



Proposal by

**Murray River Council**  
to the Minister for Local Government  
to dissolve  
the Central Murray County Council  
effective 30 June 2019

Made pursuant to  
Section 383 (1) of the  
Local Government Act 1993

## CONTENTS

EXECUTIVE SUMMARY .....	3
DESCRIPTION OF THE AUTHORITY .....	4
MEMBERSHIP OF THE GOVERNING BODY .....	5
EMPLOYEES .....	7
ORGANISATIONAL STRUCTURE (PRE AMALGAMATIONS) .....	8
ASSETS AND EQUIPMENT .....	9
OTHER ASSETS.....	10
AREA OF OPERATION (PRE AMALGAMATIONS).....	11
PROPOSAL TO DISSOLVE THE AUTHORITY .....	12
LEGISLATION REVIEW.....	14
Attachment 1. Proclamation of the Central Murray County Council .....	15
Attachment 2. Assets of the Central Murray County Council.....	17
Attachment 3. Market Valuation Reports – Finley Depot & Deniliquin Depot .....	20
Attachment 4. Council Resolutions.....	56
Attachment 5. Berrigan Shire Council Position.....	59
Attachment 6. Correspondence from the United Services Union (USU).....	60
Attachment 7. Detail Considerations for Proclamation.....	61

## EXECUTIVE SUMMARY

The Central Murray County Council (CMCC) was formed in 1978 with the following members:

- Berrigan Shire Council;
- Conargo Shire Council;
- Deniliquin Council;
- Murray Shire Council; and
- Windouran Shire Council

The CMCC trades under the name of Central Murray County Council Noxious Weeds. Its current function is to perform, on behalf of the member councils, the local control authority responsibilities under the *Biosecurity Act 2015 No 24*, which in 2018 replaced the Noxious Weeds Act 1993.

In 2001, Conargo Shire Council and Windouran Shire Council amalgamated and left four members of the CMCC.

In 2016, Conargo Shire Council and Deniliquin Council merged to form Edward River Council; and Murray Shire Council and Wakool Shire Council merged to form Murray River Council. Wakool Shire Council were never a part of the CMCC. These mergers reduced the number of members of the CMCC to three.

It is now proposed to disband the CMCC and transfer the noxious weeds function and responsibilities back to the individual councils, namely Murray River Council, Edward River Council and Berrigan Shire Council.

The Local Government (Council Amalgamations) Proclamation 2016 advised the following in respect of county councils:

*To avoid doubt, the constitution and operation of a county council, as existing immediately before the amalgamation day, is not affected by any changes to councils or council area affected by this Proclamation.*

This proclamation created anomalies in service provision across the Murray River Council area, as only a portion of the local government area was previously served by the CMCC.

Murray River Council is the proponent for the dissolution of the CMCC with a target date of 30 June 2019. The proposal has the support of the CMCC.

As per the resolution of Murray River Council from its Extraordinary Meeting of 24 October 2018, Murray River Council has agreed to undertake any administrative work that is required to be attended to effect the dissolution after the CMCC is dissolved.

## DESCRIPTION OF THE AUTHORITY

### Proclamation

The Proclamation for the creation of the CMCC, based on the application of the Municipality of Deniliquin and the Shires of Berrigan, Murray and Windouran was published on 12 May 1978.

A further Proclamation to alter the County boundaries to include Conargo Shire as a constituent council of the CMCC was published on 16 May 1980.

Copies of the Proclamations from the New South Wales Government Gazette are included as **Attachment 1**.

### Operations

The CMCC Noxious Weeds Authority provides the following services:

1. *Property inspections*  
CMCC inspectors carry out private property inspections for the presence of noxious weeds and assist land owners with plant identification and to prepare control programs for noxious plants on their property.
2. *Issue Weed Control Notices (WCN)*  
CMCC inspectors issue a WCN under the *Biosecurity Act 2015*, where an occupier/owner does not comply with the request of an inspector.
3. *Roadside weed management*  
The CMCC provides roadside weed management services to the local road authorities.
4. *Contract spraying service*  
The CMCC provides a contract weed spraying service for private owners and public authorities.
5. *Certificates*  
The CMCC provides certificates to intending property purchasers, on a fee for service basis, stating whether there are outstanding fees, charges or notices on the property.

## MEMBERSHIP OF THE GOVERNING BODY

The Governing Body of the CMCC *prior* to the mergers were as follows:

### Central Murray County Council Authority

Chairperson:	Cr Betty Murphy (Murray Shire Council)
Deputy Chairperson:	Cr Donald Henderson (Conargo Shire Council)
Member:	Cr Brian Hill (Berrigan Shire Council)
Member:	Cr Colin Jones (Berrigan Shire Council)
Member:	Cr Sue Taylor (Deniliquin Municipality)
Member:	Cr Peter Connell (Deniliquin Municipality)
Member:	Cr Mac Wallace (Conargo Shire Council)
Member:	Cr John Pocklington (Murray Shire Council)

General Manager:	Barry Barlow
Finance/Administration:	Rachelle Delmenico
Auditors:	Auswild & Co.

In February 2016, Murray Shire Councillors were suspended by the Office of Local Government and Mr David Shaw represented Murray Shire Council as Administrator. Councillor Donald Henderson assumed the role of Chairperson.

In May 2016, the Minister for Local Government proclaimed the mergers of Deniliquin Council and Conargo Shire Council to form Edward River Council, with Mr Ashley Hall appointed as Administrator; and Murray Shire Council and Wakool Shire Council to form Murray River Council, with Mr David Shaw continuing as Administrator.

Following the amalgamations, the Interim Governing Body of the Authority was Mr David Shaw (Murray River Council); Mr Ashley Hall (Edward River Council); and Councillors Colin James and John Bruce (Berrigan Shire Council).

Following the merged councils first general election in September 2017, the Interim Governing Body of the Authority has been:

### Central Murray County Council Authority

Chairperson:	Cr Colin Jones (Berrigan Shire Council)
Deputy Chairperson:	Cr Ashley Hall (Edward River Council)
Member:	Cr John Bruce (Berrigan Shire Council)
Member:	Cr Nick Metcalfe (Edward River Council)
Member:	Cr Thomas Weyrich (Murray River Council)
Member:	Cr Gen Campbell (Murray River Council)

Acting General Manager:	Rachelle Delmenico
Finance/Administration:	Rachelle Delmenico
Auditors:	Crowe Horwath

The CMCC lists its strategic priorities as:

- Noxious weed private property inspections
- Roadside and reserve weed maintenance
- Education of the community
- Encourage community group involvement in projects
- Providing contract weed control services
- Enhance agricultural production through noxious weed control
- Encourage environmentally friendly practices

On the dissolution of the CMCC, Murray River Council, Edward River Council and Berrigan Shire Council are to each undertake noxious plant control for their local government areas.

## EMPLOYEES

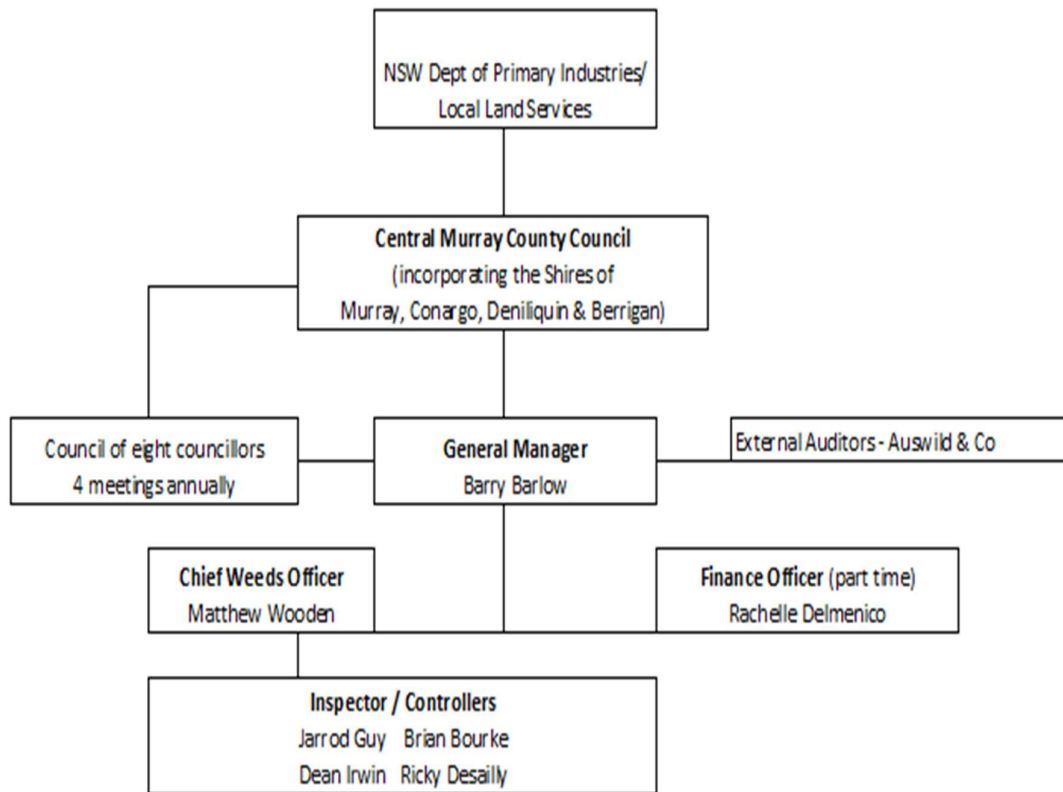
The CMCC Financial Plan lists the organisation as having one part-time General Manager, one part-time Financial/Administration Officer and five full-time employees.

- 1. General Manager (1)**  
Contract position (currently under temporary employment) – Berrigan (redundant)
- 2. Senior Weeds Officer (1)**  
Permanent full-time position based in Finley – Transfer to Berrigan Shire Council
- 3. Finance Officer (1)**  
Permanent part-time position – Berrigan (redundant)
- 4. Weeds Inspector (1)**  
Permanent full-time position based in Deniliquin – This position was to transfer to Murray River Council, however, recently resigned, therefore, this position is currently vacant
- 5. Spray Operators (3)**  
Permanent full-time position – One to transfer to Berrigan Shire Council and two to transfer to Edward River Council

The total employee costs for the 2017/18 financial year was **\$539,000**.

The budget for employee costs for the 2018/19 financial year is **\$431,545.00**.

## ORGANISATIONAL STRUCTURE (PRE AMALGAMATIONS)





## ASSETS AND EQUIPMENT

The CMCC financial statements list the full purchase value of the CMCC's plant and equipment at \$1,252,000. The depreciated value is \$740,000. The full purchase value of the office equipment is \$24,000, and the depreciated value is \$5,000.

Full details of the plant and equipment asset register and office equipment register for 2018 are listed in **Attachment 2**.

It is proposed that the assets required by each individual council to perform the required functions will be transferred on dissolution of the CMCC.

A breakdown of the assets each council will receive are listed below. The remaining assets are to be sold up and monies distributed to each council, in accordance with their contribution percentage averaged over the past five years of contributions, as follows:

- Berrigan Shire Council 33%
- Edward River Council 36%
- Murray River Council 31%

### **Berrigan Shire Council (refer Attachment 5)**

The Finley Depot including sheds and demountables and all equipment, fixtures and fittings contained therein.

