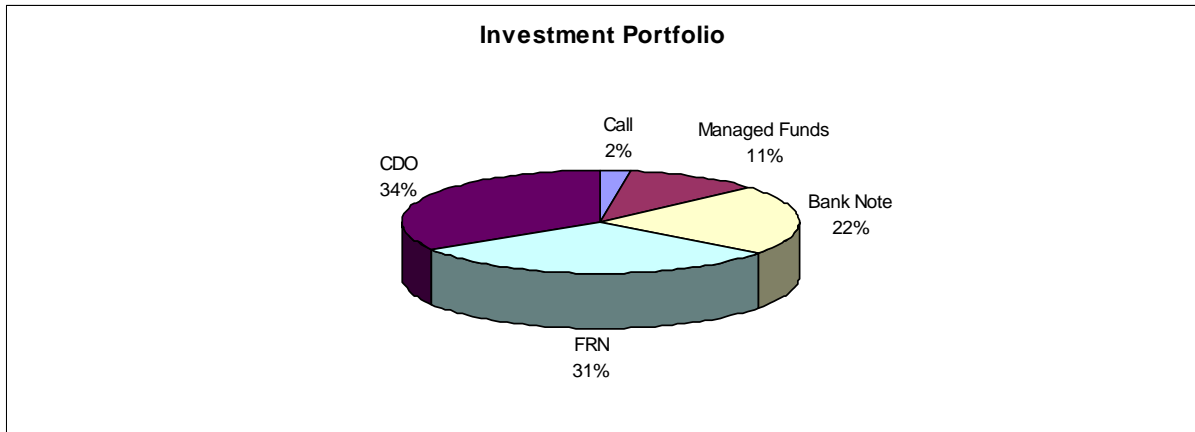
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BLUE MOUNTAINS CITY COUNCIL
SCHEDULE OF INVESTED MONIES

Report prepared to 31 July 2007

<i>Institution and Fund</i>	<i>Return for Month</i>	<i>Current Fixed Rate</i>	<i>Investment Value</i>
National Australia Bank – Call a/c	n/a	Variable	380,000
Adelaide Bank Managed Funds	6.35%	Variable	2,000,000
CBA – Palladin Portfolio Note	7.38%	Variable	500,000
Rim Securities Ltd - Generator Income Notes	8.45%	Variable	905,606
Grange Securities Portfolio	7.7%	Variable	10,457,450
ANZ Floating Rate Note	7.93%	Variable	499,000
Deutsche Cash Plus	3.83%	Variable	15,120
UBS Credit Enhanced Cash	6.55%	Variable	286
CBA – Callable CPI Linked Note	7.5%	Variable	1,000,000
ICAP – Bank Note	6.91%	Variable	500,000
ABN-AMRO Bank Note	6.60%	Variable	500,000
CBA – Yield Enhanced Note	7.15%	7.15%	500,000
CBA – Range Accrual Note	7.55%	Variable	1,000,000
Total			18,257,462

UBSA Bank Bill Index 6.36%
Average Rate of Return for Month 6.72%



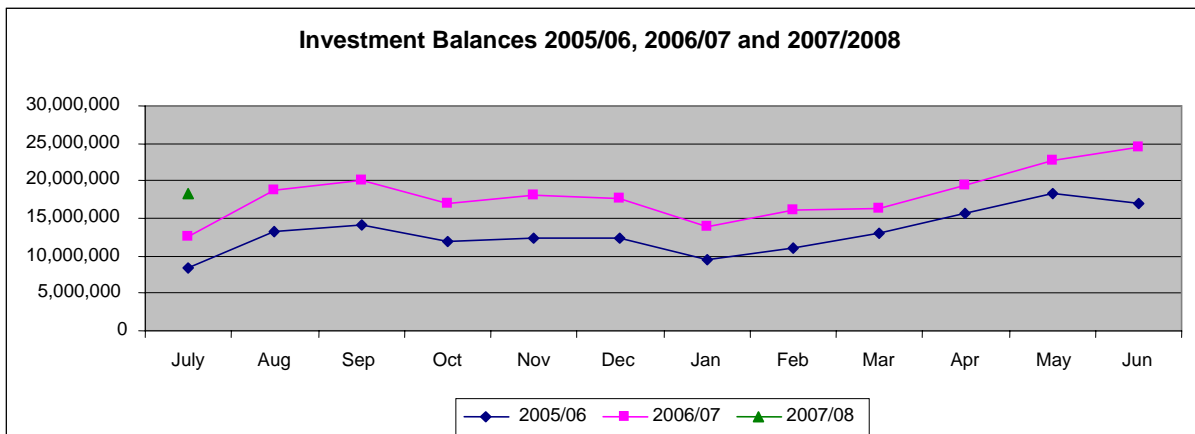
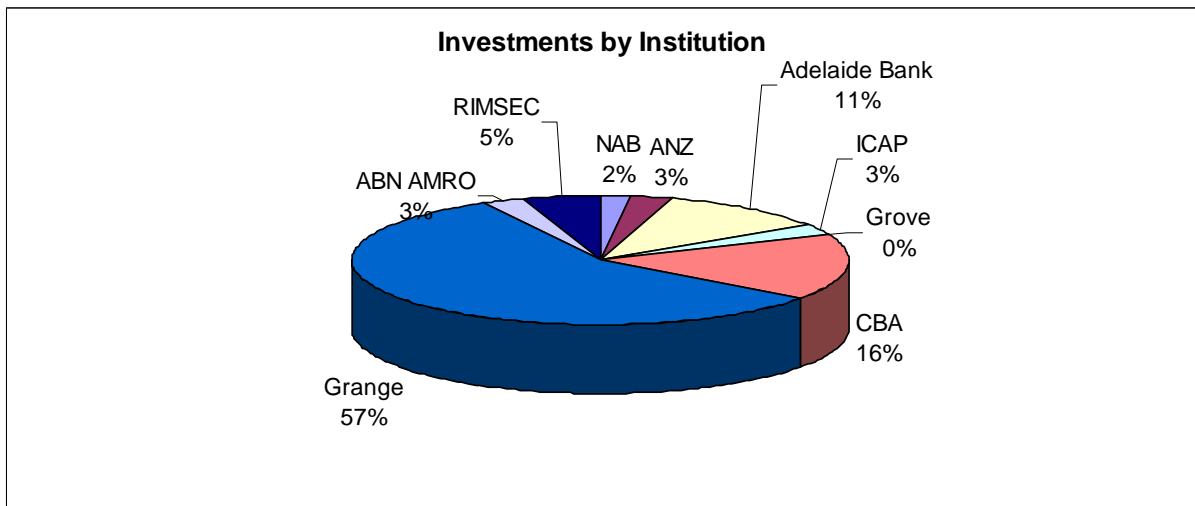
Call – Cash at Call

Managed Funds – Managed Funds

Bank Note – Yield Enhanced Bank Note

FRN – Floating Rate Note

CDO – Collateralised Debt Obligation



Interest Income - Budget vs Actual

	<i>Year to Date</i>	<i>Full Year</i>
Original Budgeted Return	\$91,458	\$1,097,500
Revised Budgeted Return	\$91,458	\$1,097,500
Council's Actual Return	\$117,235	\$1097,500 (estimated)

I certify and report that the Schedule of Invested Monies listed above describes all Council's funds invested by virtue of Section 625 of the Local Government Act, 1993. The monies referred to in this Schedule are invested in accordance with the Local Government Act, 1993 (Section 625 and Order of the Minister dated 23/09/2005), and Local Government Regulation 1999 (Clause 16).

Neil Farquharson
Responsible Accounting Officer