

2009-2010

# Annual Report and Sustainability Report



# Contact information

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## **COUNCIL**

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General Enquiries..... 9847 6666

## **AQUATIC CENTRES**

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Cherrybrook..... 9980 7822

Epping ..... 9876 5945

Galston ..... 9651 2393

Hornsby..... 9847 6813

## **BRICKPIT INDOOR SPORTS STADIUM**

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Thornleigh ..... 9481 9844

## **EARLY CHILDHOOD HEALTH CENTRES**

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Berowra ..... 9456 2877

Brooklyn ..... 9985 7717

Carlingford Court ..... 9871 8691

Epping ..... 9876 1438

Galston ..... 9653 3928 / 9653 2256

Hornsby ..... 9482 4026

Pennant Hills ..... 9843 7952 / 9483 7953

## **LEISURE AND LEARNING CENTRES (50+)**

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Asquith, Brooklyn, Epping, Hornsby (Willow Park) and  
Pennant Hills.

Information / bookings..... 9847 6531 / 9847 6050

## **LIBRARIES**

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Berowra ..... 9456 3913

Epping ..... 9868 1711

Galston ..... 9653 1338

Hornsby..... 9847 6813

Pennant Hills ..... 9481 9630

## **NURSERY AND PRESCHOOL CENTRES**

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Asquith ..... 9477 3727

Cherrybrook ..... 9481 0566

Hornsby ..... 9477 2338

Somerville Park Early Childhood

Education Centre ..... 9869 7343

Westleigh ..... 9875 1166

## **VISITOR INFORMATION CENTRE**

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Level 1 Hornsby Shire Council Administration Building

## **WASTE SERVICES**

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Thornleigh ..... 9847 4856

## **YOUTH AND FAMILY CENTRE**

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Hornsby ..... 9847 6585

## **PUBLIC OFFICER**

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For the service of notices to Council, assistance in the provision of information regarding the affairs of Council and access to Council documents, and assistance in the resolution of outstanding service level issues, please call the Manager, Administration Services on 9847 6608 or email [hsc@hornsby.nsw.gov.au](mailto:hsc@hornsby.nsw.gov.au) Access to certain documents may be limited in accordance with relevant legislation.

## **COMPLIMENTS / COMPLAINTS on service delivery**

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Council is committed to continual improvement in customer service. An effective complaints handling system is an essential part of the provision of quality customer service because it provides an organised way of recording and responding to customer complaints as well as identifying opportunities for improvement. Council's customer service policy and complaints handling policy are available in the policies section of Council's website [www.hornsby.nsw.gov.au](http://www.hornsby.nsw.gov.au)

To lodge a compliment or complaint about an aspect of Council's services, please call 9847 6790 or email [jawilliams@hornsby.nsw.gov.au](mailto:jawilliams@hornsby.nsw.gov.au)

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# Introduction

## Council operations

### Management

Hornsby Shire Council is managed by an executive team led by the General Manager. Four executive managers support the General Manager and it is their role to manage the divisions.

Division	Branch	
Corporate and Community	Administration Services	Information Systems
	Community Services	Library and Information Services
	Financial Services	
Environment	Bushland and Biodiversity	Environmental Sustainability and Health
	Customer Service	Waste Management
	Parks and Landscape	Water Catchments
General Manager's	Community Relations	Human Resources
	Corporate Strategy	Internal Auditing
Planning	Assessment Team 1	Subdivision and Development Engineering Services
	Assessment Team 2	Town Planning Services
	Customer Service	
Works	Aquatic and Recreation	Engineering Services
	Assets	Property Development
	Design and Construction	Traffic and Road Safety

### Corporate values

- We strive to meet the needs of our customers in a professional and ethical manner
- We provide courteous and efficient service
- We support Councillors in an impartial and professional manner
- We provide a safe and satisfying work environment
- We recognise effort and achievement
- We deal with our suppliers in a mutually beneficial manner

### The workforce

Hornsby Shire Council is a major employer in the area, providing over 900 jobs in a mix of permanent, part time and casual roles. The workforce gender balance is 53 percent male and 47 percent female, with the average age being 44 years.

### Revenue sources

Hornsby Shire Council's primary recurrent source of revenue is the general rate (paid by ratepayers) which accounts for approximately 60 percent of revenues from ordinary activities. Section 94 (Development Contributions) income, which has been Council's prime source of new capital infrastructure funding for the past 15 years, is declining because the opportunity for substantial new release development has been effectively exhausted. Future multi-unit development is likely to be on a smaller scale.

# What we do

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Hornsby Shire Council provides various services to the residents, ratepayers and visitors to the Shire, including:

- Providing and maintaining parks and sportsgrounds.
- Providing playgrounds and skate parks.
- Providing and operating aquatic centres.
- Providing and operating an indoor sports facility.
- Providing bicycle routes and local libraries.
- Lending books, CDs and other information.
- Providing community centres.
- Listening to community views.
- Advocating for, and on behalf of, the community.
- Holding citizenship ceremonies.
- Providing civics education for schools.
- Managing community assets.
- Planning for the future of the Shire.
- Providing childcare.
- Building and maintaining recreation facilities.
- Maintaining stormwater pipes and pits.
- Delivering road safety education to schools.
- Enabling equitable access to local parking.
- Responding to significant local emergencies.
- Providing services for seniors, young people and those with a disability.
- Acting to impound abandoned vehicles.
- Planning and managing the urban environment.
- Managing the bushland.
- Creating local habitats.
- Providing environmental and waste education.
- Collecting residential and commercial waste.
- Providing a recycling service.
- Responding to pollution incidents.
- Prosecuting polluters.
- Sweeping the streets.
- Planting trees and eliminating noxious weeds.
- Monitoring water quality.
- Preserving heritage sites.
- Inspecting food premises.
- Assisting State Emergency Services.
- Providing grants to community organisations.
- Providing Australia Day celebrations for the community.
- Acknowledging the diversity of our community by holding workshops and events such as OneWorld.
- Controlling the keeping of companion animals.
- Assisting local organisations and committees.
- Building and maintaining local roads and footpaths.
- Providing street signs.
- Renewing residential and commercial areas.
- Providing free and accessible events for the community such as *Movies under the Stars* and the annual *Bushland Shire Festival*

## Snapshot - highlights

- Achieved recorded attendance of more than 10,000 attendees at the 2009 Bushland Shire Festival at Fagan Park, Galston.
- Accomplished a significant increase in use of Berowra Library following its refurbishment, including a 17 percent increase in loans.
- Consulted with the community in the rate variation process, including school visits, talking with young people, focus groups, a community meeting and hosting online forums.
- Awarded grant of \$2.4 million for water harvesting projects at three ovals in Epping, including energy efficient fixtures, lighting poles, and water saving devices.
- Awarded grant of \$50,000 for design of stormwater harvesting at Waitara Oval.
- Awarded 50 percent RTA 'Repair and Improvement of Regional Roads' funding for Berowra Waters Road (\$200,000) and Pacific Highway Hornsby (\$300,000).
- Awarded grant of \$120,000 from the Commonwealth Regional and Local Community Infrastructure Program for Greenway Park.
- Awarded runner-up in the Keep Australia Beautiful – Overall Sustainability Award for the Hornsby Shire 2020 Framework for a Sustainable Future.
- Educated 85 residents at an Indian Myna Bird Education Workshop.
- Awarded volunteers grant of \$18,000 for the Roselea Bushcare site.
- Awarded grant of \$264,000 Bambil Hamley and Fraser Road fire trails and for Asset Protection Zones at Margaret Avenue and Raphael Drive.
- Awarded grant of \$28,000 for Terrys Creek walking track.
- Awarded grant of \$30,000 for noxious weeds inspections and vines.
- Awarded grant of \$66,000 from Hawkesbury Nepean CMA for restoration of Endangered Ecological Communities.
- Received an RTA contribution of \$19,000 to match Council's for the Hornsby Town Centre Parking Strategy.
- Awarded grant of \$20,000 for further enhancements to the community space at Brooklyn Community Meeting Room.
- Awarded grant funding of \$1,000 from the Law Society of NSW to help promote Council's Law Week program sessions.
- Reached an out-of-court settlement with the Australian Tax Office concerning the payment of interest on the delayed refund of GST on the acquisition of the Hornsby Quarry site.
- Awarded a grant of \$1,500 from the Food Authority to prepare (with North Sydney Council) an information pack for school canteens.
- Saved approximately \$65,000 this year with the number of dogs being impounded being reduced significantly because the dogs are held locally, and generally returned to owners within one day.
- The Housing Strategy Planning Proposal was adopted by Council and has been forwarded to the Department of Planning for gazettal.
- Relunched the Fagan Park Eco Garden.



# Annual reporting requirements

Annual reporting requirements for councils are set out in the historical version of the Local Government Act 1993 (the Act) (section 428) and the Local Government (General) Regulation 2005 (the Regulation) (Part 9, Division 7).

The Department of Local Government requires councils to provide these reports to the community, with a copy being made available to the Minister for Local Government (through the Chief Executive, Local Government).

Within five months after the end of each year, a council must prepare a report (its 'annual report') for that year reporting as to its achievements in implementing its delivery program and the effectiveness of the principal activities undertaken in achieving the objectives at which those principal activities are directed.

*Local Government Act 1993 s428(1)*

The Minister for Local Government, through the Chief Executive, Local Government, was advised of the availability of this completed report on Thursday 25 November 2010.

An annual report must be prepared in accordance with the guidelines under section 406.

*Local Government Act 1993 s428(3)*

This report was prepared in accordance with the integrated planning and reporting guidelines of Hornsby Shire Council.

An annual report must contain the following:

- Copy of the council's audited financial reports prepared in accordance with the Local Government Code of Accounting Practice and Financial Reporting published by the Department, as in force from time to time
- Such other information as the regulations or the guidelines under section 406 may require.

*Local Government Act 1993 s428(4)(a)–(b)*

Council's audited financial reports are available in Appendix 4 - Financial Reports.

Other information as required by the regulations or guidelines under section 406 is covered throughout this report. An index of all legislated requirements, and their respective location in this report, is available in Appendix 5 - Legislation index.

A copy of the council's annual report must be posted on the council's website and provided to the Minister and such other persons and bodies as the regulations may require. A copy of a council's annual report may be provided to the Minister by notifying the Minister of the appropriate URL link to access the report on the council's website.

*Local Government Act 1993 s428(5)*

This report is available at [www.hornsby.nsw.gov.au](http://www.hornsby.nsw.gov.au).



## Councillors

The elected Council for Hornsby Shire consists of ten Councillors comprising a popularly elected Mayor and three Councillors representing each of the three wards, elected in September 2008. The role of the elected members acting as a governing body is to direct and control the affairs of Council according to the Local Government Act and other relevant legislation. Councillors are elected to represent the interests of residents and ratepayers, provide leadership and guidance to the community and encourage communication between Council and the community. The Mayor presides at Council meetings and is the public face of Council. Local government elections are held each four years.

### A Ward Councillors

Cr Wendy McMurdo, Cr Steve Russell, Cr Mick Smart

A Ward consists of the following suburbs: Arcadia, Asquith\*, Berrilee, Berowra, Brooklyn, Canoelands, Castle Hill\*, Cowan, Dangar Island, Dural\*, Fiddletown, Forest Glen, Galston, Glenhaven\*, Glenorie, Hornsby\*, Hornsby Heights, Laughtondale, Maroota, Middle Dural, Mt Colah, Mt Kuring-gai, Singletons Mill, Wahroonga\*, Waitara\*, Wiseman's Ferry (\*Ward boundaries pass through these suburbs, meaning they belong to more than one ward).

### Mayor Nick Berman

#### Cr Nick Berman

Nick Berman was first elected to Hornsby Shire Council as a B ward representative in September 1999. He has since been re-elected in 2004 and 2008. He has worked at all levels of government and holds a Bachelor of Commerce degree with majors in Industrial Relations and Human Resource Management. Nick has lived most of his life in the northern suburbs of Sydney and has always had an active interest in sport. Nick and his wife, Christine, chose to live in Hornsby because of the quality of life the Bushland Shire offers local families. Achievements on Council with which Nick has been associated include the widening of the Duffy Avenue Bridge, the construction of the Thornleigh Indoor Sports Centre and various local commercial developments. Nick's priorities for this term include: raising Hornsby Shire's sustainability standards even further; creating more local employment opportunities; redeveloping childcare centres in Cherrybrook and Asquith; and further improving local parks and playing fields.

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#### Cr Wendy McMurdo

Wendy McMurdo was elected as a Greens representative to Hornsby Council in March 2004. As a member of the NSW Greens, she supports the principles of social justice and equity, ecological sustainability and grassroots democracy. Since her election Wendy has promoted strong links between the community and Council, and strongly supported Council's sustainability initiatives, in particular through her work as Chair of the Brooklyn and Berowra Creek Estuary Management Committees and the Bushland Management Advisory Committee, and as a member of the Sustainable Action Committee. She also represents Hornsby residents on the Sydney Coastal Councils Group and the Local Government Advisory Group, and has been elected to the Executive of both groups. Wendy looks forward to continuing to work closely with the community, particularly on issues of sustainability and climate change adaptation.

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#### Cr Steve Russell

Steve Russell has lived in and around Hornsby Shire for over 30 years and is employed in a senior managerial role after selling his business of 26 years in 2000. He was elected to Hornsby Council in 1999 and served until 2004. During his earlier time on Council he was instrumental in having the septic tank licence fee abolished. He lobbied Sydney Water to have Galston, Glenorie, Brooklyn and Cowan moved up their priority lists for connection to mains sewerage. Brooklyn is now completed but Galston, Glenorie and Cowan have slipped back down the list. He vows to continue this fight. Steve is a great advocate for the rural area and the many sporting clubs in the Shire. He believes there is an urgent need for workable plans for Hornsby Westside.

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#### Cr Mick Smart

Mick Smart has lived in the Hornsby Shire for over 18 years. He and his wife, Helen, live in Berowra Heights with their two sons. Mick has run Berowra's Pool Shop since 2001 and has been an active member of Apex. In recent years he has been involved in the running of the Berowra Woodchop, one of the Shire's major annual events. Mick chose to run for Council to improve facilities within the Shire. He is looking to work with residents and Council to develop real solutions to the community's problems. He believes it is possible to make achievable goals and see them through.

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# Councillors

## B Ward Councillors



Cr Dilip Chopra, Cr Steve Evans, Cr Bruce Mills

B Ward consists of the following suburbs: Asquith\*, Castle Hill\*, Cherrybrook\*, Dural\*, Glenhaven\*, Hornsby\*, Normanhurst\*, Pennant Hills\*, Thornleigh\*, Wahroonga\*, Waitara\*, Westleigh (\*Ward boundaries pass through these suburbs, meaning they belong to more than one ward).

### Cr Dilip Chopra

Dilip Chopra was born and educated in Delhi before working as a gemologist. He arrived in Australia in 1988 and has lived in Hornsby since 2001. Dilip is the joint treasurer of the United Indian Association (UIA), vice-president elect of the Hornsby Indian Seniors Group and is a committee member of the Hornsby Shire Seniors Advisory Committee. Dilip chose to run for Council to build on the hard work and achievements of the former Council. He believes Council should continue to support small business – a critical course of action in generating local employment. Dilip is a supporter of multiculturalism, which he believes greatly adds to the rich culture of the Hornsby Shire. He also believes Council must continue to work with the community in meeting residential housing targets to ensure that the quality of life is preserved in Hornsby Shire.

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### Cr Steve Evans

Steve Evans, a resident of Hornsby Shire for over 50 years, was elected as a Councillor in March 2004 and has held the position of Deputy Mayor from March 2007 to present. He currently resides in Westleigh. Steve is a member of Hornsby and District Chamber of Commerce and Industry, Cherrybrook Victory Christian Church and the Westleigh Progress Association. Steve plans to continue to work for the best outcomes on major projects such as Hornsby Quarry, the Housing and Employment strategies and sensible development of Hornsby Westside. He will continue to pursue the maintenance of Council's high level of sound financial management. He also supports and promotes water conservation and hopes to work towards a more transparent Council.

**Contact:** Cr Steve Evans  
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 Westleigh 2120  
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### Cr Bruce Mills

Bruce Mills lives in Cherrybrook and is married with three children. Bruce holds degrees in Economics and Law, as well as a Master of Commerce, and has held a variety of senior management roles in multinational firms. Bruce feels privileged to represent B Ward, which he sees as the economic engine of Hornsby Shire, given its mix of the Hornsby CBD, commercial areas and the road and rail transport interface between the rest of the metropolitan area and the northern approaches to Sydney. Bruce is looking forward to addressing the need of Hornsby Shire's working families for an integrated housing, employment and local transport strategy that maximises the opportunities in B Ward for local jobs, delivers community recreation and sporting facilities, and encourages the establishment of sustainable transport solutions.

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## C Ward Councillors



Cr Robert Browne, Cr Michael Hutchence, Cr Andrew Martin

C Ward consists of the following suburbs: Beecroft, Carlingford, Cheltenham, Cherrybrook\*, Eastwood, Epping, Normanhurst\*, North Epping, Pennant Hills\*, Thornleigh\*, West Pennant Hills (\*Ward boundaries pass through these suburbs, meaning they belong to more than one ward).

### Cr Robert Browne

Robert Browne was born locally and has lived in our Shire for most of his life. He has lived in C Ward for over 25 years and has served our community in various capacities for more than 20 years. Robert was first elected to Council in 1999 and served as Mayor from 1999 to 2000. During his time on Council, Robert has been an active chair and member of many important committees particularly in the areas of environment and sustainability, development, heritage, roads and transport, employment and infrastructure facilities. Robert strongly believes in the development of a long term vision for our Shire through greater emphasis on forward planning within the framework of a sustainable future. His priorities for this term are many but the most challenging include Council's Housing and Employment Strategies, Hornsby Quarry, Pennant Hills Road and the planning for more community, cultural and sporting facilities.

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### Cr Michael Hutchence

Michael Hutchence has been a resident of Hornsby Shire for over 21 years. He has been educated locally in Carlingford and at Hornsby and is currently studying Business Management at Macquarie University. After several years in the pharmaceutical industry, Michael chose to pursue his passion for technology and telecommunications by setting up an information technology and telecommunications consultancy business. This business is now successfully servicing clients around the country. Having worked in business from a young age, Michael has developed the organisational and personal skills required to deal with multiple and complex tasks systematically and efficiently. Michael's sense of social responsibility is reflected in his desire to make a difference in local government by listening to what people want for their community and translating those wishes into action. Michael is looking forward to working with the team of Councillors and helping Hornsby Council to operate as an organisation that truly reflects the community it represents.

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### Cr Andrew Martin

Andrew Martin emigrated to Australia from the UK in 1996. In the UK he was involved with local community and environmental issues. He has recently moved to the Hornsby area and lives with his wife in Beecroft. Andrew graduated from Swansea University in Wales in 1986 with a Bachelor of Science (Computer Science). He has spent 20 years working in the IT industry. A member of the Greens NSW since 2000, Andrew currently works as the administrator of the party's finances and membership. Andrew's priorities as a Councillor are to set clear boundaries for metropolitan areas, taking into account urban infrastructure (particularly public transport), quality of life, the unique topography of the Sydney Basin, the need to retain agricultural land and resist its redevelopment and the importance of localised food production. Andrew also recognises the importance of arts and music in the community and the role that Council can play in promoting them.

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## Mayor's message

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The last 12 months have been an extremely busy time for everyone at Hornsby Shire Council, with many major projects and large community events.

The amended Hornsby Shire Housing Strategy was placed on public exhibition for five weeks in March and April. During the exhibition period we received more than 3,000 submissions from residents. I'd like to thank all residents for taking the time to call and write to us and for coming along to our community 'drop-in' sessions.

The wider pressures of cost shifting and rate capping by the State Government mean that we are unable to fund major infrastructure projects through our normal income stream. We joined several other Councils in applying to the Minister for Local Government for permission to increase rates to allow us to complete several major infrastructure projects, such as the reconstruction of Hornsby Aquatic Centre. Through best-practice community consultation, residents indicated their support for a levy to fund the renewal of the Shire's infrastructure, including Hornsby Pool.

More than 10,000 people attended the Bushland Shire Festival at Fagan Park in Galston in September. We also held many other popular community events including our OneWorld Multicultural Festival, Movies under the Stars screenings and dozens of environmental, library and children's activities.

Enhancing and celebrating the Shire's artistic talent continues to be a major priority for Council. The first ever Hornsby Shire Festival of the Arts, which was held in October and November, featured almost 200 community arts and cultural events, including the \$5,000 Hornsby Art Prize competition and exhibition.

We are also working hard to preserve and restore the Shire's environment with many sustainability projects, such as the installation of stormwater tanks to irrigate the Shire's sportsgrounds in Berowra, Eastwood and Epping.



**Nick Berman,**  
**Mayor**

# Ecology

## Protect and enhance our natural environment

Our aim: We protect and enhance the Shire's natural environment encouraging conservation of biodiversity and the natural landscape of waterways and bushland, developing and promoting programs to assist and work with the community to care for the environment. We focus on reducing our ecological footprint, working with the community to ensure that water, energy and other resources are used wisely.



### Protect and enhance biodiversity

We conserve native plant and animal communities, understanding their value and services help to sustain our existence. We work to minimise threats posed to biodiversity, partnering with the community and other agencies to maintain diversity and achieve positive conservation outcomes.



### Maintain healthy waterways and catchments

We protect the landscapes and health of our waterways and catchments, including the Hawkesbury River, Berowra Creek and associated tributaries, applying a total water-cycle management approach to maintain water quality in our creeks, wetlands and rivers.



### Reduce our ecological footprint

We lead the community and work to reduce the impact of our ecological footprint, supporting sustainable use of natural resources and reduction of waste, striving towards our emission reduction targets for energy and water, and using renewable, non-polluting resources.

#### Legislative reporting requirements addressed in this section:

Aspect.....	Act / General Regulation
Principal Activities (Ecology) .....	LGA Section 428(2)(b)
Bushfire hazard reduction .....	LGA Section 428(2)(f1)
Planning Agreements .....	EPA Section 93G(5)

Aspect.....	Act / General Regulation
Litigation summary (Ecology) .....	LGA Section 428(2)(e)
State of the Environment .....	LGA Section 428(2)(c)

# Principal activities

Comparison of actual performance against projected performance of its principal activities measured in accordance with the management plan; includes statement of reasons for any difference.  
*Local Government Act 1993 s428(2)(b)*

Projected performance	Actual performance	Reasons for difference
Implement the Catchments Remediation capital works program for 2009/10 to inhibit algal bloom and improve water quality.	Progressing as per the 10 year Catchments Remediation Rate (CRR) capital works program.	N/a.
Implement the Hornsby Creek Catchment education and sustainability program.	Interim Report to Council prepared.	N/a.
Monitor estuary and waterways to ensure relevant standards.	Progressing as per Lower Hawkesbury Estuary Management Plan.	N/a.
Progressively implement water conservation initiatives (including water harvesting) for sportsgrounds and parks.	Epping project ongoing.	N/a.
Lobby Sydney Water regarding water reuse scheme - Hornsby Heights Stormwater Treatment Plant.	Ongoing; also now lobbying for Cowan Sewer Scheme.	N/a.
Work with both the residential and business sectors to reduce greenhouse emissions.	Not achieved.	Number of staff resignations and the loss of a Sustainability Officer position, resulting in the suspension of this action.
Implement the Hornsby 2020 Sustainability Vision and Strategy to guide Council activities towards a united approach to sustainability.	Not achieved however, the framework has been incorporated into the Delivery Program, Community Plan and Social Plan.	Lack of resources/funding.
Continue to implement and evaluate initiatives in Council's Environmental Education Strategy.	Many of the actions contained within the Strategy are being implemented, specifically those relating to onsite sewage management and companion animals which are continually actioned by the team.	Other specific programs have been suspended due to a lack of resources/funding.
Develop a corporate response for Climate Change Adaptation.	Council's corporate response to Climate Change Adaptation has been secured during the 2009/10 period with the adoption of the Climate Change Adaptation Strategic Plan.	N/a.

Projected performance	Actual performance	Reasons for difference
Finalise the carbon neutrality policy.	Action completed.	N/a.
Manage and maintain Council's bush regeneration program.	The bush regeneration program continues its work, with 70 sites being regenerated during the year.	N/a.
Work to establish new and maintain existing bush walking tracks and mountain bike trails.	Three new trails erected during 2009/10 - the Terrys Creek link track, the Great Northern Walk link track and the Cheltenham Beecroft link track.	N/a.
Participate in bushfire management planning and education.	Bushfire Risk Management Plan adopted by Council. Fourteen community information sessions held to prepare the community for bushfire survival.	N/a.
Implement 10 actions from the Biodiversity Conservation Strategy and Action Plan.	The actions in the Biodiversity Conservation Strategy and Action Plan continue to be implemented to achieve performance success	N/a.
Maintain current service levels for waste services, including waste education.	All domestic waste services including collection and education running to schedule.	N/a.
Increase the investigation and compliance activity in response to illegal dumping.	The Waste Team has continued to expand its efforts to manage and reduce illegal dumping.	N/a.
Review commercial waste and recycling options.	The commercial waste services have undergone a market review. To be undertaken is a full analysis of what services Council should be providing and how to reduce the level of waste going to landfill.	N/a.
Develop concept plans for waste awareness facility	Action completed.	N/a.
Review the conditions of operation for 'Wellumbula' Materials Handling Facility and the feasibility of increasing operations.	Material excavated from Council's gross pollutant traps has been assessed as acceptable material for processing at the facility.	N/a.



# Litigation summary - Environmental Sustainability and Health

Summary of the amounts incurred by the council in relation to legal proceedings.

Local Government Act 1993 s428(2)(e)

Case	Court	Costs 09/10	Result/status
Benson and Devaney Illegal Land Modification.	Land and Environment Court	\$372	Court orders granted
Fail -v- Hornsby Shire Council - Appeal on PIN for Dog not under effective control.	Hornsby Local Court	\$330	Fail pleaded guilty and was fined \$50 (reduced from \$220) plus professional costs of \$330 and court costs of \$76.
Hayes -v- Hornsby Shire Council - Appeal on Dangerous Dog Order.	Hornsby Local Court	\$4,140	Hayes appeared at the hearing on 20 April 2009 and undertook negotiations with Council. Agreement to defer to 19 October 2009 for hearing. Mr Hayes failed to appear at the adjourned hearing on 19 October 2009 and the order was declared in his absence. Professional costs of \$3,630 were awarded against Mr Hayes.
Troy -v- Hornsby Shire Council - Appeal on PIN for Dog Attack.	North Sydney Local Court and Hornsby Local Court.	\$1,050	At the CAN on 17 September 2009 the case was set down for hearing at North Sydney Local Court on 27 January 2010. Prior to the hearing date Mr Troy requested to withdraw from the case. He offered to pay the fine of \$550 and the agreed Solicitor costs of \$1050. Council consented to this and notified the Court of this agreement prior to that date.
Casali -v- Hornsby Shire Council	Hornsby Local Court	Unknown until final hearing on 23 July 2010	CAN hearing dates: 22 April 2010, 13 May 2010 set down for hearing on 23 July 2010.
Lynn Brown -v- Hornsby Shire Council.	North Sydney Local Court and Hornsby Local Court.	Unknown until final hearing on 2 August 2010.	CAN dates: 25 March 2010, 29 April 2010 and 13 May 2010. Hearing set down for 2 August 2010.
Total		\$5,892	



# A report on bush fire hazard reduction activities

*Local Government Act 1993 s428(2)(i1)*

For the reporting period, there were 32 hazard reduction burns conducted by State fire authorities within the Hornsby LGA comprising a total of 816 hectares successfully burnt. Manual fuel reduction maintenance works were undertaken on 23 Asset Protection Zones located within Council managed bushland.

Nine sites had manual fuel reduction works undertaken as a result of bushfire hazard complaints.

728 fire permits were issued to residents to allow vegetation pile burns.

Council endorsed the Bush Fire Risk Management Plan at its September ordinary meeting.

# Planning agreements

Particulars of compliance with and effect of planning agreements in force during the year.

*Environmental Planning and Assessment Act 1979 s93G(5)*

There were no Planning Agreements in force during the year.

# State of the environment

Report as to the state of the environment in the area.

*Local Government Act 1993 s428(2)(c)*

The 2009/10 State of the Environment (SoE) Report for Hornsby is detailed in Appendix 1 - SoE Report.

Regeneration activities, Laughtondale



Berowra Waters monitoring probe



Community Nursery volunteers



# Human Habitat

## Effective community infrastructure and services

Our aim: We aim to design and live in sustainable communities with local character that harmoniously merge with built and natural environments, and are serviced sustainably by a wide range of affordable and efficient infrastructure, facilities, transport and essential utilities and services.



### Vibrant and viable living centres

We establish and maintain vibrant living centres and suburbs that reflect our rich cultural diversity and heritage, respect the natural environment and encourage civic pride, including successful trading sectors focused on Hornsby town centre and district centres of Pennant Hills, Epping, Thornleigh, Carlingford and Dural.



### Effective infrastructure and services

We provide socially responsive and ecologically sustainable infrastructure and services, support a sustainable transport network linking our Shire residents to each other and the key social and economic activity centres of Parramatta, Chatswood, Sydney city centre and other business and technology parks.



### Harmonious natural and built environment

We focus on successfully blending human settlement and activities with natural and rural settings, embracing design, technologies and materials that support safe and friendly ecologically sustainable living and reflect the character of our local areas.

### Legislative reporting requirements addressed in this section:

Aspect.....	Act / General Regulation
Principal Activities (Human Habitat) .....	LGA Section 428(2)(b)
Condition of public works .....	LGA Section 428(2)(d)(i)-(iii)
Litigation summary (Human Habitat).....	LGA Section 428(2)(e)

Aspect.....	Act / General Regulation
Work carried out on private land .....	LGA Section 428(2)(k)
Stormwater management .....	LGA Clause 217(1)(e)

# Principal activities

Comparison of actual performance against projected performance of its principal activities measured in accordance with the management plan; includes statement of reasons for any difference.  
*Local Government Act 1993 s428(2)(b)*

Projected performance	Actual performance	Reasons for difference
Implement the Foreshores Improvement Program.	Program completed.	N/a.
Implement improvement program for 2009/10 for stormwater drainage.	Program has been implemented in line with funding available.	N/a.
Investigate the piping of appropriate non water course drains where residents are prepared to provide funding.	Not complete.	Report to Council rescheduled to 2010/11.
Implement improvement program for 2009/10 for local roads.	Program completed.	N/a.
Upgrade/reconstruct two kilometres of existing paved footpaths.	Action completed.	N/a.
Undertake the fifth year of the nine year strategy to seal the unsealed roads in the shire.	Action completed.	N/a.
Continue the proactive anti-graffiti program and implement an anti-graffiti education program for schools.	Anti-graffiti campaigns operational in selected areas.	Failed to secure grant funding for Graffiti information day.
Seek expressions of interest for the commercial use of the building at Kangaroo Point.	Action completed.	N/a.
Audit/update data regarding the location and condition of stormwater drainage pits as per 10 year program.	Program completed.	N/a.

Projected performance	Actual performance	Reasons for difference
Review use of existing open space.	Preliminary work was performed on a study of open space assets.	Work was suspended while infrastructure levy bid was made.
Expand the recreation facilities at Fagan Park.	The project comprises the design of a hedge-maze to be constructed next financial year.	Work was deferred until later in 2010 to allow other work to proceed.
Review the Leisure Strategic Plan (subject to funding).	No action possible at present.	Still waiting for project funding.
Seek expressions of interest to improve the amenity and functionality of the overhead pedestrian bridge in the Hornsby CBD.	Action completed.	N/a.
Move forward with the provision of additional playing field in Cherrybrook via a shared use agreement with John Purchase Primary School and Cherrybrook Technology High School.	DET agreement signed and DA submitted.	N/a.
Continue to pursue legal options in relation to the acquisition of the Hornsby Quarry site.	Legal actions being progressed in consultation with Council and Council's legal team.	N/a.
Progress studies and research towards achieving Council's preferred future for the Hornsby Quarry site.	Progress engagement of consultant.	N/a.
Manage the water in the Hornsby Quarry hole and formalise road access to the site.	The water level is reducing.	N/a.
Develop a concept/masterplan for the Hornsby Pool and environs.	Architects have been short listed, budget prepared for initial brief.	N/a.
Review the operations and programs at Epping Pool and Galston Pool to identify possible alternative service provision models.	Council resolution to call for Expressions of Interest for the operation of Epping and Galston Aquatic Centres.	N/a.
Review the operations and services provided at the Brickpit Stadium and golf driving range to identify possible alternative service provision models.	DA has been developed for the golf driving range and user numbers at the stadium continue to increase.	N/a.

Projected performance	Actual performance	Reasons for difference
Oversee the construction of the Greenway Park Early Childhood Centre within time and budget.	Action completed.	N/a.
Complete the construction of the Rural Fire Service headquarters.	New state-of-the-art Fire Control Centre opened in Cowan in November 2009.	N/a.
Progress both the alterations and management structure for the Brooklyn Community Health Centre.	Construction complete. Advisory Committee formed and operational.	N/a.
Review parking in the Hornsby CBD, other town centres and significant locations in the shire to determine the viability of timed parking restrictions.	Scoping report prepared and adopted by Council.	N/a.
Continue negotiations with Gosford Council regarding the provision of commuter parking at Mooney Mooney.	General Manager and Mayor are continuing discussions with Gosford Council.	N/a.
Seek grant funding to enable the construction of bike paths in the shire.	Action completed.	N/a.
Undertake preliminary investigation and action to provide second entry/exit to Cherrybrook Village Centre, taking into account the needs of pedestrians, cyclists and motor vehicles.	Concept proposal for second access reported to Council.	N/a.
Investigate potential options to improve traffic flows at roundabout Shepherds Drive, Cherrybrook.	Action completed.	N/a.
Refurbish Berowra Library.	Action completed.	N/a.
Continue to implement the public health safety legislation for inspection of food handling premises.	The team completed 93% of inspections of 'high' and 'medium' risk category food handling premises. The requirement is only 80%	N/a.