- 2 x Ranger utilities based at Finley (*Registration numbers required*)
- 1 x Portable spray mate
- 1 x Boat including trailer, motor and spray mate (*Registration numbers to transfer*)
- 2 x Mapping motion tablets and software
- 2 x Mobile telephones (*Mobile numbers to transfer*)
- Noxious weeds signs
- 1 x Compressor
- Chemical bulk storage and pumps
- Vertebrate pest control equipment
- Bait layer
- Carrot cutter

### **Edward River Council**

The Deniliquin Depot including sheds and demountables and all equipment, fixtures and fittings contained therein.

- 2 x Ranger utilities based at Deniliquin
- 2 x Quick spray units
- 1 x Canter truck (*Registration BE34DL*)
- 2 x Rearing cages
- 2 x Mapping motion tablets and software
- 2 x Kestrel wind meter

### **Murray River Council**

- 1 x Ranger utility
- 1 x Quick spray unit
- 2 x Rearing cages
- 1 x Mapping motion tablets and software
- 1 x Kestrel wind meter
- 1 x Bobcat telehandler
- 1 x Wetblade for bobcat
- 1 x Compressor and pump for bobcat

## **OTHER ASSETS**

### **Land & Buildings**

The CMCC has two Depots, one in Finley NSW and the other in Deniliquin NSW. The CMCC owns the land, sheds and demountable buildings at the Depots.

The full purchase value of the land is \$80,000 (2018):

- Finley Depot - \$35,000
- Deniliquin Depot - \$45,000

The infrastructure and buildings on the land has the purchase price of \$406,043 and is depreciated down to \$132,428 (2018):

- Finley Depot - \$55,348
- Deniliquin Depot - \$77,080

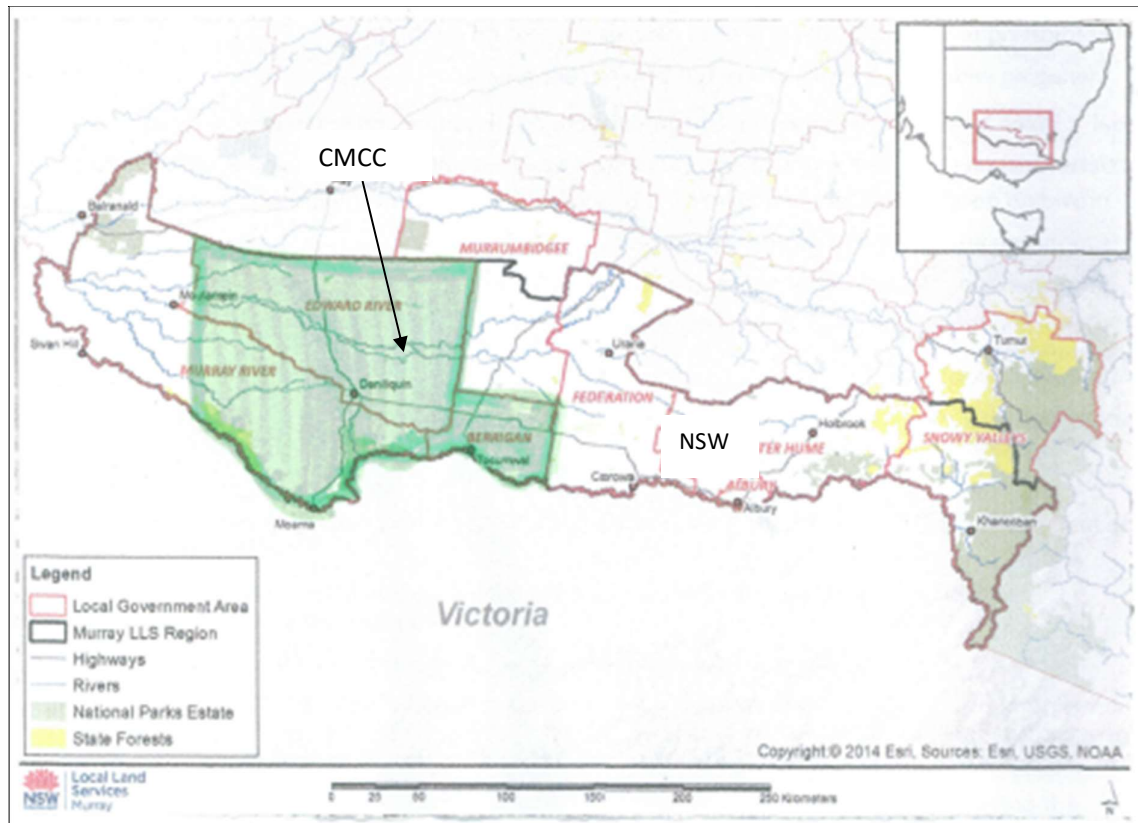
The full details of the land and buildings register for 2018 are listed in **Attachment 2**.

Market Valuation Reports by Herron Todd White as at 21 April 2017, places the value for the Finley Depot at \$100,000; and the Deniliquin Depot at \$135,000. The Valuation Reports are attached in **Attachment 3**.

### AREA OF OPERATION (PRE AMALGAMATIONS)

The CMCC area of operation covers the whole of the former Murray Shire Council, Conargo Shire Council, Deniliquin Council; and Berrigan Shire Council.

The CMCC is located on the Southern NSW/VIC border (NSW side).



## PROPOSAL TO DISSOLVE THE AUTHORITY

The proposal is to disband the CMCC effective from 30 June 2019 and transfer the *Biosecurity Act 2015* responsibilities to the individual councils, namely Murray River Council, Edward River Council and Berrigan Shire Council.

### 1. Murray River Council

Resolved at its meeting held on 16 January 2018 to discontinue membership of the CMCC. Murray River Council further resolved at its meeting held on 24 October 2018 to take on the role as a joint proponent with the CMCC in the proposed dissolution process of the CMCC (Refer **Attachment 4**).

### 2. Edward River Council

Resolved at its meeting held on 15 February 2018 to discontinue membership of the CMCC, investigate alternative options to ensure Council is meeting its legislative requirements (Refer **Attachment 4**).

### 3. Berrigan Shire Council

Resolved at its meeting held on 21 March 2018 that Council continue to be a part of the CMCC staff to the Council (Refer **Attachment 4**). It should be noted that the Berrigan Shire Council is NOT in support of the dissolution of the CMCC (Refer **Attachment 5**).

Each member council has passed a resolution to undertake the function and duties of weed control and inspections. The individual councils will fulfil their obligations with respect to the Weeds Action Plan (WAP) and the *Biosecurity Act 2015*.

The proposal to dissolve the CMCC also has the support of the NSW Department of Primary Industries, who has pledged to continue to assist the councils to provide good and efficient noxious weeds services if the proposal goes ahead. Each council will also continue to work closely with the Murray Local Land Services (LLS) in the delivery of their services.

The proposal to dissolve the CMCC is supported by the United Services Union (USU), provided the CMCC employees maintain their current entitlements and have a job position to transfer to (Refer **Attachment 6**). Each of the councils has resolved to place the numerous positions within their organisational structure and to ensure they have the same security as staff transferred in amalgamated councils.

### Provision of weed services

All weed services will be undertaken by each individual council. The councils will maintain the required standard of weed services and meet their legal obligations. This will be enabled through the transfer of assets and staff from the CMCC on dissolution. The service delivery should be continuous and each council will be equipped to provide the service uninterrupted. The aim is to deliver the most efficient weed services possible and to facilitate the transfer of operations and provide continuity of service to ratepayers.

### **Employees**

It is proposed that all CMCC employees and assets will be transferred to the individual councils who will take over the management of all weed services.

### **Roles**

It is proposed that all four permanent positions be transferred to the individual councils as indicated below:

- Berrigan Shire Council – 2 x full-time employees
- Edward River Council – 2 x full-time employees
- Murray River Council – Nil

Currently, the CMCC is managed by an Acting General Manager. It is proposed that this position will become redundant and the individual councils will manage their own business unit and weed program.

It is proposed that the current permanent part-time role of Finance/Administration Officer will be made redundant. The duties performed by this role will be taken up by the individual councils within their current administration.

It is proposed that the individual councils will meet the required reporting obligations for Department of Primary Industries (weeds) and Office of Local Government (financials).

### **Conditions of employment**

The CMCC employees will remain under the *NSW Local Government (State) Award 2017* upon transfer and all existing entitlements and conditions will remain in place as per the Local Government Award.

### **Delegations**

The delegations regarding the provision of weed notices and financial operation and management of the organisation are to be transferred back to the individual councils according to their organisation and delegations structure.

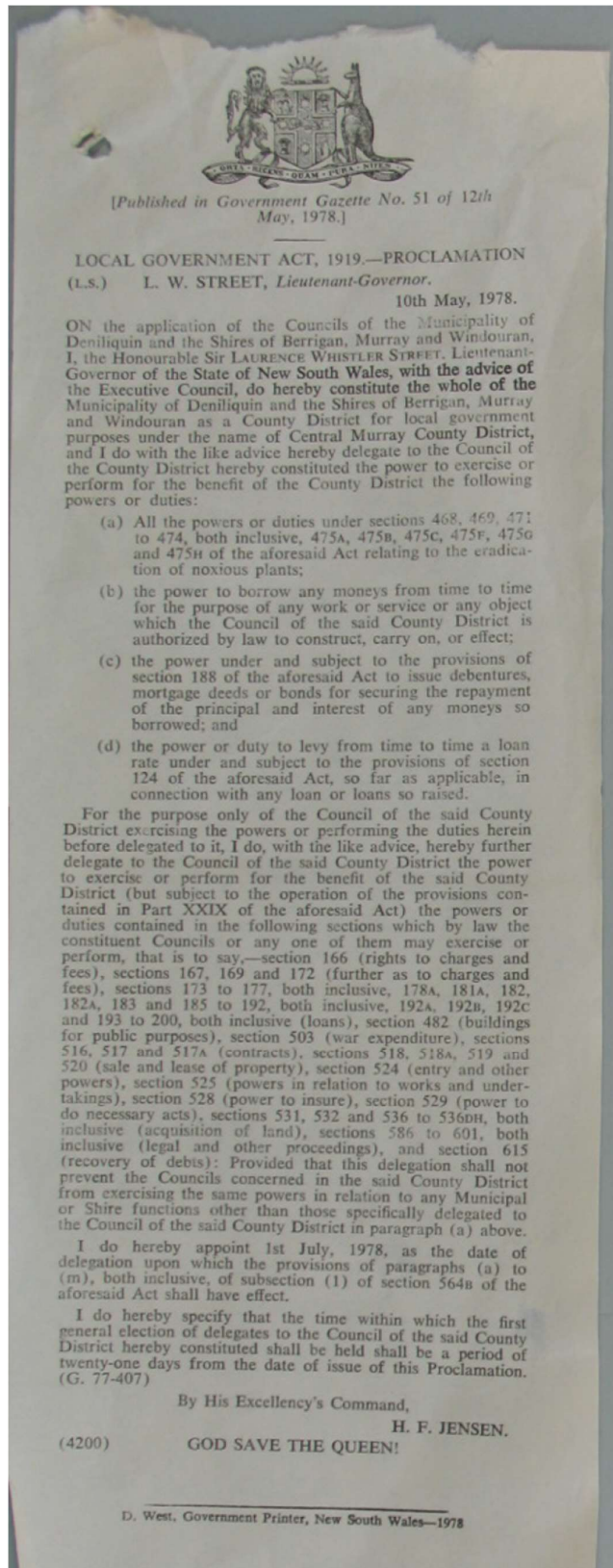
## LEGISLATION REVIEW

Under S383 (1) of the *NSW Local Government Act 1993*, the Murray River Council, Edward River Council and the Berrigan Shire Council have requested that a proposal for the dissolution of the CMCC be made to the Minister for Local Government.

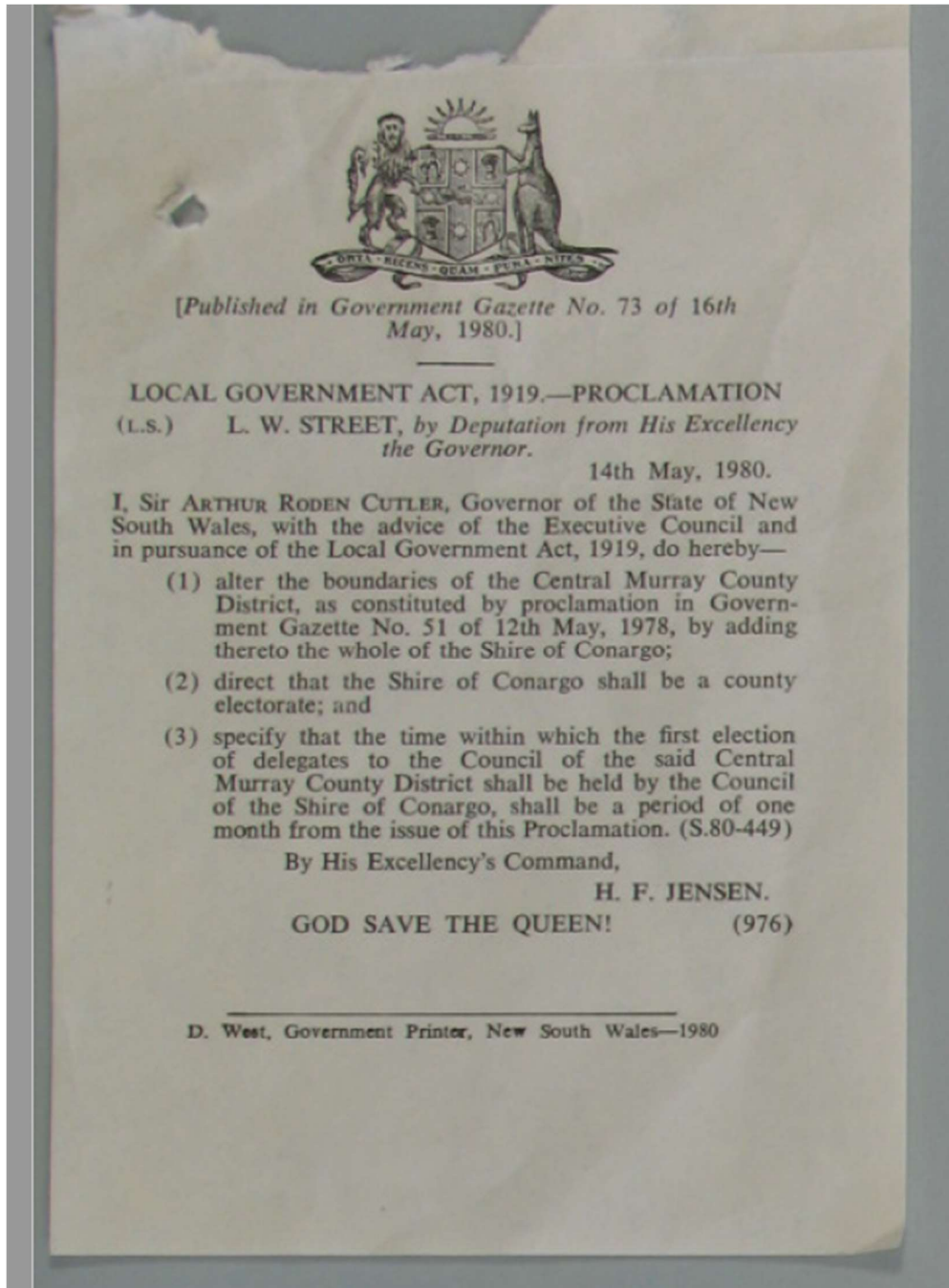
As part of the dissolution, the detailed provisions for the proclamation have been reviewed and the details of this review is included in this report as **Attachment 7**.

## Attachment 1. Proclamation of the Central Murray County Council

1978: Establishment of the Central Murray County Council and Constitution – published in the Government Gazette 12 May 1978



1980: Constitution amended to include Conargo Shire Council a constituent of the Central Murray County Council – published in the Government Gazette 16 May 1980





## Attachment 2. Assets of the Central Murray County Council

### Summary

	Purchase	WDV at 30.06.19
<b>Plant &amp; Equipment</b>	\$919,365.32	\$357,366.97
<b>Office Equipment</b>	\$25,448.96	\$2,048.70
<b>Land</b>	\$80,000.00	\$80,000.00
	<b>Fair Value</b>	<b>Book Value</b>
	<b>30.06.2015</b>	<b>30.06.2019</b>
<b>Buildings</b>	\$410,453.50	\$128,452.35
<b>TOTAL</b>	<b>\$1,435,267.78</b>	<b>\$567,868.02</b>

### CMCC – Plant & Equipment – 30 June 2018

Item	Purchase Price (\$)	WDV at 30.06.19 (\$)
<b>Berrigan Shire Council</b>		
<i>Plant &amp; Equipment</i>		
Ford Ranger Utility (CK69VD)	36,925.45	22,114.80
Ford Ranger Utility (CM10KL)	33,198.18	19,882.53
Roof Sign for Fleet x 2	1,752.74	0.00
Spray Mate (Matt Wooden Utility)	12,504.00	6,252.00
Mitsubishi Canter Truck (AH45BL)	154,077.44	39,468.15
Rearing Cages	4,064.07	458.58
Boat	23,284.55	17,948.51
Spray Mate Tank, Reel, Hose, Gun (Boat)	11,627.50	4,937.75
Boat Motor (5 horsepower)	1,818.18	829.09
Spiny Burr Posts	1,048.00	0.00
Kestral Wind Meter x 2	564.54	0.00
Motion Tablet GPS Unit x 2	9,874.32	1,344.98
Software for Motion Tablets	6,086.27	2,422.56
Noxious Weeds Signs	1,088.00	0.00
Air Compressor (Willows)	3,397.28	1,899.38
Chemical 1000lts Bulk Storage with Pump x 1	6,209.55	3,673.98
Chemical 1000lts Bulk Storage with Pump x 1	6,209.55	3,673.98
Chemical 1000lts Bulk Storage with Pump x 1	6,209.55	3,673.98
Rabbit Smoker	785.00	222.00
Rain Tank x 2 (Finley Depot)	5,438.18	0.00
Nursery (Finley Depot)	2,444.55	0.00
Socket Set	540.00	144.00
Air Compressor – Drilling (Stand-alone Finley Depot)	3,508.18	0.00
Concrete Chemical Pit & Cover (Finley Depot)	1,650.00	990.00
Air Conditioning Unit (Finley Office)	1,600.00	0.00
Suction Pump for Concrete Pit (Finley Depot)	863.64	12.23
Second Hand Punt Boat	750.00	185.55
Apple iPhone (Matt Wooden)	878.18	0.00
Conquest Karcher Hot/Cold Water Pressure Wash	4,990.00	998.00
Englefield Fridge	1,059.69	512.17
	344,446.58	31,644.23
<i>Office Equipment</i>	23,835.32	2,048.70
<i>Land</i>	35,000.00	35,000.00
<i>Buildings</i>	227,253.50	55,036.35
<b>Sub-Total</b>	<b>630,535.40</b>	<b>223,729.28</b>

Item	Purchase Price (\$)	WDV at 30.06.19 (\$)
<b>Edward River Council</b>		
<i>Plant &amp; Equipment</i>		
Ford Ranger Utility (BU60RE)	40,880.26	16,841.66
Ford Ranger Utility (BT09LD)	35,820.27	12,545.12
Roof Sign for Fleet x 2	1,752.74	0.00
Quick Spray (Brian Bourke Utility)	10,893.00	2,178.60
Quick Spray (Dean Irwin Utility)	10,893.00	2,178.60
Mitsubishi Canter Truck (BE34DL)	170,820.04	36,190.48
Motion Tablet GPS Unit x 2	10,930.66	1,344.98
Software for Motion Tablets	12,172.55	2,422.56
Spiny Burr Posts	684.00	0.00
Kestral Wind Meter x 2	600.00	41.00
Air Compressor (Deniliquin Depot)	1,495.00	248.62
Split System Air Conditioner (Deniliquin Depot)	1,499.10	0.00
Rain Tank x 2 (Deniliquin Depot)	5,438.18	0.00
Englefield Fridge	1,059.69	512.17
	304,938.48	74,503.79
<i>Office Equipment</i>	1,613.64	0.00
<i>Land</i>	45,000.00	45,000.00
<i>Buildings</i>	183,200.00	73,416.00
<b>Sub-Total</b>	<b>534,752.12</b>	<b>192,919.79</b>
<b>Murray River Council</b>		
<i>Plant &amp; Equipment</i>		
Ford Ranger Utility (CM09KL)	33,198.18	19,882.52
Roof Sign for Fleet x 1	876.37	0.00
Quick Spray	11,450.80	5,725.40
Pest Traps	1,200.00	40.00
Spiny Burr Posts	788.00	0.00
Motion Tablet GPS Unit x 1	4,408.99	672.49
Software for Motion Tablet	12,172.55	1,211.28
Bobcat Telehandler, Puller & Bobcat	165,646.96	112,285.30
Englefield Fridge	1,059.69	512.17
<b>Sub-Total</b>	<b>230,801.53</b>	<b>140,329.16</b>
<b>TOTAL (All Councils)</b>	<b>1,396,089.05</b>	<b>556,978.23</b>
Pooled	6,044.55	3,826.86
To Be Sold in 2018/19	33,134.18	7,062.94
<b>GRAND TOTAL</b>	<b>1,435,267.78</b>	<b>567,868.03</b>
<b>Remainder in Pool</b>		
Pump & Tank – 2,000L Water Tank for Trailer (Deniliquin Depot)	1,044.55	410.86
Trailer (TB68SS)	5,000.00	3,416.00
<b>TOTAL</b>	<b>6,044.55</b>	<b>3,826.86</b>
<b>To Be Sold in 2018/19</b>		
Ford Ranger Utility (CQ03CF)	32,598.18	7,062.94
Remote Control for Quick Spray (CQ03CF)	536.00	0.00
<b>TOTAL</b>	<b>33,134.18</b>	<b>7,062.94</b>