# Condition of public works

Report on condition of public works (including public buildings, public roads and water, sewerage and drainage works). *Local Government Act 1993 s428(2)(d)*

- Public works report includes estimate of amount of money required to bring the works up to a satisfactory standard. *Local Government Act 1993 s428(2)(d)(i)*
- Public works report includes estimate of annual expense of maintaining the works at that standard. *Local Government Act 1993 s428(2)(d)(ii)*
- Public works report includes council's program of maintenance for that year. *Local Government Act 1993 s428(2)(d)(iii)*

There are over 620 km of sealed roads and 40 km of unsealed roads in the shire and more than 413 km of paved footpaths. Council has six sealed public car parks, a pedestrian overbridge, four minor road bridges and 51 major culverts. Council also maintains five public wharves, seven floating pontoons, three boat launching ramps and two loading docks. Hornsby has an extensive drainage system comprising over 18,300 pits and 390 km of pipelines.

There are around 174 parks in Hornsby plus 12 garden parks, 55 separate playing fields and over 135 playgrounds. Council also has over 400 buildings, including 183 community based buildings. The estimated replacement value is over \$161 million.

Cr Hutchence and Mayor Nick Berman in Waitara



New footpath



Oxford Street Epping construction



# Public works report

The table below summarizes the condition of Council's transport, drainage and building assets and funding requirements currently identified to maintain them in a satisfactory condition.

	Category	Condition at end of 30/6/10	Estimate of cost to bring to satisfactory standard	Estimate of cost to maintain standard	Maintenance program for 2009/10
Transport assets	<b>Roads</b>	Satisfactory. Pavement reconstruction works required for approximately 1.4 percent of the 577 km road network.	\$3,500,000 - pavement reconstruction only.	\$5,000,000	\$4,202,000
	Urban and rural local sealed				
	Regional sealed	Satisfactory. Pavement upgrading works required for approximately 1 percent of the 38 km road network.	\$1,000,000	\$500,000	\$1,060,000
	Rural - unsealed	Satisfactory for the 36 km unsealed road network.	Nil.	\$300,000	\$243,000
	<b>Footpaths</b>	Generally satisfactory with reconstruction works required for about 1 percent of the 413 km paved footpath network annually.	Nil.	\$850,000	\$1,108,000
	<b>Car parks</b>	Satisfactory.	Nil.	\$18,000	\$10,000
	<b>Bridges and culverts</b>	Satisfactory.	Nil.	Included in urban sealed local road maintenance.	
Drainage assets	<b>Wharves and jetties</b>	Generally satisfactory.	\$700,000 – Reconstruction or upgrading of jetties and pontoons at Brooklyn, Wisemans Ferry and Berowra Waters and construction of a new jetty at Bar Island.	\$200,000	\$207,000
	Stormwater drainage systems	System capacity upgrading required for known problem locations; structural condition of pits and pipelines currently being determined; 10 percent (preliminary assessment) unsatisfactory.	\$6,200,000 for system capacity upgrade. \$12,000,000 for pits and pipelines upgrade.	\$1,200,000	\$1,177,000
Building assets	Public buildings	Building Maintenance System has been developed and is now being applied progressively to building assets across the Shire.	\$1,050,000	\$2,365,000	\$2,155,000



# Transport Assets

## Roads

Council maintains 620 km of sealed roads (483 km of urban sealed local roads, 100km of local rural sealed roads and 38 km of sealed regional roads) and 40 km of rural unsealed local roads. A detailed condition survey of these roads was undertaken in 1994-1995. The condition of the road network is considered to be satisfactory with the following distribution:

Road condition								
Very poor			Poor		Fair		Good	
YEAR	Length	%	Length	%	Length	%	Length	%
2009/10	8.6 km	1.4	4.4 km	0.7	95.5 km	15.4	511 km	82.5

The 1.4 percent of the sealed road network, identified as being in 'very poor' condition, will require reconstruction. Strategies developed estimate the cost at \$4,500,000 (8.6 km @ \$520,000 per km). It is considered that these roads should be reconstructed over a period of 10 years under the Local Road Improvement Programs to bring them to a satisfactory standard.

Unsealed roads are considered to be in a satisfactory condition under the current maintenance practices using blended shoulder materials and recycled profiled materials. A strategy to seal all rural unsealed roads over the next 10 years has been adopted by Council.

Council's Pavement Management System is currently utilised to determine the annual program of maintenance work on the sealed road network. Expenditure is prioritised by the system to maximise road condition for the available budget.

## Footpaths

Council maintains 413 km of paved footpaths of various types. Annual condition surveys are undertaken.

The condition of the footpath network is considered to be generally satisfactory with approx. 410 km or 99.3 percent being categorised as moderate or better.

Maintenance covers reconstruction of unsatisfactory sections of footpaths as well as routine maintenance tasks such as the replacement of slab panels, laying of a regulating surface, and temporary wedge filling to eliminate trip hazards and damaged slabs. The maintenance expenditure also covers maintenance on the entire footway where grass cutting and other works are required.

About one percent of the network is reconstructed annually as it is assessed as requiring replacement.

## Public buildings

Council has a number of public buildings which are used for civic and administrative purposes, childcare, community facilities, libraries, recreation and public amenities.

During the 2009/2010 period, work continued on finalising the Building Maintenance System to link with Council's 'Councils Online' system. Asset Management Plans have now been developed for all Council's public buildings.

## Car parks

Council's six sealed public car parks are generally in a satisfactory condition and current maintenance practices are considered sufficient to maintain this level of service.

Maintenance includes routine pothole patching, marking or remarking of parking bays, signage maintenance and any resealing required.

## Bridges and culverts

Council's one pedestrian overbridge, four minor road bridges and 51 major culverts are all in satisfactory structural condition. Generally, only routine maintenance is required and maintenance costs for these structures are included in the roads budgets above. Concerns in relation to structural integrity of the pedestrian overbridge were addressed by the undertaking of minor structural augmentation works. However, given its aesthetic, capacity and structural issues, it is imperative that Council is successful in attracting funding assistance for replacement of this now-inadequate structure.

## Wharves and Jetties

Council maintains five public wharves, seven floating pontoons, three boat launching ramps and two loading docks. Monthly inspections and maintenance are carried out on all facilities. Major maintenance works are carried out periodically as required.

All existing wharves, pontoons and boat launching ramps are considered to be in satisfactory operational condition. However, additional funding of \$300,000 will be required in the near future to bring these facilities to an appropriate standard.

The jetty at Bar Island was found to be in a dangerous state and was dismantled. An estimated \$100,000 will be required to construct the new jetty.

Maintenance allocations for these facilities cover routine maintenance and minor repairs. Periodic major repairs and upgrading works require specific additional funding.

## Drainage Assets

Hornsby's drainage assets consist of 18,331 pits and 390 km of pipelines.

A recent survey revealed that most of the system inspected to date is in a satisfactory structural condition. A program of detailed inspections is being planned to confirm the structural condition of the network and identify any structurally unsound sections.

Data collected after several severe storms over recent years has highlighted several areas of 'under-capacity' within the drainage network. A program for upgrading these segments has been in place for seven years. Stormwater Catchment Management Plans for each of the shire's 14 major catchments, comprising 55 sub-catchments, have been completed.

The output from these plans is utilised to modify and augment the current upgrading program. It is estimated that \$12 million (39 km @ \$300,000 km per km) may need to be set aside for reconstruction of portions of the network. The exact sum will be known following a detailed inspection of the network.

A program for upgrading the identified under-capacity segments is currently in place. The cost of this upgrading is estimated at \$54 million.

Council undertakes extensive maintenance of its drainage system. This ranges from routine works such as clearing blockages and repair of damaged structures to the upgrading of pits and structures and channel stabilization to ensure the existing system operates at maximum efficiency.

Over a period of approximately 12 years Council is attempting to accumulate sufficient funding to undertake Stage 1 of Hornsby CBD stormwater drainage upgrading, which is estimated to cost \$4.6 million. In challenging financial circumstances, this fund will be difficult to build to the required sum. Stage 2 is estimated to cost another \$2 million to complete.

## Community centres and halls

Council has given delegated care, control and management of 14 public halls or facilities to the following community committees:

- Beecroft Community Centre, 111 Beecroft Road (Corner Wongala Crescent), Beecroft.
- Cherrybrook Community Centre, Shepherds Lane, Cherrybrook.
- Cowan Community Centre, Cowan Oval, Buiwa Bay Road and Chandler Avenue, Cowan.
- Dangar Island Community Centre, The Park, Dangar Island.
- Epping Community Centre, 9 Oxford Street, Epping.
- Galston Community Centre, 37 Arcadia Road, Galston.
- Glenorie Community Centre, Old Northern Road, Glenorie.
- Gumnut Community Centre, Corner Gumnut Place and New Line Road, Cherrybrook.
- Mount Kuring-gai Community Centre, 5 Church Street, Mount Kuring-gai.
- Pennant Hills Community Centre, Corner Yarrara and Ramsay Roads, Pennant Hills.
- Roselea Community Centre, 645 Pennant Hills Road, Carlingford.
- Thornleigh Community Centre, Corner Phyllis and Central Avenues, Thornleigh.
- Women's Rest Centre, Hornsby Park, Pacific Highway, Hornsby.
- Epping Creative Centre, 26 Stanley Street, Epping.

# Litigation summary - Planning Division

Summary of the amounts incurred by the council in relation to legal proceedings.

Local Government Act 1993 s428(2)(e)

Project	Case	Court	Expenditure	Result / Present status
10844	IGS ENTERPRISES PTY LTD DA/1631/2007 Lot 1 DP 9205054, Lot 1 DP 925055 Fishermans Point Berowra Creek. Appeal against refusal of proposed recreation facility/boatshed and pontoon (floating).	<b>Class 1</b> Land and Environment Court	\$9,269.00	11 September 2009: Appeal discontinued. Applicant paid Council's costs of \$32,350.
11089	RADRAY CONSTRUCTIONS DA/942/2008 15 Eyles Avenue, Epping. Appeal against refusal of demolition of two existing dwellings and construction of a Seniors Living development comprising 17 self care dwellings with associated basement carparking and landscaping.	<b>Class 1</b> Land and Environment Court	\$164,985.00	2 August 2010: Appeal dismissed. Applicant to pay Council's costs (est \$50,000).
11137	GW MIDDLETON and BP MIDDLETON DA/1337/2008 29 Hillcrest Avenue, Epping. Appeal against refusal of subdivision of one lot into two - embankment stabilisation of water course.	<b>Class 1</b> Land and Environment Court	\$15,364.00	11 December 2009: Appeal discontinued.
11168	KEN WILLIS DA/54/2005/C 42 Manor Road, Hornsby. Appeal against refusal of Section 96(2) application to modify consent by deleting conditions 40, 41 and 45 and only agreed to modify condition No. 40 to a minor degree.	<b>Class 1</b> Land and Environment Court	\$8,091.00	10 December 2009. Appeal upheld in part. Final Orders issued.
11178	DANIEL FITZHENRY DA/277/2009 581 Singleton Road, Laughtondale. Appeal against refusal of erection of a shed on a rural property.	<b>Class 1</b> Land and Environment Court	\$18,025.00	14 April 2010: Appeal dismissed.
11220	MS S Y OH AND MS J T WRIGHT AND NIVRA NO 2 PTY LTD P2008/02640 4/7 Sefton Road, Thornleigh. Appeal against Council's Order requiring demolition/removal of pallet racking in a car space.	<b>Class 1</b> Land and Environment Court	\$5,084.00	2 June 2010: Appeal discontinued by applicant

Project	Case	Court	Expenditure	Result / Present status
11076	MR A SARKIS P2006/00408 23 Hewitt Avenue, Wahroonga. Non-compliance with Orders requiring the fencing of two swimming pools and the removal of an unauthorised shipping container.	<b>Class 4</b> Land and Environment Court	\$ 1,563.00	22 October 2009: Orders complied with.
11172	WIDEVIEW PTY LTD DA/782/2009 99 Wideview Road, Berowra Heights. Third party appeal against Council determination to grant consent for a single storey dwelling-house.	<b>Class 4</b> Land and Environment Court	\$9,039.00	27 November 2009: Applicant discontinued proceedings and paid Council's costs of \$7,000.

Project	Case	Court	Expenditure	Result / Present status
10983	JOSEPH ISIDORO GANGEMI P2006/00992 2 Wayfield Road, Glenhaven. Appeal against issue of PIN - unsafe swimming pool.	Local	\$ 5,095.00	14 September 2009: PIN upheld, defendant to pay Court and professional costs (outstanding debtor).
11023	MR I CREAK P2007/03145 240-242 Pennant Hills Road, Thornleigh. Illegal occupation of premises without consent for a vehicle showroom.	Local	\$5,256.00	11 September 2009: Court judgement. Defendant fined \$10,000 and to pay Court and professional costs of \$3,900 (with State Debt Recovery Office).
11088	MR R J BURKE P2009/01017 5425 Old Northern Road, Wisemans Ferry. Unauthorised construction of portal frame shed without approval.	Local	\$ 3,410.00	8 October 2009: Local Court judgement. Defendant fined \$20,000 and paying Court and professional costs (\$1,500).
11173	MRS N ROCHESTER P2006/02214 17 Rosella Street, Dural. Unauthorised dumping of fill.	Local	\$ 542.00	25 November 2009: Action withdrawn.
	Total		\$245,723.00	

## Land Acquisition

In addition to the above legal proceedings for development control, the following has been incurred for land acquisition.

Project	Case	Court	Expenditure
10684	HORNSBY SHIRE COUNCIL-V-VALUER GENERAL CSR LIMITED-V-HORNSBY SHIRE COUNCIL Quarry Road, Hornsby	Supreme Court and Land and Environment Court	\$255,724.00
	Total		\$501,447.00

# Litigation summary - Traffic and Road Safety

Summary of the amounts incurred by the council in relation to legal proceedings.

Local Government Act 1993 s428(2)(e)

Name/Court Reference / Offence	Court date	Professional Costs	Results
RUPINDER SINGH HANS Disobey no stopping sign.	Mention 09.07.09 Hearing 2.10.09	-	Withdrawn
ROSSELINI DELA CRUZ Stop on/across driveway/ other access to / from land.	Mention 09.07.09 Hearing 12.10.09	-	Withdrawn
STEPHEN LLOYD SEAL Stop within 10 metres of an intersection without T/lights.	Mention 16.07.09 Hearing 15.09.09	-	S10 +CC
YING ZHANG Disobey no Stopping sign.	Mention 30.04.09 Hearing 28.08.09	-	Withdrawn
ROBERT JOHN FRANKE Disobey no Stopping sign- school zone.	Mention 10.09.09 Hearing 18.12.09	PC \$660	Fine \$300 CC \$76
ADRIAN BURRELL Exceed laden mass of road.	Mention 03.09.09 Hearing 18.12.09	-	Withdrawn
HERITAGE VILLAGE ESTATE PTY LTD Exceed laden mass of road.	Mention 13.08.09 Hearing 30.11.09	-	Dismissed CC \$76
JOSEPH NSAIR Exceed laden mass of road.	Mention 06.08.09 Hearing 11.12.09	-	Withdrawn Ranger no longer with Council
MAURIZIO EGITTO Exceed laden mass of road	Mention 20.08.09 Hearing 07.12.09	PC \$330	S10 CC \$76
STEPHEN BROWN Exceed laden mass of road.	Mention 30.07.09 Hearing 16.11.09	PC \$330	\$1,000 CC \$76

Name/Court Reference / Offence	Court date	Professional Costs	Results
PETER CLIFFORD PATRICK Disobey No Stopping sign.	Mention 08.10.09 Hearing 01.03.10	-	\$330 CC \$76
RICHARD Z GHOUSSAIN Exceed laden mass of road.	Mention 15.10.09 Hearing 02.03.10	PC \$330	\$500 CC \$76
AL-MUNIR KASSAM Not parallel park in direction of travel.	Mention 05.11.09 Hearing 22.02.10	-	\$149 CC \$76
IAN BRUCE FRY Not park wholly within parking bay.	Mention 10.12.09 Hearing 25.01.10	-	\$81 CC \$76
TONY KHOURI Stand vehicle in area longer than allowed.	Mention 17.12.09 Hearing 17.03.10	-	Dismissed
DEAN RICHARDSON Exceed laden mass of road.	Mention 18.03.10 Hearing 14.05.10	PC \$1200	\$1,000 CC \$76
GEORGE YACOB Exceed laden mass of road.	Mention 08.04.10 Hearing 28.05.10	PC \$165	\$1,013 CC \$76
JASON AJAI Disobey No Stopping sign.	Mention 29.04.10 Hearing 07.06.10	-	Dismissed S10
YU CHEN Disobey No Stopping sign.	Mention 10.06.10 Hearing 25.06.10	\$165	\$197
ANTHONY DENNIS JOHNSON Disobey No Stopping sign.	Mention 10.06.10 Hearing 25.06.10	\$165	\$195



## Work carried out on private land

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Summary of resolutions made under section 67 concerning work carried out on private land. Includes

- Summary or details of work
- Cost of work fully or partly subsidised by council
- Total amount by which council has subsidised any such work

*Local Government Act 1993 s428(2)(k)*

No private works were undertaken by Council during the 2009/2010 financial year.

## Stormwater management

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Comparison of actual stormwater management services with projected stormwater management services as proposed in management plan. Includes statement of reasons for any difference.

*Local Government Act 1993 cl 217(1)(e)*

Council has had no annual charge levied for stormwater management services.

# Society and Culture

## Enhance social and community wellbeing

Our aim: We strive to enhance our shared wellbeing through a strong sense of community, safe and valued public spaces, cultural development and diversity, and good access to services and facilities, addressing community needs and aspirations in a fair, efficient and equitable manner.



### Meet our diverse community needs

We work in partnership with residents and community groups, agencies and networks to make sure people feel supported, and needs, challenges and opportunities are, to the best of our ability, addressed in a timely and equitable manner.



### Create a strong sense of belonging

We help develop and maintain places where people feel a sense of belonging, meeting their cultural and social needs through a variety of networks, groups, services and facilities. We acknowledge the Dharug and Guringai people and their contribution, along with people of other cultures, to our values and rich history. We protect Aboriginal heritage, increasing our understanding and respect for our area's traditional custodians.



### Support healthy and interactive communities

We support healthy community life, including equitable access to quality services and facilities, a network of public places, recreation and open space, as well as opportunities to creatively participate in and contribute to our local and regional community.

### Legislative reporting requirements addressed in this section:

Aspect.....	Act / General Regulation
Principal Activities (Society and Culture).....	LGA Section 428(2)(b)
Multiculturalism .....	LGA Section 428(2)(j)
Financially assisting others .....	LGA Section 428(2)(l)

Aspect.....	Act / General Regulation
Needs of children .....	LGA Section 428(2)(r)
Access and Equity .....	LGA Section 428(2)(r)
Companion Animals .....	LGA Clause 217(1)(f)

# Principal activities

Comparison of actual performance against projected performance of its principal activities measured in accordance with the management plan; includes statement of reasons for any difference.

*Local Government Act 1993 s428(2)(b)*

Projected performance	Actual performance	Reasons for difference
Provide quality and safe recreation services at Council's indoor sports facility.	Usage 65.2 percent, compared to 64.7 percent for the same period last year.	N/a.
Undertake a Community Safety Plan for the shire.	Draft Plan completed.	N/a.
Review Council's Events Strategy to ensure events for the community are contemporary and responsive to community needs.	Action completed	N/a.
Undertake research into the demand, desired size and location, and possible partnership model for a multicultural centre in the shire.	Not completed	Funding not allocated.
Review the Pound services including actions to improve community awareness of the facility.	Services reviewed then new providers were engaged. This includes use of a pound and authorised temporary holding facilities. Resultant savings approx. \$65 000 p/a. Webpage updated and community informed of changes via information at veterinary surgeries.	N/a.
Continue to provide a grant assistance program to assist community groups to locate funding opportunities.	Action completed.	N/a.
Continue to provide funds to local community groups via the Community Donations Program to enable them to pursue mutual interests.	Action completed.	N/a.
Review Hornsby Shire's library operations including opening hours and service fees and charges.	Action completed.	N/a.
Via the Hornsby Library web site develop a local street and place names 'wiki' for users to load stories and photographs.	Not completed.	Timeline for project linked with Council's new website.
Undertake broad community engagement to inform Hornsby's Community Strategic Plan.	Action ongoing	Ongoing.
Review Council's Social Plan.	Action completed.	N/a.
Implement aspects of the Disability Discrimination Act Action Plan.	Action completed.	N/a.

## Multiculturalism

Details of programs to promote services and access for people with diverse cultural and linguistic backgrounds consistent with principles of multiculturalism

*Local Government Act 199 s428(2)(j)*

### Information sessions for migrants and families

Council, in partnership with Families NSW, the Department of Education and Training and local service providers, presented six information sessions at:

- Adult Migrant English Services (AMES),
- 'Transition in Culture' groups,
- Playgroups and
- Parent/family groups.

The sessions aimed to help migrants and parents to understand:

- The structure of Hornsby Shire Council,
- The services it provided to the community, and
- Information about child care and services available.

### Family relations and the law seminar

The Community Development team partnered with NSW Police, Ku-ring-gai Domestic Violence Network, Northern Sydney Women's Domestic Violence Court Advocacy Service (WDVCAS), AMES Hornsby, Department of Education and Training (DET) and TAFE to provide an information seminar on family relations and law. The seminar was designed to provide information to families on how Australian law affects them, their relationships, their legal rights and responsibilities in dealing with conflict within the families and services that are available to help. The seminar included guest speakers and panel sessions. Approximately 75 people participated in the seminar.



# Financially assisting others

Total amount contributed or otherwise granted under section 356 (financially assist others).

*Local Government Act 1993 s428(2)(l)*

Applications seeking a total of \$207,099 were received from 66 community groups. The program granted \$40,845 to 40 organisations.

Organisation	Funded Amount
Sa Rang Bang Korean Community	\$200.00
Lorna Hodgkinson Sunshine House	\$250.00
Australian Chinese Community Association	\$300.00
Chinese Family Group	\$400.00
1st Cherrybrook Scouts	\$500.00
1st Hornsby Scouts	\$500.00
Chinese Elderly Welfare Association Inc.	\$500.00
Combined Probus Club of Cherrybrook Inc.	\$500.00
Computer Pals for Seniors- Hornsby	\$500.00
Dial a Mum	\$500.00
Epping Scout Group	\$500.00
Galston District Eisteddfod	\$500.00
Hornsby Legacy Widows Club	\$500.00
Hornsby Rosemary Legacy Club	\$500.00
Normanhurst Scout Group	\$500.00
Scouts Australia NSW- Benowie District	\$500.00
The Shack Youth Outreach	\$500.00
Wisemans Ferry and District Community Health and Resource Centre	\$500.00
Cherrybrook Chinese Community Association	\$600.00
Hornsby and District TPI Social and Welfare Club	\$600.00
Self Help for the Hard of Hearing Australia Inc	\$600.00

Organisation	Funded Amount
The Wisemans Ferry Sunshine Group Inc	\$600.00
Australian Ling Lang Church	\$735.00
Easy Care Gardening Inc	\$800.00
Hornsby Community Church	\$1,000.00
Studio ARTES Northside Inc	\$1,000.00
Sydney Korean Women's Association	\$1,000.00
Hornsby Ku-ring-gai Police and Community Youth Group	\$1,100.00
Parkinson's NSW Hornsby Ku-ring-gai Support Group	\$1,160.00
Indian Seniors Group Hornsby	\$1,200.00
Migrant LINK Australia Ltd	\$1,200.00
SEVA International Inc	\$1,200.00
Pennant Hills Neighbour Aid Incorporated	\$1,250.00
Hornsby Ku-ring-gai Volunteer Coordinators Forum	\$1,400.00
Hornsby Ku-ring-gai Association Action for Mental Health	\$1,500.00
Hornsby Area Residents for Reconciliation	\$1,750.00
Hornsby Ku-ring-gai Domestic Violence Network	\$2,000.00
Mayors Youth Trust Fund	\$3,000.00
Hornsby Art Gallery	\$4,000.00
Emergency Relief Fund	\$5,000.00

## Needs of children

Details of activities to develop and promote services and programs that provide for the needs of children

*Local Government Act 1993 s428(2)(r) cl 217(1)(c)*

Council opened the new 72 place Greenway Park Early Childhood Centre in August 2009.

Council's commitment to children and families in the Shire has increased with the opening of the new centre by providing an additional 32 childcare places for children under 3 years old. The centre has been designed to ensure children in care are provided with high quality education and care, a safe, friendly and nurturing environment and a staff to child ratio reflective of the new regulation based on children's individual age groupings. Council's childcare centre at Cedarwood Drive, Cherrybrook was sold to partially finance the construction of the new centre. As such, children and families from the Cedarwood Drive centre were successfully transferred to the new centre at Greenway Park.

Greenway Park Early Childhood Education Centre



In 2010, Council conducted a review of childcare and services for children aged 0 to 5 years old. The review identified:

- falling utilisation rates in childcare services particularly with 3 to 5 year olds
- increasing fee structures across all services
- an over supply of child care place for 3 to 5 year olds in specific areas of the Shire
- an increased percentage of children using part time care arrangements rather than full time,
- a high demand for childcare places for children under 2 years old due to the undersupply of childcare places for babies.

Fathers Day at Greenway Park Childcare Centre, September 2010



The Child and Family Services Directory, developed by Hornsby Shire Council, was updated for 2009-2010 and is available on Council's website. 250 hard-copies of the directory were distributed to all local children and family services, primary schools and playgroups.



# Access and equity

Report on the council's performance in relation to access and equity activities to meet residents' needs outlined in council's management plan.

*Local Government Act 1993 s428(2)(r) cl 217(1)(d)(i)*

## Harmony Day, OneWorld Multicultural Festival

Council's OneWorld Multicultural Festival celebrates cultural diversity and Harmony Day by raising awareness of diversity and fostering a sense of belonging within the community. Council hosted the event and supported local CALD communities and organisations who were involved in the delivery of the festival. A diverse array of multicultural activities and a traditional costume parade were organised with Chinese, Korean and Indian communities for the Festival. Over 100 volunteers from local communities participated in the parade and multicultural activities which attracted over 5,000 visitors between midday and the fireworks finale.

## Chinese Mid-Autumn Festival

To celebrate Chinese culture, Council, in partnership with the Settlement Grants Program (SGP) and Kuring-gai Local Area Command of NSW Police Force, organised the Chinese Mid-Autumn Festival celebration to raise the awareness of Chinese culture. Approximately 80 people attended the event that included traditional Chinese food and entertainment performed by Chinese families. In addition, Council officers supported the SGP to organise a cricket game between the Kuring-gai Local Area Command and Indian migrants to foster positive community relations between the group and the Police.

## Language cards

A language card is provided to all customer services staff within Council. The card includes 29 different languages and allows the customer service officer to communicate with CALD communities.

## Employment assistance

To assist employment opportunities within the Shire, Council worked with Work Solutions to organise a 'Hornsby Career and Employment Workshop' for new migrants settled in the Hornsby LGA. The workshop provided an opportunity for participants to learn about the Australian job market, how to write a CV and interview tips.

## 'Green Living' information session for Chinese community

An information session about Council's 'Greenstyle Program' was offered to the Mandarin-speaking community and attracted over 30 participants. The session provided an opportunity for the Chinese community to learn about:

- Services provided by the program
- Support from the government for green living
- Tips on saving water and energy
- Advice about backyard plants

## Advocating for local families and CALD community

Council's Community Development Team submitted a report to the Department of Immigration and Citizenship (DIAC) regarding local needs and issues faced by members of our community based on the Settlement Grants Program review.

Council also participated in the consultation phase of:

- A humanitarian program (organised by the DIAC)
- The delivery of Multicultural Mental Health Services in Northern Sydney areas (organised by the Department of Health)
- Various Families NSW projects

## International day of people with a disAbility

In December, Council's Community Services Branch, in partnership with Hornsby Central Library and the Ageing, Disability and Home Care Departments, held an expo to celebrate International Day of People with a disAbility. The event featured presentations by a client of Assistance Dogs, and a client of Guide Dogs, with the dogs that had been assigned to them. Studio Artes Northside held an art display, which highlighted the wealth of artistic talent. Various service providers attended to provide information to carers and people with a disability.



## Children's voices for reconciliation

The Annual Children's Voices for Reconciliation event was held in Hornsby Mall in May. This event has been held since 2002 and, historically, is held during Reconciliation Week. The event featured 'Nature Nature', a didgeridoo and flute duo and Aboriginal performer Ryka Ali. The program commenced with a traditional 'Welcome to Country' by Darug Elder Auntie Edna Watson, and Ms Tracey Howie of the Guringai Tribal Link Aboriginal Corporation. A traditional smoking ceremony was conducted by Elder Uncle Wes Marne. Students from 10 schools, both public and private, from around Hornsby Shire, and one visiting school, Wilmot Public, made presentations in song, dance, poetry and storytelling. All presentations had a reconciliation theme.

## Grant funded programs

Council auspices Department of Immigration and Citizenship funding to provide the Settlement Grants Program that provides services to new migrants within the Hornsby Ku-ring-gai region. The program assists new migrants to become more self reliant and independent, enabling them to participate more fully and equitably in Australian society. The program offers a range of services including training and workshops, information sessions, mentoring and community support that have resulted in the development of a new incorporated multicultural group in the community. The program also offers one to one support and has supported over 250 new migrants from 25 different countries.

Council auspices Families NSW funding to provide 'The Aboriginal Community Facilitation Project' that provides services to Aboriginal families within the Northern Sydney region. The project offers information, support and referrals to families and networks and assists community groups in understanding Aboriginal culture and access to services.

A number of events and activities have been organised as part of the project throughout the region, those in Hornsby have included:

- Christmas in the Bush - around 70 Aboriginal community members from the northern Sydney region enjoyed games, children's activities and a visit from black Santa in this opportunity for the community to get together at Fagan Park, Galston.
- Hornsby Aboriginal Corporation - a Project Officer is working with Hornsby Aboriginal Corporation to continue to maintain and support the work of the Corporation by providing guidance about business planning, membership growth, corporate governance and other areas of corporation management.
- RTA Grant - the project was successful in obtaining two child restraints for the project vehicle allowing the project officer to transport community members with children aged between six months and seven years when required.
- Koori Interagency - The re-establishment of the Northern Sydney Koori Interagency (NSKI) has been a highlight as it has enabled Aboriginal workers in the area to come together and share ideas and knowledge and try to address local and regional issues.

## Additional outcomes include

- The NSKI is bringing together workers from across the region and is starting to break down some of the barriers that have been keeping the regions separated. This is assisting with dealing with issues that are affecting the Aboriginal community regionally.
- The NSKI gives organisations a chance to promote their services to a wider network and thus hopefully increase the attendance of Aboriginal community members.
- Ongoing coordination of the Hornsby Aboriginal and Torres Strait Islander Consultative Committee (HATSICC) which is a body made up of members of the local Aboriginal community including elders from both the Darug and Guringai people. The committee is a consultative mechanism for Council for when matters occur that impact on the land and the Aboriginal people of Hornsby Shire. This committee is coordinated by Hornsby Shire Council's Community Development Team and has been successful in guiding Council in many decisions since its inception.
- Hornsby Ku-ring-gai Home Modification and Maintenance - funded by the Department of Ageing Disability and Home Care, this service continues to grow and 680 jobs have been completed this year. The service has undergone a transformation during this period which has included recruitment of a Team Leader and Administration Officer, an office fit out, purchase of a new vehicle, and the purchase of a new database to assist in greater productivity.

# Companion animals

Statement on activities relating to enforcing and ensuring compliance with the Companion Animals Act and Regulation, including information on:  
*Local Government Act 1993, cl 217(1)(f). Companion Animals Act 1998*

## Lodgement of pound data collection returns with the department.

*Companion Animals Act 1998*

Council's data report was lodged 27 August 2010 and receipt thereof has been confirmed.

## Lodgement of data relating to dog attacks with the department.

*Companion Animals Act 1998*

Council's data was lodged with the department through the NSW Companion Animals Register as per the amended requirements commencing February 2009. A total of 107 entries were on the register.

## Amount of funding spent relating to companion animal management and activities.

*Companion Animals Act 1998*

Council spent a total of \$312,302.59 on companion animal management and activities.

## Companion animal community education programs carried out

*Companion Animals Act 1998*

Council provided information sheets on topics including:

- Micro chipping and registration.
- Responsibilities of dog owners.
- Controlling nuisance barking.
- Noise nuisance from barking dogs.
- Cat information.
- Wildlife protection areas.

Council also provided a school education session, 'Dog Safety', as part of its program about local government for school years 3 and 4. The session introduced students to identifying dog behaviour, how to behave around dogs, what not to do around dogs and how to safely meet and greet a dog that is under effective control with a handler. Students were provided with opportunities to practice 'meeting' a dog and scanning for microchips.

Council has also given information packs to new owners, pet stores and veterinary surgeries.

'Chip' is Council's companion animals' education mascot. 'Chip' is used to provide educational resources and to promote the 'Scoop up the Poop' program which included promotional material distribution via letterbox drops of leaflets, stickers and reward and warning cards, staff dissemination at off-leash areas, provision on request to local residents and inclusion with warning letters.

Council's companion animals officers also provide individual advice, information and educational resources (at large Council events) and Council-branded pooch pouches for free.

## Strategies Council has in place to promote and assist the de-sexing of dogs and cats

*Companion Animals Act 1998*

Council promotes desexing through the availability of information sheets and information on Council's website. Council encourages desexing prior to registration by allowing extra time to have animals de-sexed to enable owners to receive the benefit of the reduced registration fee. Council also promotes the National Desexing Network and RSPCA programs.