**CMCC – Office Furniture & Equipment – 30 June 2018**

Item	Purchase Price (\$)	Less Acc Dep at 30.06.17	Dep at 30.06.18	Acc Dep at 30.06.18	WDV at 30.06.18
Steel Stationery Cupboard	422.73	422.73	0.00	422.73	0.00
Tool Box	6,470.45	6,470.45	0.00	6,470.45	0.00
Computer – Finley	1,793.60	1,793.60	0.00	1,793.60	0.00
Computer – Mapping	1,426.36	1,426.36	0.00	1,426.36	0.00
Office Equipment	805.54	805.54	0.00	805.54	0.00
A3 Mapping Printer	2,334.55	2,334.55	0.00	2,334.55	0.00
Computer	1,613.64	1,344.70	268.94	1,613.64	0.00
Computer	1,663.63	1,386.36	277.27	1,663.63	0.00
Laptop (Darryl)	1,435.45	1,052.27	287.09	1,339.36	96.09
Air Conditioner	2,475.00	1,444.00	495.00	1,939.00	536.00
Dynamic Data	586.23	312.49	117.25	429.74	156.49
Camera	253.64	105.46	50.73	156.18	97.46
Red Gum Photography & Computer – Computer Tower	1,208.18	483.27	241.64	724.91	483.27
Dynamic Data – Laptop	1,623.60	318.49	324.72	643.21	980.39
<b>TOTAL</b>	<b>24,112.60</b>	<b>19,700.27</b>	<b>2,062.63</b>	<b>21,762.90</b>	<b>2,349.70</b>

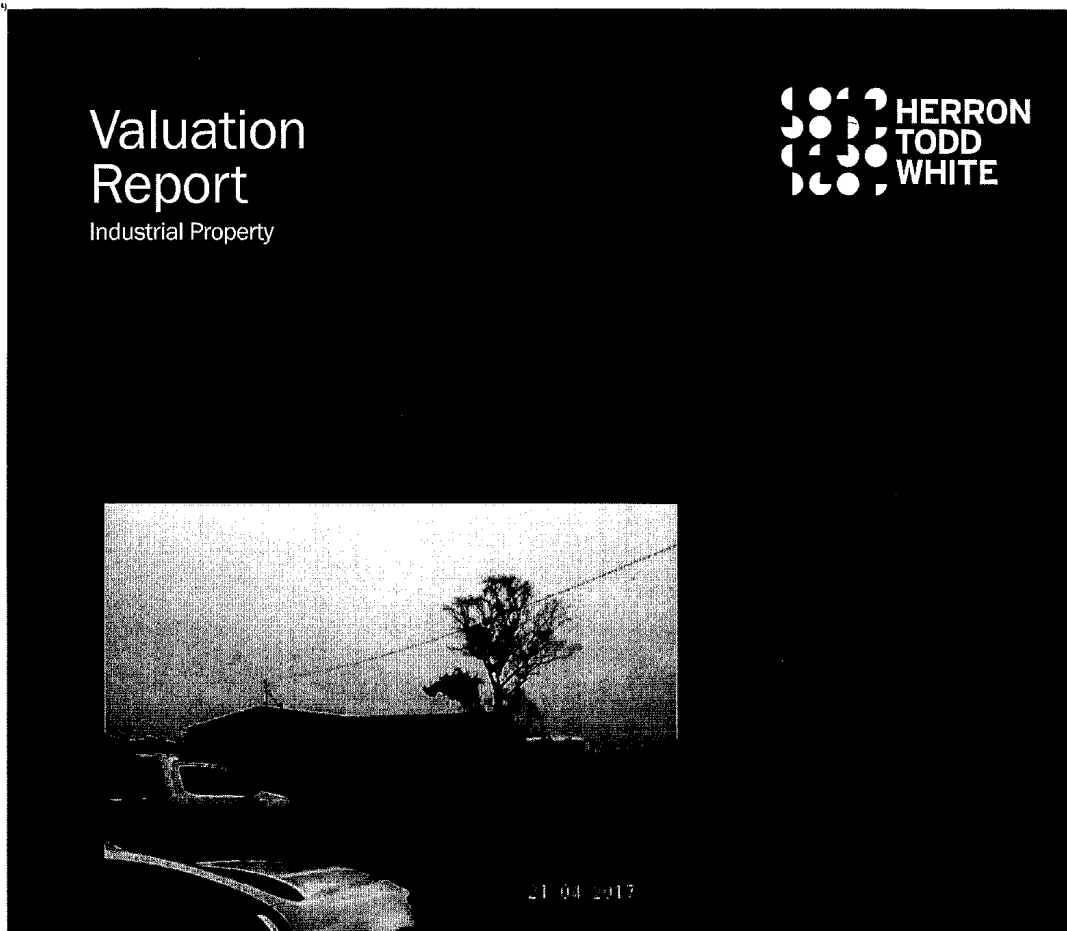
**CMCC – Land – 30 June 2018**

Item	Purchase Price (\$)	Less Acc Dep at Lifetime	WDV at 30.06.16	Less Acc Dep at 30.06.18	Fair Value at 30.06.16	Acc Dep	WDV at 30.06.18
Finley Depot	60,000.00	0.00	35,000.00	0.00	35,000.00	0.00	35,000.00
Deniliquin Depot	75,000.00	0.00	45,000.00	0.00	45,000.00	0.00	45,000.00
<b>TOTAL</b>	<b>135,000.00</b>	<b>0.00</b>	<b>80,000.00</b>	<b>0.00</b>	<b>80,000.00</b>	<b>0.00</b>	<b>80,000.00</b>

**CMCC – Buildings – 30 June 2018**

Item	Fair Value 30.06.15 (\$)	Acc Dep at 30.06.18 (\$)	Book Value 30.06.18 (\$)
Finley Depot	174,843.50	134,695.68	40,147.82
Deniliquin Depot	154,200.00	86,220.00	67,980.00
Finley Depot Office	48,000.00	32,800.00	15,200.00
Deniliquin Office	29,000.00	19,900.00	9,100.00
<b>TOTAL</b>	<b>406,043.50</b>	<b>273,615.68</b>	<b>132,427.82</b>

## Attachment 3. Market Valuation Reports – Finley Depot & Deniliquin Depot



125 Hamilton Street, Finley NSW 2713

**As at** 21 April 2017  
**Prepared for** Edward River Council  
**Matter** Central Murray County Council  
**Our Ref** JB592888

Deniliquin

Herron Todd White (Murray Riverina) Pty Ltd  
ABN 85 612 422 938

133 End Street,  
Deniliquin NSW 2710  
PO Box 1044  
Deniliquin NSW 2710

Telephone 03 5881 4947  
deniliquin@htw.com.au  
htw.com.au

**EXECUTIVE SUMMARY****INSTRUCTIONS**

<b>Property Address</b>	125 Hamilton Street, Finley NSW 2713.
<b>Instructing Party</b>	Barry Barlow of Edward River Council.
<b>Prepared For</b>	Central Murray County Council
<b>Interest Being Valued</b>	The interest being valued is the unencumbered estate in fee simple.
<b>Purpose of Valuation</b>	Our valuation has been prepared for internal purposes only.
<b>Date of Inspection and Valuation</b>	21 April 2017.

**TITLE AND STATUTORY DETAILS**

<b>Registered Owner</b>	CENTRAL MURRAY COUNTY COUNCIL (as per Title Search dated 26 April 2017)
<b>Real Property Description</b>	Lot 21 DP 848313 Folio: 21/848313
<b>Encumbrances / Title Discussion</b>	There are no easements, encumbrances or restrictions documented on the title search.
<b>Zoning</b>	The property is classified within the RU1 Primary Production Zone under the Berrigan Local Environmental Plan 2013.  The property is presently used as an industrial property.  The current use is considered a consent use under the current planning guidelines.

**VALUATION SUMMARY**

<b>Property Description 'As Is'</b>	The property comprises a 1,056 square metre slightly irregular shaped corner allotment improved with a warehouse, office, lunchroom and small sheds having a total building area of 391 square metres. The buildings were erected circa 1980's and generally present in good condition. The building is owner occupied.
<b>Last Sale</b>	We are not aware of any current contract of sale over the property.



125 Hamilton Street, Finley NSW 2713  
Job No. JB592888  
Date of Valuation: 21 April 2017

Page 2

**VALUATION SUMMARY**

**Market Value 'As Is' \$100,000**

**(One Hundred Thousand Dollars)**

The assessed value can be hypothetically apportioned as follows:

<b>Land</b>	<b>\$35,000</b>
<b>Buildings</b>	<b>\$65,000</b>

*Our market value assessment is exclusive of any applicable GST. No allowance has been made for realisation expenses.*

*This valuation is subject to the assumptions and qualifications contained within and appended to this report.*

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**Valuer**



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**John Henderson**  
AAPI / Certified Practising Valuer  
API NSW 69628

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**Important**

All data provided in this summary is wholly reliant on and must be read in conjunction with the information provided in the attached report. It is a synopsis only designed to provide a brief overview and must not be acted on in isolation.

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125 Hamilton Street, Finley NSW 2713  
Job No. JB592888  
Date of Valuation: 21 April 2017

**EXECUTIVE SUMMARY CONT'D**

**ASSUMPTIONS, CONDITIONS AND LIMITATIONS**

- Critical Assumptions**
- This valuation report is provided subject to the definitions, assumptions, disclaimers, limitations and qualifications detailed within and annexed to this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements.
- 



125 Hamilton Street, Finley NSW 2713  
Job No. JB592888  
Date of Valuation: 21 April 2017

Page 4

**EXECUTIVE SUMMARY CONT'D****PROPERTY SUMMARY**

**Cash Flow** • Owner occupied

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**Asset** • Fringe mixed use location opposite Finley Saleyards  
• Buildings are in generally good average condition

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**Market Overview** • Improved seasonal conditions through 2010/2011 to 2016/2017 had seen a major improvement in local economic conditions and a flow through of improved confidence in the local economy;

- Demand for industrial type property is sporadic due to a static population, however when sales do occur they generally reflect reasonable levels of value;
- Typical yields for property with leases in place are in the 6% to 12% range. Hypothetical yields for property purchased by owner occupiers can range from 6% through to 12%;
- The market for industrial property in Finley is dominated by owner occupiers, as due to limited demand for industrial space there is little speculative purchase by investors due to the limited demand by tenants;

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125 Hamilton Street, Finley NSW 2713  
Job No. JB592888  
Date of Valuation: 21 April 2017

Page 5



**PROPERTY DESCRIPTION**

**LOCATION**

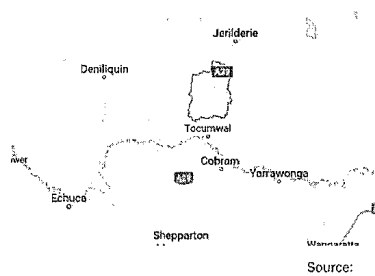
**Locality** The rural town of Finley is located in the southern Riverina district of New South Wales approximately 670 kilometres south west of Sydney and 300 kilometres north of Melbourne. It is located near the Murray River and is the centre of a large irrigation district. It has a population of approximately 2 000 people and services the surrounding rural district.

**Situation** The property is situated on the corner of the intersection of Hamilton Street and Broockmanns Road.

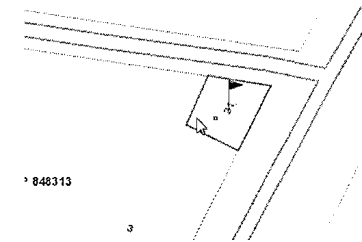
**Surrounding Development** Mixed use area opposite Finley Saleyards, with small rural holdings to the south, west and north.