## Strategies in place to comply with the requirement under section 64 (Companion Animals Act) to seek alternatives to euthanasia for unclaimed animals

### *Companion Animals Act 1998*

Council's pound service provider, Thornleigh Veterinary Hospital, elected to cease being the pound from 30 September 2009. Council then commenced with a new provider, Sydney Dogs and Cats Home Inc (SDCH) at Carlton.

Strategies undertaken by Council to hold seized animals temporarily at local veterinary clinics and/or return them home have seen a decrease in the numbers transferred to the pound. Council maintains a lost and found register to assist animals and their return home.

The majority of animals transferred to the pound have no microchip or the details are incorrect on the register and the owner could not be contacted. SDCH, a charity organisation, if unable to identify the owner on different registers, assess the animal for their suitability to be re-homed. They retain them in care while waiting to re-home the animal or sometimes will retain them in foster care. All animals for sale are advertised on their website.

The adoption by Council of a feral cat policy has allowed local vets to identify cats brought in by local residents that are feral and euthanize them without the need for them to be transferred to the pound. The change in the pound provider has seen a decrease in the number of cats being handed into the pound and the rate of cats that have been euthanized.

## Off leash areas provided in the council area

### *Companion Animals Act 1998*

Hornsby Shire has six full-time off leash areas for exercising and training dogs. The areas are fully fenced with double gates at all entrances and have waste bins, dog waste bags and water.

These areas are:

- Asquith Park, Rotherwood Street, Asquith
- Crossroads Reserve, Corner Turner and Berowra Waters Roads, Berowra Heights
- Greenway Park, Shepherds Drive, Cherrybrook
- Rofe Park, Galston Road, Hornsby Heights
- Ruddock Park, Eucalyptus Drive, Westleigh
- Dawson Street, Thornleigh (new in 2009)

Two other sites are available. At both of these sites dogs must be kept on a leash during organised sport and games.

- Epping Oval, Norfolk Road, Epping (Penalties apply for dogs running onto turf wicket square)
- Ron Payne Reserve, Woods Street, North Epping

## Detailed financial information on the use of Companion Animals Fund money for management and control of companion animals in the area

### *Companion Animals Act 1998*

Companion animals received funding of \$76,796.00 from the Department of Local Government Companion Animals Register Funding. The detailed financial information relating to this funding is as follows:

Salary and wages	\$196,325.23
Other employee expenses	\$3,385.14
Materials and equipment	\$1,727.24
Legal expenses	\$7,218.05
Pound contract expenses	\$52,503.89
Internal corporate costs	\$51,143.04
<b>Total Expenditure</b>	<b>\$312,302.59</b>

# Economy

## Vibrant local economy and sustainable resource use

Our aim: We support existing and new viable businesses in the Shire and work with them to ensure their long term sustainability. We attract new investment that increases local employment and training resulting in a thriving and sustainable economy based on a diverse range of business-generating opportunity and wealth across our community. We effectively respond to climate change leading and working with the community in taking affirmative action.



### Respond to climate change

We mitigate our contribution to climate change by reducing greenhouse gas emissions, and adapting to future change through educating, working with and supporting our community to prevent and ameliorate the most serious risks we face. Council is committed to a carbon reduction target of 60% for our organisation by 2050, based on 1995/96 emission levels.



### Create a vibrant and resilient economy

We work with government, community and business to attract and support enterprises that help sustain a vibrant and resilient economy, matching the needs of our local and regional community, including food production, creative use of resources, and meaningful work, training and employment.



### Build capacity for local employment

We encourage working locally to reduce commuting and greenhouse gas emissions, promote local shopping and community development, and support business and training that builds capacity for and maintains a viable local workforce.

Legislative reporting requirements addressed in this section:

Aspect.....	Act / General Regulation
Principal activities (Economy) .....	LGA Section 428(2)(b)

# Principal activities

Comparison of actual performance against projected performance of its principal activities measured in accordance with the management plan; includes statement of reasons for any difference.

*Local Government Act 1993 s428(2)(b)*

Projected performance	Actual performance	Reasons for difference
Complete verification of geographical information system of cadastre, inc. verifying Council's land holdings information.	Ongoing.	N/a.
Review and update Council's <i>Section 94 Development Contributions Plan</i> .	Consultant preparing draft new <i>s94 Contributions Plan</i> .	Delayed and protracted release of Ministerial Directions, Circulars and Guidelines for the review by the Department of Planning.
Review and update Council's <i>Economic Development Strategy</i> .	Action completed.	N/a.
Investigate the existence of, opportunities for, and the marketing and promotion of business clusters in the Shire.	Investigations completed.	N/a.
Investigate and measure brand awareness and its impact on economic development in the Shire.	Action completed.	N/a.
Arrange business forums to provide an opportunity to network and seek feed back from the Shire's business community.	Action completed.	N/a.
Progress Council's <i>Housing Strategy</i> taking into account the <i>North Subregional Strategy</i> .	Action completed.	N/a.
Progress Council's <i>Employment Lands Strategy</i> taking into account the <i>North Subregional Strategy</i> .	Action completed.	N/a.
Continue the coordination and operation of the Visitor Information Centre.	Ongoing.	An interim coordinator appointed until the position of R&PDO has been determined.
Continue to work with the NSW Department of Planning and Parramatta City Council on a masterplan for Epping town centre.	Consultant appointed and undertaking study.	N/a.
Research the options and incentives desired by the development industry to encourage the upgrade/development of the Hornsby Westside.	Action ongoing.	N/a.
Investigate the potential to partner with a tertiary faculty and an existing learning provider in the Shire.	Investigations complete.	N/a.
Progress the preparation of Council's comprehensive Local Environmental Plan (LEP).	Draft Comprehensive LEP to be considered by Council by end 2010.	N/a.
Review and update Council's Sustainable Business Strategy.	Action deferred.	Project to be transferred to Planning and Environmental Sustainability and Health in 2010/11 for action.

# Governance

## Guide us towards a sustainable future

Our aim: We intend to maintain and deliver Council services in a transparent, timely and responsible manner, leading and supporting participatory planning and decision making that results in partnerships and consistent and effective policies, plans and actions that guide us towards a sustainable future.



### Accountable corporate management

We maintain accountable corporate management including resource allocation, planning and carrying out responsibilities, and record keeping through best-practice decision-making and reporting that supports our progress towards achieving our vision.



### Timely and responsive services

We provide timely and responsive services, regularly revising allocation of finances, resources and services to meet the needs of our community, upgrading and improving these services where required within the scope of our legal responsibilities and means, and the broader servicing framework involving other agencies.



### Consistent and effective policy and plans

We create and consistently apply an integrated set of effective policies and plans in our decision-making and actions, aligning our strategies and programs with them to achieve our key aims.

Legislative reporting requirements addressed in this section:

Aspect	Act / General Regulation
Copy of council's audited financial reports	LGA Section 428(2)(a)
Principal Activities (Governance)	LGA Section 428(2)(b)
Contracts greater than \$150,000	LGA Section s428(2)(h)
Mayor and Councillors	LGA Section 428(2)(f)
Senior staff	LGA Section 428(2)(g)
Human Resources activities	LGA Section 428(2)(m)
EEO Management Plan	LGA Section 428(2)(n)
External bodies exercising Council functions	LGA Section 428(2)(o)

Aspect	Act / General Regulation
Controlling interest in companies	LGA Section 428(2)(p)
Partnerships, cooperatives and joint ventures	LGA Section 428(2)(q)
Competitive neutrality	LGA Section 428(2)(r)
Special variation expenditure	LGA Section 508(2) s508A
Rates and Charges Written off	General Regulation 2005 cl 132
Privacy and Personal Information Protection Act 1998	Privacy and Personal Information Protection Act 1998 s33
Freedom of Information Act 1989 and Regulation	Freedom of Information Act 1989 and Regulation s68 cl 10



## Copy of Council's audited financial reports

*Local Government Act 1993 S428(2)(a)*

The 2009/2010 copy of Council's audited financial reports are detailed in Appendix 4 -Financials.

## Freedom of Information Act 1989 and Regulation

*s68 cl 10*

Information included on Freedom of Information activity is detailed in Appendix 2 - Fol Report.

## Principal activities

Comparison of actual performance against projected performance of its principal activities measured in accordance with the management plan; includes statement of reasons for any difference.

*Local Government Act 1993 s428(2)(b)*

Projected performance	Actual performance	Reasons for difference
Review, refine and update Council's Strategic Financial Plan.	Long Term Financial Plan developed with the inclusion of Asset Management Plan information.	N/a.
For Council's external services: develop auditable compliance plans as a framework for procedures, standards and best practice to minimise risk.	Slight delay, a broad outline of project has been determined.	Program is incorporated into Performance Planning reporting tool.
Continue to monitor the increasing demand for access to information through Section 12 of the <i>Local Government Act</i> , <i>The Privacy and Personal Information Protection Act</i> and <i>The Freedom of Information Act</i> .	Average = 15 working days to process Document Access Application. Policy requirement is 21 working days or less, therefore casual support position abolished.	N/a.
Develop a grants database that includes reporting and grant acquittal functionality.	Grants listing developed, updated quarterly, and maintained within Finance.	N/a.

Projected performance	Actual performance	Reasons for difference
Implement the adopted Human Resources Strategic Plan.	HR Strategic Plan is being implemented progressively.	N/a.
Investigate charging a fee for credit card usage.	Discussion paper being developed.	Project appeared in Management Plan, assigned to Finance, without prior discussion.
Undertake community research into preferred alternative rating models to fund significant upgrades to Council's major recreation facilities.	Action completed.	N/a.
Develop a 'snapshot' of Hornsby Shire that can be used as base data to track the Community Strategic Plan over time.	The Issues Papers developed to support the proposed infrastructure levy provided a first step towards a snapshot of the Shire.	N/a.
Undertake service reviews to identify potential efficiency gains and alternative service models.	A number of service reviews have been undertaken in 2009/10 including: Organisational structure review resulting in dissolution of Strategy Division and Executive Manager role, aquatic centres, Planning Division staffing levels, Tree removals service, the provision of clean-up services, the cost of provision of services to sporting groups, the operations of the Finance Branch, the provision of Council's vehicle fleet, the operations of Community Services Branch, library services and childcare services.	N/a.
Continue implementation of Oracle upgrade (version 12) to improve functionality.	HR Input (UAT etc.) into Oracle upgrade completed.	N/a.
Align Council's decision making and reporting process for business papers to the Hornsby 2020 Framework.	Put on hold until more resources become available.	Staff shortages.

## Mayor and Councillors

Total amount of money spent on mayoral and councillor fees.	<i>Local Government Act 1993 s428(2)(f)</i>	\$250,524 (\$52,360 – Mayoral \$198,164 – Councillors).
Council's policy on the provision of facilities for use by councillors and the payment of councillors' expenses.	<i>Local Government Act 1993 s428(2)(f)</i>	Policy title: Councillor's Expense and Facilitates (Statutory) - Refer Appendix 3.
Details of overseas visits by councillors, council staff or other persons representing council.	<i>Local Government Act 1993 s428(2)(r) cl 217(1)(a)</i>	Nil.
Total amount of money expended during that year on the provision of councillor facilities and the payment of councillor expenses, including separate details of the total cost of:	<i>Local Government Act 1993 s428(2)(f) cl 217(1)(a1)</i>	\$4,867 – facilities and expenses other than those listed below.
Provision of dedicated office equipment allocated to councillors.	<i>Local Government Act 1993 cl 217(1)(a1)(i)</i>	\$394
Telephone calls made by councillors.	<i>Local Government Act 1993 cl 217(1)(a1)(ii)</i>	\$11,170
Attendance of councillors at conferences and seminars.	<i>Local Government Act 1993 cl 217(1)(a1)(iii)</i>	\$10,526
Training of councillors and provision of skill development.	<i>Local Government Act 1993 cl 217(1)(a1)(iv)</i>	\$330
Interstate visits by councillors, including transport, accommodation and other out of pocket travelling expenses.	<i>Local Government Act 1993 cl 217(1)(a1)(v)</i>	Nil
Overseas visits by councillors, including transport, accommodation and other out of pocket travelling expenses.	<i>Local Government Act 1993 cl 217(1)(a1)(vi)</i>	Nil
Expenses of any spouse, partner or other person who accompanied a councillor.	<i>Local Government Act 1993 cl 217(1)(a1)(vii)</i>	\$750
Expenses involved in the provision of care for a child or an immediate family member of a councillor.	<i>Local Government Act 1993 cl 217(1)(a1)(viii)</i>	Nil

# Senior staff

Statement of the number of senior staff employed by the council during the year.

*Local Government Act 1993 s428(2)(g)*

Five senior employees were employed by Council during the year.

Statement of the total remuneration comprised in remuneration packages of each senior staff member employed during year. Includes for each such member, total of the following:

*Local Government Act 1993 s428(2)(g) cl 217(1)(b):*

Total value of salary component of package	<i>Local Government Act 1993 cl 217(1)(b)(i)</i>	Detailed in table below.
Total amount of any bonus payments, performance or other payments that do not form part of salary component	<i>Local Government Act 1993 cl 217(1)(b)(ii)</i>	There were no bonus payments paid.
Total employer's contribution to superannuation (salary sacrifice or employers contribution)	<i>Local Government Act 1993 cl 217(1)(b)(iii)</i>	Detailed in table below.
Total value non-cash benefits	<i>Local Government Act 1993 cl 217(1)(b)(iv)</i>	Detailed in table below.
Total fringe benefits tax for non-cash benefits	<i>Local Government Act 1993 cl 217(1)(b)(v)</i>	Detailed in table below.

Name	Position	Total Remuneration Package	Superannuation	Car Value	Cash Salary	FBT
Ball, Robert	General Manager	\$292,815.00	\$50,000.00	\$12,440.00	\$230,375.00	\$5,155.00
Bensley, Gary	Executive Manager Corporate and Community	\$188,671.00	\$37,845.11	\$9,740.00	\$141,085.89	\$7,001.00
Phillips, Scott	Executive Manager Planning	\$185,400.00	\$15,199.20	\$12,170.00	\$158,030.80	\$4,296.00
Stephens, Robert	Executive Manager Environment	\$191,523.00	\$50,000.00	\$9,560.00	\$131,963.00	\$2,231.00
Woodward, Maxwell	Executive Manager Works	\$191,523.00	\$54,648.41	\$11,180.00	\$125,694.59	\$4,584.00

## Contracts greater than \$150,000

Details of contracts awarded for amounts greater than \$150,000. Includes:

- Name of contractor
- Nature of goods or services supplied
- Total amount payable under the contract

*Local Government Act 1993 s428(2)(h)*

Nature of goods or services supplied	Name of contractor	Total amount payable under the contract
Supply and delivery of precast concrete drainage products.	Holcim (Australia) T/A Humes.	\$69,000.00
Material testing and site investigation.	SMEC Testing Services Pty Ltd.	\$87,000.00
Laboratory services.	Sydney Water Corporation Monitoring Services.	\$225,000.00
Manufacture and supply of stainless steel bollards.	T & M Group (NSW) Pty Ltd.	\$230,000.00
Landscape and associated bulk materials supply.	M. Collins & Sons Pty Ltd, Benedict Soil Pty Ltd, Camden Soil Mix Pty Ltd, and Thomson Landscape Supplies Pty Ltd.	\$250,000.00
Road suction sweeper.	Schwarze Industries Australia	\$272,074.00
Supply and delivery of road materials.	Hanson Construction Materials Pty Ltd.	\$300,000.00
Concreting form and finish.	Foster Civil Contracting, Devries Concreting & Excavations, and South West Kerbing.	\$324,000.00
Hornsby quarry land filling approval.	Cardno Pty Ltd.	\$350,000.00

Nature of goods or services supplied	Name of contractor	Total amount payable under the contract
Landscape maintenance and bush regeneration.	Dragonfly Environmental Pty Ltd, Australian Bushland Pty Ltd, Sydney Bush Regeneration Pty Ltd, Bush Habitat Restoration, Co-operative, Bush-it, Bushland & Rainforest Regeneration, Ecohort Pty Ltd, Lane Cove Bush Regenerators Co-operative Ltd, National Trust of Australia (NSW), Toolijooa Pty Ltd, and Total Earth Care.	\$360,000.00
Electrical services.	D&JF Scaife, and Rob Edwards Electrical Services Pty Ltd.	\$450,000.00
Maintenance of storm water pollution assets.	Envirocivil.	\$600,000.00
Lease of PC hardware and accessories.	Dell Australia.	\$628,000.00
Supply and delivery of concrete.	Able Metromix Concrete and Hanson Construction Materials Pty Ltd.	\$400,000.00
Provision of domestic waste collection services.	Transpacific Cleanaway.	\$52,500,000.00
Provision of legal services.	Crawford & Duncan Lawyers, Marsdens Law Group, Matthews Folbigg Lawyers, Pikes Lawyers and Storey & Gough Lawyers.	\$806,000.00

# Human Resources activities

Statement of human resources activities.

*Local Government Act 1993 s428(2)(m)*

The Human Resources Branch aims to assist the organisation in the achievement of its strategic objectives through the provision of professional services and support systems. These services and systems enable the organisation's managers and team leaders to effectively and efficiently lead and manage their people. The branch also aims to be customer focused and is organised into four teams that enable HR staff to concentrate on achieving specific outcomes in particular HR discipline specialities. These teams are:

- Learning and Development (L&D).
- Occupational Health and Safety (OH&S).
- Payroll Services.
- Employment Services.

Led by the Manager, Human Resources, the Human Resources Branch has also worked with management and staff to achieve continuous improvement in the various policies, systems and procedures that underpin good leadership and people management.

## HR Strategy development

While the branch works predominately at the administrative and operational levels of HR management, significant effort at the strategic level has been undertaken by branch staff over the reporting year. A five year Human

Resources Strategic Plan was approved in late 2008 and implementation of various strategic improvement actions has continued over the 2009/2010 year. The major strategic HR focus has been to progress the reform of Council's remuneration and reward systems. Several projects have been conducted including a major review of the Salary System and the Performance Management System.

## Workplace relations

Hornsby Shire Council's industrial environment continues to be a harmonious one, where staff, management and unions have worked together to maintain a positive working relationship. The Human Resources Branch works diligently to keep abreast of the potential industrial implications arising from the internal and external environments, and advises the organisation accordingly.

There has been no time lost due to industrial disputation in the reporting year.

## Achievements

Much of the 2009/2010 year focused on service delivery and the implementation of actions from the HR Strategic Plan. The branch achieved the following:

- Implemented a comprehensive improvement program to reform Council's remuneration and reward systems. This program consisted of seven projects, including

salary system reform, performance management system reform, and payment of higher duties review.

- Implemented a new Recruitment and Selection Determination and Procedures.
- Implemented a new Payment for Higher Duties Determination and Procedures.
- Completed a major review of Council's Child Protection Determination.
- Participated in the upgrade of Council's HR and payroll system, Oracle (to v 12.1).
- Developed and implemented KRONOS online leave application functions.
- Completed production of a comprehensive Payroll Processing Manual.
- Coordinated a tiered management development program (senior management and frontline management), including accreditation of internal trainers for frontline management development.
- Commenced implementation of the SmoothMoves Program (manual handling training/awareness program).
- Commenced implementation of the Beyond Risk training package – an OH&S risk assessment/management training DVD and associated training package (co-funded by Council's industry based insurer, StateCover).



## EEO Management Plan

Statement of activities to implement EEO management plan.  
*Local Government Act 1993 s428(2)(n)*

Hornsby Shire Council is an Equal Employment Opportunity (EEO) employer whose practices aim to ensure that the workplace is free from illegal discrimination, including bullying and harassment.

Key EEO activities included:

- Revising Council's EEO Advisory Committee's Constitution, including the holding of staff representative elections;
- Completing the majority of actions from the 2008-2010 EEO Management Plan, with a small number of actions carried over to the 2011-2013 EEO Management Plan, in line with the priorities of the Human Resources Strategic Plan.

Examples of completed actions from the EEO Management Plan 2008-2010 include:

- Review and approval of Council's Recruitment and Selection Determination.
- Recruitment training of 69 staff.
- Induction training, incorporating EEO principles, of 139 new staff.
- Presentation about EEO principles to managers.
- Update of committee and awareness posters which were then displayed around the organisation.
- Training of eight Grievance Officers.
- Inclusion of seven EEO articles in staff newsletter, *OurChat*.

## External bodies exercising Council functions

Statement of external bodies that exercised functions delegated by council.

*Local Government Act 1993 s428(2)(o)*

In accordance with the *Local Government Act 1993*, the statement of 'external bodies' is limited to those organisations which exercised functions delegated by Council. In 2009/2010, there were no 'external bodies' exercising functions delegated by Council.

Council has entered into a service agreement with the Rural Fire Service outlining roles and responsibilities of the respective parties.

## Controlling interest in companies

Statement of all companies in which council held a controlling interest.

*Local Government Act 1993 s428(2)(p)*

Council did not hold a controlling interest in any company in 2009/2010.

## Partnerships, cooperatives and joint ventures

Statement of partnerships, co-operatives or other joint ventures including public-private partnerships to which council was a party.

*Local Government Act 1993 s428(2)(q)*

Council was a party to numerous relationships during 2009/2010. These are documented throughout this report so as to retain the context in which the relationship occurred.

# Competitive neutrality

Council considers some of its operations and services as business activities and has adopted the principle of competitive neutrality with respect to those activities, even though they are operated within the existing divisional structure.

## Category 1

*Local Government Act 1993 s428(2)(r) cl 217(1)(d)(ii):*

- Aquatic centres and sports stadium.
- Nursery and preschools.

## Category 2

*Local Government Act 1993 s428(2)(r) cl 217(1)(d)(iii):*

- Property services.
- Development assessment services.
- Commercial waste.

Statement of expenses, revenues and assets for each activity.

*Local Government Act 1993 s428(2)(r) cl 217(1)(d)(iv):*

The statement of expenses, revenues and assets for each activity is reported in Appendix 4 - Financials

Summary of progress of council in implementing principles of competitive neutrality.	<i>Local Government Act 1993 s428(2)(r) cl 217(1)(d)(v)</i>	No complaints were received during the 2009/2010 financial year.
Statement as to whether competitive neutrality pricing requirements have or have not been applied to each Category 1 business activity.	<i>Local Government Act 1993 s428(2)(r) s428(2)(r) cl 217(1)(d)(vi)</i>	
Statement re the establishment of a complaints handling mechanism for competitive neutrality complaints. Includes:	<i>Local Government Act 1993 a cl 217(1)(d)(vii)</i>	
Manner in which publicises and makes known to public.	<i>Local Government Act 1993 cl 217(1)(d)(vii)</i>	
Comparison of performance with projected performance and statement of reasons for difference for each activity.	<i>Local Government Act 1993 s428(2)(r) cl 217(1)(d)(viii)</i>	
Summary of complaints received.	<i>Local Government Act 1993 a cl 217(1)(d)(ix)</i>	
Subject matter or nature of complaints.	<i>Local Government Act 1993 cl 217(1)(d)(ix)</i>	
Statement as to outcome of complaints, includes number disposed of and number outstanding.	<i>Local Government Act 1993 cl 217(1)(d)(ix)</i>	

# Special variation expenditure

Report on special variation expenditure if required to do so by the instrument made by the Minister.

*Local Government Act 1993 s508(2) s508A*

## Hornsby Quarry Loan Rate

In 2002, Council was required under the Hornsby Local Environmental Plan, prepared in accordance with the Environmental Planning and Assessment Act 1979, to acquire the Hornsby Quarry site. The amount of compensation was determined to be approximately \$25 million, in accordance with notice given under the Land Acquisition (Just Term Compensation) Act 1991. Consequently there was a need to borrow the funds to pay for this acquisition plus initial interest paid, and this borrowing took place in early 2004.

In order to fund the repayments, this rate was approved by the Minister for Local Government on 10 June 2005 for a 10 year term and is based on an increase to Council's 2004/05 notional general rate income, increased by the annual rate pegging increases (as announced by the Minister for Local Government) commencing 1 July 2005 and continuing until the 2014/15 financial year.

On 14 June 2006, Council resolved to restructure the loan to align the loan term to that of the rate. On 19 June 2006, Council repaid the \$26 million existing loan by drawing down

\$19.7 million on the (new) restructured loan and applying \$6.3 million including the part proceeds from the sale of the old George Street, Hornsby depot site. Repayments on the new loan include principal and interest.

The balance owing was \$13,269 million at 30 June 2010 and is expected to be approximately \$11,444 million at 30 June 2011.

## The Catchments Remediation Rate

The Catchments Remediation Rate (CRR) is levied at five percent of Council's ordinary rate income on properties throughout the Shire. All modified catchments impact on water quality and benefit from environmental and water quality improvements, in terms of improved quality of life for ratepayers. In 2009/2010, income received from the CRR special rate was \$2.65 million.

The Catchments Remediation Program for 2009/10 identified locations across the Shire where water quality improvement initiatives were to be constructed and

installed. In 2009/2010, 10 catchments remediation capital works projects were completed at a total cost of \$886,000. These works involved the construction of five large end-of-pipe bioretention systems, two stormwater/leachate harvesting schemes (one of which had grant funding), one stream remediation project, two streetscape rain gardens and five bioretention tree pits.

The program also supports a number of pollution prevention initiatives such as environmental education, industrial auditing, street sweeping, emergency spill response and pollution regulation. In addition to the pollution treatment and prevention initiatives, the CRR funds ongoing works associated with the maintenance and monitoring of these assets and the receiving waterways. In 2009/10 these costs included \$284,000 to have contractors clean and maintain its water quality assets and adjacent landscaped areas with 1,160 cubic metres of sediment, litter and organic matter being removed from the Shire's drainage system and waterways with an additional \$86,000 spent on asset renewal and repair.

## Rates and Charges Written off

Amount of rates and charges written off during the year.  
*General Regulation 2005 cl 132*

During 2009/2010 the following rates and charges were written off under the *Local Government (Rates and Charges) Regulation 1993*:

Pensioner rates	\$1,758,444*
Non-pensioner rates (postponed)	\$6,412
Interest (postponed)	\$2,892

\*55 percent of this is recovered from the State Government

## Privacy and Personal Information Protection Act 1998

Statement of action taken by the council in complying with the requirements of the PPIP Act.

*Privacy and Personal Information Protection Act 1998 s33*

Council has adopted a Privacy Management Plan to meet Council's legislative requirements under the *Privacy and Personal Information Protection Act 1998*, to confirm Council's commitment to privacy protection and to outline Council's practice for dealing with privacy and personal information in accordance with the Information Protection Principles. Council also uses the Privacy Management Plan to comply with the Health Privacy Principles as set out in the *Health Records and Information Privacy Act*.

Statistical details of any review conducted by or on behalf of the council under Part 5. (Part 5 relates to the review of certain conduct being: contravention by council of an information protection principle or of a privacy code of practice, or disclosure of personal information kept in a public register). *Privacy and Personal Information Protection Act 1998 s33*

There were no reviews conducted by, or on behalf of, Council under Part 5.

# Appendix 1

# Appendix 1

## State of the Environment Report

# Appendix 1 - SoE Report

## The 2009/10 State of the Environment Report for Hornsby

The 2009/2010 State of the Environment (SoE) Report highlights that Council is making good progress towards sustainability in corporate and community action, waste reduction, bushland protection, energy and water use. The SoE Report is a legislated requirement, which assesses the Shire's natural and built environments and is a strategic tool that assists in the planning of future actions to keep the Shire healthy. It assists in identifying environmental pressures across the Council area and enables Council to develop responses that can have a positive effect across various environmental and social issues.

During 2009/2010, Council made further steps towards achieving its performance indicator targets. Through implementation of actions set out in the Sustainable Energy Strategy, Council maintained its greenhouse gas emissions at 29 percent of 1995/1996 levels and assisted the community to reduce its emissions by 4.5 percent of 1995/96 levels. Some of the actions include: commissioning of HVAC predictive maintenance technology for Council's libraries, the installation of a 1.5kW wind turbine and solar photovoltaic system at the Rural Fire Service at Cowan and the installation of 1.5kW solar photovoltaic systems, energy efficient lighting, water saving devices for hand basins, showers and toilets at Epping, North Epping, West Epping and Somerville Ovals.

Council has implemented a number of water saving projects in its aim to reduce water consumption by 21 percent, based on Council's average water consumption between 1999 and 2001. These projects have included: harvesting water to irrigate sports ovals, monitoring the top 10 water usage sites with Sydney Water and successfully completing an Every Drop Counts Business Program Diagnostic Review. This review qualifies Council to maintain its 5-Star accreditation.

Council's Catchments Remediation Rate projects have again contributed to improved water quality in the Shire with approximately half of the monitored waterways being classified as 'good to fair' when compared to the national guidelines (ANZECC Guidelines). The Catchments Remediation Rate projects prevent a significant amount of pollution from entering the waterways. Council is committed to protecting and improving its local natural environment through its Biodiversity Conservation Strategy, on ground bush regeneration work and a large volunteer Bushcare Program. Council also provides free native plants to residents four times a year and is encouraging local nurseries to provide local native stock to residents for their gardens. A larger area of bushland (ha) is in the active care of the community and Council compared to last year.

Domestic waste collections recorded a 54 percent diversion from landfill and Council provided two e-waste and chemical collection services resulting in 66 tonnes of e-waste and 65 tonnes of chemicals being removed from the waste stream. A number of waste education programs were delivered, such as composting workshops, a recycled art competition and a clothing exchange.

This year Hornsby Shire Council has again participated with the seven councils from Northern Sydney Regional Organisation of Councils (NSROC) to produce its Regional State of the Environment (SoE) Report. The Regional SoE Report provides a greater understanding of broader issues and assists in ensuring greater partnerships to solve regional issues as well as greater leverage to lobby on these issues.



## Environmental Performance Indicators

GRI indicator	Environmental performance indicators	2007/08 Result	Trend
EN10	Percent of water consumption reduction achieved through Council's initiatives for its own operations – target 20 percent by 2011.	These figures will be reported in 2011	--
	Percent of water consumption reduction achieved through Council's initiatives for the community – target 18 percent by 2011.		--
EN11	Percent area of bushland (ha) in the active care of the community and Council compared to the total bushland under Council's management – target 12.2 percent.	12 percent	✓
EN13	Area of bushland (ha) on private land lost to development – target, no net loss of bushland.	6.8 ha (offset by 8.5 ha revegetated)	✓
EN13	Habitats protected or restored – number of Bushcare volunteers	879	✓
EN18	Percent of greenhouse gas reduction achieved through Council's initiatives for its own operations - target 30 percent by 2010.	29 percent	✓
	Percent of greenhouse gas reduction achieved through Council's initiatives for the community – target 5 percent by 2010.	4.5 percent	✓
EN22	Percent of domestic material by weight collected by Council going to landfill – Target 42 percent or less.	46 percent	✓
EN22	Tonnes of recycling diverted from landfill – target 18,492 tonnes or more.	20,367T	✓
	Tonnes of green waste diverted from landfill – target 14,340 tonnes or more.	17,805T	✓
EN25	Percent of monitored healthy waterways within the Shire – Target 50% percent.	47percent	✗
EN26	Impact of environmental initiatives (number of programs implemented in progression to sustainable corporate governance) – target 30 programs.	28	--

KEY: ✓ Towards sustainability ✗ Away from sustainability -- No trend ? No data

## Environmental sustainability

Council has implemented many programs to ensure that it has its own house in order in terms of environmental performance. Twenty-eight programs have been implemented, including: Green Procurement, Hornsby Shire 2020 – Our Framework for a Sustainable Future, Climate Change Adaptation Program and Quadruple Bottom Line decision making, Total Water Cycle Management and Waste Minimisation.

The Sustainable Procurement Committee at Hornsby Shire Council is currently working to ensure that sustainable procurement becomes standard practice. Staff responsible for purchasing have been provided with training to ensure sustainability criteria are addressed during the purchasing and tendering process. A sustainable procurement survey was conducted in 2009/2010 to identify the knowledge of Council staff concerning sustainable procurement, the Sustainable Procurement Committee and suitable information sources on sustainable procurement. The survey found that further training on sustainable procurement would be beneficial and that Council's intranet and emails would be the preferred source of information.

### Brooklyn and Dangar Island Sewerage Scheme

In 1997 the New South Wales government announced the Priority Sewerage Program and identified that a sewerage system would benefit the communities of Brooklyn and Dangar Island. In 2000, Sydney Water prepared an Environmental Impact Statement (EIS) for the proposed scheme and a Supplement to the 2000 EIS was approved by the Minister for Planning in March 2006. A low pressure sewerage scheme was chosen to service the villages of Brooklyn and Dangar Island.

Sydney Water commenced construction of the scheme in April 2006 and liaised with Hornsby Shire Council regarding connections to the system. Connections to the sewerage system were available for residents from 2008.

To date approximately 97 percent of properties have connected to the sewerage system. Of those properties not connected, many are earmarked for future development. In accordance with the *Brooklyn and Dangar Island Sewerage Scheme Connection Policy*, properties are required to be connected to the sewer or the on-site sewerage management system at the property is to be upgraded to meet best practice on-site sewage management. Council's Environmental Sustainability and Health Team, in conjunction with Sydney Water, have been liaising with owners of unconnected properties to comply with the connection policy and also coordinating the decommissioning of septic systems at the connected properties.

### Mount Kuring-gai Sewerage Scheme

There are approximately 80 lots in the Mount Kuring-gai Industrial Estate. All lots are zoned industrial except for one residential property. Construction of the sewerage system for the Mount Kuring-gai Industrial Area was completed by late 2008.

Council's Environmental Sustainability Team is working in partnership with Sydney Water to facilitate connections of properties to the sewerage system. The *Mount Kuring-gai Sewerage Scheme Connection Policy* requires all industrial, commercial and residential properties to connect to Sydney Water's sewer within two years of the sewer being made available.