**Infrastructure** The property is located close to the following infrastructure: arterial roads.

**THE LAND**



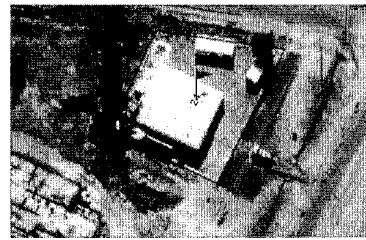
Source:



Source:



Source:



Source:



125 Hamilton Street, Finley NSW 2713  
 Job No. JB592888  
 Date of Valuation: 21 April 2017

**THE LAND**

**Land Area** 1,056 square metres.

**Frontage & Depth** The subject property's frontage to Hamilton Street is approximately 38.7 metres. The depth of the site along the northern boundary is approximately 33.4 metres.

**Topography** The subject property is a level, slightly irregular shaped corner allotment that is at street grade. Overall, it provides a good building contour.

**Services** The following major services are connected: reticulated water, sewerage, telephone, electricity.

**Road System** The property has a corner road frontage to Hamilton Street and Broockmanns Road.  
Hamilton Street is a bitumen sealed, single lane local road; it has gravel verges and grassed table drain with kerbside parking.  
Broockmanns Road is a bitumen sealed, single lane local road; it has grass verges and grassed table drain with kerbside parking.

**Access and Exposure** Vehicular access is easy and direct.  
The property has adequate exposure to vehicular traffic.

**Flooding** The land is not located within a known flood area and is not identified within the Local Authority's flood maps. A formal flood search has not, however, been undertaken and should this be an issue, then this report should be referred back to the valuer for comments.

**IMPROVEMENTS**



Warehouse

Office & lunchroom

Small sheds



125 Hamilton Street, Finley NSW 2713  
Job No. JB592888  
Date of Valuation: 21 April 2017

**IMPROVEMENTS**

**General** Erected on the property is a semi-modern style industrial building.

**Description** The improvements are estimated to have been constructed circa 1980's.

Floor Area	Description	Size
	Office	30 m <sup>2</sup>
	Lunchroom	19 m <sup>2</sup>
	Warehouse	301 m <sup>2</sup>
	Chemical Store 1	5 m <sup>2</sup>
	Chemical Store 2	7 m <sup>2</sup>
	Shade house	29 m <sup>2</sup>
	<b>Total</b>	<b>391 m<sup>2</sup></b>

**Construction** Office: Piers foundation; timber floor; sheet metal clad thermal panels external walls; sheet metal clad thermal panels internal walls; sheet metal clad thermal panel ceilings; vinyl floor covering; aluminium frame glazing.

Lunchroom: Piers foundation; timber floor; sheet metal clad thermal panels external walls; sheet metal clad thermal panels internal walls; sheet metal clad thermal panel roof; vinyl floor covering; aluminium frame glazing.

Warehouse: Concrete foundation; concrete floor; steel portal frame; metal deck external walls; metal deck internal walls; metal deck roof; bare concrete floor covering.

Chemical Store 1: Concrete floor; corrugated galvanised iron external walls; corrugated galvanised iron roof.

Chemical Store 2: Concrete floor; corrugated iron clad external walls; corrugated galvanised iron roof.

Shade house: Earth floor; steel frame; mostly shade cloth clad with colourbond metal lower walls.

**Layout** Office: Three offices

Lunchroom: Single room

Warehouse: Clearspan warehouse with sliding door access & 3.7metre high access point

**Services** Office: Wall mounted air conditioning, split system air conditioning; exposed fluorescent lighting.

Lunchroom: Wall mounted air conditioning; exposed fluorescent lighting.

Warehouse: Unisex amenities; exposed fluorescent lighting.

**Other Improvements** Minimal landscaping; security fencing boundary fencing; extensive gravel hardstand areas.

**Parking** Parking provisions are appropriate for most likely users of the property.

**Condition** Buildings are in good average condition



**ENVIRONMENTAL ISSUES**

<b>Site Issues</b>	Previous potentially contaminating use	Unknown
	Environmental planning overlay	No
	Contamination uses on adjoining properties	Unknown
	Known contamination issues in surrounding areas	Unknown
	Known groundwater contamination in surrounds	Unknown
	Potentially contaminating processes or materials on site	Yes
	Known past underground storage of contaminant materials	Unknown
	Listed on contaminated or environmental site registers	No
	Do operations require environmental licensing	Unknown

**Storage of chemicals associated with the spraying of weeds**

*Our valuation is based upon the assumption that the property is not contaminated or impacted by environmental issues that will affect the marketability or value of the property. It should be noted that environmental matters are outside of our expertise and that this valuation has been prepared without the benefit of soil tests or any other environmental studies.*

*We recommend that any party who has the right to rely upon this valuation report satisfy themselves in relation to any environmental risks or contamination issues, prior to reliance upon this valuation. Should any such issues become apparent, this valuation is not to be relied upon and the report must be returned to the valuer for review and comment.*

*The environmental checklist has been completed subject to the limitations of our site inspection and in the absence of specialist reports. Whilst we have provided broad commentary on the above questions, we advise that these matters are outside of our area of expertise and if doubt exists, specialist advice should be sought and if relevant, referred to the valuer for comment prior to relying upon the valuation.*

<b>Asbestos Materials</b>	Buildings predate 1 January 2004	Yes
	Asbestos containing material on site	Not apparent
	Asbestos register plan available	No

The presence of asbestos, change in community attitudes and the cost associated with dealing with its removal has the potential to reduce marketability and value of the property. The extent of this cannot be known.

**OCCUPANCY DETAILS**

<b>Overview</b>	The property is owner occupied; accordingly, our valuation has been carried out on the basis of vacant possession.
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125 Hamilton Street, Finley NSW 2713  
Job No. JB592888  
Date of Valuation: 21 April 2017

Page 9

## VALUATION CONSIDERATIONS

### MARKET EVIDENCE

**Sales Evidence** We have examined market activity within the locality and have researched sales evidence provided by national sales data providers for details of comparable sales. The more relevant sales are summarised in the following schedule. Due to limited sales, we have used sales from Deniliquin, which would be regarded as a stronger industrial market, and Jerilderie that would be regarded as a weaker industrial market.

No	Address	Sale Date	Sale Price	Land Area (m <sup>2</sup> )	Lettable Area (m <sup>2</sup> )	Passing Yield (%)	Analysed Market Yield (%)	\$/m <sup>2</sup> Lettable Area
1.	10 Harley Court, Finley, NSW, 2713	21/12/2016	\$235,000	3,476	465	9.96	9.11	\$505
<p><b>Comments:</b> This is a level, irregular shaped, inside site. The site provides a good building contour without adverse features. The property has a single road frontage to Harley Court. Harley Court is a bitumen sealed cul-de-sac road. Secondary industrial location.</p> <p>Improved on the property is a modern, single level warehouse complex. The building was constructed Circa 2000's and comprises a high clearance modern style warehouse with drive through access and an inspection pit.</p> <p>The sale analyses to a yield of 9.11% based on the following assumptions: Assessed Gross Income \$23,400 per annum (\$50/m<sup>2</sup>), Outgoings \$2,000 per annum (\$4/m<sup>2</sup>).</p> <p>Apportionment of Sale: Land \$50,000 (\$14/m<sup>2</sup>) Improvements \$185,000 (\$398/m<sup>2</sup>).</p> <p><b>Comparison:</b> Similar type location, superior building. Overall superior</p>								
2.	192 Murray Street, Finley, NSW, 2713	13/08/2015	\$150,000	1,214	260	11.27	9.60	\$577
<p><b>Comments:</b> This is a level, rectangular shaped site. The property has a corner road frontage to Murray Street and Burton Street. Murray Street is a bitumen sealed highway road. Burton Street is a bitumen sealed local road.</p> <p>Improved on the property is an older, single level office/showroom with storage/office at rear. The building was constructed Circa 1960's and was purpose built for stock agency/rural supplies. Overall in good average condition</p> <p>The sale analyses to a yield of 9.6% based on the following assumptions: Assessed Gross Income \$16,900 per annum (\$65/m<sup>2</sup>), Outgoings \$2,500 per annum (\$10/m<sup>2</sup>).</p> <p>Apportionment of Sale: Land \$50,000 (\$41/m<sup>2</sup>) Improvements \$100,000 (\$385/m<sup>2</sup>). Property purchased by owner occupiers</p> <p><b>Comparison:</b> Superior location &amp; building. Overall superior</p>								
3.	17 Southey Street, Jerilderie, NSW, 2716	13/06/2014	\$100,000	2,082	495	13.40	10.00	\$202
<p><b>Comments:</b> This is a level, rectangular shaped site. The property has a road frontage to Southey Street. Southey Street is a bitumen sealed highway road.</p> <p>Improved on the property is an older, single level buildings comprising a low level office/warehouse (office - 30sqm/warehouse - 235 sqm) and second low level warehouse - 230 sqm. The building was constructed Circa 1970's and in basic condition.</p> <p>The sale analyses to a yield of 10% based on the following assumptions: Assessed Gross Income \$13,400 per annum (\$27/m<sup>2</sup>), Outgoings \$3,000 per annum (\$6/m<sup>2</sup>).</p> <p>Apportionment of Sale: Land \$35,000 (\$17/m<sup>2</sup>) Improvements \$65,000 (\$131/m<sup>2</sup>).</p> <p><b>Comparison:</b> Located at Jerilderie with good exposure to passing traffic. Similar building quality. Overall similar</p>								
4.	345 Albert Street, Deniliquin, NSW, 2710	01/04/2017	\$110,000	565	225	9.45	7.64	\$489
<p><b>Comments:</b> ADVISED UNDER CONTRACT - SUBJECT TO CONFIRMATION - This is a level, rectangular shaped, inside site. The property has a single road frontage to Albert Street. Albert Street is a bitumen sealed highway road.</p> <p>Improved on the property is an older, single level warehouse with a brick/CGI cladding and medium/low clearance. The building was constructed Circa 1950's.</p> <p>The sale analyses to a yield of 7.64% based on the following assumptions: Assessed Gross Income \$10,400 per annum (\$46/m<sup>2</sup>), Outgoings \$2,000 per annum (\$9/m<sup>2</sup>).</p> <p>Apportionment of Sale: Land \$65,000 (\$115/m<sup>2</sup>) Improvements \$45,000 (\$200/m<sup>2</sup>). Older style shed with good exposure to passing traffic</p> <p><b>Comparison:</b> Superior location, inferior building. Overall similar/superior</p>								