### Council's Food Inspection Program

Health Officers from the Environmental Sustainability and Health Team conduct mandatory food safety inspections of retail and service food businesses. Those that are categorised as high and medium risk due to the food prepared and service provided are required to be inspected each year. A total of 444 inspections were completed and, of these, 200 achieved a satisfactory rating at their initial inspection. Any non-compliance with even one designated high risk food safety priority means automatic reinspection is required until this compliance is achieved. A total of 247 reinspections were completed and 32 second reinspections. Officers undertake graduated enforcement actions depending on the deemed risk to public health and safety.

## Human Settlement

A major challenge presented by sustainable planning is the balancing of conflicting land use issues. For example, in the provision of housing, Council must have regard to the Shire's environmental and community needs. Consideration needs to be given to issues such as appropriate urban form and design, conserving environmentally sensitive areas, accommodating population growth and catering for community desires. Additionally, recent years have shown a relatively weak local demand for commercial and industrial development and a high demand for residential housing. This has meant increased pressure to redevelop or rezone commercial and industrial land entirely for residential purposes, thereby challenging future local employment opportunities.

## Heritage

Council is proud of its most recent achievements involving the identification, documentation, promotion and conservation of heritage assets within the Shire including the following:

- Council reviewed the Heritage Committee Constitution, increasing the number of technical representatives to up to four members
- Council requested the gazettal of the findings of Heritage Review Stage 4, involving an independent heritage assessment of numerous sites
- Local heritage assistance funds were allocated towards 10 projects providing kick-start assistance for works exceeding \$176,540. With annual assistance equalling \$60,000, Council has one of the highest valued funds of NSW councils. Since 1995, 172 projects valued at over \$2.1 million have been supported =
- Council has been conserving Bar Island, a small island in the lower Hawkesbury River which is listed on the Register of the National Estate. Council recently installed interpretive signs informing the community about the island's Aboriginal, European and natural heritage
- Council commenced a significant project to restore the Hornsby Depression Era Heritage Steps. The detailed survey and conservation specifications will be used to commence restoration of the steps
- Council surveyed all its cenotaphs, identifying work required to restore each cenotaphs, many of which are listed.
- The Hornsby Shire Heritage Festival this year included free and subsidised activities including:
  - 'The Making of Our Nation' Exhibition by the Hornsby Shire Historical Society, in conjunction with Council's Local Studies Library.
  - Aboriginal Heritage Walk, Old Peats Ferry Road, Brooklyn led by a local Research Historian and Aboriginal guide.
  - Fagan Park Open Day, Galston organised by the Friends of Fagan Park, including opening of heritage precinct buildings and demonstrations of working farm machinery.
  - Heritage Walk/Talk – Hornsby Railways led by a member of Council's Heritage Committee, outlining the history and importance of the railway in developing the Shire
  - Hawkesbury River Boat Trip, Brooklyn guided by a local historian, followed the historic development of the Hawkesbury River settlements.
  - The Heritage Awards Program acknowledged recent work undertaken on places of cultural heritage significance and efforts to educate the community on heritage within Hornsby Shire.
- Council is coordinating the adaptive reuse of Wallarobba, a Federation house built in 1903 and occupied by Alfred R. Parker, a Councillor of Hornsby Shire (1926-30) and Lord Mayor of Sydney (1934). The heritage building will be used as arts/cultural facility, whilst enhancing, where possible, the heritage of the site.

## Waste

A new waste collection contract was awarded to Transpacific Cleanaway who started in February 2010. Council has placed stickers on the new truck fleet with images of the 'Bin Crew' logo and a waste reduction message. Hornsby Shire Council has continued to use the 'Bin Crew' logo in all promotional material, to help achieve recognition with the waste reduction messages delivered to the community at events and displays.

In 2009/2010, 50 percent of all materials collected were recycled from the domestic waste collections service. There were a number of minor changes that could have affected this result, including a general trend that indicates that waste generation per household has increased since the previous year. It is unlikely that further significant increases will be achieved past this point without the introduction of additional waste treatment technologies and facilities.

Other recycling within the Shire includes two drop-off weekends for e-waste, where an average of just less than 100 tonnes was collected. Council has also run a six month trial e-waste drop-off (Monday to Friday and late night Tuesday) at its Thornleigh depot, where approximately 100T was collected during the trial period. Chemical collection weekends were again run this year with 25.5T collected in one day in November 2009 and another 48.5T collected over two days in March 2010. Needles and sharps continued to be collected at particular pharmacies across the Shire as part of our needle safe program.

Green waste chipping days have continued to be in demand, with on average over 100 cars per day at most of the locations. The Fridge Buyback Scheme has continued to be very popular in the Shire, with 43 tonnes of fridges recycled.

The 'Returned to Glory' Recycled Art Competition was again run successfully this year, with close to 50 entries and over 500 people viewing the exhibition.

The Eco Garden at Fagan Park has been given a new lease of life with a make-over and a casual waste education officer coordinating workshops for children, open days and activities at the garden.

## Water

Hornsby Shire Council's Water Conservation Policy would not be effective without community support. To this end, the policy sets a goal for a community reduction of 18 percent by 2011 against the average of community water use over the years 1999 to 2001. The water education programs for the Hornsby Shire community are influencing behaviour. Council's corporate target is to achieve a 21 percent water consumption reduction by 2011 against the average of Council's water use over the years 1999 to 2001. Council's corporate water consumption for 2007-2008 (152.8 ML) was a significant decrease on the previous financial year 2006-07 (200.5 ML)

Total water consumption in the Hornsby Shire community (commercial, other, units, flats and houses combined) was 13,062 ML in 2008-09. The corporate water consumption for 2008-09 was 157 ML. The Hornsby LGA total water consumption was therefore 13,219 ML. Council is awaiting water consumption data on the Hornsby LGA for 2009-10 from Sydney Water.

Council has implemented a number of water saving projects including:

- *Greenway Park Stormwater Harvesting Project* - harvested water is used to irrigate two sports ovals. This is expected to reduce annual water consumption of mains water by 13 to 19 mega litres.
- Obtained \$2.4 million Federal Government funding under the *Regional and Local Community Infrastructure Program* for the Epping Stormwater Reuse and Energy Efficiency Project – recycling of stormwater at three major public ovals located at Epping and Eastwood and installation of energy efficient measures at four ovals.
- Organised a Council-wide attendance at the *Sydney Water Speakers Program*.
- Entered a Memorandum of Understanding in August 2008 between Council and Sydney Water for the permanent monitoring of the top 10 water usage sites to understand water usage patterns and maintain low leakage across the Shire.
- Compiled an Analysis of Potable Water Consumption for the Hornsby LGA for 1998 to 2008.
- Successfully completed an Every Drop Counts (EDC) Business Program Diagnostic Review.
- Rainwater tank and grey water reuse workshops were held to assist residents to install rainwater tanks and reuse grey water within their homes.

The principal objective of installing stormwater treatment measures is to improve the quality of stormwater entering Hornsby Shire's waterways by removing pollutants and in some instances retaining stormwater flows. In 2009/10, 12 catchments remediation capital works projects were initiated and completed. These works involved the construction and/or installation of four end-of-pipe bioretention systems, three stream remediation/waterways stabilisation projects, 11 gross pollutant devices, two streetscape rain gardens, nine bioretention tree pits and two stormwater harvesting and reuse projects.

In 2009/2010, the Water Catchments Team continued long term health monitoring of streams and estuary. The calculation method for the target indicator changed this year to better reflect the concentration of monitoring at impacted sites. The measured ratings for 2008/9 were 'good' at 47 percent of sites and 'poor' at 53 percent of sites when compared to the national guidelines (ANZECC Guidelines). Increasing population and urbanisation increases water contamination pressures, versus ongoing and more effective environmental education and stormwater remediation technologies which result in improved water quality. The calculated water quality ratings are very dependent on chosen sampling sites. Poor ratings predominantly occur as a result of excessive nitrogen arising from large volumes of sewage treatment plant discharges into Berowra and Calna Creeks, or occur at sites located downstream of intense urban or rural activities. Sites with 'good' ratings are located in areas of the least human disturbance and are located further downstream of land development or in estuary areas strongly flushed by tides.

Council has continued to monitor and manage the cleaning

of existing and new stormwater improvement assets, general upgrades and repairs and associated maintenance (e.g. bush regeneration) of surrounding areas as an ongoing function of the catchments remediation program. Council conducted 70 metres of creek remediation and stabilisation works on Tedbury Creek in Pennant Hills. The NSW Coastal Conference Award 2008 for Local Government was won by Hornsby Shire Council for the implementation of the Berowra Creek Estuary Management Plan. Council also won the Stormwater Industries Association Award for Excellence in Stormwater Software Development for a stormwater harvesting model. Catchment education occurred via community catchment tours, displays at festivals and visits to schools.

Council's Lower Hawkesbury Estuary Management Plan and Program provides an integrated and strategic approach to the management of estuarine assets. These assets are protected through the implementation of strategies which incorporate:

- Planning - ensuring planning instruments include best practice and provisions for sustainable development
- Research- undertaking programs to monitor estuarine health and prepare for climate change
- Education - engaging local communities and schools through estuary awareness activities
- Compliance - encouraging riverside settlements to implement sustainable practices
- On-ground works - installing infrastructure and undertaking regeneration programs to protect estuarine assets.

## Atmosphere

Council has a community greenhouse emission reduction target of five percent by the year 2010 of 1995/96 emission levels. It has achieved a reduction of 4.5 percent at the end of the 2010 financial year through the implementation of a variety of programs including:

- The Business Energy Savings Program which aids businesses in implementing energy saving measures within their operations
- Waste reduction programs including mulch chipping days, workshops on composting and recycling tours
- Greenstyle - to increase biodiversity on private property and assist residents to live more sustainably in their homes
- Energy efficiency - promoting government rebates for solar hot water and solar photovoltaic systems, promoting Fridge Buyback Scheme, and promoting the purchase of '3-star' or more WELS rated household white goods
- Hornsby Environment Network for Schools (HENS)
- Sustainable House Day bus tour

Council has continued to implement actions contained within its Sustainable Energy Strategy further reducing its own greenhouse gas emissions by 28.5 percent of 1995/96 emission levels. These have included the following:

- Commissioning of HVAC Predictive Maintenance technology for Council's libraries
- Investigation of options for carbon neutrality



- Partnering in a tender for a data management software package to enable continued inventory of Council CO<sub>2</sub> emissions
- Continued implementation of actions arising from the Sustainable Fleet Management Study
- Expansion of the Sustainable Procurement Committee
- Installation of a wind turbine and solar photovoltaic system at the Rural Fire Service, Cowan
- Installation of 1.5kW solar photovoltaic systems, energy efficient lighting, water saving devices for hand basins, showers and toilets at Epping, North Epping, West Epping and Somerville Ovals
- Designing an ark-voltage transformer to save electricity costs and CO<sub>2</sub> emissions by optimising the voltage and power quality from the supply network to match the building's power usage needs.

Council has continued to investigate ways to implement its Climate Change Adaptation Strategic Plan. The plan focuses on five key impact areas identified as relevant for Hornsby Shire including heat, bushfires, ecosystems, rainfall, and the rise of sea levels

The plan identifies and quantifies potential climate change impacts on the natural and built environments of the Shire. Highly vulnerable attributes such as people, properties and infrastructure have been identified and subsequently a climate change risk assessment has been conducted. The risk assessment process was specially tailored to suit climate change impacts and was inclusive of a sustainability assessment. This step allows Council to optimise allocation of resources for effective and efficient implementation of adaptation actions.

The top 12 impacts and associated actions have been assessed to have level 'A' priority ranking, indicating that the actions are an 'extreme' priority. The level 'A' ranking also indicates that the action is expected to yield highly sustainable outcomes. It should be noted that each of the top 12 impacts and associated actions has equal weighting and is not ranked within the level 'A' prioritisation.

## Bushland and Biodiversity

Hornsby Shire Council is known as the Bushland Shire because of its extensive bushland areas and scenic amenity. Bushland areas cover almost 75 per cent of the Shire, with approximately 5,750 hectares managed by Council. This includes the 3,830 hectare Berowra Valley Regional Park that is jointly managed by Hornsby Shire Council and the Department of Environment, Climate Change and Water (DECCW).

Council's bushland regeneration program consists of 50 long term sites predominantly on Council owned land but also on Crown land and DECCW land that is co-managed with Hornsby Shire Council (Berowra Valley Regional Park). Additional bushland regeneration sites are taken on under grant projects and when other external funding is available. Approximately 90 percent of the sites are contracted out to bush regeneration companies. Currently there are 11 suppliers under a new tender that was finalised in August 2009. Works vary from restoring small degraded urban bushland remnants to mitigation of weed sources that threaten larger and more pristine bushland reserves.

The pressures on native vegetation in Hornsby Shire have remained the same, however due to threatened species legislation, better vegetation community identification and continued removal of native vegetation, the amount of

threatened plant communities in the Shire has increased. Hornsby Shire has many noxious and environmental weeds. Urban development, exotic gardens, stormwater run off and fragmentation of bushland all contribute to an environment which favours introduced flora and fauna species. There are 100 noxious weed species listed for Council. Not all of them have been recorded in the area, but they are listed as noxious if they were present. Feral animals on the increase include rabbits in the rural and urban areas and Indian mynas birds around commercial and suburban areas. Fox populations in the area appear to be decreasing following the ongoing implementation of the Regional Fox Control Program which commenced in 2000.

Bushland of the Hornsby Shire area has an underlying geology of Hawkesbury Sandstone and Wianamatta Shale. It has high biodiversity values with over 1,000 native vascular plants, 338 native vertebrate species and a vast number of invertebrates. In 2008 vegetation mapping was reviewed and updated identifying 34 native vegetation communities. Twenty-eight of these communities are significant at national, state, regional and local level. Council has declared 33 bushland conservation reserves Wildlife Protection Areas and has undertaken fauna surveys within eight of these areas to gain a better understanding of the Shire's wildlife and habitat values.

During 2009/10 Council acquired a significant wetland which features five endangered ecological communities and provides habitat for 11 threatened species of fauna, including three species of bats and provides breeding habitat for aquatic invertebrates and fish, as well as helping improve the water quality of the Hawkesbury River by filtering water and runoff.



Council is committed to protecting and improving its local natural environment through its Biodiversity Conservation Strategy, on ground bush regeneration work and a large volunteer Bushcare Program. Council also provides free native plants to residents four times a year and is working to encourage local nurseries to provide local native stock to residents for their gardens.

Council has 879 Bushcare volunteers working in 130 bushland reserves across the Shire and the Community Nursery has 41 volunteers propagating provenance native plants. This program restores, conserves and enhances native vegetation and habitat across the Shire. Bushcare volunteers contribute over 20,000 hours of work each year and the Nursery produces 41,000 plants per year.

Hornsby Shire Council, along with Ku-ring-gai and Willoughby Councils, are running a NSW Environmental Trust grant-funded program called Greenstyle. This is a joint project aiming at providing face to face information and assistance to residents to live more sustainably and to increase backyard biodiversity. The Greenstyle program in 2009/10 undertook home and garden assessments at 559 households across the three LGAs. Seventy-seven of these were targeted properties on or adjacent to a watercourse. One success of the program has been that 70 percent of participants have never been involved in any other council program. The feedback has praised the personalised one-stop-shop for environmental information and assistance. Over 2,050 native plants, six compost bins, and two native bee hives have been given to Greenstyle participants in Hornsby and 410 Hornsby residents have attended workshops organised by the program.

## Soil Landscape

Managing the soil landscape in the Shire is an important aspect of land use and development. Acid sulphate soil, land contamination and erosion continue to be serious problems. To ensure that minimal damage occurs to the environment, Council continues to manage the soil landscape through the development application process and onsite sewage management approval process.

Due to a large number of complaints received concerning sediment/soil erosion, a streamlined approach was taken by Council introducing a site care report. The report is a simple but effective template that is filled out by an officer and given as a written directive to the builder or owner of the property being developed. When the officer re-inspects and the works are not carried out, a fine or notice is then issued. Due to large building sites causing concerns relating to dust, the developer is now required to show evidence of compliance with the Protection of Environment Operations Act 1997 levels for solid particle emissions. This requires the implementation of sampling onsite and further active measures e.g. a management plan, watering of site, vehicles, entry points, carrying out of works depending on meteorological conditions.

Illegal land clearing continues to be a major challenge. Illegal removal of vegetation has negative impacts on soil and water quality and impacts on local biodiversity. Council continues to investigate illegal land clearing matters.

## Noise

Hornsby Shire Council has reviewed its conditions of consent and procedure relating to construction noise in close proximity to potentially affected receivers (e.g. residential dwellings). Council now requires a noise management plan indicating how the developer will achieve acceptable noise levels for the course of the project. This may include implementing temporary acoustic barriers, controlling the timing of large noise events, notification of affected residents and the submission of noise readings taken to the Certifier and Council for analysis. The Department of Environment, Climate Change and Water's Construction Noise Guideline has been utilised in the development of the above procedure and relevant conditions.

To address noise associated with barking dogs, Council has implemented a staged approach. When the initial complaint is received, Council officers will usually suggest ways to help the dog owner quieten the dog (e.g. obedience training, keep the dog inside at the usual times of nuisance, covering visual triggers [if they bark at movement] or suggest barking collars). Should subsequent complaints be received, Council officers request that a diary be completed by the complainant and Council will undertake patrols of the residence at the times of offence. If necessary, Council will issue a Nuisance Order to the dog owner.

## Bushfire Hazard

Hornsby Shire Council is responsible for managing bushfire hazard on Council-managed bushland. Fire management across the Hornsby Kuring-gai Bushfire District is coordinated through the Hornsby Kuring-gai Bushfire Management Committee. The committee has representation from Hornsby and Kuring-gai Councils, the NSW Rural Fire Service, the Department of Climate Change and Water, NSW Department of Lands and the NSW Fire Brigade.

The new Bushfire Risk Management Plan facilitates a coordinated approach across all tenures to bushfire risk mitigation and provides a consistent framework and platform of risk assessment. It has mapped most of Hornsby Shire as 'extreme' for bushfire danger and with climate change the risk is likely to increase through time. The Bushfire Risk Management Plan was completed and community consultation was undertaken between June and August 2009. The BRMP was endorsed by Hornsby Shire Council on September 9, 2009.

A new Service Level Agreement with the NSW Rural Fire Service was prepared and endorsed by Hornsby Shire Council in May 2010.

Actions to mitigate bushfire hazard across Hornsby Shire included:

- 32 prescription hazard reduction burns were completed within Hornsby Shire as part of the Fuel Management Program treating 816 hectares of land.
- 728 permits to burn issued to residents predominately within the rural area of the Hornsby Shire.
- Twenty-three Asset Protection Zones were maintained by manually reducing the fuel loads along the bushland/urban interface.
- Four permanent control lines were installed in key interface areas to assist with access for fire fighters in bushfire events.
- Three fire trails were upgraded with capital works.
- Council managed fire trail were maintained through slashing works.
- 120 directional fire trail signs were installed.
- Nine areas were manually treated as a result of bushfire hazard complaints received by Council and assessed by the NSW Rural Fire Service.

Council has also been implementing a grant project entitled 'Building Bushfire Resilient Communities' By the end of June 2010, the grant had installed four permanent control lines at:

1. Azalea Grove West, Pennant Hills.
2. Dog Pound Creek, Higgins Place, Westleigh.
3. Florence Cotton West, Pinera Close, Hornsby.
4. Frederick Street, Hornsby.

Community information nights have been held to introduce residents to the seven sites selected for the education program:

- Beecroft.
- Pennant Hills.
- Dural/Cherrybrook.
- Hornsby.
- Hornsby Heights.
- Berowra.

Over 200 residents were specifically invited to information nights and community barbeques through letterbox drops.

# Appendix 2

# Appendix 2

## Freedom of Information Report

# Appendix 2 - Foi Report

## The 2009/10 Freedom of Information details for Hornsby Shire Council

### SECTION A Number of new FOI applications

How many FOI applications were received, discontinued or completed?	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
A1 New	6	1	40	28	46	29
A2 Brought forward	0	0	2	1	2	1
A3 Total to be processed	6	1	42	29	48	30
A4 Completed	6	1	37	24	43	25
A5 Discontinued	0	0	4	3	4	3
A6 Total processed	6	1	41	27	47	28
A7 Unfinished (carried forward)	0	0	1	2	1	2

### SECTION B Number of discounted FOI applications

Why were FOI applications discontinued?	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
B1 Request transferred out to another agency (s.20)	0	0	0	1	0	1
B2 Applicant withdrew request	0	0	3	0	3	0
B3 Applicant failed to pay advance deposit (s.22)	0	0	1	0	1	0
B4 Applicant failed to amend a request that would have been an unreasonable diversion of resources to complete (s.25(1)(a1))	0	0	0	2	0	2
B5 Total discontinued	0	0	4	3	4	3

### SECTION C Number of completed FOI applications

What happened to completed FOI applications?	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
C1 Granted/available in full	1	0	24	9	25	9
C2 Granted/available in part	2	1	8	10	10	11
C3 Refused	3	0	2	4	5	4
C4 No documents held	0	0	3	1	3	1
C5 Total completed	6	1	37	24	43	25

## SECTION D Number of FOI applications (granted or otherwise available in full)

How were the documents made available to the applicant?	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
D1 Provided to the applicant	1	0	24	9	25	9
D2 Provided to the applicant's medical Practitioner	0	0	0	0	0	0
D3 Available for inspection	0	0	0	0	0	0
D4 Available for purchase	0	0	0	0	0	0
D5 Library material	0	0	0	0	0	0
D6 Subject to deferred access	0	0	0	0	0	0
D7 Available by a combination of any of the reasons listed in D1D6 above	0	0	0	0	0	0
D8 Total granted or otherwise available in full	1	0	24	9	25	9

## SECTION E Applications granted or otherwise available in part

How were the documents made available to the applicant?	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
E1 Provided to the applicant	2	1	8	10	10	11
E2 Provided to the applicant's medical Practitioner	0	0	0	0	0	0
E3 Available for inspection	0	0	0	0	0	0
E4 Available for purchase	0	0	0	0	0	0
E5 Library material	0	0	0	0	0	0
E6 Subject to deferred access	0	0	0	0	0	0
E7 Available by a combination of any of the reasons listed in E1-E6 above	0	0	0	0	0	0
E8 Total granted or otherwise available in part	2	1	8	10	10	11

## SECTION F Refused FOI applications

Why was access to the documents refused?	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
F1 Exempt	3	0	2	4	5	4
F2 Deemed refused	0	0	0	0	0	0
F3 Total refused	3	0	2	4	5	4

## SECTION G Number of FOI applications refused or otherwise available in part only

Why were the documents classified as exempt?	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
<b>Restricted documents:</b>						
G1 Cabinet documents (Clause 1)	0	0	0	0	0	0
G2 Executive Council documents (Clause 2)	0	0	0	0	0	0
G3 Documents affecting law enforcement and public safety (Clause 4)	0	0	0	0	0	0
G4 Documents affecting counter terrorism measures (Clause 4A)	0	0	0	0	0	0
<b>Documents requiring consultation:</b>						
G5 Documents affecting intergovernmental relations (Clause 5)	0	0	0	0	0	0
G6 Documents affecting personal affairs (Clause 6)	5	1	5	11	10	12
G7 Documents affecting business affairs (Clause 7)	0	0	1	2	1	2
G8 Documents affecting the conduct of research (Clause 8)	0	0	0	0	0	0
<b>Documents otherwise exempt:</b>						
G9 Schedule 2 exempt agency	0	0	0	0	0	0
G10 Documents containing information confidential to Olympic Committees (Clause 22)	0	0	0	0	0	0

Why were the documents classified as exempt?	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
G11 Documents relating to threatened species, Aboriginal objects or Aboriginal places (Clause 23)	0	0	0	0	0	0
G12 Documents relating to threatened species conservation (Clause 24)	0	0	0	0	0	0
G13 Plans of management containing information of Aboriginal significance (Clause 25)	0	0	0	0	0	0
G14 Private documents in public library collections (Clause 19)	0	0	0	0	0	0
G15 Documents relating to judicial functions (Clause 11)	0	0	0	0	0	0
G16 Documents subject to contempt (Clause 17)	0	0	0	0	0	0
G17 Documents arising out of companies and securities legislation (Clause 18)	0	0	0	0	0	0
G18 Exempt documents under interstate FOI Legislation (Clause 21)	0	0	0	0	0	0
G19 Documents subject to legal professional privilege (Clause 10)	0	0	3	1	3	1
G20 Documents containing confidential material (Clause 13)	0	0	0	0	0	0
G21 Documents subject to secrecy provisions (Clause 12)	0	0	0	0	0	0

Why were the documents classified as exempt?	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
G22 Documents affecting the economy of the State (Clause 14)	0	0	0	0	0	0
G23 Documents affecting financial or property Interests of the State or an agency (Clause 15) G24 Documents concerning operations of agencies (Clause 16)	0	0	1	0	1	0
G25 Internal working documents (Clause 9)	0	0	0	0	0	0
G26 Other exemptions (e.g., Clauses 20, 22A and 26)	0	0	0	0	0	0
G27 Total applications including exempt documents	5	1	10	14	15	15

## SECTION H Number of Ministerial Certificates issued (S.59)

How many Ministerial Certificates were issued?	Previous year	Current year
H1 Ministerial certificates issued	0	0

## SECTION I Formal consultations

How many formal consultations were conducted?	Number consulted	
	previous year	current year
I1 Number of applications requiring formal consultation	3	4
I2 Number of persons formally consulted	5	14

## SECTION J Amendment of personal records

How many applications for amendment of personal records were agreed or refused?	Number of applications for amendment of personal records	
	previous year	current year
J1 Agreed in full	0	0
J2 Agreed in part	1	0
J3 Refused	3	0
J4 Total	4	0

## SECTION K Notation of personal records Section M – fee discounts

How many applications for notation of personal records were made (s.46)?	Number of applications for notation	
	previous year	current year
K1 Applications for notation	0	0

## SECTION L Fees and costs

What fees were assessed and received for FOI applications processed (excluding applications transferred out)?	Personal		Other	
	previous year	current year	previous year	current year
L1 All completed applications	\$6480	\$5512	\$5142	\$3210



## SECTION M Fee discounts

How many fee waivers or discounts were allowed and why?	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
M1 Processing fees waived in full	0	0	0	0	0	0
M2 Public interest discounts	0	0	3	0	3	0
M3 Financial hardship discounts – pensioner or child	0	0	0	0	1	0
M4 Financial hardship discounts – non profit organisation	0	0	0	0	0	0
M5 Total	0	0	3	0	4	0

## SECTION N Fee refunds

How many fee refunds were granted as a result of significant correction of personal records?	Number of refunds	
	previous year	current year
N1 Number of fee refunds granted as a result of significant correction of personal records	0	0

## SECTION O Days taken to complete request

How long did it take to process completed applications? (Note: calendar days)	Personal		Other		total	
	previous year	current year	previous year	current year	previous year	current year
O1: 0-21 days – statutory determination period	5	0	26	14	31	14
O2: 22-35 days – extended statutory determination period for consultation or retrieval of archived records (S.59B)	0	0	3	1	3	1
O3: Over 21 days – deemed refusal where no extended determination period applies	1	0	3	4	4	4
O4: Over 35 days – deemed refusal where extended determination period applies	0	1	5	5	5	6
O5: Total	6	1	37	24	43	25

## SECTION P Processing time: hours

How long did it take to process completed applications?	Personal		Other		total	
	previous year	current year	previous year	current year	previous year	current year
P1 0-10 hours	4	0	33	18	37	18
P2 11-20 hours	2	1	4	4	6	5
P3 21-40 hours	0	0	0	2	0	2
P4 Over 40 hours	0	0	0	0	0	0
P5 Total	6	1	37	24	43	25

## SECTION Q Number of reviews

How many reviews were finalised?	Number of completed reviews	
	previous year	current year
Q1 Internal reviews	11	9
Q2 Ombudsman reviews	0	0
Q3 ADT reviews	1	3

## SECTION R Results of internal reviews

What were the results of internal reviews finalised?	Personal		Other		total	
Grounds on which the internal review was requested	Original agency decision					
	upheld	varied	upheld	varied	upheld	varied
R1 Access refused	0	0	5	3	5	3
R2 Access deferred	0	0	0	0	0	0
R3 Exempt matter deleted from documents	0	0	0	0	0	0
R4 Unreasonable charges	0	0	1	0	1	0
R5 Failure to consult with third parties	0	0	0	0	0	0
R6 Third parties views disregarded	0	0	0	0	0	0
R7 Amendment of personal records refused	0	0	0	0	0	0
R8 Total	0	0	6	3	6	3

# Appendix 3

## The Councillor's expenses and facilities policy

### POLICY REGISTER



**HORNSBY SHIRE COUNCIL**  
"creating a living environment"

**POLICY TITLE:** COUNCILLORS' EXPENSES AND FACILITIES (STATUTORY)

**FOLDER NUMBER:** F2007/00307

**POLICY OWNER / DIVISION:** Corporate & Community Division

**POLICY OWNER / BRANCH:** Administration Services Branch

**FUNCTION:** Councillors

**RELEVANT LEGISLATION:** Local Government Act 1993 (Section 252)

**POLICY ADOPTION/AMENDMENT DATE:** 9 December 2009 **REPORT NUMBER:** CC96/09

**REVIEW YEAR:** 2011

**AMENDMENT HISTORY:**  
14 October 1998 (Report No CC126/98)  
8 March 2000 (Report No CC18/00)  
11 July 2001 (Report No CC50/01)  
13 November 2002 (Report No CC110/02)  
9 March 2005 (Report No CC5/05)  
8 November 2006 (Report No CC86/06)  
14 February 2007 (Report No CC6/07)  
11 April 2007 (Report No CC11/07)  
14 November 2007 (Report No CC100/07)

**RELATED POLICIES:** Councillors and Staff – Legal Assistance

#### POLICY PURPOSE / OBJECTIVES:

1. To ensure that there is accountability and transparency in the reasonable and appropriate reimbursement of expenses incurred or to be incurred by Councillors in the course of discharging their civic duties.
2. To ensure that the facilities provided to a Councillor to carry out their civic duties are reasonable and are at a standard appropriate to their professional role as a Councillor.
3. To promote a diversity of representation that can bring the benefit of new and different approaches and solutions to issues by encouraging members of the community, particularly under-represented groups such as those in primary caregiver roles or those with a disability, to seek election to Council whilst ensuring that they would not be financially or otherwise disadvantaged in undertaking the civic duties of a Councillor.
4. To fulfil the statutory responsibilities of Section 252 of the Local Government Act and the Local Government (General) Regulation, having regard to:
  - Department of Local Government Circular No. 09-36 – Release of revised Councillor Expenses and Facilities Guidelines and the attached publication "Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors in NSW"
  - Department of Local Government Circular No 05/08 – Legal Assistance for Councillors and Council Employees and No 02/34 – Unauthorised Use of Council Resources

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- Council's Code of Conduct and ICAC Publication – No Excuse for Misuse, preventing the misuse of Council resources
- other relevant documents.

#### POLICY STATEMENT:

##### 1. INTRODUCTION

###### a. Reporting Requirements

Section 428 of the Local Government Act requires Council to include in its Annual Report:

- a copy of the current Council Policy - Payment of Expenses and Provision of Facilities for the Mayor and Councillors
- the total amount of money expended during the year on providing those facilities and paying those expenses
- additional information as required by the Local Government (General) Regulation

Clause 217 of the Regulation requires Council to include additional information in the Annual Report. This includes specific reporting on:

- cost of phone calls including mobiles, home located landlines, facsimile and internet services
- spouse/partner/accompanying person expenses
- conference and seminar expenses
- training and skill development expenses
- interstate travel expenses
- overseas travel expenses
- care and other related expenses
- cost of the provision, including rental, of dedicated office equipment allocated to councillors on a personal basis such as laptop computers, mobile phones, telephones and facsimile machines and internet installed in the Councillors' homes. This item does not include the costs of using this equipment, such as calls.
- other significant costs incurred.

###### b. Approval Arrangements

Any expenses in relation to Council related business should only be incurred by Councillors in accordance with the provisions of this Policy. All claims for expenses shall be submitted for approval to the General Manager or his delegate.

Some expenses, for example attendance at conferences and overseas and interstate travel, may require approval prior to the expense being incurred. Such requirements are detailed in the relevant sections of this Policy.

Total costs for the payment of expenses and the provision of equipment and facilities to Councillors are to be within the limits of the provision of Council's annual budget, with expenditure against such budget allocations to be reviewed quarterly in accordance with Council's standard quarterly budget review process.

##### 2. PAYMENT OF EXPENSES – GENERAL

- a) In accordance with Clause 403 of the Regulation no provision will be made to Councillors for a general expense allowance. The reimbursement of any expenses incurred by Councillors in acting in their official capacity will be in accordance with this Policy.
- b) Claims for reimbursement of expenses shall be made on the approved form, supported by appropriate receipts and tax invoices, and must be made no later than three months after the expense has been incurred. Claims must include an itemised account of expenditure and not be general in nature.

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- c) Councillors may request payment in advance in anticipation of expenses to be incurred in attending conferences, seminars, and training away from home. Councillors may also request an advance payment for the cost of any other service or facility covered by the Policy. However, a Councillor must fully reconcile all expenses against the cost of the advance within two weeks of return.
- d) There may be limited instances where certain costs incurred by the Councillor on behalf of a spouse, partner, or accompanying person are properly those of the Councillor in the performance of his or her functions (hence they are properly incurred by and reimbursable to the Councillor). An accompanying person is a person who has a close personal relationship with a Councillor and/or provides carer support to the Councillor. Such functions would be those that a Councillor's spouse, partner or accompanying person could be reasonably expected to attend. Examples could include, but not be limited to, Australia Day award ceremonies, citizenship ceremonies, civic receptions, and charitable functions for charities formally supported by the Council.
- e) Limited expenses of spouses, partners or accompanying persons associated with attendance at the Local Government Association Annual conference are claimable. These expenses should be limited to the cost of registration and the official conference dinner. Travel expenses, any additional accommodation expenses, and the cost of partner/accompanying persons tours etc would be the personal responsibility of individual Councillors.
- f) Council will reimburse reasonable out of pocket incidental expenses associated with Councillors attending conferences, seminars or training courses.

### 3. PAYMENT OF EXPENSES - SPECIFIC

#### a. Travel Arrangements and Expenses - General

All travel by Councillors should be undertaken by utilising the most direct route and the most practicable and economical mode of transport, subject to any personal medical considerations, with a preference for motor vehicle travel within NSW.

The General Manager or his delegate is authorised to pay to Councillors, on receipt of a claim, reasonable reimbursement of travelling, accommodation and subsistence expenses on the following basis:

- i) Travelling allowance per kilometre as provided for in the Local Government State Award or alternatively fares by public transport for journeys to and from the Councillor's place of residence in respect of:
  - 1. Attendance at any duly convened meeting of any organisation to which the Councillor claiming has been nominated or elected by resolution of Council, as an official Council representative.
  - 2. Attendance at inspections or at business of Council, authorised by Council resolution.
  - 3. Attendance at all duly convened Council or Committee Meetings, at which the Councillor is entitled to attend.
  - 4. Attendance at Hornsby Council citizenship ceremonies.
  - 5. Attendance at conferences in accordance with this Policy.
  - 6. Attendance at all official Council or Council sponsored functions.
  - 7. Attendance at any public meeting or function where Council officers are officially in attendance or where Councillors are invited in an official capacity.
  - 8. Attendance at any function representing the Mayor.
  - 9. Attendance at inspection of any items listed in the business paper.

- ii) The Councillor or driver is personally responsible for all traffic or parking fines incurred while travelling in private or Council vehicles on Council business.
- iii) Where the distance to be travelled is such that travel should be by aeroplane, the booking is to be made through the Mayor's Executive Assistant and will, as far as practicable, conform to the general NSW Public Service guidelines.

- iv) Reasonable reimbursement for accommodation and other subsistence expenses incurred will be paid for authorised Council business outside of the local government area. The accommodation level will, as far as practicable, conform to the general NSW Public Service guidelines.

#### b. Interstate Travel

- i) For the purposes of this Policy, the Australian Capital Territory is regarded as being within New South Wales.
- ii) Where Councillors propose to travel interstate on Council business, a proposal should be submitted prior to the travel being undertaken. The proposal should include full details of the travel, including itinerary, costs and reasons for the travel:-
  - 1. Where the cost of the travel is not expected to exceed \$2,000 for transport, accommodation, and out of pocket reimbursement of expenses per person, the proposal is to be recommended to the Mayor and General Manager for their approval.
  - 2. Where the cost of the travel is expected to exceed \$2,000 for transport, accommodation, and out of pocket reimbursement of expenses per person, the proposal is to be considered at an open meeting of Council through a detailed report from the Mayor or General Manager which outlines:-
    - who is to take part in the travel;
    - the objectives to be achieved in undertaking the travel, including an explanation of what community benefit will accrue as a result; and details of costs, including any amounts expected to be reimbursed by participants.
- iii) If the travel is to be sponsored by private enterprise, ICAC guidelines and reporting structures should be followed.
- iv) Where the travel takes place in accordance with part b. ii) 2 above a further detailed report should be provided to an open meeting of Council promptly upon return, outlining how the travel's objectives were met and how the community benefited from it.

#### c. Overseas Travel

- i) For all overseas travel by Councillors on Council business a detailed proposal should be developed prior to the travel being undertaken.
- ii) Proposals should indicate:-
  - 1. Who is planned to take part in the travel;
  - 2. Duration and itinerary of the travel;
  - 3. The objectives for undertaking the travel, including an explanation of what community benefits will accrue as a result; and
  - 4. Detailed budget including a statement of any amounts expected to be reimbursed by the participants.
- iii) If the visit is to be sponsored by private enterprise, ICAC guidelines and reporting structures should be followed and this should form part of the community reporting process.

**e. Training and Education**

- i) Council supports and encourages an active learning process and skills development in addition to attending seminars and conferences related to Council functions. It is essential, where Council is paying these expenses, that the training or educational course is directly related to the Councillor's civic functions and responsibilities.

**f. Attendance at Dinners and Other Non-Council Functions**

Reimbursement of costs associated with Councillor attendance at dinners and other non-Council functions will be at the discretion of the Mayor and the General Manager and will only be considered when the function is relevant to Council's interests.

**g. Telephone / Facsimile**

Council will provide for the installation of a direct telephone line and/or facsimile facility to a Councillor's private home, if requested by the Councillor.

Council will meet the cost of:

- The full facsimile machine rental, together with call charges certified by the Councillor to be substantially incurred on Council business.
- Telephone calls, including mobile telephone calls, certified by the Councillor to be substantially incurred on Council business.

**h. Care and Other Related Expenses**

- i) Council will reimburse reasonable costs of care arrangements, including child care expenses and the care of elderly, disabled and /or sick immediate family members of Councillors, to allow Councillors to undertake their Council business obligations. Such costs will be certified by the Councillor to be necessarily incurred in the course of fulfilling their civic duties and conducting the business of Council.
- ii) Council will give consideration to the payment of other related expenses associated with the special requirements of councillors such as disability and access needs, including reasonable transportation provisions for those unable or unwilling to drive a vehicle, to allow them to perform their normal civic duties and responsibilities.

**i. Insurances**

In accordance with Section 382 of the Local Government Act Council will maintain adequate insurance against public liability and professional indemnity for Councillors whilst carrying out their civic duties and/or exercise of their Council functions. In addition Council will maintain relevant cover for personal injury and travel insurance.

**j. Legal**

The funding of legal costs for Councillors will be in accordance with Council's policy on legal assistance for Councillors and employees.

**e. Training and Education**

- i) Council supports and encourages an active learning process and skills development in addition to attending seminars and conferences related to Council functions. It is essential, where Council is paying these expenses, that the training or educational course is directly related to the Councillor's civic functions and responsibilities.

**f. Attendance at Dinners and Other Non-Council Functions**

Reimbursement of costs associated with Councillor attendance at dinners and other non-Council functions will be at the discretion of the Mayor and the General Manager and will only be considered when the function is relevant to Council's interests.

**g. Telephone / Facsimile**

Council will provide for the installation of a direct telephone line and/or facsimile facility to a Councillor's private home, if requested by the Councillor.

Council will meet the cost of:

- The full facsimile machine rental, together with call charges certified by the Councillor to be substantially incurred on Council business.
- Telephone calls, including mobile telephone calls, certified by the Councillor to be substantially incurred on Council business.

**h. Care and Other Related Expenses**

- i) Council will reimburse reasonable costs of care arrangements, including child care expenses and the care of elderly, disabled and /or sick immediate family members of Councillors, to allow Councillors to undertake their Council business obligations. Such costs will be certified by the Councillor to be necessarily incurred in the course of fulfilling their civic duties and conducting the business of Council.
- ii) Council will give consideration to the payment of other related expenses associated with the special requirements of councillors such as disability and access needs, including reasonable transportation provisions for those unable or unwilling to drive a vehicle, to allow them to perform their normal civic duties and responsibilities.

**i. Insurances**

In accordance with Section 382 of the Local Government Act Council will maintain adequate insurance against public liability and professional indemnity for Councillors whilst carrying out their civic duties and/or exercise of their Council functions. In addition Council will maintain relevant cover for personal injury and travel insurance.

**j. Legal**

The funding of legal costs for Councillors will be in accordance with Council's policy on legal assistance for Councillors and employees.

#### **4. PROVISION OF EQUIPMENT AND FACILITIES - GENERAL**

##### **a. General**

Council facilities, equipment and services are not to be used to produce election material or for any other political purposes. Councillors should not obtain more than incidental private use of facilities unless otherwise specifically stated in this policy.

Council will provide the following facilities and administrative support to Councillors to assist them to effectively discharge their civic duties. The provision of such equipment will be of a standard deemed by the General Manager as appropriate for this purpose.

- i) Secretarial support.
- ii) On request, laptop computer, mobile phone, printer, facsimile/telephone, answering machine, filing cabinet, briefcase, general office stationery and other administrative aids as considered appropriate by the General Manager or his delegate.
- iii) The cost of posting Councillor's official mail when sent through the Mayor's Executive Assistant.
- iv) An access card for entrance to Fagan Park.
- v) A Councillors' common room appropriately furnished to include telephone, facsimile, photocopier, printer, desk, computer terminal, lockers, and appropriate refreshments including a fully stocked bar fridge.
- vi) One shared car parking space dedicated for Councillors' use in Council Chambers basement.
- vii) Business cards appropriate to Councillors' civic role.
- viii) A suitable name badge.
- ix) A copy of, or access to, Bluet's Local Government Handbook, the Local Government Act and the Local Government (General) Regulation.
- x) Use of the Mayoral car for Council business only, when not otherwise required by the Mayor. Such usage is to be via:
  - a pre-booking arrangement through the Mayor's Executive Assistant.
  - a log book is to be maintained with entries certified by individual Councillors.
  - the Deputy Mayor shall have priority usage of the Mayoral car when carrying out the functions of the Mayor.
- xi) Corporate attire up to the amount nominated as the maximum annual provision, contained within the adopted Principles and General Procedures for the Corporate Attire Scheme.

##### **b. Additional Mayoral Equipment and Facilities**

In addition to Councillor entitlements contained in this Policy, the following equipment and facilities shall be supplied to the Mayor.

- i) Unrestricted use for Council business, of the Mayoral car, fully maintained and fuelled by Council and equipped with mobile telephone.
- ii) Where the Mayor of the day so chooses, full private use of the Mayoral car, on payment of an amount determined by the Council for such use. (N.B. in 2002 this amount was determined by Council to be \$5,000, to be increased annually by CPI.) This amount is to be deducted from the Mayor's Annual Fee.
- iii) Mayoral car parking space in the Council Chambers basement.
- iv) Mayoral office appropriately furnished with telephone, desk, cabinet etc.

The Deputy Mayor will be provided with the same facilities as those provided to Councillors but in addition when acting as the Mayor, may be entitled to use of facilities set out in part 4. b. i) – iv) of this Policy.

N.B. The Deputy Mayor shall have priority usage of the Mayoral car when carrying out the functions of the Mayor on the basis set out in Section 4. a. x).

##### **c. Private Use of Equipment and Facilities**

In exceptional circumstances the Mayor or a Councillor may use a facility listed in Section 4 of this policy for private use provided that:

- i) In the case of a Councillor, the prior written approval of the Mayor is obtained and the General Manager and all other Councillors are given prior notification of the proposed private use.
- ii) In the case of the Mayor, the prior written approval of the General Manager is obtained and all other Councillors are given prior notification of the proposed private use.
- iii) The amount of the private benefit, as determined by the General Manager, is deducted from the next payment of the Mayor or Councillor's fee.

#### **5. OTHER MATTERS**

##### **a. Acquisition and Return of Equipment and Facilities by Councillors**

- i) All unexpended facilities/equipment supplied under this Policy are to be relinquished immediately on termination of Office.
- ii) Councillors may purchase equipment allocated to them at the cessation of their duties. The purchase price for such items will be a fair market price as agreed by the General Manager.



# Appendix 4

## Council's audited financial reports

General Purpose Financial  
Statements

Special Purpose Financial  
Statements

Special Schedules

## Hornsby Shire Council

General Purpose Financial Statements  
for the financial year ended 30 June 2010

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- On the Financial Statements (Sect 417 [2])	
- On the Conduct of the Audit (Sect 417 [3])	

Overview

- (i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Hornsby Shire Council.
- (ii) Hornsby Shire Council is a body corporate of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.

Council's Statutory Charter is specified in Section 8 of the LGA and includes;

- carrying out activities and providing goods, services & facilities appropriate to the current & future needs of the Local community and of the wider public
- responsibility for administering regulatory requirements under the LGA and other applicable legislation, &
- a role in the management, improvement and development of the resources of the local government area.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

- (iii) All figures presented in these financial statements are presented in Australian Currency.
- (iv) These financial statements were authorised for issue by the Council on 22/09/10. Council has the power to amend and reissue the financial statements.

## Hornsby Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2010

*"Creating a living environment"*



## Hornsby Shire Council

### General Purpose Financial Statements for the financial year ended 30 June 2010

#### Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the Local Government Act 1993 (as amended)

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

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

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

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

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

Signed in accordance with a resolution of Council made on 22 September 2010.

N.Berman  
MAYOR

S.Evans  
DEPUTY MAYOR

R.J.Ball  
GENERAL MANAGER

G.Magus  
RESPONSIBLE ACCOUNTING OFFICER

## Hornsby Shire Council

### Income Statement

for the financial year ended 30 June 2010

Budget <sup>(1)</sup> 2010	\$ '000	Notes	Actual 2010	Actual 2009
<b>Income from Continuing Operations</b>				
<b>Revenue:</b>				
72,135	Rates & Annual Charges	3a	71,225	68,788
12,079	User Charges & Fees	3b	12,017	10,938
1,016	Interest & Investment Revenue	3c	3,031	-
4,941	Other Revenues	3d	5,488	6,150
7,844	Grants & Contributions provided for Operating Purposes	3e,f	10,777	11,119
1,679	Grants & Contributions provided for Capital Purposes	3e,f	6,855	8,153
<b>Other Income:</b>				
-	Net gains from the disposal of assets	5	21	-
-	Net Share of interests in Joint Ventures & Associated			
-	Entities using the equity method	19	-	-
<b>99,694</b>	<b>Total Income from Continuing Operations</b>		<b>109,414</b>	<b>105,148</b>
<b>Expenses from Continuing Operations</b>				
44,909	Employee Benefits & On-Costs	4a	43,066	41,224
1,527	Borrowing Costs	4b	1,520	1,534
32,178	Materials & Contracts	4c	34,157	32,625
13,000	Depreciation & Amortisation	4d	18,429	16,264
-	Impairment	4d	-	-
11,695	Other Expenses	4e	11,356	11,292
-	Interest & Investment Losses	3c	-	270
-	Net Losses from the Disposal of Assets	5	-	123
<b>103,309</b>	<b>Total Expenses from Continuing Operations</b>		<b>108,528</b>	<b>103,332</b>
<b>(3,615)</b>	<b>Operating Result from Continuing Operations</b>		<b>886</b>	<b>1,816</b>
<b>Discontinued Operations</b>				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
<b>(3,615)</b>	<b>Net Operating Result for the Year</b>		<b>886</b>	<b>1,816</b>
(3,615)	Net Operating Result attributable to Council		886	1,816
-	Net Operating Result attributable to Minority Interests		-	-
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>				
<b>(5,294)</b>			<b>(5,969)</b>	<b>(6,337)</b>

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

## Hornsby Shire Council

Statement of Comprehensive Income  
for the financial year ended 30 June 2010

\$ '000	Notes	Actual 2010	Actual 2009
<b>Net Operating Result for the year (as per Income statement)</b>			
		<b>886</b>	<b>1,816</b>
<b>Other Comprehensive Income</b>			
Gain (loss) on revaluation & impairment of I,PP&E	20b (ii)	289,856	-
Gain (loss) on revaluation of available-for-sale investments	20b (ii)	-	-
Gain (loss) on revaluation of other reserves	20b (ii)	-	-
Realised (gain) loss on available-for-sale investments recognised in P&L	20b (ii)	-	-
Realised (gain) loss from other reserves recognised in P&L	20b (ii)	-	-
Other Movements in Reserves (enter details here)	20b (ii)	-	-
<b>Total Other Comprehensive Income for the year</b>		<b>289,856</b>	<b>-</b>
<b>Total Comprehensive Income for the Year</b>		<b>290,742</b>	<b>1,816</b>
<b>Total Comprehensive Income attributable to Council</b>			
		290,742	1,816
<b>Total Comprehensive Income attributable to Minority Interests</b>			
		-	-

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

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## Hornsby Shire Council

Balance Sheet  
as at 30 June 2010

\$ '000	Notes	Actual 2010	Actual 2009	Actual 2008
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash & Cash Equivalents	6a	20,444	18,751	10,910
Investments	6b	10,033	12,063	23,370
Receivables	7	6,136	5,628	5,239
Inventories	8	167	876	870
Other	8	-	-	-
Non-current assets classified as 'held for sale'	22	-	-	-
<b>Total Current Assets</b>		<b>36,780</b>	<b>37,318</b>	<b>40,389</b>
<b>Non-Current Assets</b>				
Investments	6b	-	-	-
Receivables	7	357	361	333
Inventories	8	-	-	-
Infrastructure, Property, Plant & Equipment	9	2,206,838	1,918,435	1,699,763
Investments accounted for using the equity method	19	-	-	-
Investment Property	14	-	-	-
Intangible Assets	25	3,133	3,994	4,836
Other	8	-	-	-
<b>Total Non-Current Assets</b>		<b>2,210,328</b>	<b>1,922,790</b>	<b>1,704,932</b>
<b>TOTAL ASSETS</b>		<b>2,247,108</b>	<b>1,960,108</b>	<b>1,745,321</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	10	5,691	8,749	6,990
Borrowings	10	3,331	3,022	2,702
Provisions	10	11,502	11,337	10,448
<b>Total Current Liabilities</b>		<b>20,524</b>	<b>23,108</b>	<b>20,140</b>
<b>Non-Current Liabilities</b>				
Payables	10	-	-	-
Borrowings	10	18,751	20,083	21,104
Provisions	10	544	370	608
<b>Total Non-Current Liabilities</b>		<b>19,295</b>	<b>20,453</b>	<b>21,712</b>
<b>TOTAL LIABILITIES</b>		<b>39,819</b>	<b>43,561</b>	<b>41,852</b>
<b>Net Assets</b>		<b>2,207,289</b>	<b>1,916,547</b>	<b>1,703,469</b>
<b>EQUITY</b>				
Retained Earnings	20	1,785,628	1,783,690	1,570,612
Revaluation Reserves	20	421,661	132,857	132,857
Council Equity Interest		2,207,289	1,916,547	1,703,469
Minority Equity Interest		-	-	-
<b>Total Equity</b>		<b>2,207,289</b>	<b>1,916,547</b>	<b>1,703,469</b>

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

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Financial Statements 2010

### Hornsby Shire Council

#### Statement of Changes in Equity for the financial year ended 30 June 2010

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Equity Interest	Minority Interest	Total Equity
<b>2010</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		1,572,428	132,857	<b>1,705,285</b>	-	<b>1,705,285</b>
a. Correction of Prior Period Errors	20 (c)	211,262	-	<b>211,262</b>	-	<b>211,262</b>
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance</b> (as at 1/7/09)		<b>1,783,690</b>	<b>132,857</b>	<b>1,916,547</b>	-	<b>1,916,547</b>
<b>c. Net Operating Result for the Year</b>		886	-	886	-	886
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Reserve	20b (ii)	-	289,856	<b>289,856</b>	-	<b>289,856</b>
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Other Movements (enter details here)	20b (ii)	-	-	-	-	-
<b>Other Comprehensive Income</b>		-	289,856	289,856	-	289,856
<b>Total Comprehensive Income</b> (c&d)		<b>886</b>	<b>289,856</b>	<b>290,742</b>	-	<b>290,742</b>
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		1,052	(1,052)	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>1,785,628</b>	<b>421,661</b>	<b>2,207,289</b>	-	<b>2,207,289</b>

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Equity Interest	Minority Interest	Total Equity
<b>2009</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		1,570,893	132,857	<b>1,703,750</b>	-	<b>1,703,750</b>
a. Correction of Prior Period Errors	20 (c)	210,981	-	<b>210,981</b>	-	<b>210,981</b>
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance</b> (as at 1/7/08)		<b>1,781,874</b>	<b>132,857</b>	<b>1,914,731</b>	-	<b>1,914,731</b>
<b>c. Net Operating Result for the Year</b>		1,816	-	<b>1,816</b>	-	<b>1,816</b>
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsv	20b (ii)	-	-	-	-	-
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Other Movements (enter details here)	20b (ii)	-	-	-	-	-
<b>Other Comprehensive Income</b>		-	-	-	-	-
<b>Total Comprehensive Income</b> (c&d)		<b>1,816</b>	-	<b>1,816</b>	-	<b>1,816</b>
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>1,783,690</b>	<b>132,857</b>	<b>1,916,547</b>	-	<b>1,916,547</b>

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

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Financial Statements 2010

### Hornsby Shire Council

#### Statement of Cash Flows for the financial year ended 30 June 2010

Budget 2010	\$ '000	Notes	Actual 2010	Actual 2009
<b>Cash Flows from Operating Activities</b>				
<b>Receipts:</b>				
71,874	Rates & Annual Charges		70,947	69,007
15,271	User Charges & Fees		12,862	10,951
1,016	Investment & Interest Revenue Received		1,550	1,975
10,474	Grants & Contributions		17,302	19,271
6,230	Other		10,900	5,416
<b>Payments:</b>				
(45,228)	Employee Benefits & On-Costs		(42,844)	(40,574)
(31,088)	Materials & Contracts		(39,176)	(31,303)
(1,527)	Borrowing Costs		(1,525)	(1,536)
(12,435)	Other		(15,212)	(10,864)
<b>14,587</b>	<b>Net Cash provided (or used in) Operating Activities</b>	11b	<b>14,805</b>	<b>22,343</b>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts:</b>				
1,556	Sale of Investment Securities		3,775	9,739
2,705	Sale of Infrastructure, Property, Plant & Equipment		1,972	4,289
<b>Payments:</b>				
-	Purchase of Investment Securities		(83)	(585)
(18,653)	Purchase of Infrastructure, Property, Plant & Equipmer		(17,619)	(27,244)
-	Deferred Debtors & Advances Made		(134)	-
<b>(14,392)</b>	<b>Net Cash provided (or used in) Investing Activities</b>		<b>(12,089)</b>	<b>(13,801)</b>
<b>Cash Flows from Financing Activities</b>				
<b>Receipts:</b>				
2,000	Proceeds from Borrowings & Advances		2,000	2,000
<b>Payments:</b>				
(3,040)	Repayment of Borrowings & Advances		(3,023)	(2,701)
<b>(1,040)</b>	<b>Net Cash Flow provided (used in) Financing Activities</b>		<b>(1,023)</b>	<b>(701)</b>
<b>(845)</b>	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>1,693</b>	<b>7,841</b>
1,345	plus: Cash & Cash Equivalents - beginning of year	11a	18,751	10,910
<b>500</b>	<b>Cash &amp; Cash Equivalents - end of the year</b>	11a	<b>20,444</b>	<b>18,751</b>
<b>Additional Information:</b>				
plus: Investments on hand - end of year		6b	10,033	12,063
<b>Total Cash, Cash Equivalents &amp; Investments</b>			<b>30,477</b>	<b>30,814</b>

Please refer to Note 11 for additional cash flow information.

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

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

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n/a - not applicable

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations, the Local Government Act (1993) and Regulation, and the Local Government Code of Accounting Practice and Financial Reporting.

**Historical cost convention**

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

**Critical accounting estimates**

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies.

**Financial statement presentation**

The Council has applied the revised AASB 101 Presentation of Financial Statements which became effective on 1 January 2009. The revised standard requires the separate presentation of a statement of comprehensive income and a statement of changes in equity. All non-owner changes in equity must now be presented in the statement of comprehensive income. As a consequence, the Council had to change the presentation of its financial statements. Comparative information has been re-presented so that it is also in conformity with the revised standard.

**(b) Revenue recognition**

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the

Council's activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

**Rates, Annual Charges, Grants and Contributions**

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required but the Council may apply contributions according to the priorities established in work schedules.

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

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

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

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

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g). The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

## Hornsby Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

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

#### User Charges, Fees and Other Income

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

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

#### Sale of Infrastructure, Property, Plant and Equipment

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

#### Interest and Rents

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

#### (c) Principles of Consolidation

##### The Consolidated Fund

In accordance with the provisions of Section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund. The consolidated fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

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

- General Purpose Operations

The following Committees, the transactions of which are considered immaterial either by amount or nature, have been excluded:

- Section 377 Committees

The total revenue and expenditure from continuing operations and the net assets held by these Committees is as follows:

**Total income from continuing operations** \$400,000

**Total expenditure from continuing operations** \$400,000

**Total net assets held (ie Equity)** \$1,000,000

#### Note:

Where actual figures are not known, best estimates have been applied.

#### (d) Leases

Leases of property, plant and equipment where Council, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that Council will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

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

## Hornsby Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

#### (e) Acquisition of Assets

The purchase method of accounting is used to account for all acquisitions of assets. Cost is measured as the fair value of the assets given, plus costs directly attributable to the acquisition.

#### (f) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

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

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Nonfinancial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

#### (g) Cash and Cash Equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes:

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

Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet.

#### (h) Receivables

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

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

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

A provision for impairment relating to receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

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

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

#### (i) Inventories

##### Raw Materials and Stores, Work in Progress and Finished Goods

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

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

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

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



## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 1. Summary of Significant Accounting Policies (continued)

**Land Held for Resale/Capitalisation of Borrowing Costs**

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

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

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

**(j) Investments and Other Financial Assets**

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

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

Each classification depends on the purpose for which the investment was acquired.

Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to maturity, re-evaluates this designation at each reporting date.

Council has classified all investments as financial assets at fair value through profit or loss.

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

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

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

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

**Financial Assets – Reclassification**

Following on from amendments made to AASB 139 - Financial Instruments: Recognition & Measurement in October 2008, Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

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

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

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

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

**Actual Reclassifications**

Council did not take up the option to reclassify some financial assets out of the held-for-trading category from 1 July 2008, following amendments made to AASB 139 in October 2008.

**Recognition and de-recognition**

Regular purchases and sales of financial assets are recognised on trade-date - the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 1. Summary of Significant Accounting Policies (continued)

transferred and Council has transferred substantially all the risks and rewards of ownership. When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised

**Subsequent Measurement**

**Financial assets at fair value through profit and loss** are subsequently carried at fair value.

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

The fair values of quoted investments are based on current bid prices. Some investments do not have an active market and independent valuations are not readily available. In this instance fair values have been assessed based on estimates from issuers and/or evaluation models. These estimates have been reviewed by Council's investment advisor. In most cases there is limited market evidence available to verify their reasonableness and the ongoing volatility of financial markets creates greater uncertainty to the valuation process.

**Investment Policy**

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

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

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

Council amended its policy following revisions to the Investment Order arising from the Cole Inquiry recommendations. Certain investments the Council holds are no longer prescribed (for example managed funds, CDOs, and equity linked notes),

however they have been retained under grandfathering provisions of the Order.

These will be disposed of when most financially advantageous to Council.

**(k) Fair value estimation**

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

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

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

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

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

Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

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

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

**(l) Infrastructure, Property, Plant and Equipment (IPPE)****Acquisition of assets**

Council's assets are being progressively revalued in accordance with a staged implementation advised by the Division of Local Government.

At balance date, the following classes of IPPE were stated at their fair value;

### Hornsby Shire Council

#### Notes to the Financial Statements for the financial year ended 30 June 2010

##### Note 1. Summary of Significant Accounting Policies (continued)

- **Operational Land** (External Valuation) as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.
- **Buildings – Specialised/Non Specialised** (External Valuation)
- **Plant and Equipment** (as approximated by depreciated historical cost) All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.
- **Road assets – roads, bridges and footpaths** (Internal Valuation)
- **Drainage assets –** (Internal Valuation)
- **Bulk earthworks –** (Internal Valuation)

##### Asset Revaluations (including Indexation)

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

Other asset classes will be revalued to fair value as follows:

- **2010/11:** Community land, Land improvements, Other structures and other assets

Until these designated future reporting periods, the above remaining asset classes are stated at cost (or deemed cost) less accumulated depreciation and any accumulated impairment losses.

##### Initial Recognition

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

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

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

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

##### Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset,

- Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve.

- To the extent that the increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss.

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

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

##### Capitalisation Thresholds

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

<b>Land</b>	
- council land	100% Capitalised
- open space	100% Capitalised

<b>Plant &amp; Equipment</b>	
Office Furniture	> \$5,000
Office Equipment	> \$5,000
Other Plant & Equipment	> \$5,000

<b>Buildings &amp; Land Improvements</b>	
Park Furniture & Equipment	> \$5,000

<b>Building</b>	
- construction/extensions	100% Capitalised
- renovations	> \$5,000

### Hornsby Shire Council

#### Notes to the Financial Statements for the financial year ended 30 June 2010

##### Note 1. Summary of Significant Accounting Policies (continued)

##### Buildings & Land Improvements (continued)

Other Structures	> \$5,000
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##### Stormwater Assets

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

##### Transport Assets

Road construction & reconstruction	100% Capitalised
Bridge construction & reconstruction	100% Capitalised

##### Depreciation

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

Land is not depreciated.

Estimated useful lives for Councils assets include:

Buildings	40-80 years
Plant & Equipment	6-8 years
Vehicles	5 years
Furniture & Fittings	6-7 years
Land Improvements	20 years
Road Assets	20-100 years
Drainage Assets	100 years
Bridges	60-80 years
Bulk Earthworks	100 years

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

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

##### Disposal and De-recognition

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

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

##### (m) Land

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

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

##### (n) Land under roads

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

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

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

##### (o) Investment property

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

Council currently holds no property which is classified as investment property.

##### (p) Payables

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

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

##### (q) Borrowings

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

Borrowings are subsequently measured at amortised cost.

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 1. Summary of Significant Accounting Policies (continued)

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

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

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

**(r) Borrowing Costs**

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

**(s) Provisions**

Provisions for legal claims and service warranties are recognised when:

- Council has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

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

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

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

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

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

**(t) Employee benefits****(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

**(ii) Other long-term employee benefit obligations**

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**(iii) Retirement benefit obligations**

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

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 1. Summary of Significant Accounting Policies (continued)

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

**Defined Benefit Plans**

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

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

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

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

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

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

Accordingly, Council's contributions to the scheme for the current reporting year have been recognised as an expense and disclosed as part of Superannuation Expenses at Note 4(a).

The Local Government Superannuation Scheme has advised member councils that, as a result of the global financial crisis, it has a significant deficiency of assets over liabilities.

As a result, they have asked for significant increases in contributions to recover that deficiency. Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in Council's accounts.

Council has, however, disclosed a contingent liability in note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

**Define Contribution Plans**

Contributions to Defined Contribution Plans are recognised as an expense as they become payable.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(iv) Employee Benefit On-Costs**

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

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30/6/10.

**(u) Rounding of amounts**

Unless otherwise indicated, amounts in the financial report have been rounded off to the nearest thousand dollars.

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

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

## Hornsby Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

No decision has yet been made in respect of the Hornsby Quarry and subsequently no provisions has been made in Council's books.

#### (w) Allocation between current and non-current assets & liabilities

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

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

#### Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if not expected to be settled within the next 12 months.

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

#### (x) New accounting standards and interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for 30 June 2010 reporting periods.

**Council has not adopted any of these standards early.**

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

#### (i) AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash-Settled Share-based Payment Transactions [AASB 2] (effective from 1 January 2010)

The amendments made by the AASB to AASB 2 confirm that an entity receiving goods or services in a group share-based payment arrangement must recognise an expense for those goods or services regardless of which entity in the group settles the transaction or whether the transaction is settled in shares or cash. They also clarify how the group

share-based payment arrangement should be measured, that is, whether it is measured as an equity- or a cash-settled transaction.

**There will be no impact on the Financial Statements as Council does not make share based payments.**

#### (ii) AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB 132] (effective from 1 February 2010)

In October 2009 the AASB issued an amendment to AASB 132 *Financial Instruments: Presentation* which addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. The amendment must be applied retrospectively in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

**There will be no impact on the Financial Statements as Council does not make rights issues.**

#### (iii) AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (effective from 1 January 2013)

AASB 9 *Financial Instruments* addresses the classification and measurement of financial assets and is likely to affect Council's accounting for its financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. Council is yet to assess its full impact.

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

## Hornsby Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

#### (iv) Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards (effective from 1 January 2011).

In December 2009 the AASB issued a revised AASB 124 Related Party Disclosures. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively. The amendment removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies and simplifies the definition of a related party.

**There will be no impact on the Financial Statements as Council does not make Related Party Disclosures.**

#### (v) AASB Interpretation 19 Extinguishing financial liabilities with equity instruments and AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19 (effective from 1 July 2010)

AASB Interpretation 19 clarifies the accounting when an entity renegotiates the terms of its debt with the result that the liability is extinguished by the debtor issuing its own equity instruments to the creditor (debt for equity swap). It requires a gain or loss to be recognised in profit or loss which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

**There will be no impact on the Financial Statements as Council does not make debt for equity swaps.**

#### (vi) AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement (effective from 1 January 2011)

In December 2009, the AASB made an amendment to Interpretation 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

The amendment removes an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity's defined benefit scheme. It permits entities to recognise an

asset for a prepayment of contributions made to cover minimum funding requirements.

**Council does not make any such prepayments. Therefore the amendment is therefore not expected to have any impact on the Financial Statements.**

#### (y) Intangible Assets

##### IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems.

Costs capitalised include external direct costs of materials and service, direct payroll and payroll related costs of employees' time spent on the project.

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

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

#### (z) Crown Reserves

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

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

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

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

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 1. Summary of Significant Accounting Policies (continued)

## (aa) Rural Fire Service assets

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

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

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to incorporate the assets, their values and depreciation charges within these Financial Reports including land, buildings, plant & vehicles.

## (ab) Taxes

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

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

## Goods &amp; Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as Operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

## (ac) Disclaimer

Nothing contained within this report may be taken to be an admission of any liability to any person under any circumstance.