125 Hamilton Street, Finley NSW 2713  
 Job No. JB592888  
 Date of Valuation: 21 April 2017

Page 10

No	Address	Sale Date	Sale Price	Land Area (m <sup>2</sup> )	Lettable Area (m <sup>2</sup> )	Passing Yield (%)	Analysed Market Yield (%)	\$/m <sup>2</sup> Lettable Area
5.	Lot 1 Ochertyre Street, Deniliquin, NSW, 29/04/2015 2710		\$80,000	2,286	235	11.38	8.88	\$340
<b>Comments:</b>	<p>This is a level, rectangular shaped site. The property has a single road frontage to Ochertyre Street. Ochertyre Street is a bitumen sealed highway road.</p> <p>Improved on the property is an older, single level workshop. The building was constructed Circa 1980's and comprises 50% lockup workshop section &amp; 50% open fronted section. The building is functional but fairly basic</p> <p>The sale analyses to a yield of 8.88% based on the following assumptions: Assessed Gross Income \$9,100 per annum (\$39/m<sup>2</sup>), Outgoings \$2,000 per annum (\$9/m<sup>2</sup>).</p> <p>Apportionment of Sale: Land \$65,000 (\$28/m<sup>2</sup>) Improvements \$15,000 (\$64/m<sup>2</sup>).</p>							
<b>Comparison:</b>	Superior location, inferior building, Overall inferior							
<b>Sales Conclusion</b>	<p>The improved sales above identify an added value of buildings less land value of \$64 to \$385 per square metre of building area</p> <p>The assessed building value component of the subject property is \$450 per square metre for the office &amp; lunchroom, \$150 per square metre for the warehouse and \$25 to \$100 per square metre for the ancillary shedding equating to an all up added value of the building component of \$65,000 (rounded).</p> <p>The improved sales above reflect a value range based on sale price divided by building area of \$340 to \$577 per square metre. The applied rate to the subject property ranges from \$240 to \$290 per square metre.</p> <p>The improved sales show an all up value range of \$80,000 to \$235,000</p> <p>The all up value applied to the subject property is \$100,000.</p> <p>We refer the reader to our comparison comments within the above sales tables.</p>							

#### VALUATION RATIONALE

<b>Highest and Best Use</b>	We consider the existing use of the subject property to be consistent with the highest and best use of the land.
<b>Methods of Valuation</b>	Direct Comparison on a rate per square metre of floor area and Summation.
<b>Selling Period</b>	Up to six months.

#### VALUATION CALCULATIONS

<b>Summation Approach</b>	Primary approach to valuation noting the most active buyers in this market segment are owner occupiers, hence they tend to look at replacement cost and general levels of value rather than potential income generated from a rental stream
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**VALUATION CALCULATIONS****Summation Approach – Derived**

Component	Land Area (m <sup>2</sup> )	Rate (\$/m <sup>2</sup> )	Adopt(\$)
Land	1,056	33	34,848
Improvements/Other			69,125
<b>Total</b>			<b>103,973</b>
<b>Rounded for Valuation Purposes</b>			<b>100,000</b>

**Improvements**

Description	No. Units or m <sup>2</sup>	Added Value (\$/m <sup>2</sup> or unit)	Derived Value (\$)
Office	30	450	13,500
Lunchroom	19	450	8,550
Warehouse	301	150	45,150
Chemical Store 1	5	100	500
Chemical Store 2	7	100	700
Shade house/storage	29	25	725
<b>Adjusted Value</b>			<b>69,125</b>
<b>Rounded Improvements for Valuation Purposes</b>			<b>70,000</b>

**Direct Comparison Approach - Building****Secondary Approach to value****Direct Comparison Approach – Improvements**

Sales evidence suggests a rate per square metre of building area range as follows:

Comparisons	GLA (m <sup>2</sup> )	\$/m <sup>2</sup> Building	Total (\$)
Low	391	240	93,840
High	391	290	113,390
<b>Core Value</b>		<b>265</b>	<b>103,615</b>
<b>Rounded for Valuation Purposes</b>			<b>100,000</b>

**Valuation Conclusions**

In valuing the subject property, we have relied upon the two different valuation approaches above being the direct comparison (improvements) approach and the summation approach.

The derived values from these approaches and our adopted value are shown below:

Valuation Summary	Value (\$)
Direct Comparison (Improvements) Value	100,000
Summation Value	100,000
<b>Adopted Value</b>	<b>100,000</b>

**Contract of Sale**

We are not aware of any current contract of sale over the property.



**ANNEXURES**

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Definitions, Assumptions, Qualifications & Disclaimers  
Letter of Instruction  
Current Title Search  
Extract from Deposited Plan

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125 Hamilton Street, Finley NSW 2713  
Job No. JB592888  
Date of Valuation: 21 April 2017



## DEFINITIONS, ASSUMPTIONS, QUALIFICATIONS & DISCLAIMERS

DEFINITIONS	
<b>Market Value</b>	"the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".
<b>Market Rent</b>	"the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".
<b>Highest and Best Use</b>	"the use of an asset that maximises its potential and that is physically possible, legally permissible and financially feasible".
<b>'As is'</b>	Means a valuation that provides the current market value of the property as it currently exists rather than the value of the proposed development.
<b>Passing Yield</b>	Net passing income divided by sale price or adopted value.
<b>Initial Yield Fully Leased</b>	Net passing income plus vacancies at market rents divided by sale price or adopted value plus any capital adjustments to the core value (capex, outstanding incentives and letting up allowances). Also known as 'Equated Initial Yield'.
<b>Analysed Yield</b>	Assessed net market income after permanent vacancy allowance, divided by total sale price or adopted value plus any capital adjustments to the core value (capex, PV of reversions and letting up allowances). Also known as 'Equated Market Yield' or 'Equated Reversionary Yield'.
ASSUMPTIONS	
<b>Identification Survey</b>	We have physically identified the boundaries upon inspection and there do not appear to be any encroachments. However, we are not surveyors and no warranty can be given without the benefit of an identification survey.  To the best of the valuer's knowledge, the subject property is not affected by landslip, pest infestation or resumption matters, however, no searches have been undertaken in this regard.
<b>Easements</b>	This valuation is subject to there being no other encumbrances (other than those noted within this report), which may have an adverse effect on our valuation. Should any such easement or encumbrance become apparent, we reserve the right to review our valuation.
<b>Town Planning</b>	We assume that planning data provided to us by the relevant Local Planning Authority is accurate. In the event that a Town Planning Certificate or any other relevant Planning Certificate or document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.  A search of the permitted use with the Authority has <u>not</u> been provided or obtained and therefore this valuation has been undertaken on the basis that all necessary and appropriate town planning and/or building, consents, approvals and certifications have been issued for the use of occupation of the improvements as more fully described in this report.
<b>Floor Areas</b>	The adopted floor areas are based on our own on site measurements and are subject to confirmation by survey.  It is assumed that measurements are in accordance with the Property Council of Australia's appropriate recommended method of measurement for the specific premises type.
<b>Condition of Improvements</b>	Whilst we have carried out a building inspection, we have not completed a detailed structural survey, verified the condition of the plant and machinery, tested any of the services or inspected unexposed or inaccessible portions of the building. We are therefore unable to state that these are free from defect, rot or infestation. We have viewed the general state of repair of the building and have assumed that the improvements are reasonably structurally sound considering their age.
<b>Market Evidence</b>	Market data has been obtained from a range of sources, or as reported by real estate agents. As well as using such documented and generally reliable evidence or market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.
QUALIFICATIONS & DISCLAIMERS	
<b>Supporting Memorandum</b>	This valuation pro-forma is a concise summary made in accordance with the Australian Property Institute Practice Standard currently in force and the instructing party's Standing Instructions.
<b>Accuracy of Information</b>	We advise that any objective information, data or calculations set out in the Valuation will be accurate so far as is reasonably expected from a qualified and experienced valuer, reflecting due skill, care and diligence. However, we have not independently verified third party information, adopted it as our own, or accepted its reliability. If any of the information provided by others and referred to in the valuation report is incorrect, it may have an impact on the valuation. The valuation is provided on the proviso that the reliant party accepts this risk.
<b>Conflict of Interest</b>	Neither the valuer, nor to the best of their knowledge, any member of this firm, has any conflict of interest, or direct, indirect or financial interest in relation to this property that is not disclosed herein.



125 Hamilton Street, Finley NSW 2713  
Job No. JB592888  
Date of Valuation: 21 April 2017

Page 14

<b>Excluded Searches</b>	The following searches have not been undertaken: Land Survey Plan, Building Survey Plan, Formal Flood, Detailed Town Planning, Contaminated Land/Environmental Management Registers, Heritage Register, Local/State Road Widening, Vegetation Protection, Certificate of Title, Native Title. Our valuation assumes such searches would identify no issues that may affect the value and/or liquidity of the property. Should any person relying on the contents of this report be aware or become aware of an issue that may affect value and/or liquidity then the searches should be referred to the valuer for comment.
<b>Goods and Services Tax (GST)</b>	We stress we are not experts in assessment of GST. We are not privy to the financial circumstances of the owner(s), any agreements executed (or to be executed) between the parties or the previous transactions relating to the property which may impact upon the status of the property for GST. We recommend any party relying upon this valuation seek independent advice in regard to any GST liabilities which may attach to the property.  All rentals, outgoing and sale prices quoted in this report are net of GST unless otherwise stated.
<b>Land Not Affected</b>	To the best of the valuer's knowledge, the land is not affected by unstable, hazardous or toxic soil material, pest infestation or resumption matters however, no searches have been undertaken in this regard. This valuation assumes that there are no problems, however, should any such issues arise, then this matter should be referred to the valuer for further comment
<b>Limited Liability</b>	Liability limited by a scheme approved under professional standards legislation. This scheme does not apply in Tasmania.
<b>Market Movement</b>	This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 90 days from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation. However, it should be recognised that the 90 day reliance period does not guarantee the value for that period; it always remains a valuation at the date of valuation only.
<b>No Compliance Certificate</b>	No Compliance Certificate/Certificate of Classification has been obtained. This valuation is subject to the building(s) complying in all material respects with any restrictive covenants affecting the site. Furthermore, it is assumed that the site improvements have been built, occupied and operated in full compliance with all requirements of law, including all zoning, land-use classifications, building, planning, fire and health by-laws (including asbestos and legionnaires disease), rules, regulations, orders and codes of all authorities, and that there are no outstanding requisitions.
<b>No Pecuniary Interest</b>	The valuer has no pecuniary interest in the subject property either past, present or prospective at the date of preparing this report and the opinion expressed is free of any bias in this regard.
<b>Not to be reproduced without permission</b>	Neither the whole nor any part of this valuation or any reference thereto may be included in any published documents, circular or statement, nor published in part or full in any way, without written approval of the form and context in which it may appear.
<b>Other Taxation Implications</b>	Herron Todd White are not taxation experts and we provide our valuation assessment and any associated sales, rental or feasibility analysis, independent of any consideration of income tax, capital gains tax or any other property related tax implications that may be associated directly or indirectly with the subject property.
<b>Reliance on Valuation</b>	This valuation report is for the use of, and may be relied upon for the stated purpose, only by the party/parties to whom it is addressed. No other parties are entitled to use or rely upon it and the valuer does not assume any liability or responsibility to any other party who does so rely upon the valuation without the express written authority of Herron Todd White (Murray Riverina) Pty Ltd.
<b>Structural Survey</b>	This valuation report does not purport to be a site or structural survey of the land or improvements thereon, and any advice provided is not given in the capacity as an expert.



125 Hamilton Street, Finley NSW 2713  
 Job No. JB592888  
 Date of Valuation: 21 April 2017

Page 15

**Annexure 1 Letter of Instruction**

----- Forwarded message -----  
From: **Barry Barlow** <barry.barlow@edwardriver.nsw.gov.au>  
Date: 3 April 2017 at 12:12  
Subject: Valuation  
To: "john.henderson@htw.com.au" <john.henderson@htw.com.au>

John,

Could you please complete a market valuation of the land & buildings at Augustus Street, Deniliquin and Saleyards Rd, Finley for the Central Murray County Council.