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 2(a). Council Functions / Activities - Financial Information

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities.											
	Details of these Functions/Activities are provided in Note 2(b).											
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing		
	Original Budget 2010	Actual 2010	Actual 2009	Original Budget 2010	Actual 2010	Actual 2009	Original Budget 2010	Actual 2010	Actual 2009	Actual 2010	Actual 2009	Total Assets held (Current & Non-current)
Governance	-	-	-	2,433	2,234	2,388	(2,433)	(2,234)	(2,388)	-	-	-
General Managers Division	47	112	77	1,441	1,501	1,329	(1,394)	(1,389)	(1,252)	34	11	-
Corporate & Community	11,242	12,134	9,456	35,537	40,005	36,020	(24,295)	(27,871)	(26,564)	1,881	1,854	232,391
Environment	21,907	25,205	24,726	32,912	34,423	31,901	(11,005)	(9,218)	(7,175)	2,611	2,533	1,244,027
Works	6,552	8,979	9,513	22,372	22,527	22,854	(15,820)	(13,548)	(13,341)	2,830	3,350	778,159
Planning	2,954	4,204	4,093	8,614	7,838	8,840	(5,660)	(3,634)	(4,747)	-	10	-
Total Functions & Activities	42,702	50,634	47,865	103,309	108,528	103,332	(60,607)	(67,894)	(55,467)	7,356	7,758	2,247,108
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	-	-	-	-	-	-	-	-	-	-
General Purpose Income	56,992	58,780	57,283	-	-	-	56,992	58,780	57,283	5,039	5,957	-
Operating Result from Continuing Operations	99,694	109,414	105,148	103,309	108,528	103,332	(3,615)	886	1,816	12,395	13,715	2,247,108
												1,960,108

1. Includes: Rates & Annual Charges (incl. Ex-Gratia), United General Purpose Grants & Unrestricted Interest & Investment Income.



### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 2(b). Council Functions / Activities - Component Descriptions

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:

##### GENERAL MANAGERS DIVISION

Costs relating to Community Relations, Internal Audit, Citizenship, Ceremonies & other community events, Human Resources, Quality Systems, corporate projects, annual reports & quarterly newsletters.

##### CORPORATE & COMMUNITY DIVISION

Administration, Finance, Information Technology, Library & Information Services, Community Services, Children's Services and Community Development.

##### ENVIRONMENTAL DIVISION

Parks & Landscape, Water Catchments, Environmental Health & Protection, Waste Management, Bushland & Biodiversity and Customer Service.

##### WORKS DIVISION

Assets, Traffic & Road Safety, Property Development, Design & Construction, Engineering Services & Works Support.

##### PLANNING DIVISION

Town Planning, Development Assessments, Section 94 Development Contributions, Subdivisions & Customer Service.

### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 3. Income from Continuing Operations

	Notes	Actual 2010	Actual 2009
\$ '000			
<b>(a). Rates &amp; Annual Charges</b>			
<b>Ordinary Rates</b>			
Residential		46,536	44,919
less: Compulsory Pensioner Rebate		(1,300)	(1,257)
Farmland		429	411
Business		6,152	5,989
<b>Total Ordinary Rates</b>		<b>51,817</b>	<b>50,062</b>
<b>Special Rates</b>			
Catchments Remediation Rate		2,654	2,564
Hornsby Quarry Special Rate		2,821	2,726
less: Voluntary Pensioner Rebate		(68)	(66)
<b>Total Special Rates</b>		<b>5,407</b>	<b>5,224</b>
<b>Annual Charges (pursuant to s.496 &amp; s.501)</b>			
Domestic Waste Management Services		14,001	13,502
<b>Total Annual Charges</b>		<b>14,001</b>	<b>13,502</b>
<b>TOTAL RATES &amp; ANNUAL CHARGES</b>		<b>71,225</b>	<b>68,788</b>

Council has used 2008 year valuations provided by the NSW Valuer General in calculating its rates.



## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2010	Actual 2009
<b>(b). User Charges &amp; Fees</b>			
<b>Specific User Charges</b> (per s.502 - Specific "actual use" charges)			
Waste Management Services (non-domestic)		912	835
Sullage		18	14
<b>Total User Charges</b>		<b>930</b>	<b>849</b>
<b>Other User Charges &amp; Fees</b>			
<b>(i) Fees &amp; Charges - Statutory &amp; Regulatory Functions</b> (per s608, 610A & 611)			
Inspection Fees		493	373
Planning & Building Regulation		2,157	2,038
Registration Fees		72	62
Section 611 Charges		57	56
<b>Total Fees &amp; Charges - Statutory/Regulatory</b>		<b>2,779</b>	<b>2,529</b>
<b>(ii) Fees &amp; Charges - Other (incl. General User Charges</b> (per s.610C))			
Community Centre Hire Fees		181	120
Indoor Sports Centre Stadium - Admission Fees		490	470
Library Fees & Charges		155	150
Nursery & Preschool Hire Fees		3,296	2,737
Park & Oval Hire Fees		829	724
Restoration Charges		756	844
Swimming Centre - Admission Fees		2,068	1,983
Tennis / Netball Hire Fees		147	147
Other Hire Fees		43	29
Other		343	356
<b>Total Fees &amp; Charges - Other</b>		<b>8,308</b>	<b>7,560</b>
<b>TOTAL USER CHARGES &amp; FEES</b>		<b>12,017</b>	<b>10,938</b>

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2010	Actual 2009
<b>(c). Interest &amp; Investment Revenue (incl. losses)</b>			
<b>Interest &amp; Dividends</b>			
- Interest on Overdue Rates & Annual Charges		173	193
- Interest earned on Investments (interest & coupon payment income)		1,454	1,676
Fair Value Adjustments			
- Fair Valuation movements in Investments (at FV or Held for Trading)		1,404	(2,153)
Other		-	14
<b>TOTAL INTEREST &amp; INVESTMENT REVENUE</b>		<b>3,031</b>	<b>(270)</b>
<b>Interest Revenue is attributable to:</b>			
<b>Unrestricted Investments/Financial Assets:</b>			
Overdue Rates & Annual Charges		173	193
General Council Cash & Investments		1,907	1,250
<b>Restricted Investments/Funds - External:</b>			
Development Contributions			
- Section 94		922	(1,693)
Catchments Remediation		29	(20)
<b>Total Interest &amp; Investment Revenue Recognised</b>		<b>3,031</b>	<b>(270)</b>

Financial Statements 2010

### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2010	Actual 2009
(d). Other Revenues			
Rental Income - Other Council Properties		1,594	1,368
Ex Gratia Rates		17	14
Parking Fines		1,547	1,350
Prosecution & Infringements		141	166
Legal Fees Recovery - Rates & Charges (Extra Charges)		94	187
Legal Fees Recovery - Planning		39	41
Legal Fees Recovery - Other		3	91
Commissions & Agency Fees		12	29
Diesel Rebate		18	-
Insurance Claim Recoveries		196	30
Insurance Rebates & Incentives		52	202
Recycling Income (non domestic)		217	126
Sales - General		505	672
Bushfire Fund Income		24	72
Car Park Management		86	70
Crosslands Reserve Income		15	32
Department of Environment Waste Rebate		-	378
Florence Mall Incomes		45	113
Home Modification		283	223
Income from Community Events		21	13
Property Services Sundry Income		-	2
Road Closure Income		200	590
Salaries & Wages Charged Out		98	111
Telecommunications Mobile Site Fees		90	31
Vehicular Crossing Income		-	24
Youth Centre Income		18	-
Other		173	215
<b>TOTAL OTHER REVENUE</b>		<b>5,488</b>	<b>6,150</b>

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Financial Statements 2010

### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 3. Income from Continuing Operations (continued)

\$ '000	2010 Operating	2009 Operating	2010 Capital	2009 Capital
(e). Grants				
<b>General Purpose (Untied)</b>				
Financial Assistance	4,315	5,301	-	-
Pensioners' Rates Subsidies - General Component	724	656	-	-
<b>Total General Purpose</b>	<b>5,039</b>	<b>5,957</b>	<b>-</b>	<b>-</b>
<b>Specific Purpose</b>				
Pensioners' Rates Subsidies:				
- Domestic Waste Management	219	219	-	-
Aged & Disabled	458	433	-	-
Bushfire & Emergency Services	58	441	-	-
Bushland	263	119	-	-
Child Care	965	702	-	-
Community Centres	-	-	-	11
Employment & Training Programs	1	22	-	-
Environmental Protection	907	649	871	1,226
Library	295	293	96	128
Noxious Weeds	25	-	-	-
Parks & Gardens	-	-	269	(104)
Street Lighting	231	275	-	-
Transport (Roads to Recovery)	-	200	-	739
Transport (Other Roads & Bridges Funding)	633	423	1,479	750
Youth Services	17	39	-	-
Community Infrastructure Program	-	-	360	833
Other	129	249	80	111
<b>Total Specific Purpose</b>	<b>4,201</b>	<b>4,064</b>	<b>3,155</b>	<b>3,694</b>
<b>Total Grants</b>	<b>9,240</b>	<b>10,021</b>	<b>3,155</b>	<b>3,694</b>
<b>Grant Revenue is attributable to:</b>				
- Commonwealth Funding	813	725	1,924	2,779
- State Funding	8,403	9,296	1,231	915
- Other Funding	24	-	-	-
	<b>9,240</b>	<b>10,021</b>	<b>3,155</b>	<b>3,694</b>

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 3. Income from Continuing Operations (continued)

	2010	2009	2010	2009
\$ '000	Operating	Operating	Capital	Capital
(f). Contributions				
<b>Developer Contributions:</b>				
(s93 & s94 - EP&A Act, s64 of the NSW LG Act):				
S 94 - Contributions towards amenities/services	-	-	1,853	1,651
<b>Total Developer Contributions</b>	<b>17</b>	<b>-</b>	<b>1,853</b>	<b>1,651</b>
<b>Other Contributions:</b>				
Childcare	-	-	-	137
Community Facilities	110	34	-	-
Employee Vehicle Contributions	648	630	-	-
Environment	31	206	28	160
Recreation & Culture	6	-	-	-
RTA Contributions (Regional/Local, Block Grant)	10	-	-	-
Rural Fire Service	606	160	1,695	2,402
Other	126	68	124	109
<b>Total Other Contributions</b>	<b>1,537</b>	<b>1,098</b>	<b>1,847</b>	<b>2,808</b>
<b>Total Contributions</b>	<b>1,537</b>	<b>1,098</b>	<b>3,700</b>	<b>4,459</b>
<b>TOTAL GRANTS &amp; CONTRIBUTIONS</b>	<b>10,777</b>	<b>11,119</b>	<b>6,855</b>	<b>8,153</b>

	Actual	Actual
\$ '000	2010	2009

## (g). Restrictions relating to Grants and Contributions

Certain grants & contributions are obtained by Council on condition  
that they be spent in a specified manner:

Unexpended at the Close of the Previous Reporting Period	12,702	19,584
add: Grants and contributions recognised in the current period which have not been spent:	4,123	2,288
less: Grants and contributions recognised in a previous reporting period which have been spent in the current reporting period:	(997)	(9,170)
<b>Net Increase (Decrease) in Restricted Assets</b>	<b>3,126</b>	<b>(6,882)</b>
<b>Unexpended at the Close of this Reporting Period and held as Restricted Assets</b>	<b>15,828</b>	<b>12,702</b>
<b>Comprising:</b>		
- Specific Purpose Unexpended Grants	3,410	2,689
- Developer Contributions	12,418	10,013
	<b>15,828</b>	<b>12,702</b>

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 4. Expenses from Continuing Operations

	Notes	Actual	Actual
\$ '000		2010	2009
(a) Employee Benefits & On-Costs			
Salaries and Wages		37,015	35,657
Travelling		29	33
Employee Leave Entitlements (ELE)		928	1,424
Superannuation		4,365	3,272
Workers' Compensation Insurance		522	613
Fringe Benefit Tax (FBT)		191	171
Training Costs (other than Salaries & Wages)		493	535
Other		342	370
<b>Total Employee Costs</b>		<b>43,885</b>	<b>42,075</b>
less: Capitalised Costs		(819)	(851)
<b>TOTAL EMPLOYEE COSTS EXPENSED</b>		<b>43,066</b>	<b>41,224</b>
Number of "Equivalent Full Time" Employees at year end		612	603
(b) Borrowing Costs			
(i) Interest Bearing Liability Costs			
Interest on Loans		1,520	1,533
Other Debts		-	1
<b>Total Interest Bearing Liability Costs</b>		<b>1,520</b>	<b>1,534</b>
less: Capitalised Costs		-	-
<b>Total Interest Bearing Liability Costs Expensed</b>		<b>1,520</b>	<b>1,534</b>
(ii) Other Borrowing Costs			
Nil			
<b>TOTAL BORROWING COSTS EXPENSED</b>		<b>1,520</b>	<b>1,534</b>

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Financial Statements 2010

### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2010	Actual 2009
<b>(c) Materials &amp; Contracts</b>			
Raw Materials & Consumables		5,243	5,295
Contractor & Consultancy Costs			
- Building Maintenance		322	316
- Consultants		1,500	1,439
- Computer Support		2,015	1,826
- Home Modification Service		201	165
- Animal Pound Service		52	155
- Air Conditioning		91	101
- Bush Regeneration		524	303
- Community Centres		26	127
- Contracts - Electrical		282	295
- Contracts - Grass Cutting		495	448
- Contracts - Plumbing		345	313
- Contracts - Tree Work		386	364
- Contractor & Agency Fees		1,197	817
- Drainage Maintenance		283	219
- External Plant & Equipment Hire		256	299
- Election Expenses		243	377
- Florence Mall		123	224
- Footpath Maintenance		357	278
- Foreshore Facilities		172	187
- Garbage Collection, Tipping & Recycling		13,812	12,347
- Litter Control		435	425
- Maintenance of Parks		183	220
- Mechanical Services		123	151
- Property Cleaning		377	340
- Road Maintenance		3,216	3,359
- Stormwater Asset Maintenance		131	155
Auditors Remuneration: Audit Services - Council's Auditor		86	88
Auditors Remuneration: Other Services - Council's Auditor		4	-
Legal Expenses - Planning & Development		295	883
Legal Expenses - Other		561	656
Operating Leases:			
Operating Lease Rentals - Minimum Lease Payments <sup>(1)</sup>		251	173
Other		570	280
<b>Total Materials &amp; Contracts</b>		<b>34,157</b>	<b>32,625</b>
less: Capitalised Costs		-	-
<b>TOTAL MATERIALS &amp; CONTRACTS</b>		<b>34,157</b>	<b>32,625</b>

#### 1. Operating Lease Payments are attributable to:

- Computers	251	173
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Financial Statements 2010

### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2010	Actual 2009	Actual 2010	Actual 2009
(d) Depreciation, Amortisation & Impairment					
Plant and Equipment		-	-	1,653	1,999
Office Equipment		-	-	237	193
Furniture & Fittings		-	-	115	120
Property, Plant & Equipment - Leased		-	-	-	-
Land Improvements (depreciable)		-	-	2,669	2,672
Buildings - Non Specialised		-	-	2,364	2,188
Buildings - Specialised		-	-	3,530	2,112
Other Structures		-	-	286	272
Infrastructure:					
- Roads, Bridges & Footpaths		-	-	4,539	4,119
- Stormwater Drainage		-	-	1,736	1,303
- Water Supply Network		-	-	4	4
- Sewerage Network		-	-	-	-
Other Assets					
- Heritage Collections		-	-	-	-
- Library Books		-	-	435	422
- Other		-	-	-	-
Asset Reinstatement Costs	9 & 26	-	-	-	-
Intangible Assets	25	-	-	861	860
<b>Total Depreciation &amp; Impairment Costs</b>		-	-	<b>18,429</b>	<b>16,264</b>
less: Capitalised Costs		-	-	-	-
less: Impairments offset in ARR (Equity)	9a	-	-	-	-
<b>TOTAL DEPRECIATION &amp; IMPAIRMENT COSTS EXPENSED</b>		-	-	<b>18,429</b>	<b>16,264</b>

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2010	Actual 2009
<b>(e) Other Expenses</b>			
Other Expenses for the year include the following:			
Advertising		560	552
Bad & Doubtful Debts		(61)	(13)
Bank Charges & Cash Collection Expenses		275	265
Catering		283	293
Contributions/Levies to Other Levels of Government		2,725	2,674
Councillor Expenses - Mayoral Fee		52	51
Councillor Expenses - Councillors' Fees		200	190
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		28	28
Donations, Contributions & Assistance to other organisations (Section 356)		103	158
Election Expenses		243	-
Electricity & Heating		956	821
Insurance		1,526	1,498
Licences & Registration		217	259
Office Expenses (including computer expenses)		21	-
Postage		219	238
Printing & Stationery		476	571
Street Lighting		2,061	2,033
Subscriptions to Local Government Publications		54	48
Subscriptions & Publications		256	264
Telephone & Communications		347	409
Valuation Fees		223	215
Water & Sewerage		437	357
Public Education Programs		76	-
Other		79	381
<b>Total Other Expenses</b>		<b>11,356</b>	<b>11,292</b>
less: Capitalised Costs		-	-
<b>TOTAL OTHER EXPENSES</b>		<b>11,356</b>	<b>11,292</b>

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 5. Gains or Losses from the Disposal of Assets

\$ '000	Notes	Actual 2010	Actual 2009
<b>Property</b> (excl. Investment Property)			
Proceeds from Disposal		1,373	2,410
less: Carrying Amount of Property Assets Sold		(1,700)	(2,410)
<b>Net Gain/(Loss) on Disposal</b>		<b>(327)</b>	<b>-</b>
<b>Plant &amp; Equipment</b>			
Proceeds from Disposal		599	1,879
less: Carrying Amount of P&E Assets Sold		(509)	(2,002)
<b>Net Gain/(Loss) on Disposal</b>		<b>90</b>	<b>(123)</b>
<b>Financial Assets*</b>			
Proceeds from Disposal		3,775	9,739
less: Carrying Amount of Financial Assets Sold / Redeemed		(3,517)	(9,739)
<b>Net Gain/(Loss) on Disposal</b>		<b>258</b>	<b>-</b>
<b>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</b>		<b>21</b>	<b>(123)</b>
<b>* Financial Assets disposals include:</b>			
- Net Gain/(Loss) from Financial Instruments "At Fair Value through profit & loss"		258	-
<b>Net Gain/(Loss) on Disposal of Financial Instruments</b>		<b>258</b>	<b>-</b>

Financial Statements 2010

### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 6a. - Cash Assets and Note 6b. - Investment Securities

	2010 Actual Current	2010 Actual Non Current	2009 Actual Current	2009 Actual Non Current
\$ '000	Notes			
<b>Cash &amp; Cash Equivalents (Note 6a)</b>				
Cash on Hand and at Bank	1,149	-	2,282	-
Cash-Equivalent Assets <sup>1</sup>				
- Short Term Deposits	19,295	-	16,469	-
<b>Total Cash &amp; Cash Equivalents</b>	<b>20,444</b>	<b>-</b>	<b>18,751</b>	<b>-</b>
<b>Investment Securities (Note 6b)</b>				
- Managed Funds	982	-	883	-
- NCD's, FRN's	1,925	-	1,728	-
- CDO's	2,384	-	3,360	-
- Capital Guaranteed Financial Instruments	4,742	-	6,092	-
<b>Total Investment Securities</b>	<b>10,033</b>	<b>-</b>	<b>12,063</b>	<b>-</b>
<b>TOTAL CASH ASSETS, CASH EQUIVALENTS &amp; INVESTMENTS</b>	<b>30,477</b>	<b>-</b>	<b>30,814</b>	<b>-</b>

<sup>1</sup> Those Investments where time to maturity (from date of purchase) is < 3 mths.

Cash, Cash Equivalents & Investments were  
classified at year end in accordance with AASB 139:

<b>Cash &amp; Cash Equivalents</b>				
a. "At Fair Value through the Profit & Loss"	20,444	-	18,751	-
<b>Investments</b>				
a. "At Fair Value through the Profit & Loss"				
- "Designated at Fair Value on Initial Recognition" 6(b-i)	10,033	-	12,063	-
<b>Investments</b>	<b>10,033</b>	<b>-</b>	<b>12,063</b>	<b>-</b>

#### Note 6(b-i)

Reconciliation of Investments classified as  
"At Fair Value through the Profit & Loss"

Balance at the Beginning of the Year	12,063	-	23,370	-
Revaluations (through the Income Statement)	1,404	-	(2,153)	-
Additions	83	-	585	-
Disposals (sales & redemptions)	(3,517)	-	(9,739)	-
<b>Balance at End of Year</b>	<b>10,033</b>	<b>-</b>	<b>12,063</b>	<b>-</b>

#### Comprising:

- Managed Funds	982	-	883	-
- NCD's, FRN's	1,925	-	1,728	-
- CDO's	2,384	-	3,360	-
- Capital Guaranteed Financial Instruments	4,742	-	6,092	-
<b>Total</b>	<b>10,033</b>	<b>-</b>	<b>12,063</b>	<b>-</b>

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Financial Statements 2010

### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 6c. Restricted Cash, Cash Equivalents & Investments

	2010 Actual Current	2010 Actual Non Current	2009 Actual Current	2009 Actual Non Current
\$ '000				
<b>Total Cash, Cash Equivalents and Investment Securities</b>	<b>30,477</b>	<b>-</b>	<b>30,814</b>	<b>-</b>
<b>attributable to:</b>				
External Restrictions (refer below)	17,046	-	18,518	-
Internal Restrictions (refer below)	11,162	-	9,772	-
Unrestricted	2,269	-	2,524	-
	<b>30,477</b>	<b>-</b>	<b>30,814</b>	<b>-</b>

2010 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
-----------------	--------------------	------------------------------	--------------------------------	--------------------

#### Details of Restrictions

##### External Restrictions - Included in Liabilities

Nil

##### External Restrictions - Other

Developer Contributions - General (D)	10,013	2,775	(370)	12,418
Specific Purpose Unexpended Grants (F)	2,689	721	-	3,410
Domestic Waste Management (G)	3,602	12,818	(15,959)	461
Other	2,214	1,179	(2,636)	757
<b>External Restrictions - Other</b>	<b>18,518</b>	<b>17,493</b>	<b>(18,965)</b>	<b>17,046</b>
<b>Total External Restrictions</b>	<b>18,518</b>	<b>17,493</b>	<b>(18,965)</b>	<b>17,046</b>

##### Internal Restrictions

Plant & Vehicle Replacement	886	2,291	(1,906)	1,271
Employees Leave Entitlement	1,789	350	-	2,139
Civil Works	2,816	515	(414)	2,917
Construction of Buildings	(75)	1,921	(1,516)	330
Council Strategies Projects	654	1,210	(1,105)	759
Hornsby Quarry GST Fund	2,410	2,821	(2,821)	2,410
Land Acquisition	302	-	-	302
Other	990	493	(449)	1,034
<b>Total Internal Restrictions</b>	<b>9,772</b>	<b>9,601</b>	<b>(8,211)</b>	<b>11,162</b>
<b>TOTAL RESTRICTIONS</b>	<b>28,290</b>	<b>27,094</b>	<b>(27,176)</b>	<b>28,208</b>

D Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

F Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)

G Domestic Waste Management (DWM) Charges must be applied for the purposes for which they were raised.

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 7. Receivables

\$ '000	Notes	2010		2009	
		Current	Non Current	Current	Non Current
<b>Purpose</b>					
Rates & Annual Charges		2,187	357	1,905	361
Interest & Extra Charges		201	-	226	-
User Charges & Fees		184	-	140	-
Contributions to Works		105	-	380	-
Accrued Revenues					
- Interest on Investments		116	-	14	-
- Other Income Accruals		424	-	1,367	-
Government Grants & Subsidies		1,202	-	209	-
Net GST Receivable		925	-	750	-
Sullage		52	-	97	-
Restorations		87	-	22	-
Licencing		38	-	27	-
Property Rentals		324	-	40	-
Sale & Leaseback of Computer Equipmei		-	-	129	-
Workers Compensation Claims		18	-	19	-
Facility Hire		121	-	74	-
Other Debtors		220	-	363	-
<b>Total</b>		<b>6,204</b>	<b>357</b>	<b>5,762</b>	<b>361</b>
<b>less: Provision for Impairment</b>					
Other Debtors		(68)	-	(134)	-
<b>Total Provision for Impairment - Receivables</b>		<b>(68)</b>	<b>-</b>	<b>(134)</b>	<b>-</b>
<b>TOTAL NET RECEIVABLES</b>		<b>6,136</b>	<b>357</b>	<b>5,628</b>	<b>361</b>
<b>Externally Restricted Receivables</b>					
Domestic Waste Management		493	-	452	-
Other					
- Catchment Remediation Rate		106	-	97	-
- Hornsby Quarry Special Rate		116	-	103	-
- Special Purpose Grants		1,523	-	1,557	-
<b>Total External Restrictions</b>		<b>2,238</b>	<b>-</b>	<b>2,209</b>	<b>-</b>
<b>Unrestricted Receivables</b>		<b>3,898</b>	<b>357</b>	<b>3,419</b>	<b>361</b>
<b>TOTAL NET RECEIVABLES</b>		<b>6,136</b>	<b>357</b>	<b>5,628</b>	<b>361</b>

## Notes on Debtors above:

- Rates & Annual Charges Outstanding are secured against the property.
- Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.  
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- Interest is charged on overdue rates & charges at 9.00% (2009 10.00%).  
Generally all other receivables are non interest bearing.
- Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 8. Inventories &amp; Other Assets

\$ '000	Notes	2010		2009	
		Current	Non Current	Current	Non Current
<b>Inventories</b>					
Real Estate for resale (refer below)		-	-	705	-
Stores & Materials		167	-	171	-
<b>Total Inventories</b>		<b>167</b>	<b>-</b>	<b>876</b>	<b>-</b>
<b>Other Assets</b>					
Nil					
<b><u>TOTAL INVENTORIES &amp; OTHER ASSETS</u></b>		<b><u>167</u></b>	<b><u>-</u></b>	<b><u>876</u></b>	<b><u>-</u></b>
<b>Details for Real Estate Development</b>					
Residential		-	-	705	-
<b>Total Real Estate for Resale</b>		<b>-</b>	<b>-</b>	<b>705</b>	<b>-</b>
(Valued at the lower of cost and net realisable value)					
<b>Represented by:</b>					
Acquisition Costs		-	-	705	-
<b>Total Costs</b>		<b>-</b>	<b>-</b>	<b>705</b>	<b>-</b>
less: Provision for Under Recovery		-	-	-	-
<b>Total Real Estate for Resale</b>		<b>-</b>	<b>-</b>	<b>705</b>	<b>-</b>
<b>Movements:</b>					
Real Estate assets at beginning of the year		705	-	705	-
- Transfers in from (out to) Note 9		(705)	-	-	-
<b>Total Real Estate for Resale</b>		<b>-</b>	<b>-</b>	<b>705</b>	<b>-</b>
<b>(i) Externally Restricted Assets</b>					
<b>Total Externally Restricted Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Internally Restricted Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Unrestricted Assets</b>		<b>167</b>	<b>-</b>	<b>876</b>	<b>-</b>
<b>TOTAL INVENTORIES &amp; OTHER ASSETS</b>		<b>167</b>	<b>-</b>	<b>876</b>	<b>-</b>



### Hornsby Shire Council

#### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 9a. Infrastructure, Property, Plant & Equipment

	as at 30/6/2009					Asset Movements during the Reporting Period						as at 30/6/2010				
	At	At	Accumulated	Carrying	Asset	WDV	Depreciation	Adjustments	Tfrs from/(to)	Revaluation		At	At	Accumulated	Carrying	
	Cost	Fair Value	Deprec.	Impairment								Cost	Fair Value	Dep'n	Impairment	
\$ '000					Additions	of Asset Disposals	Expense	& Transfers	Real Estate Assets (Note 8)	Increases to Equity (ARR)						
Capital Work in Progress	12,114	-	-	-	13,800	-	-	(20,183)	-	-	-	5,731	-	-	-	5,731
Plant & Equipment	-	15,126	9,497	-	1,664	(508)	(1,653)	-	-	-	-	-	15,713	10,581	-	5,132
Office Equipment	-	1,248	752	-	28	-	(237)	409	-	-	-	-	1,638	942	-	696
Furniture & Fittings	-	2,480	1,908	-	44	-	(115)	-	-	-	-	-	2,474	1,973	-	501
Plant & Equipment (under Finance Lease)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Land:</b>																
- Operational Land	-	148,305	-	-	730	(1,110)	-	-	705	-	-	-	148,630	-	-	148,630
- Community Land	1,170,683	-	-	-	321	-	-	-	-	-	-	1,171,004	-	-	-	1,171,004
- Land under Roads (pre 1/7/08)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Land under Roads (post 30/6/08)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Improvements - non depreciable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Improvements - depreciable	53,538	-	22,040	-	9	-	(2,669)	3,683	-	-	-	57,294	-	24,773	-	32,521
Buildings - Non Specialised	-	71,196	29,989	-	420	-	(2,364)	(2,488)	-	-	-	-	69,232	32,457	-	36,775
Buildings - Specialised	-	79,681	32,372	-	-	(591)	(3,530)	7,588	-	-	-	-	86,377	35,601	-	50,776
Other Structures	8,464	-	3,746	-	107	-	(286)	905	-	-	-	9,441	-	3,997	-	5,444
<b>Infrastructure:</b>																
- Roads, Bridges, Footpaths	361,530	-	79,562	-	-	-	(4,539)	7,543	-	20,108	-	-	395,085	90,005	-	305,080
- Bulk Earthworks (non-depreciable)	-	77,561	-	-	-	-	-	-	-	-	-	-	77,561	-	-	77,561
- Stormwater Drainage	123,230	-	27,979	-	-	-	(1,736)	2,543	-	269,748	-	-	480,989	115,183	-	365,806
- Water Supply Network	128	-	61	-	-	-	(4)	-	-	-	-	-	128	65	-	63
- Sewerage Network	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other Assets:</b>																
- Heritage Collections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Library Books	-	2,393	1,336	-	496	-	(435)	-	-	-	-	-	2,782	1,664	-	1,118
- Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Reinstatement, Rehabilitation &amp; Restoration Assets (refer Note 26)</b>																
- Nil	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIP.</b>	<b>1,729,687</b>	<b>397,990</b>	<b>209,242</b>	<b>-</b>	<b>1,918,435</b>	<b>17,619</b>	<b>(2,209)</b>	<b>(17,568)</b>	<b>-</b>	<b>705</b>	<b>289,856</b>	<b>1,243,470</b>	<b>1,280,609</b>	<b>317,241</b>	<b>-</b>	<b>2,206,838</b>

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 9b. Externally Restricted Infrastructure, Property, Plant &amp; Equipment

\$ '000

Council has no Externally Restricted Infrastructure, Property, Plant &amp; Equipment.

## Note 9c. Infrastructure, Property, Plant &amp; Equipment - Current Year Impairments

Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 10a. Payables, Borrowings &amp; Provisions

\$ '000	Notes	2010		2009	
		Current	Non Current	Current	Non Current
<b>Payables</b>					
Goods & Services - operating expenditure		3,077	-	5,537	-
Payments Received In Advance		280	-	263	-
Accrued Expenses:					
- Borrowings		27	-	32	-
- Salaries & Wages		24	-	-	-
- Other Expenditure Accruals		1,626	-	2,256	-
Security Bonds, Deposits & Retentions		128	-	113	-
Contributions & Bonds		169	-	189	-
Employee Costs		325	-	333	-
Other		35	-	26	-
<b>Total Payables</b>		<b>5,691</b>	<b>-</b>	<b>8,749</b>	<b>-</b>
<b>Borrowings</b>					
Loans - Secured <sup>1</sup>		3,331	18,751	3,022	20,083
<b>Total Borrowings</b>		<b>3,331</b>	<b>18,751</b>	<b>3,022</b>	<b>20,083</b>
<b>Provisions</b>					
Employee Benefits;					
Annual Leave		3,136	-	3,056	-
Sick Leave		621	-	668	-
Long Service Leave		7,338	544	7,135	370
Gratuities		389	-	465	-
Sub Total - Aggregate Employee Benefits		11,484	544	11,324	370
Other		18	-	13	-
<b>Total Provisions</b>		<b>11,502</b>	<b>544</b>	<b>11,337</b>	<b>370</b>
<b>Total Payables, Borrowings &amp; Provisions</b>					
		<b>20,524</b>	<b>19,295</b>	<b>23,108</b>	<b>20,453</b>

## (i) Liabilities relating to Restricted Assets

	2010		2009	
	Current	Non Current	Current	Non Current
<b>Externally Restricted Assets</b>				
Domestic Waste Management	408	-	1,705	-
Liabilities relating to externally restricted assets	408	-	1,705	-
<b>Internally Restricted Assets</b>				
Employee Leave Entitlements	2,389	-	1,789	-
Liabilities relating to internally restricted assets	2,389	-	1,789	-
<b>Total Liabilities relating to restricted assets</b>	<b>2,797</b>	<b>-</b>	<b>3,494</b>	<b>-</b>

<sup>1</sup> Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures &amp; Security can be found in Note 15.

Financial Statements 2010

### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 10a. Payables, Borrowings & Provisions (continued)

\$ '000	2010	2009
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##### (ii) Current Liabilities not anticipated to be settled within the next 12 months

The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.

Provisions - Employees Benefits	8,022	7,449
	<u>8,022</u>	<u>7,449</u>

#### Note 10b. Description of and movements in Provisions

Class of Provision	2009			2010		
	Opening Balance as at 1/7/09	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	Closing Balance as at 30/6/10
Annual Leave	3,056	2,670	(2,590)	-	-	3,136
Sick Leave	668	(15)	(32)	-	-	621
Long Service Leave	7,505	1,150	(773)	-	-	7,882
Gratuities	465	31	(107)	-	-	389
Other	13	5	-	-	-	18
<b>TOTAL</b>	<b>11,707</b>	<b>3,841</b>	<b>(3,502)</b>	<b>-</b>	<b>-</b>	<b>12,046</b>

a. Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

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Financial Statements 2010

### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2010	Actual 2009
<b>(a) Reconciliation of Cash Assets</b>			
Total Cash & Cash Equivalent Assets	6a	20,444	18,751
Less Bank Overdraft	10	-	-
<b>BALANCE as per the STATEMENT of CASH FLOWS</b>		<b>20,444</b>	<b>18,751</b>

##### (b) Reconciliation of Net Operating Result to Cash provided from Operating Activities

Net Operating Result from Income Statement	886	1,816
Adjust for non cash items:		
Depreciation & Amortisation	18,429	16,264
Net Losses/(Gains) on Disposal of Assets	(21)	123
Losses/(Gains) recognised on Fair Value Re-measurements through the P&L:		
- Investments classified as "@ Fair Value" or "Held for Trading"	(1,404)	2,153

+/- Movement in Operating Assets and Liabilities & Other Cash Items:

Decrease/(Increase) in Receivables	(438)	(387)
Increase/(Decrease) in Provision for Doubtful Debts	68	(30)
Decrease/(Increase) in Inventories	4	(6)
Increase/(Decrease) in Payables	(2,460)	1,328
Increase/(Decrease) in accrued Interest Payable	(5)	(2)
Increase/(Decrease) in other accrued Expenses Payable	(606)	387
Increase/(Decrease) in Other Current Liabilities	13	46
Increase/(Decrease) in Employee Leave Entitlements	334	650
Increase/(Decrease) in Other Provisions	5	1

##### NET CASH PROVIDED FROM/(USED IN)

<b>OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS</b>	<b>14,805</b>	<b>22,343</b>
--------------------------------------------------------------	---------------	---------------

##### (c) Non-Cash Investing & Financing Activities

Nil

##### (d) Financing Arrangements

###### (i) Unrestricted access was available at balance date to the following lines of credit:

Bank Overdraft Facilities <sup>(1)</sup>	2,000	2,000
Credit Cards / Purchase Cards	10	10
<b>Total Financing Arrangements</b>	<b>2,010</b>	<b>2,010</b>

No Financing arrangement were utilised as at Balance Date.

###### (ii) Secured Loan Liabilities

Loans are secured by a mortgage over future years Rate Revenue only.

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2010	Actual 2009
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## (a) Capital Commitments (exclusive of GST)

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

**Property, Plant & Equipment**

Plant & Equipment	422	429
Building & Land Improvements	224	1,026
Infrastructure - Roads, Bridges & Footpaths	959	200
Intellectual Property - "Council's Online"	5,960	5,208
Furniture & Fittings	10	31
Other	1	119
<b>Total Commitments</b>	<b>7,576</b>	<b>7,013</b>

**These expenditures are payable as follows:**

Within the next year	3,365	3,567
Later than one year and not later than 5 years	4,211	3,446
Later than 5 years	-	-
<b>Total Payable</b>	<b>7,576</b>	<b>7,013</b>

**Sources for Funding of Capital Commitments:**

Unrestricted General Funds	7,576	7,013
<b>Total Sources of Funding</b>	<b>7,576</b>	<b>7,013</b>

## (b) Other Expenditure Commitments (exclusive of GST)

Other Non Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

DWM & Recycling Services	59,731	68,671
Banking, Audit & Legal Services	184	270
Other	4,300	379
<b>Total Commitments</b>	<b>64,215</b>	<b>69,320</b>

**These expenditures are payable as follows:**

Within the next year	14,197	12,162
Later than one year and not later than 5 years	34,989	36,285
Later than 5 years	15,029	20,873
<b>Total Payable</b>	<b>64,215</b>	<b>69,320</b>

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 12. Commitments for Expenditure (continued)

\$ '000	Notes	Actual 2010	Actual 2009
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## (c) Finance Lease Commitments

Nil

## (d) Operating Lease Commitments (Non Cancellable)

**a. Commitments under Non Cancellable Operating Leases at the Reporting date, but not recognised as Liabilities are payable:**

Within the next year	395	166
Later than one year and not later than 5 years	756	146
Later than 5 years	-	-
<b>Total Non Cancellable Operating Lease Commitments</b>	<b>1,151</b>	<b>312</b>

**b. Non Cancellable Operating Leases include the following assets:**

Computer Equipment

Contingent Rentals may be payable depending on the condition of items or usage during the lease term.

**Conditions relating to Operating Leases:**

- All Operating Lease Agreement are secured only against the Leased Asset.
- No Lease Agreements impose any financial restrictions on Council regarding future debt etc.

## (e) Investment Property Commitments

Nil

## (f) Remuneration Commitments

Commitments for the payment of salaries & other remuneration under long-term employment contracts in existence at reporting date but not recognised as liabilities are payable:

Within the next year	986	1,019
Later than one year and not later than 5 years	1,662	1,623
Later than 5 years	-	-
<b>Total Payable</b>	<b>2,648</b>	<b>2,642</b>

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### Hornsby Shire Council

#### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 13a. Statement of Performance Measurement - Indicators (Consolidated)

\$ '000	Amounts 2010	Indicator 2010	Prior Periods 2009	2008
<b>1. Unrestricted Current Ratio</b>				
Current Assets less all External Restrictions <sup>(1)</sup>	<u>17,496</u>	1.45 : 1	1.19	1.21
Current Liabilities less Specific Purpose Liabilities <sup>(2,3)</sup>	<u>12,094</u>			
<b>2. Debt Service Ratio</b>				
Debt Service Cost	<u>4,543</u>	4.69%	4.61%	4.66%
Revenue from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	<u>96,821</u>			
<b>3. Rates &amp; Annual Charges Coverage Ratio</b>				
Rates & Annual Charges	<u>71,225</u>	65.10%	65.42%	68.82%
Revenue from Continuing Operations	<u>109,414</u>			
<b>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>				
Rates, Annual & Extra Charges Outstanding	<u>2,745</u>	3.71%	3.47%	3.88%
Rates, Annual & Extra Charges Collectible	<u>73,984</u>			
<b>5. Building &amp; Infrastructure Renewals Ratio</b>				
Asset Renewals <sup>(4)</sup> [Buildings & Infrastructure]	<u>11,627</u>	95.51%	85.21%	123.75%
Depreciation, Amortisation & Impairment (Building & Infrastructure Assets)	<u>12,173</u>			

#### Notes

<sup>(1)</sup> Refer Notes 6-8 inclusive.

Also excludes any Real Estate & Land for resale not expected to be sold in the next 12 months

<sup>(2)</sup> Refer to Note 10(a).

<sup>(3)</sup> Refer to Note 10(c) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).

<sup>(4)</sup> Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity or performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

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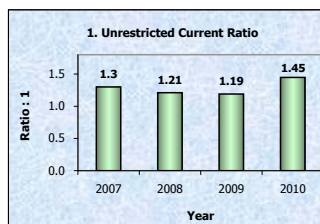
Financial Statements 2010

### Hornsby Shire Council

#### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 13a. Statement of Performance Measurement - Graphs (Consolidated)

\$ '000



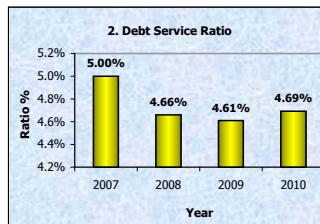
**Purpose of Unrestricted Current Ratio**

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

**Commentary on 2009/10 Result**

**2009/10 Ratio 1.45 : 1**

Council's Unrestricted Current Ratio has improved from last year, due to an 5% increase in Current Assets (less External Restrictions) and a 13% decrease in Current Liabilities (less Specific Purpose Liabilities). The ratio is above the auditor's accepted industry benchmark of 1.0.



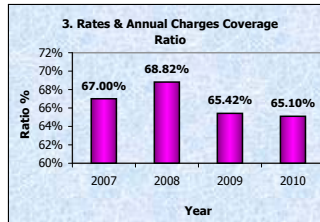
**Purpose of Debt Service Ratio**

To assess the impact of loan principal & interest repayments on the discretionary revenue of council.

**Commentary on 2009/10 Result**

**2009/10 Ratio 4.69%**

The Division of Local Government recommends a Debt Service Ratio less than 10%. In 2008/09 57.6% of NSW Councils had a ratio between 0 and 5%. The average of Group 7 councils, of which Hornsby is one, was 6.13% in 2008/09.



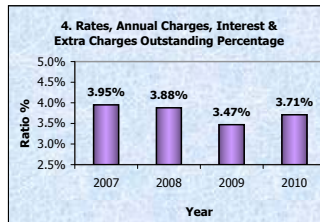
**Purpose of Rates & Annual Charges Coverage Ratio**

To assess the degree of Council's dependence upon revenue from rates and annual charges and to assess the security of Council's income.

**Commentary on 2009/10 Result**

**2009/10 Ratio 65.10%**

Council's Rates and Annual Charges Coverage ratio remained close to the prior year. This was due mainly to grant revenues. The average of Group 7 councils, of which Hornsby is one, was 55.3% in 2008/09.



**Purpose of Rates & Annual Charges Outstanding Ratio**

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

**Commentary on 2009/10 Result**

**2009/10 Ratio 3.71%**

The NSW average of Group 7 councils, of which Hornsby is one, was 5.74% in 2008/09.

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 14. Investment Properties

\$ '000

Council has not classified any Land or Buildings as "Investment Properties"

## Note 15. Financial Risk Management

## Risk Management

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2010	2009	2010	2009
<b>Financial Assets</b>				
Cash and Cash Equivalents	20,444	18,751	20,444	18,751
Investments				
- "Designated At Fair Value on Initial Recognition"	10,033	12,063	10,033	12,063
Receivables	6,493	5,989	6,330	5,989
<b>Total Financial Assets</b>	<b>36,970</b>	<b>36,803</b>	<b>36,807</b>	<b>36,803</b>
<b>Financial Liabilities</b>				
Payables	5,411	8,486	5,411	8,486
Loans / Advances	22,082	23,105	20,633	21,375
<b>Total Financial Liabilities</b>	<b>27,493</b>	<b>31,591</b>	<b>26,044</b>	<b>29,861</b>

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates mkt value.
- **Borrowings & Held to Maturity Investments** - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) "at fair value through profit & loss" or (ii) **Available for Sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 15. Financial Risk Management (continued)

\$ '000

## (a) Cash &amp; Cash Equivalents, Financial assets "at fair value through the profit &amp; Loss", "Available-for-sale" financial assets &amp; "Held-to-maturity" Investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's Finance Section manages it's Cash & Investments portfolio with the assistance of independent advisors.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and it's staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is credit risk - the risk that the counterparty (to an investment) will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in Cash Equivalents & Investments.

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (during the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

2010	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
Possible impact of a 10% movement in Market Values	1,003	1,003	(1,003)	(1,003)
Possible impact of a 1% movement in Interest Rates	234	234	(234)	(234)
<b>2009</b>				
Possible impact of a 10% movement in Market Values	1,206	1,206	(1,206)	(1,206)
Possible impact of a 1% movement in Interest Rates	214	214	(214)	(214)

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## Hornsby Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 15. Financial Risk Management (continued)

\$ '000

##### (b) Receivables

Council's major receivables comprise (i) Rates & Annual charges and (ii) User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates & annual charges at higher than market rates which further encourages the payment of debt.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	2010	2010	2009	2009
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
(i) Ageing of Receivables				
Current (not yet overdue)	-	3,306	-	3,338
Overdue	2,544	711	2,266	519
	<b>2,544</b>	<b>4,017</b>	<b>2,266</b>	<b>3,857</b>

##### (ii) Movement in Provision for Impairment of Receivables

	2010	2009
Balance at the beginning of the year		164
- amounts already provided for & written off this year		(66)
Balance at the end of the year	<b>68</b>	<b>134</b>

## Hornsby Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 15. Financial Risk Management (continued)

\$ '000

##### (c) Payables & Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

As well, payment terms can (in extenuating circumstances) be extended & overdraft facilities can be drawn down.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the Liquidity Table below:

\$ '000	Subject to no maturity	≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs	Total Cash Outflows	Actual Carrying Values
2010									
Trade/Other Payables	128	5,278	-	-	-	-	-	5,406	5,411
Loans & Advances	-	4,802	4,772	4,749	4,736	4,732	3,920	27,711	22,082
Total Financial Liabilities	128	10,080	4,772	4,749	4,736	4,732	3,920	33,117	27,493
2009									
Trade/Other Payables	113	8,373	-	-	-	-	-	8,486	8,486
Loans & Advances	-	4,552	4,518	4,488	4,464	4,452	6,940	29,414	23,105
Total Financial Liabilities	113	12,925	4,518	4,488	4,464	4,452	6,940	37,900	31,591

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

The following interest rates were applicable to Council's Borrowings at balance date:

	2010	2010	2009	2009
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	5,411	0.0%	8,486	0.0%
Loans & Advances - Fixed Interest Rate	22,082	6.8%	23,105	6.7%
	<b>27,493</b>		<b>31,591</b>	



## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 09/10 was incorporated as part of its Management Plan and was adopted by the Council on 30 June 2010.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

Note that for Variations: **F** = Favourable Budget Variation, **U** = Unfavourable Budget Variation

\$ '000	2010 Budget	2010 Actual	2010 Variance*		
<b>REVENUES</b>					
Rates & Annual Charges	72,135	71,225	(910)	(1%)	<b>U</b>
User Charges & Fees	12,079	12,017	(62)	(1%)	<b>U</b>
Interest & Investment Revenue	1,016	3,031	2,015	198%	<b>F</b>
Notes were sold during the year which provided larger profits than anticipated. Profit on sale of notes is reported as interest. Investment policies have been improved, as well as recovery from the GFC has resulted in better rates for investments being achieved - \$2,015					
Other Revenues	4,941	5,488	547	11%	<b>F</b>
Greater than anticipated insurance recoveries - \$196K Insurance rebates - \$52K Unexpected road closure - \$202K Home modification revenue - \$67K					
Operating Grants & Contributions	7,844	10,777	2,933	37%	<b>F</b>
In many instances the actual amount of grants received depends on decisions made by state and federal governments after the original budget has been adopted. Areas of unexpected funding include: Enviroment, bushfire hazard reduction and fire trials - \$1,140K Waste and Sustainability Grant - \$602K Library services - 96K					

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 16. Material Budget Variations (continued)

\$ '000	2010 Budget	2010 Actual	2010 Variance*		
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**REVENUES** (continued)

Capital Grants & Contributions	1,679	6,855	5,176	308%	<b>F</b>
As above. Funding above expectations was received for Roads to Recovery and other RTA programs \$561K Greater than anticipated grants were received through the Regional and Local Community Infrastructure Program in two tranches totalling \$1,193K. Parks and Landscapes - \$269K Fire Control Centre - \$1,113K					

Net Gains from Disposal of Assets	-	21	21	0%	<b>F</b>
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\$ '000	2010 Budget	2010 Actual	2010 Variance*		
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**EXPENSES**

Employee Benefits & On-Costs	44,909	43,066	1,843	4%	<b>F</b>
Borrowing Costs	1,527	1,520	7	0%	<b>F</b>
Materials & Contracts	32,178	34,157	(1,979)	(6%)	<b>U</b>
Road Maintenance \$893K					
Depreciation & Amortisation	13,000	18,429	(5,429)	(42%)	<b>U</b>
Revaluation of Drainage Infrastructure at June 2010 resulted in an increase in Depreciation expense.					
Other Expenses	11,695	11,356	339	3%	<b>F</b>

\$ '000	2010 Budget	2010 Actual	2010 Variance*		
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**Budget Variations relating to Council's Cash Flow Statement include:**

Cash Flows from Operating Activities	14,587	14,805	218	1.5%	<b>F</b>
Cash Flows from Investing Activities	(14,392)	(12,089)	2,303	(16.0%)	<b>F</b>
Notes were sold during the year which provided larger cash flows than anticipated. Recovery from the GFC has resulted in better rates for investments being achieved - \$2,015					
Cash Flows from Financing Activities	(1,040)	(1,023)	17	(1.6%)	<b>F</b>

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## Hornsby Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 16. Material Budget Variations (continued)

	2010 Budget	2010 Actual	2010 Variance*
\$ '000			

#### Income:

Corporate and Community had a favourable variance of \$892K mainly due to net investment gains as a result of fair value adjustments.

Environment had a favourable variance of \$3.29M mainly due to unexpected grant funding including the Regional and Local Community Infrastructure Program.

Works had a favourable variance of \$2.4M mainly due to unexpected grant funding.

Community Infrastructure Program.

Planning had a favourable variance of \$1.2M due to an unanticipated increase in developer contributions.

#### Expenses:

Corporate and Community had an unfavourable variance of \$4.4M, due mainly to increased depreciation.

## Notes to the Financial Statements

for the financial year ended 30 June 2010

### Note 17. Statement of Developer Contributions

\$ '000

Council recovers contributions, raises levies & enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions & levies and the value of all remaining funds which are "restricted" in their future use.

#### SUMMARY OF CONTRIBUTIONS & LEVIES

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	497	97	-	47	-	-	641	148	(1,661)	(872)	-
Roads	1,688	171	-	148	-	-	2,007	164	(1,839)	332	-
Traffic Facilities	280	134	-	32	-	-	446	204	(2,286)	(1,636)	-
Parking	9	-	-	1	-	-	10	-	-	10	-
Open Space	2,409	795	-	238	(278)	-	3,164	1,015	(11,387)	(7,208)	-
Community Facilities	3,788	391	-	330	(75)	-	4,434	520	(5,838)	(884)	-
Civic Improvements	1,178	228	-	112	(3)	-	1,515	194	(2,172)	(463)	-
Bushfire Facilities	27	-	-	2	-	-	29	-	-	29	-
S94 Administration	(361)	37	-	(29)	(14)	-	(367)	55	(615)	(927)	-
<b>S94 Contributions - under a Plan</b>	<b>9,515</b>	<b>1,853</b>	-	<b>881</b>	<b>(370)</b>	-	<b>11,879</b>	<b>2,300</b>	<b>(25,798)</b>	<b>(11,619)</b>	-
<b>S94A Levies - under a Plan</b>	-	-	-	-	-	-	-				-
<b>Total S94 Revenue Under Plans</b>	<b>9,515</b>	<b>1,853</b>	-	<b>881</b>	<b>(370)</b>	-	<b>11,879</b>				-
S94 not under Plans	498	-	-	41	-	-	539	30	(569)	-	-
S93F Planning Agreements	-	-	-	-	-	-	-				-
S64 Contributions	-	-	-	-	-	-	-				-
<b>Total Contributions</b>	<b>10,013</b>	<b>1,853</b>	-	<b>922</b>	<b>(370)</b>	-	<b>12,418</b>	<b>2,330</b>	<b>(26,367)</b>	<b>(11,619)</b>	-

# Hornsby Shire Council

Financial Statements 2010

## Notes to the Financial Statements for the financial year ended 30 June 2010

### Note 17. Statement of Developer Contributions (continued)

\$ '000

#### S94 CONTRIBUTIONS - UNDER A PLAN

##### CONTRIBUTION PLAN NUMBER 1 (2007 to 2011)

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	497	97	-	47	-	-	641	148	(1,661)	(872)	
Roads	1,688	171	-	148	-	-	2,007	164	(1,839)	332	
Traffic Facilities	280	134	-	32	-	-	446	204	(2,286)	(1,636)	
Parking	9	-	-	1	-	-	10	-	-	10	
Open Space	2,409	795	-	238	(278)	-	3,164	1,015	(11,387)	(7,208)	
Community Facilities	3,788	391	-	330	(75)	-	4,434	520	(5,838)	(884)	
Civic Improvements	1,178	228	-	112	(3)	-	1,515	194	(2,172)	(463)	
Bushfire Facilities	27	-	-	2	-	-	29	-	-	29	
S94 Administration	(361)	37	-	(29)	(14)	-	(367)	55	(615)	(927)	
<b>Total</b>	<b>9,515</b>	<b>1,853</b>	<b>-</b>	<b>881</b>	<b>(370)</b>	<b>-</b>	<b>11,879</b>	<b>2,300</b>	<b>(25,798)</b>	<b>(11,619)</b>	<b>-</b>

#### S94 CONTRIBUTIONS - NOT UNDER A PLAN

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Parking	498	-	-	41	-	-	539	30	(569)	-	
<b>Total</b>	<b>498</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>-</b>	<b>-</b>	<b>539</b>	<b>30</b>	<b>(569)</b>	<b>-</b>	<b>-</b>

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 18. Contingencies &amp; Other Assets/Liabilities Not Recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

**LIABILITIES NOT RECOGNISED:****1. Guarantees****(i) Defined Benefit Superannuation Contribution Plans**

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

Member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category and that member Councils will need to make significantly higher contributions from 2009/10 & beyond.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from its Defined Benefit Scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable - similar to the accounting for Defined Contributions Plans.

**(ii) Statewide Limited**

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to Local Government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the Net Assets or Liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the Fund Years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

**(iii) StateCover Limited**

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW Local Government Industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the Company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements of APRA.

These future equity contributions would be required to maintain the company's minimum level of Net Assets in accordance with its Licence Requirements.

**(iv) Other Guarantees**

Council has provided no other Guarantees other than those listed above.

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 18. Contingencies &amp; Other Assets/Liabilities Not Recognised (continued)

\$ '000

**LIABILITIES NOT RECOGNISED (continued):****2. Other Liabilities****(i) Third Party Claims**

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its Insurance Coverage and does not expect any material liabilities to eventuate.

**(ii) S94 Plans**

Council levies Section 94/94A Contributions upon various development across the Council area through the required Contributions Plans.

As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Council's intention to spend funds in the manner and timing set out in those Plans.

**(iii) Potential Land Acquisitions due to Planning Restrictions imposed by Council**

Council has classified a number of privately owned land parcels as Local Open Space or Bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

**(iii) Potential Land Acquisitions due to Planning Restrictions imposed by Council (continued)**

At reporting date, reliable estimates as to the value of any potential liability (& subsequent land asset) from such potential acquisitions has not been possible.

**(iv) Hornsby Quarry Site**

Council has yet to resolve the future of the old CSR Hornsby quarry site.

Currently, there is no obligation upon Council to carry out any remediation work on the property.

**ASSETS NOT RECOGNISED:****(i) Land Under Roads**

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

**(ii) Infringement Notices/Fines**

Fines & Penalty Income, the result of Council issuing Infringement Notices is followed up and collected by the Infringement Processing Bureau.

Councils Revenue Recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at Year End, there is a potential asset due to Council representing issued but not updated Infringement Notices.

Due to the limited information available on the status, value and duration of outstanding Notices, Council is unable to determine the value of outstanding income.

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### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

Council has no interest in any Controlled Entities, Associated Entities or Joint Ventures.

#### Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2010	Actual 2009
<b>a. Retained Earnings</b>			
<b>Movements in Retained Earnings were as follows:</b>			
Balance at beginning of Year (from previous years audited accounts)		1,572,428	1,570,893
a. Correction of Prior Period Errors	20 (c)	211,262	210,981
b. Changes in Accounting Policies (Prior Period Effects)	20 (d)	-	-
c. Other Comprehensive Income (excl. direct to Reserves transactions)		-	-
d. Net Operating Result for the Year		886	1,816
e. Distributions to/(Contributions from) Minority Interests		-	-
f. Transfers between Equity		1,052	-
g. Other Changes (disclosure required)		-	-
<b>Balance at End of the Reporting Period</b>		<b>1,785,628</b>	<b>1,783,690</b>

#### b. Reserves

##### (i) Reserves are represented by:

- Infrastructure, Property, Plant & Equipment Revaluation Reserve	421,661	132,857
- "Available for Sale" Financial Investments Revaluation Reserve	-	-
- Other Reserves (Specify)	-	-
<b>Total</b>	<b>421,661</b>	<b>132,857</b>

##### (ii). Reconciliation of movements in Reserves:

<b>Infrastructure, Property, Plant &amp; Equipment Revaluation Reserve</b>			
- Opening Balance		132,857	132,857
- Revaluations for the year	9(a)	289,856	-
- Transfer to Retained Earnings for Asset disposals		(1,052)	-
<b>- Balance at End of Year</b>		<b>421,661</b>	<b>132,857</b>

<b>TOTAL VALUE OF RESERVES</b>		<b>421,661</b>	<b>132,857</b>
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##### (iii). Nature & Purpose of Reserves

**Infrastructure, Property, Plant & Equipment Revaluation Reserve**  
- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.

### Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

#### Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000	Notes	Actual 2010	Actual 2009
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##### c. Correction of Error/s relating to a Previous Reporting Period

###### 08/09 Reporting Year Corrections

- Land owned by Council not previously recorded in the asset register.	850
- Building structure duplicated during the prior period revaluation process.	(1,131)

###### 09/10 Reporting Year Corrections

1. Road Earthworks brought to account for the first time	77,561	-
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2. As part of Council's transition to measuring all it's I,PP&E at Fair Values, Council this year reviewed and brought to account Fair Values for various Asset Classes.

As part of that evaluation & measurement process, the remaining useful life of each asset has been reassessed to actual.

This reassessment has resulted in a material difference as to where some assets actually sit in relation to their asset life cycle relative to what the value of accumulated depreciation in Council's Financial Reports had previously indicated.

Council does not have sufficient and reliable information that will allow the restatement of information prior to 30/6/09 (the closing date for the comparative figures in this report).

As a result, Council has adjusted the accumulated depreciation for the following asset classes as at 30/6/09 to reflect the correct value of accumulated depreciation;

Roads, Bridges and Footpaths - decrease to accumulated depreciation	115,224
Stormwater Drainage - decrease to accumulated depreciation	18,477

This adjustment resulted in net increase / (decrease) in Council's Accumulated Surplus as at 30/6/09.

In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above Prior Period Errors have been recognised retrospectively.

These amounted to the following Equity Adjustments:

- Adjustments to Opening Equity - 1/7/08 (relating to adjustments for the 30/6/08 reporting year end and prior periods)	-	-
- Adjustments to Closing Equity - 30/6/09 (relating to adjustments for the 30/6/09 year end)	211,262	(281)
<b>Total Prior Period Adjustments - Prior Period Errors</b>	<b>211,262</b>	<b>(281)</b>

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000

## d. Voluntary Changes in Accounting Policies

Council made no voluntary changes in any accounting policies during the year.

## Note 21. Financial Result &amp; Financial Position by Fund

Council's activities are all funded through the General Fund.

## Note 22. "Held for Sale" Non Current Assets &amp; Disposal Groups

Council did not classify any Non Current Assets or Disposal Groups as "Held for Sale".

## Note 23. Events occurring after Balance Sheet Date

Events that occur after the reporting date of 30 June 2010, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 22/09/10.

Events that occur after the Reporting Date represent one of two types:

## (i) Events that have provided evidence of conditions that existed at the Reporting Date

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2010.

## (ii) Events that have provided evidence of conditions that arose after the Reporting Date

These financial statements (and figures therein) do not incorporate any "non adjusting events" that have occurred after 30 June 2010 and which are only indicative of conditions that arose after 30 June 2010.

Council is unaware of any material or significant "non adjusting events" that should be disclosed.

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 24. Discontinued Operations

\$ '000

Council has not classified any of its Operations as "Discontinued".

## Note 25. Intangible Assets

Intangible Assets represent identifiable non-monetary asset without physical substance.

	Actual 2010 Carrying Amount	Actual 2009 Carrying Amount
Intangible Assets are as follows;		
Opening Values:		
Gross Book Value (1/7)	8,608	8,590
Accumulated Amortisation & Impairment	(4,614)	(3,754)
Net Book Value - Opening Balance	3,994	4,836
Movements for the year		
- Purchases	-	18
- Development	-	-
- Other Capitalised Costs (specify details)	-	-
- Amortisation charges	(861)	(860)
- Gross Book Value written off	-	-
- Accumulated Amortisation charges written off	-	-
Closing Values:		
Gross Book Value (30/6)	8,608	8,608
Accumulated Amortisation & Impairment	(5,475)	(4,614)
<b>TOTAL INTANGIBLE ASSETS - NET BOOK VALUE <sup>1</sup></b>	<b>3,133</b>	<b>3,994</b>

<sup>1</sup> The Net Book Value of Intangible Assets represent:

- Software (representing the "Council Online" software development)	3,133	3,994
	<b>3,133</b>	<b>3,994</b>

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## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

### Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

\$ '000

Council has no outstanding obligations to make, restore, rehabilitate or reinstate any of its assets/operations.

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2010

### Note 27. Additional Council Disclosures - Financial Information

\$ '000

#### Key Financial Figures of Council over the past 5 years - Consolidated

Financial Performance Figures	2010	2009	2008	2007	2006
<b>Inflows:</b>					
Rates & Annual Charges revenue	71,225	68,788			
User Charges revenue	12,017	10,938			
Interest & Investment revenue	3,031	270			
Grants Income - Operating & Capital	12,395	13,715			
Total Income from Continuing Operations	109,414	105,148			
Sale Proceeds from I,PP&E	1,972	4,289			
New Loan Borrowings & Advances	2,000	2,000			
<b>Outflows:</b>					
Employee Benefits & On-cost expenses	43,066	41,224			
Borrowing Costs	1,520	1,534			
Materials & Contracts expenses	34,157	32,625			
Total Expenses from Continuing Operations	108,528	103,332			
Total Cash purchases of I,PP&E	17,619	27,244			
Total Loan Repayments (incl. Finance Leases)	3,023	2,701			
Operating Surplus/(Deficit) (excl. Capital Income)	(5,969)	(6,337)			
<b>Financial Position Figures</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Current Assets	36,780	37,318			
Current Liabilities	20,524	23,108			
Net Current Assets	16,256	14,210	-	-	-
Cash & Investments - Unrestricted	2,269	2,524			
Cash & Investments - Internal Restrictions	11,162	9,772			
Cash & Investments - Total	30,477	30,814			
Available Working Capital (Unrestricted Net Current Assets)	1,033	(238)			
Total Borrowings Outstanding (Loans, Advances & Finance Leases)	22,082	23,105			
Total Value of I,PP&E (excl. Land & Earthworks)	1,126,884	731,128			
Total Accumulated Depreciation	317,241	209,242			
Indicative Remaining Useful Life (as a % of GBV)	72%	71%	0%	0%	0%

Source: Published audited financial statements of Council (current year & prior year annual financial statements)

## Hornsby Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 28. Additional Council Disclosures - Council Information

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**Principal Place of Business:**

296 Pacific Highway  
Hornsby NSW 2077

**Contact Details****Mailing Address:**

PO Box 37  
Hornsby NSW 1630

**Opening Hours**

Monday to Friday 8:30am to 5pm

**Telephone:** 02 9847 6666

**Facsimile:** 02 9847 6999

**Internet:** [www.hornsby.nsw.gov.au](http://www.hornsby.nsw.gov.au)

**Email:** [hsc@hornsby.nsw.gov.au](mailto:hsc@hornsby.nsw.gov.au)

**Officers****GENERAL MANAGER**

R. J. Ball

**RESPONSIBLE ACCOUNTING OFFICER**

G. Magus

**PUBLIC OFFICER**

R. Abicair

**AUDITORS**

PricewaterhouseCoopers

**Elected Members****MAYOR**

N. Berman

**COUNCILLORS**

S. Evans

W. McMurdo

S. Russell

M. Smart

D. Chopra

B. Mills

R. Browne

M. Hutchence

A. Martin

**Other Information**

**ABN:** 20 706 996 972

# Hornsby Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2010

*"Creating a living environment"*



SPFS 2010

## Hornsby Shire Council

Special Purpose Financial Statements  
for the financial year ended 30 June 2010

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#### 1. Statement by Councillors & Management

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#### 2. Special Purpose Financial Statements:

- Income Statement of Water Supply Business Activity
- Income Statement of Sewerage Business Activity
- Income Statement of Other Business Activities

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n/a  
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- Balance Sheet of Water Supply Business Activity
- Balance Sheet of Sewerage Business Activity
- Balance Sheet of Other Business Activities

n/a  
n/a  
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#### 3. Notes to the Special Purpose Financial Statements

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#### 4. Auditor's Report

### Background

(i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.

(ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

(iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

These include (a) those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and (b) those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

(iv) In preparing these financial statements for Council's self classified Category 1 businesses and ABS defined activities, councils must (a) adopt a corporatisation model and (b) apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).

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## Hornsby Shire Council

Special Purpose Financial Statements  
for the financial year ended 30 June 2010Statement by Councillors and Management  
made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government"
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality"
- The Local Government Code of Accounting Practice and Financial Reporting.
- The NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

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

- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 22 September 2010.