The Central Murray County Council is considering their future and requires the valuation to assist in finalizing decisions.

**Barry Barlow**  
Interim Deputy General Manager

Edward River Council  
Civic Place (PO Box 270)  
Deniliquin NSW 2710  
P (03) 5898 3000 | F 03 5898 3029  
E barry.barlow@edwardriver.nsw.gov.au  
W www.edwardriver.nsw.gov.au



125 Hamilton Street, Finley NSW 2713  
Job No. JB592888  
Date of Valuation: 21 April 2017

Page 16

## Annexure 2 Current Title Search

**InfoTrack**  
An Approved LPI NSW  
Information Broker

**Title Search**

LAND AND PROPERTY INFORMATION NEW SOUTH WALES - TITLE SEARCH

FOLIO: 21/848313

SEARCH DATE	TIME	EDITION NO	DATE
26/4/2017	3:03 PM	2	3/5/1995

LAND

LOT 21 IN DEPOSITED PLAN 848313  
AT FINLEY  
LOCAL GOVERNMENT AREA BERRIGAN  
PARISH OF SLJFENA COUNTY OF DENISON  
TITLE DIAGRAM DP848313

FIRST SCHEDULE

CENTRAL MURRAY COUNTY COUNCIL (T 0199521)

SECOND SCHEDULE (1 NOTIFICATION)

1 LAND EXCLUDES MINERALS AND IS SUBJECT TO RESERVATIONS AND  
CONDITIONS IN FAVOUR OF THE CROWN - SEE CROWN GRANT(S)

NOTATIONS

NOTE: THE CERTIFICATE OF TITLE FOR THIS FOLIO OF THE REGISTER DOES  
NOT INCLUDE SECURITY FEATURES INCLUDED ON COMPUTERISED  
CERTIFICATES OF TITLE ISSUED FROM 4TH JANUARY, 2004. IT IS  
RECOMMENDED THAT STRINGENT PROCESSES ARE ADOPTED IN VERIFYING THE  
IDENTITY OF THE PERSON(S) CLAIMING A RIGHT TO DEAL WITH THE LAND  
COMPRISED IN THIS FOLIO.

UNREGISTERED DEALINGS: NIL

\*\*\* END OF SEARCH \*\*\*

John

PRINTED ON 26/4/2017

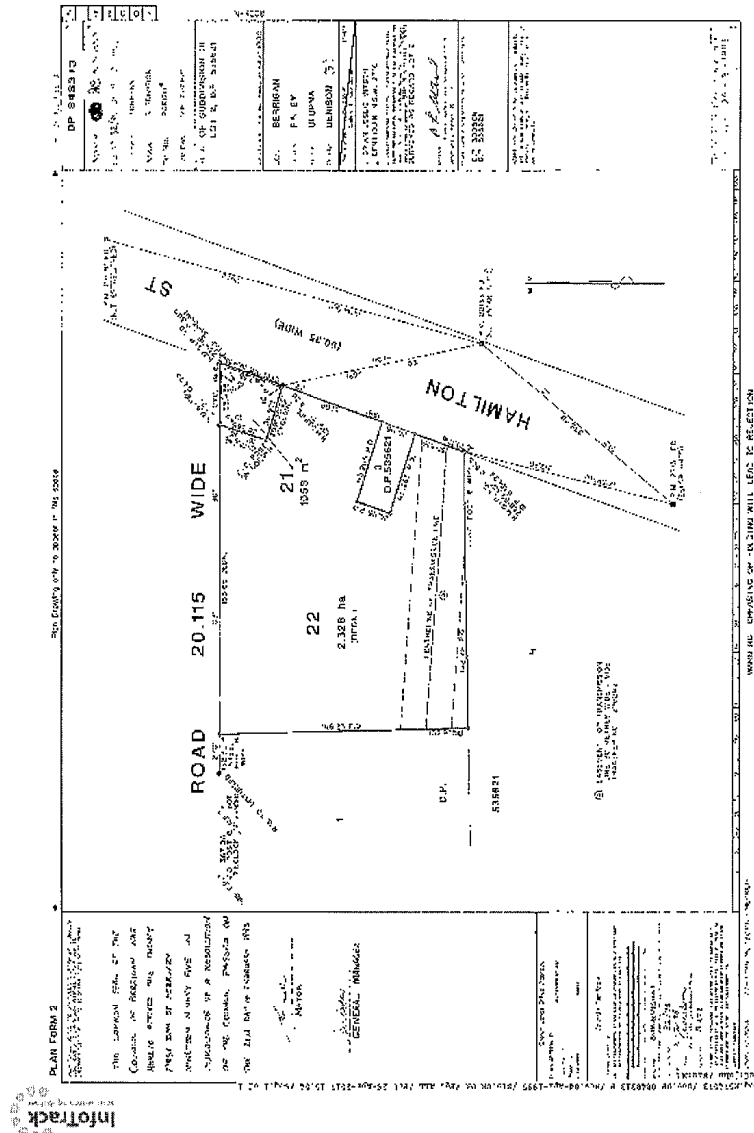
\* Any entries preceded by an asterisk do not appear on the current edition of the Certificate of Title. Warning: the information appearing under notations has not been formally recorded in the Register. InfoTrack an approved NSW Information Broker hereby certifies that the information contained in this document has been provided electronically by the Registrar General in accordance with Section 96B(2) of the Real Property Act 1900.



125 Hamilton Street, Finley NSW 2713  
Job No. JB592888  
Date of Valuation: 21 April 2017

Page 17

Annexure 3 Extract from Deposited Plan



125 Hamilton Street, Finley NSW 2713  
 Job No. JB592888  
 Date of Valuation: 21 April 2017

# Valuation Report

Industrial Property



350 Augustus Street, Deniliquin NSW 2710

**As at** 21 April 2017  
**Prepared for** Edward River Council  
**Matter** Central Murray County Council  
**Our Ref** JB592824

Deniliquin

Herron Todd White (Murray Riverina) Pty Ltd  
ABN 85 612 422 938

133 End Street,  
Deniliquin NSW 2710  
PO Box 1044  
Deniliquin NSW 2710

Telephone 03 5881 4947  
deniliquin@htw.com.au  
htw.com.au

**EXECUTIVE SUMMARY****INSTRUCTIONS**

<b>Property Address</b>	350 Augustus Street, Deniliquin NSW 2710.
<b>Instructing Party</b>	Barry Barlow of Edward River Council.
<b>Prepared For</b>	Central Murray County Council
<b>Interest Being Valued</b>	The interest being valued is the unencumbered estate in fee simple.
<b>Purpose of Valuation</b>	Our valuation has been prepared for internal purposes only.
<b>Date of Inspection and Valuation</b>	21 April 2017.

**TITLE AND STATUTORY DETAILS**

<b>Registered Owner</b>	CENTRAL MURRAY COUNTY COUNCIL (as per Title Search dated 26 April 2017).
<b>Real Property Description</b>	Lot 4 DP 46241, Parish of NORTH DENILIQUIN Folio: 4/46241
<b>Encumbrances / Title Discussion</b>	There are no easements, encumbrances or restrictions documented on the title search.
<b>Zoning</b>	The property is classified within the IN1 General Industrial Zone under the Deniliquin Local Environmental Plan 2013. The property is presently used as an industrial warehouse. The current use is considered a permitted use under the current planning guidelines.

**VALUATION SUMMARY**

<b>Property Description 'As Is'</b>	The property comprises a 2,000 square metre regular shaped internal allotment improved with an office & industrial buildings having a total area of 302 square metres. The building was built circa mid 1980's and generally presents in good condition. The building is owner occupied.
<b>Last Sale</b>	We are not aware of any current contract of sale over the property.



350 Augustus Street, Deniliquin NSW 2710  
Job No. JB592824  
Date of Valuation: 21 April 2017

Page 2

**VALUATION SUMMARY**

**Market Value 'As Is' \$135,000**

**(One Hundred And Thirty Five Thousand Dollars)**

The assessed value can be hypothetically apportioned as follows:

**Land \$55,000**


**Buildings \$80,000**

*Our market value assessment is exclusive of any applicable GST. No allowance has been made for realisation expenses.*

*This valuation is subject to the assumptions and qualifications contained within and appended to this report.*

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**Valuer**



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**John Henderson**  
AAPI / Certified Practising Valuer  
API NSW 69628

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**Important**

All data provided in this summary is wholly reliant on and must be read in conjunction with the information provided in the attached report. It is a synopsis only designed to provide a brief overview and must not be acted on in isolation.

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350 Augustus Street, Deniliquin NSW 2710  
Job No. JB592824  
Date of Valuation: 21 April 2017

Page 3



**EXECUTIVE SUMMARY CONT'D**

**ASSUMPTIONS, CONDITIONS AND LIMITATIONS**

**Critical Assumptions**

- This valuation report is provided subject to the definitions, assumptions, disclaimers, limitations and qualifications detailed within and annexed to this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements.



350 Augustus Street, Deniliquin NSW 2710  
Job No. JB592824  
Date of Valuation: 21 April 2017

Page 4

## EXECUTIVE SUMMARY CONT'D

## SUMMARY

**Cash Flow** • Owner occupied.

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**Asset** • Secondary industrial location;  
• Buildings are in generally good average condition.

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**Market Overview** • Improved seasonal conditions through 2010/2016 has seen a major improvement in local economic conditions and a flow through of improved confidence in the local economy; A direct benefit has been the reopening of the rice mill and abattoir;

• Typical yields for property with leases in place are in the 7% to 12% range. Hypothetical yields for property purchased by owner occupiers can range from 6% through to 12%, noting that owner occupiers tend to look at replacement cost, rather than income potential when purchasing property;

• The market in this section tends to be dominated by owner occupiers.

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350 Augustus Street, Deniliquin NSW 2710  
Job No. JB592824  
Date of Valuation: 21 April 2017

Page 5

**PROPERTY DESCRIPTION**

**LOCATION**

**Locality** Deniliquin is located approximately 275 kilometres north of Melbourne, and lies 91 metres above sea level with 2011 Census data stating the population of Deniliquin to be 7,494 with the median age of 44 years, 7 years above the Australian average. The local economy is largely rural based although it does have a reasonable tourist trade based around the amenity of the Edward River. The district forms part of the large broadacre irrigation areas of southern New South Wales, with water supplied in this area via the Murray River and delivered by Murray Irrigation Limited supply channels.

There are three industrial areas in Deniliquin with the prime location based around Ochtertyre Street and Barham Road in south Deniliquin. This location is considered prime due to its exposure to passing traffic and ease of access from the main roads. The other industrial area is south of the Mulwala Canal based around the rice mill, and the third industrial area is situated in north Deniliquin and is considered secondary due to lack of exposure to passing traffic.

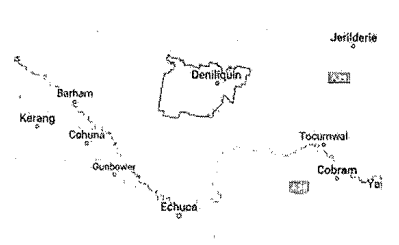
The subject property forms part of what is considered the prime industrial area of Deniliquin.