N.Berman  
MAYOR

S.Evans  
COUNCILLOR

R.J.Ball  
GENERAL MANAGER

G.Magus  
RESPONSIBLE ACCOUNTING OFFICER

## Hornsby Shire Council

Income Statement of Council's Other Business Activities  
for the financial year ended 30 June 2010

	Nurseries & Preschools		Aquatic Centres & Sports Stadium	
	Actual 2010	Actual 2009	Actual 2010	Actual 2009
\$ '000				
<b>Income from continuing operations</b>				
Access charges	-	-	-	-
User charges	3,296	2,737	2,596	2,505
Fees	-	-	-	-
Interest	-	-	-	-
Grants and contributions provided for non capital purposes	863	713	-	-
Profit from the sale of assets	-	-	-	-
Other income	16	18	403	435
<b>Total income from continuing operations</b>	<b>4,175</b>	<b>3,468</b>	<b>2,999</b>	<b>2,940</b>
<b>Expenses from continuing operations</b>				
Employee benefits and on-costs	3,872	2,855	2,334	2,327
Borrowing costs	-	-	-	-
Materials and contracts	348	453	676	695
Depreciation and impairment	216	216	647	647
Loss on sale of assets	327	-	-	-
Calculated taxation equivalents	241	242	285	218
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	256	235	467	530
<b>Total expenses from continuing operations</b>	<b>5,260</b>	<b>4,001</b>	<b>4,409</b>	<b>4,417</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>(1,085)</b>	<b>(533)</b>	<b>(1,410)</b>	<b>(1,477)</b>
Grants and contributions provided for capital purposes	-	137	-	11
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>(1,085)</b>	<b>(396)</b>	<b>(1,410)</b>	<b>(1,466)</b>
Surplus (deficit) from discontinued operations	-	-	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>(1,085)</b>	<b>(396)</b>	<b>(1,410)</b>	<b>(1,466)</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-	-	-
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>(1,085)</b>	<b>(396)</b>	<b>(1,410)</b>	<b>(1,466)</b>
plus Opening Retained Profits	1,172	1,326	-	326
plus/less: Prior Period Adjustments	-	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	241	242	285	218
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	-	-	-	-
add:				
- Subsidy Paid/Contribution To Operations	-	-	-	922
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	-	-	-	-
<b>Closing Retained Profits</b>	<b>328</b>	<b>1,172</b>	<b>(1,125)</b>	<b>-</b>
Return on Capital %	-9.4%	-4.0%	-10.7%	-10.7%
Subsidy from Council	1,675	1,280	2,082	2,243

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### Hornsby Shire Council

#### Income Statement of Council's Other Business Activities for the financial year ended 30 June 2010

	Commercial Waste		Development Applications	
\$ '000	Actual 2010	Actual 2009	Actual 2010	Actual 2009
<b>Income from continuing operations</b>				
Access charges	-	-	-	-
User charges	912	835	455	350
Fees	-	-	-	-
Interest	-	-	-	-
Grants and contributions provided for non capital purposes	-	-	-	-
Profit from the sale of assets	-	-	-	-
Other income	216	173	-	-
<b>Total income from continuing operations</b>	<b>1,128</b>	<b>1,008</b>	<b>455</b>	<b>350</b>
<b>Expenses from continuing operations</b>				
Employee benefits and on-costs	43	42	479	470
Borrowing costs	-	-	-	-
Materials and contracts	842	534	126	126
Depreciation and impairment	30	30	25	25
Loss on sale of assets	-	-	-	-
Calculated taxation equivalents	-	-	-	-
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	24	57	-	-
<b>Total expenses from continuing operations</b>	<b>939</b>	<b>663</b>	<b>630</b>	<b>621</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>189</b>	<b>345</b>	<b>(175)</b>	<b>(271)</b>
Grants and contributions provided for capital purposes	-	-	-	-
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>189</b>	<b>345</b>	<b>(175)</b>	<b>(271)</b>
Surplus (deficit) from discontinued operations	-	-	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>189</b>	<b>345</b>	<b>(175)</b>	<b>(271)</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(57)	(104)	-	-
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>132</b>	<b>242</b>	<b>(175)</b>	<b>(271)</b>
plus Opening Retained Profits	1,064	719	733	1,004
plus/less: Prior Period Adjustments	-	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	-	-	-	-
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	57	104	-	-
add:				
- Subsidy Paid/Contribution To Operations	-	-	-	-
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	-	-	-	-
<b>Closing Retained Profits</b>	<b>1,253</b>	<b>1,064</b>	<b>558</b>	<b>733</b>
Return on Capital %	141.0%	210.4%	-119.0%	-157.6%
Subsidy from Council	-	-	182	281

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### Hornsby Shire Council

#### Income Statement of Council's Other Business Activities for the financial year ended 30 June 2010

	Property Services	
\$ '000	Actual 2010	Actual 2009
<b>Income from continuing operations</b>		
Access charges	-	-
User charges	873	1,283
Fees	-	-
Interest	-	-
Grants and contributions provided for non capital purposes	-	-
Profit from the sale of assets	-	-
Other income	49	2
<b>Total income from continuing operations</b>	<b>922</b>	<b>1,285</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	261	87
Borrowing costs	-	-
Materials and contracts	194	80
Depreciation and impairment	335	335
Loss on sale of assets	-	-
Calculated taxation equivalents	175	175
Debt guarantee fee (if applicable)	-	-
Other expenses	83	69
<b>Total expenses from continuing operations</b>	<b>1,048</b>	<b>746</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>(126)</b>	<b>539</b>
Grants and contributions provided for capital purposes	-	-
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>(126)</b>	<b>539</b>
Surplus (deficit) from discontinued operations	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>(126)</b>	<b>539</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	(162)
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>(126)</b>	<b>377</b>
plus Opening Retained Profits	27,493	26,779
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	175	175
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	162
add:		
- Subsidy Paid/Contribution To Operations	-	-
less:		
- TER dividend paid	-	-
- Dividend paid	-	-
<b>Closing Retained Profits</b>	<b>27,542</b>	<b>27,493</b>
Return on Capital %	-0.6%	2.5%
Subsidy from Council	1,203	649

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## Hornsby Shire Council

Balance Sheet of Council's Other Business Activities  
as at 30 June 2010

	Nurseries & Preschools Category 1		Aquatic Centres & Sports Stadium Category 1	
\$ '000	Actual 2010	Actual 2009	Actual 2010	Actual 2009
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	-	6	-	5
Investments	1,270	-	-	-
Receivables	74	65	58	56
Inventories	-	-	27	27
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
<b>Total Current Assets</b>	<b>1,344</b>	<b>71</b>	<b>85</b>	<b>88</b>
<b>Non-Current Assets</b>				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	11,569	13,485	13,176	13,823
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
<b>Total Non-Current Assets</b>	<b>11,569</b>	<b>13,485</b>	<b>13,176</b>	<b>13,823</b>
<b>TOTAL ASSETS</b>	<b>12,913</b>	<b>13,556</b>	<b>13,261</b>	<b>13,911</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	581	381	316	304
Interest bearing liabilities	5,551	5,551	9,601	9,137
Provisions	320	320	197	197
<b>Total Current Liabilities</b>	<b>6,452</b>	<b>6,252</b>	<b>10,114</b>	<b>9,638</b>
<b>Non-Current Liabilities</b>				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>6,452</b>	<b>6,252</b>	<b>10,114</b>	<b>9,638</b>
<b>NET ASSETS</b>	<b>6,461</b>	<b>7,304</b>	<b>3,147</b>	<b>4,273</b>
<b>EQUITY</b>				
Retained earnings	328	1,172	(1,125)	-
Revaluation reserves	6,133	6,132	4,272	4,273
Council equity interest	6,461	7,304	3,147	4,273
Minority equity interest	-	-	-	-
<b>TOTAL EQUITY</b>	<b>6,461</b>	<b>7,304</b>	<b>3,147</b>	<b>4,273</b>

## Hornsby Shire Council

Balance Sheet of Council's Other Business Activities  
as at 30 June 2010

	Commercial Waste Category 2		Development Applications Category 2	
\$ '000	Actual 2010	Actual 2009	Actual 2010	Actual 2009
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	-	5	-	5
Investments	1,040	999	733	733
Receivables	214	23	10	8
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
<b>Total Current Assets</b>	<b>1,254</b>	<b>1,027</b>	<b>743</b>	<b>746</b>
<b>Non-Current Assets</b>				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	134	164	147	172
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
<b>Total Non-Current Assets</b>	<b>134</b>	<b>164</b>	<b>147</b>	<b>172</b>
<b>TOTAL ASSETS</b>	<b>1,388</b>	<b>1,191</b>	<b>890</b>	<b>918</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	114	106	48	38
Interest bearing liabilities	-	-	138	-
Provisions	21	21	146	147
<b>Total Current Liabilities</b>	<b>135</b>	<b>127</b>	<b>332</b>	<b>185</b>
<b>Non-Current Liabilities</b>				
Payables	-	-	-	-
Interest bearing liabilities	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>135</b>	<b>127</b>	<b>332</b>	<b>185</b>
<b>NET ASSETS</b>	<b>1,253</b>	<b>1,064</b>	<b>558</b>	<b>733</b>
<b>EQUITY</b>				
Retained earnings	1,253	1,064	558	733
Revaluation reserves	-	-	-	-
Council equity interest	1,253	1,064	558	733
Minority equity interest	-	-	-	-
<b>TOTAL EQUITY</b>	<b>1,253</b>	<b>1,064</b>	<b>558</b>	<b>733</b>

SPFS 2010

### Hornsby Shire Council

#### Balance Sheet of Council's Other Business Activities as at 30 June 2010

	Property Services Category 2	
	Actual 2010	Actual 2009
<b>\$ '000</b>		
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	-	5
Investments	12,413	12,209
Receivables	21	70
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
<b>Total Current Assets</b>	<b>12,434</b>	<b>12,284</b>
<b>Non-Current Assets</b>		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	21,110	21,445
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
<b>Total Non-Current Assets</b>	<b>21,110</b>	<b>21,445</b>
<b>TOTAL ASSETS</b>	<b>33,544</b>	<b>33,729</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Payables	120	354
Interest bearing liabilities	-	-
Provisions	62	62
<b>Total Current Liabilities</b>	<b>182</b>	<b>416</b>
<b>Non-Current Liabilities</b>		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
Other Liabilities	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>182</b>	<b>416</b>
<b>NET ASSETS</b>	<b>33,362</b>	<b>33,313</b>
<b>EQUITY</b>		
Retained earnings	27,542	27,493
Revaluation reserves	5,820	5,820
Council equity interest	33,362	33,313
Minority equity interest	-	-
<b>TOTAL EQUITY</b>	<b>33,362</b>	<b>33,313</b>

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SPFS 2010

### Hornsby Shire Council

#### Special Purpose Financial Statements for the financial year ended 30 June 2010

#### Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	10
2	Water Supply Business Best Practice Management disclosure requirements	n/a
3	Sewerage Business Best Practice Management disclosure requirements	n/a

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## Hornsby Shire Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2010

## Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Division of Local Government.

For the purposes of these statements, the Council's business activities (reported herein) are not reporting entities.

These special purpose financial statements, unless otherwise stated, have been prepared in accordance with;

- applicable Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board,
- Australian Accounting Interpretations,
- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis. They are based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

## National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 Government Policy statement on the "Application of National Competition Policy to Local Government".

The "Pricing & Costing for Council Businesses A Guide to Competitive Neutrality" issued by the Division of Local Government in July 1997 has also been adopted.

The pricing & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These

disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

## Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

## Category 1

(where gross operating turnover is over \$2 million)

- a. **Nurseries & Preschools**  
Operation of children's nurseries & preschools
- b. **Aquatic & Sports Centres**  
Operation of swimming pools, gymnasiums & indoor sports centres

## Category 2

(where gross operating turnover is less than \$2 million)

- a. **Commercial Waste Service**  
Services provided for the collection of commercial waste and sullage
- b. **Property Services**  
Rental of Council properties to 3rd parties for residential & commercial purposes
- c. **Development Assessments**  
Development assessment & inspection services

## Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollar.

## (i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

## Hornsby Shire Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2010

## Note 1. Significant Accounting Policies (continued)

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all council nominated business activities (this does not include council's non-business activities):

## Notional Rate Applied %

## Corporate Income Tax Rate – 30%

**Land Tax** – The first \$376,000 of combined land values attracts 0%. From \$376,001 to \$2,299,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$2,299,000, a premium marginal rate of 2.0% applies.

**Payroll Tax** – 5.65% on the value of taxable salaries and wages in excess of \$638,000.

## Income Tax

An income tax equivalent has been applied on the profits of the business.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved.

Since this taxation equivalent is notional - that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the operations of the council. Accordingly, there is no need for disclosure of internal charges in Council's GPFS.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

## Local Government Rates &amp; Charges

A calculation of the equivalent rates and charges payable on all Category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

## Loan &amp; Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face "true" commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council's borrowing rate for its business activities.

## (ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations.

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of Business Activities.

## (iii) Return on Investments (Rate of Return)

The Policy statement requires that councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is

SPFS 2010

## Hornsby Shire Council

### Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2010

#### Note 1. Significant Accounting Policies (continued)

comparable to rates of return for private businesses operating in a similar field".

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The Rate of Return on Capital is calculated as follows:

#### Operating Result before Capital Income + Interest Expense

Written Down Value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 5.10% at 30/6/10.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

#### (iv) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses or to any external entities.

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## Hornsby Shire Council

## Special Schedules

for the financial year ended 30 June 2010

## Contents

## Page

Special Schedules<sup>1</sup>

- Special Schedule No. 1	Net Cost of Services	2
- Special Schedule No. 2(a)	Statement of Long Term Debt (all purposes)	4
- Special Schedule No. 2(b)	Statement of Internal Loans (Sect. 410(3) LGA 1993)	n/a
- Special Schedule No. 3	Water Supply - Income Statement	n/a
- Special Schedule No. 4	Water Supply - Balance Sheet	n/a
- Special Schedule No. 5	Sewerage Service - Income Statement	n/a
- Special Schedule No. 6	Sewerage Service - Balance Sheet	n/a
- Notes to Special Schedules No. 3 & 5		n/a
- Special Schedule No. 7	Condition of Public Works	5
- Special Schedule No. 8	Financial Projections	7

<sup>1</sup> Special Purpose Schedules are not audited.Background

(i) These Special Schedules have been designed to meet the requirements of special purpose users such as;

- the NSW Grants Commission
- the Australian Bureau of Statistics (ABS),
- the NSW Office of Water,
- the Department of Environment, Climate Change and Water, and
- the Division of Local Government (DLG).

(ii) The financial data is collected for various uses including;

- the allocation of Financial Assistance Grants,
- the incorporation of Local Government financial figures in national statistics,
- the monitoring of loan approvals,
- the allocation of borrowing rights, and
- the monitoring of the financial activities of specific services.

## Hornsby Shire Council

SPECIAL SCHEDULES  
for the year ended 30 June 2010*"Creating a living environment"*

Special Schedules 2010

### Hornsby Shire Council

#### Special Schedule No. 1 - Net Cost of Services for the financial year ended 30 June 2010

Function or Activity	Expenses from continuing operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
<b>Administration</b>	<b>20,428</b>	<b>5,930</b>	<b>515</b>	<b>(13,983)</b>
<b>Public Order and Safety</b>				
Fire Service Levy, Fire Protection, Emergency Services	3,156	619	1,484	(1,053)
Beach Control	-	-	-	-
Enforcement of Local Govt Regs	-	-	-	-
Animal Control	314	92	-	(222)
Other	-	-	-	-
<b>Total Public Order &amp; Safety</b>	<b>3,470</b>	<b>711</b>	<b>1,484</b>	<b>(1,275)</b>
<b>Health</b>	<b>491</b>	<b>236</b>	<b>-</b>	<b>(255)</b>
<b>Environment</b>				
Noxious Plants and Insect/Vermin Control	-	-	-	-
Other Environmental Protection	4,727	3,701	871	(155)
Solid Waste Management	18,808	16,034	-	(2,774)
Street Cleaning	144	-	-	(144)
Drainage	2,735	21	97	(2,617)
Stormwater Management	-	-	-	-
<b>Total Environment</b>	<b>26,414</b>	<b>19,756</b>	<b>968</b>	<b>(5,690)</b>
<b>Community Services and Education</b>				
Administration & Education	471	2	32	(437)
Social Protection (Welfare)	1,472	217	-	(1,255)
Aged Persons and Disabled	951	723	-	(228)
Childrens Services	4,725	4,181	-	(544)
<b>Total Community Services &amp; Education</b>	<b>7,619</b>	<b>5,123</b>	<b>32</b>	<b>(2,464)</b>
<b>Housing and Community Amenities</b>				
Public Cemeteries	-	-	-	-
Public Conveniences	-	-	-	-
Street Lighting	2,059	231	-	(1,828)
Town Planning	7,679	2,346	-	(5,333)
Other Community Amenities	184	4	302	122
<b>Total Housing and Community Amenities</b>	<b>9,922</b>	<b>2,581</b>	<b>302</b>	<b>(7,039)</b>
<b>Water Supplies</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>(4)</b>
<b>Sewerage Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Special Schedules 2010

### Hornsby Shire Council

#### Special Schedule No. 1 - Net Cost of Services (continued) for the financial year ended 30 June 2010

Function or Activity	Expenses from continuing operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
<b>Recreation and Culture</b>				
Public Libraries	6,616	550	184	(5,882)
Museums	-	-	-	-
Art Galleries	-	-	-	-
Community Centres and Halls	1,730	388	28	(1,314)
Performing Arts Venues	-	-	-	-
Other Performing Arts	-	-	-	-
Other Cultural Services	-	-	-	-
Sporting Grounds and Venues	1,178	-	-	(1,178)
Swimming Pools	4,258	2,391	-	(1,867)
Parks & Gardens (Lakes)	10,905	1,594	1,289	(8,022)
Other Sport and Recreation	999	754	-	(245)
<b>Total Recreation and Culture</b>	<b>25,686</b>	<b>5,677</b>	<b>1,501</b>	<b>(18,508)</b>
<b>Fuel &amp; Energy</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Agriculture</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Mining, Manufacturing and Construction</b>				
Building Control	-	-	-	-
Other Mining, Manufacturing & Construction	-	-	-	-
<b>Total Mining, Manufacturing and Const.</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transport and Communication</b>				
Urban Roads (UR) - Local	8,496	888	1,058	(6,550)
Urban Roads - Regional	-	-	-	-
Sealed Rural Roads (SRR) - Local	-	-	-	-
Sealed Rural Roads - Regional	-	-	-	-
Unsealed Rural Roads (URR) - Local	145	6	-	(139)
Unsealed Rural Roads (URR) - Regional	-	-	-	-
Bridges on UR - Local	104	-	-	(104)
Bridges on SRR - Local	-	-	-	-
Bridges on URR - Local	-	-	-	-
Bridges on Regional Roads	-	-	-	-
Parking Areas	56	-	-	(56)
Footpaths	1,623	4	101	(1,518)
Aerodromes	-	-	-	-
Other Transport & Communication	2,183	1,739	724	280
<b>Total Transport and Communication</b>	<b>12,607</b>	<b>2,637</b>	<b>1,883</b>	<b>(8,087)</b>
<b>Economic Affairs</b>				
Camping Areas & Caravan Parks	-	-	-	-
Other Economic Affairs	1,887	1,128	170	(589)
<b>Total Economic Affairs</b>	<b>1,887</b>	<b>1,128</b>	<b>170</b>	<b>(589)</b>
<b>Totals - Functions</b>	<b>108,528</b>	<b>43,779</b>	<b>6,855</b>	<b>(57,894)</b>
<b>General Purpose Revenues<sup>(1)</sup></b>		<b>58,780</b>	<b>-</b>	<b>58,780</b>
Share of interests - joint ventures & associates using the equity method	-	-	-	-
<b>NET OPERATING RESULT FOR YEAR</b>	<b>108,528</b>	<b>102,559</b>	<b>6,855</b>	<b>886</b>

(1) Includes: Rates & Annual Charges (incl. Ex Gratia), Untied General Purpose Grants & Interest on Investments (excl. Restricted Assets)

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## Hornsby Shire Council

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)  
for the financial year ended 30 June 2010

for the financial year ended 30 June 2010

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Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
Loans (by Source)											
	-	-	-							-	
	-	-	-							-	
	-	-	-							-	
	-	-	-							-	
	-	-	-							-	
Financial Institutions	3,022	20,083	23,105	2,000	3,023	-	-	1,520	3,331	18,751	22,082
Other	-	-	-							-	-
Total Loans	3,022	20,083	23,105	2,000	3,023	-	-	1,520	3,331	18,751	22,082
Other Long Term Debt											
	-	-	-							-	-
	-	-	-							-	-
	-	-	-							-	-
	-	-	-							-	-
Deferred Payments	-	-	-							-	-
Total Long Term Debt	-	-	-	-	-	-	-	-	-	-	-
Total Debt	3,022	20,083	23,105	2,000	3,023	-	-	1,520	3,331	18,751	22,082

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing. This Schedule is prepared using the Face Value of debt obligations, rather than Fair Value (as per the GPFS's).

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## Hornsby Shire Council

## Special Schedule No. 7 - Condition of Public Works

as at 30 June 2010

\$1,000

\$ 000											
ASSET CLASS											
	Asset Category	Dep'n. Rate (%)	Dep'n. Expense (\$)	Cost	Accumulated Depreciation & Impairment	Carrying Amount (WDV)	Asset Condition <sup>#</sup>	Estimated cost to bring up to a satisfactory condition / standard <sup>(1)</sup>	Required <sup>(2)</sup> Annual M'tnce	Current <sup>(3)</sup> Annual M'tnce	
		per Note 1	per Note 4	<<<<<< per Note 9	>>>>>>	>>>>>>	<<<<<< per Section 428(2d)	>>>>>>			
Buildings	Council Offices	1-4%	619	-	18,492	9,141	9,351	2			
	Council Works Depot	1-4%	137	-	4,436	2,101	2,335	2			
	Council Halls	1-4%	1,256	-	36,637	16,088	20,549	2			
	Council Houses	1-4%	42	-	2,480	1,507	973	2			
	Library	1-4%	663	-	15,627	6,051	9,576	3			
	Childcare Centre(s)	1-4%	520	-	10,008	4,771	5,237	2			
	Amenities/Toilets	1-4%	644	-	23,689	9,902	13,787	2			
	Aquatic Centres	1-4%	1,268	-	10,654	7,232	3,422	4			
	Commercial Buildings	1-4%	205	-	9,669	5,766	3,903	3			
	Other	1-4%	550	-	23,917	5,499	18,418	3			
	sub total		5,894	-	155,609	68,058	87,551		1,050	2,365	2,155
Public Roads	Sealed Roads	1.00%	801	274,688	-	59,010	215,678	2	4,500	5,500	6,302
	Unsealed Roads	1.00%	3	3,808	-	1,704	2,104	2	-	300	243
	Bridges	1.50%	104	7,187	-	2,374	4,813	2	-	-	-
	Footpaths	2.00%	542	39,594	-	8,054	31,540	2	-	900	1,178
	Kerb and Gutter	1.00%	2,879	54,336	-	17,046	37,290	2	-	-	-
	Road Furniture	2.00%	210	15,472	-	1,817	13,655	2	-	-	-
	sub total		4,500	305,005	-	90,925	205,080		4,500	5,700	7,000

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\$'000		Dep'n. Rate (%)	Dep'n. Expense (\$)	Cost	Valuation	Accumulated Depreciation & Impairment	Carrying Amount (WDV)	Asset Condition <sup>#</sup>	Estimated cost to bring up to a satisfactory condition standard ( <sup>1</sup> )	Required <sup>(2)</sup> Annual Maintenance	Current <sup>(3)</sup> Annual Maintenance
ASSET CLASS	Asset Category	per Note 1	per Note 4	<<<<<<<<< per Note 9 >>>>>>>>	<<<<<<<<< per Note 9 >>>>>>>>	<<<<<<<<< per Note 9 >>>>>>>>	<<<<<<<<< per Note 9 >>>>>>>>	<<<<<<<<< per Section 428(2d) >>>>>>>>	<<<<<<<<< per Section 428(2d) >>>>>>>>	<<<<<<<<< per Section 428(2d) >>>>>>>>	<<<<<<<<< per Section 428(2d) >>>>>>>>
	Pontoons, Seawalls & Wharves		47	1,731	-	798	933	2	700	200	207
	sub total	3.00%	47	1,731	-	798	933		700	200	207
	Drainage Infrastructure	1.00%	1,736	-	480,989	115,183	365,806	2	12,000	1,200	1,178
	sub total		1,736	-	480,989	115,183	365,806		12,000	1,200	1,178
	TOTAL - ALL ASSETS		12,216	396,816	636,598	274,044	759,370		18,250	10,465	11,263

- (1). Satisfactory refers to estimated cost to bring the asset to a satisfactory condition as deemed by Council. It does not include any planned enhancements to the existing asset.
- (2). Required Annual Maintenance is what should be spent to maintain assets in a satisfactory standard.
- (3). Current Annual Maintenance is what has been spent in the current year to maintain assets.

4	Requires Major Reconstruction - Ranges from Poor to Critical
5	Asset Unserviceable - Critical, Beyond Repair

1	Near Perfect - Ranges from New or Good
2	Superficial Deterioration - Ranges from Generally Good to Fair
3	Deterioration Evident - Ranges from Fair to Marginal

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Special Schedule No. 8 - Financial Projections  
as at 30 June 2010

\$'000	Actual <sup>(1)</sup> 09/10	Forecast 10/11	Forecast 11/12	Forecast <sup>(3)</sup> 12/13	Forecast <sup>(3)</sup> 13/14
<b>(i) RECURRENT BUDGET</b>					
Income from continuing operations	109,414	101,821	104,170	108,345	111,536
Expenses from continuing operations	108,528	109,755	112,057	114,688	117,803
<b>Operating Result from Continuing Operations</b>	<b>886</b>	<b>(7,934)</b>	<b>(7,887)</b>	<b>(6,343)</b>	<b>(6,267)</b>
<b>(ii) CAPITAL BUDGET</b>					
New Capital Works <sup>(2)</sup>	1,297	6,200	6,200	6,300	6,300
Replacement/Refurbishment of Existing Assets	12,877	13,881	15,040	15,552	16,067
<b>Total Capital Budget</b>	<b>14,174</b>	<b>20,081</b>	<b>21,240</b>	<b>21,852</b>	<b>22,367</b>
<b>Funded by:</b>					
– Loans	3,065	6,708	1,000	1,000	1,000
– Asset sales	1,959	165	5,400	5,400	5,400
– Reserves	-	-	-	-	-
– Grants/Contributions	1,164	4,524	7,700	7,700	7,700
– Recurrent revenue	6,115	7,576	5,140	5,752	6,267
– Other	1,871	1,108	2,000	2,000	2,000
	<b>14,174</b>	<b>20,081</b>	<b>21,240</b>	<b>21,852</b>	<b>22,367</b>

- (1) From 09/10 Income Statement.
- (2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.
- (3) If Council has only adopted 3 years of projections then only show 3 years.

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# Appendix 5

## Legislation index



# Appendix 5 - Legislation index

## LOCAL GOVERNMENT ACT 1993 and GENERAL REGULATION

	Act/General Reg	In this report
1. Completed within 5 months after end of financial year	<i>Section 428(1)</i>	Introduction
2. Copy provided to the Minister for Local Government (via the Department of Local Government)	<i>Section 428(3)</i>	
3. Copy of council's audited financial reports	<i>Section 428(2)(a)</i>	Appendix 4
4. Amount of rates and charges written off during the year	<i>Clause 132</i>	Governance
5. Comparison of actual performance against projected performance of its principal activities measured in accordance with the management plan	<i>Section 428(2)(b)</i>	Section 428(2)(b) Each strategic theme
6. Includes statement of reasons for any difference (check consistent with management plan – Module 1)	<i>Section 428(2)(b)</i>	
7. Report as to the state of the environment in the area (see separate checklist for specifics)	<i>Section 428(2)(c) Clause 218–226</i>	Appendix 1
8. Report on condition of public works (including public buildings, public roads and water, sewerage and drainage works) (check consistent with asset management plan and capital works program – Module 3)	<i>Section 428(2)(d)</i>	Human habitat
* Public works report includes estimate of amount of money required to bring the works up to a satisfactory standard	<i>Section 428(2)(d)(i)</i>	
* Public works report includes estimate of annual expense of maintaining the works at that standard	<i>Section 428(2)(d)(ii)</i>	
* Public works report includes council's program of maintenance for that year	<i>Section 428(2)(d)(iii)</i>	
9. Summary of the amounts incurred by the council in relation to legal proceedings	<i>Section 428(2)(e)</i>	Ecology and Human habitat
10. Summary of the state of progress of each legal proceeding and result	<i>Section 428(2)(e)</i>	
11. Total amount of money spent on mayoral and councillor fees	<i>Section 428(2)(f)</i>	Governance

	Act/General Reg	In this report
12. Council's policy on the provision of facilities for use by councillors and the payment of councillors' expenses	<i>Section 428(2)(f)</i>	Appendix 3
13. Details of overseas visits by councillors, council staff or other persons representing council	<i>Section 428(2)(r) Clause 217(1)(a)</i>	Governance
14. Total amount of money expended during that year on the provision of councillor facilities and the payment of councillor expenses, including separate details of the total cost of:	<i>Section 428(2)(f) Clause 217(1)(a1)</i>	
* Provision of dedicated office equipment allocated to councillors	<i>Clause 217(1)(a1)(i)</i>	
* Telephone calls made by councillors	<i>Clause 217(1)(a1)(ii)</i>	
* Attendance of councillors at conferences and seminars	<i>Clause 217(1)(a1)(iii)</i>	
* Training of councillors and provision of skill development	<i>Clause 217(1)(a1)(iv)</i>	
* Interstate visits by councillors, including transport, accommodation and other out of pocket travelling expenses	<i>Clause 217(1)(a1)(v)</i>	
* Overseas visits by councillors, including transport, accommodation and other out of pocket travelling expenses	<i>Clause 217(1)(a1)(vi)</i>	
* Expenses of any spouse, partner or other person who accompanied a councillor	<i>Clause 217(1)(a1)(vii)</i>	
* Expenses involved in the provision of care for a child or an immediate family member of a councillor	<i>Clause 217(1)(a1)(viii)</i>	
15. Statement of the number of senior staff employed by the council during the year	<i>Section 428(2)(g)</i>	
16. Statement of the total remuneration comprised in remuneration packages of each senior staff member employed during year. Includes for each such member, total of the following:	<i>Section 428(2)(g) Clause 217(1)(b)</i>	
* Total value of salary component of package	<i>Clause 217(1)(b)(i)</i>	
* Total amount of any bonus payments, performance or other payments that do not form part of salary component	<i>Clause 217(1)(b)(ii)</i>	
* Total employer's contribution to superannuation (salary sacrifice or employers contribution)	<i>Clause 217(1)(b)(iii)</i>	
* Total value non-cash benefits	<i>Clause 217(1)(b)(iv)</i>	
* Total fringe benefits tax for non-cash benefits	<i>Clause 217(1)(b)(v)</i>	
17. Details of contracts awarded for amounts greater than \$150,000. Includes:	<i>Section 428(2)(h)</i>	
* Name of contractor	<i>Section 428(2)(h)</i>	
* Nature of goods or services supplied	<i>Section 428(2)(h)</i>	
* Total amount payable under the contract	<i>Section 428(2)(h)</i>	

	Act/General Reg	In this report
18. A report on bush fire hazard reduction activities	<i>Section 428(2)(i1)</i>	Ecology
19. Details of programs to promote services and access for people with diverse cultural and linguistic backgrounds consistent with principles of multiculturalism (check consistent with social and community plan and management plan – Module 4)	<i>Section 428(2)(i)</i>	Society and Culture
20. Details of activities to develop and promote services and programs that provide for the needs of children (check consistent with social and community plan – Module 4)	Section 428(2)(r) Clause 217(1)(c)	
21. Report on the council's performance in relation to access and equity activities to meet residents' needs outlined in council's management plan (check consistent with social and community plan – Module 4)	Section 428(2)(r) Clause 217(1)(d)(i)	
22. Summary of resolutions made under section 67 concerning work carried out on private land. Includes:	Section 428(2)(k)	Human habitat
* Summary or details of work	Section 428(2)(k)	
* Cost of work fully or partly subsidised by council	Section 428(2)(k)	
* Total amount by which council has subsidised any such work	Section 428(2)(k)	
23. Total amount contributed or otherwise granted under section 356 (financially assist others)	Section 428(2)(l)	Society and culture
24. Statement of human resources activities (check consistent with human resources plan – Module 5)	Section 428(2)(m)	Governance
25. Statement of activities to implement EEO management plan	Section 428(2)(n)	
26. Statement of external bodies that exercised functions delegated by council	Section 428(2)(o)	
27. Statement of all companies in which council held a controlling interest	Section 428(2)(p)	
28. Statement of partnerships, co-operatives or other joint ventures including public-private partnerships to which council was a party	Section 428(2)(q)	
29. List of category 1 business activities. Includes:	Section 428(2)(r) Clause 217(1)(d)(ii)	Appendix 4
* Statement of expenses, revenues and assets for each activity	Clause 217(1)(d)(iv)	
* Comparison of performance with projected performance and statement of reasons for difference for each activity	Clause 217(1)(d)(viii)	
30. List of category 2 business activities	<i>Clause 217(1)(d)(iii)</i>	

	Act/General Reg	In this report
31. Summary of progress of council in implementing principles of competitive neutrality	<i>Clause 217(1)(d)(v)</i>	Governance
32. Statement as to whether competitive neutrality pricing requirements have or have not been applied to each Category 1 business activity	<i>Clause 217(1)(d)(vi)</i>	
33. Statement re the establishment of a complaints handling mechanism for competitive neutrality complaints. Includes:	<i>Clause 217(1)(d)(vii)</i>	
* Manner in which publicises and makes known to public	<i>Clause 217(1)(d)(vii)</i>	
* Summary of complaints received	<i>Clause 217(1)(d)(ix)</i>	
* Subject matter or nature of complaints	<i>Clause 217(1)(d)(ix)</i>	
* Statement as to outcome of complaints, includes number disposed of and number outstanding	<i>Clause 217(1)(d)(ix)</i>	Human habitat
34. Comparison of actual stormwater management services with projected stormwater management services as proposed in management plan. Includes:	<i>Clause 217(1)(e)</i>	
* Statement of reasons for any difference	<i>Clause 217(1)(e)</i>	

# Hornsby Shire Local Government Area

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The geographical area of the Shire of Hornsby covers approximately 510 square kilometres. Included in the area are 6,000 hectares of public bushland for which Council is responsible. The region extends from Brooklyn at the northern extremity, out to Wisemans Ferry and Glenorie and Dural in the west, across to Wahroonga in the east, and to Epping along its southern boundary.  
( \* Indicates suburb is across councils)

Arcadia	Canoelands	Epping*	Laughtondale	Pennant Hills
Asquith	Carlingford*	Fiddletown	Maroota*	Singletons Mill
Beecroft	Castle Hill*	Fishermans Point	Middle Dural*	Thornleigh
Berowra	Cheltenham	Forest glen	Milson Island	Wahroonga*
Berowra Creek	Cherrybrook	Galston	Milsons Passage	Waitara
Berowra Heights	Cowan	Glenhaven*	Mount Colah	West Pennant Hills*
Berowra Waters	Dangar Island	Glenorie*	Mount Kuring-Gai	Westleigh
Berrilee	Dural*	Hornsby	Normanhurst	Wisemans Ferry*
Brooklyn	Eastwood*	Hornsby Heights	North Epping	



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