**Situation** The property is situated on the south western side of Augustus Street.

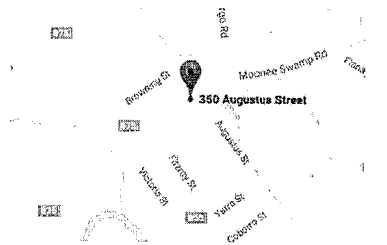
**Surrounding Development** The existing use is considered to be consistent with the surrounding development.

**Infrastructure** The property is located close to the following infrastructure: arterial roads.

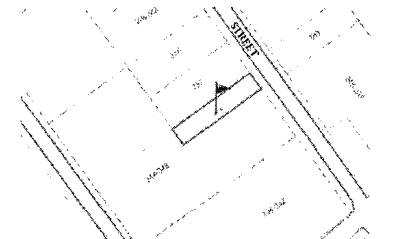
**THE LAND**



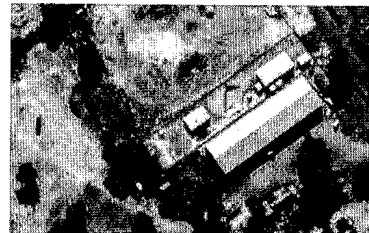
Source: Google Maps



Source: Google Maps



Source: Six Maps



Source: Six Maps



350 Augustus Street, Deniliquin NSW 2710  
 Job No. JB592824  
 Date of Valuation: 21 April 2017

**THE LAND**

**Land Area** 2,000 square metres.

**Frontage & Depth** The subject property's frontage to Augustus Street is approximately 20 metres. The depth of the site along the north western boundary is approximately 100 metres.

**Topography** The subject property is a level, regular shaped internal allotment that is slightly below street grade. Overall, it provides a good building contour.

**Services** The following major services are connected: Reticulated water, sewerage, telephone, electricity.

**Road System** The property has a single road frontage to Augustus Street.  
Augustus Street is a bitumen sealed, single lane local road; it has gravel verges and grassed table drain with kerbside parking.

**Access and Exposure** Vehicular access is easy and direct.  
The property has adequate exposure to vehicular traffic.

**Flooding** The land is not located within a known flood area and is not identified within the Local Authority's flood maps. A formal flood search has not, however, been undertaken and should this be an issue, then this report should be referred back to the valuer for comments.

**IMPROVEMENTS**



Office

Warehouse

Shed



Chemical Store 1 & 2



350 Augustus Street, Deniliquin NSW 2710  
Job No. JB592824  
Date of Valuation: 21 April 2017

**IMPROVEMENTS**

**General Description** Erected on the property is a modern style, single level industrial building. The improvements are estimated to have been constructed mid 1980's.

Floor Area	Description	Size
	Office	22 m <sup>2</sup>
	Warehouse	171 m <sup>2</sup>
	Shed	96 m <sup>2</sup>
	Chemical Store 1	4 m <sup>2</sup>
	Chemical Store 2	9 m <sup>2</sup>
	<b>Total</b>	<b>302 m<sup>2</sup></b>

**Construction** Office: Piers; timber floor; sheet metal clad thermal panels external walls; sheet metal clad thermal panels internal walls; sheet metal clad thermal panel roof/ceiling; aluminium frame glazing.

Warehouse: Concrete foundation; concrete floor; steel portal frame; brick and metal deck external walls; exposed brick and metal deck internal walls; unlined ceilings; metal deck roof; bare concrete floor covering.

Shed: Gravel floor; steel portal frame; metal deck external walls; corrugated galvanised iron roof.

Chemical Store 1: Concrete floor; metal deck walls; metal deck roof.

Chemical Store 2: Concrete floor; metal deck walls; metal deck roof.

**Layout** Office: Office & kitchenette

Warehouse: Clearspan shed with an access height of 3.8 metres

Shed: Clearspan, low clearance

**Services** Office: Kitchenette, stainless steel sink; split system air conditioning; exposed fluorescent lighting.

Warehouse: , sliding door vehicle access

**Other Improvements** Minimal landscaping; chain wire boundary fencing; extensive gravel hardstand areas.

**Parking** Parking provisions are appropriate for most likely users of the property.

**Condition** The building improvements are in good order



**ENVIRONMENTAL ISSUES**

<b>Site Issues</b>	Previous potentially contaminating use	Unknown
	Environmental planning overlay	No
	Contamination uses on adjoining properties	Unknown
	Known contamination issues in surrounding areas	Unknown
	Known groundwater contamination in surrounds	Unknown
	Potentially contaminating processes or materials on site	Yes
	Known past underground storage of contaminant materials	Unknown
	Listed on contaminated or environmental site registers	No
	Do operations require environmental licensing	Unknown

**Chemicals used for spraying weeds**

*Our valuation is based upon the assumption that the property is not contaminated or impacted by environmental issues that will affect the marketability or value of the property. It should be noted that environmental matters are outside of our expertise and that this valuation has been prepared without the benefit of soil tests or any other environmental studies.*

*We recommend that any party who has the right to rely upon this valuation report satisfy themselves in relation to any environmental risks or contamination issues, prior to reliance upon this valuation. Should any such issues become apparent, this valuation is not to be relied upon and the report must be returned to the valuer for review and comment.*

*The environmental checklist has been completed subject to the limitations of our site inspection and in the absence of specialist reports. Whilst we have provided broad commentary on the above questions, we advise that these matters are outside of our area of expertise and if doubt exists, specialist advice should be sought and if relevant, referred to the valuer for comment prior to relying upon the valuation.*

<b>Asbestos Materials</b>	Buildings predate 1 January 2004	Yes
	Asbestos containing material on site	Not apparent
	Asbestos register plan available	No

The presence of asbestos, change in community attitudes and the cost associated with dealing with its removal has the potential to reduce marketability and value of the property. The extent of this cannot be known.

**OCCUPANCY DETAILS**

<b>Overview</b>	The property is owner occupied; accordingly, our valuation has been carried out on the basis of vacant possession.
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350 Augustus Street, Deniliquin NSW 2710  
Job No. JB592824  
Date of Valuation: 21 April 2017

Page 9

## VALUATION CONSIDERATIONS

## MARKET EVIDENCE

**Sales Evidence** We have examined market activity within the locality and have researched sales evidence provided by national sales data providers for details of comparable sales. The more relevant sales are summarised in the following schedule.

No	Address	Sale Date	Sale Price	Land Area (m <sup>2</sup> )	Lettable Area (m <sup>2</sup> )	Passing Yield (%)	Analysed Market Yield (%)	\$/m <sup>2</sup> Building Area
1.	345 Albert Street, Deniliquin, NSW, 2710	01/04/2017	\$110,000	565	225	9.45	7.64	\$489
<b>Comments:</b>		<p>ADVISED UNDER CONTRACT - SUBJECT TO CONFIRMATION - This is a level, rectangular shaped, inside site. The property has a single road frontage to Albert Street. Albert Street is a bitumen sealed highway road.</p> <p>Improved on the property is an older, single level warehouse with a brick/CGI cladding and medium/low clearance. The building was constructed Circa 1950's.</p> <p>The sale analyses to a yield of 7.64% based on the following assumptions: Assessed Gross Income \$10,400 per annum (\$46/m<sup>2</sup>), Outgoings \$2,000 per annum (\$9/m<sup>2</sup>).</p> <p>Apportionment of Sale: Land \$65,000 (\$115/m<sup>2</sup>) Improvements \$45,000 (\$200/m<sup>2</sup>). Older style shed with good exposure to passing traffic</p>						
<b>Comparison:</b>		Superior location, inferior building. Overall inferior						
2.	63 Davidson Street, Deniliquin, NSW, 2710	01/11/2015	\$145,000	950	180	10.76	8.69	\$805
<b>Comments:</b>		<p>Level regular shaped allotment. Davidson Street carries a significant volume of traffic, with the location considered prime for sales/light industrial type property</p> <p>Improved on the property is a semi-modern, single level colourbond clad, low level lockup warehouse with shop front/display area. The building was constructed Circa 1990.</p> <p>The sale analyses to a yield of 8.69% based on the following assumptions: Assessed Gross Income \$15,600 per annum (\$87/m<sup>2</sup>), Outgoings \$3,000 per annum (\$17/m<sup>2</sup>).</p> <p>Apportionment of Sale: Land \$80,000 (\$84/m<sup>2</sup>) Improvements \$65,000 (\$361/m<sup>2</sup>).</p>						
<b>Comparison:</b>		Superior location, smaller similar quality buildings. Overall superior						
3.	Lot 1 Ochertyre Street, Deniliquin, NSW, 2710	29/04/2015	\$80,000	2,286	235	11.38	8.88	\$340
<b>Comments:</b>		<p>This is a level, rectangular shaped site. The property has a single road frontage to Ochertyre Street. Ochertyre Street is a bitumen sealed highway road.</p> <p>Improved on the property is an older, single level workshop. The building was constructed Circa 1980's and comprises 50% lockup workshop section &amp; 50% open fronted section. The building is functional but fairly basic</p> <p>The sale analyses to a yield of 8.88% based on the following assumptions: Assessed Gross Income \$9,100 per annum (\$39/m<sup>2</sup>), Outgoings \$2,000 per annum (\$9/m<sup>2</sup>).</p> <p>Apportionment of Sale: Land \$65,000 (\$28/m<sup>2</sup>) Improvements \$15,000 (\$64/m<sup>2</sup>).</p>						
<b>Comparison:</b>		Superior location, inferior building. Overall inferior						
4.	463A Kelly Street, Deniliquin, NSW, 2710	26/03/2015	\$160,000	1,210	300	9.75	8.50	\$533
<b>Comments:</b>		<p>This is a level, rectangular shaped, inside site. The property has a single road frontage to Kelly Street. Kelly Street is a bitumen sealed local road.</p> <p>Improved on the property is a modern, single level warehouse. The building was constructed in 2015.</p> <p>The sale analyses to a yield of 8.5% based on the following assumptions: Assessed Gross Income \$15,600 per annum (\$52/m<sup>2</sup>), Outgoings \$2,000 per annum (\$7/m<sup>2</sup>).</p> <p>Apportionment of Sale: Land \$35,000 (\$29/m<sup>2</sup>) Improvements \$125,000 (\$417/m<sup>2</sup>). Purchased by owner occupier.</p>						
<b>Comparison:</b>		Similar type location, superior building. Overall superior						



No	Address	Sale Date	Sale Price	Land Area (m <sup>2</sup> )	Lettable Area (m <sup>2</sup> )	Passing Yield (%)	Analysed Market Yield (%)	\$/m <sup>2</sup> Building Area
5.	414 Sloane Street, Deniliquin, NSW, 2710	15/10/2014	\$165,000	1,751	274	7.88	6.67	\$602
<b>Comments:</b>		<p>This is a level, rectangular shaped, inside site. The site provides a reasonable building contour without significant adverse features. The property has a single road frontage to Sloane Street. Sloane Street is a bitumen sealed local road.</p> <p>Improved on the property is an older, single level open fronted warehouse with office &amp; second transportable style office. The building was constructed Circa 1970's. Warehouse - 234 sqm, office 21 sqm, transportable style office - 19 sqm</p> <p>The sale analyses to a yield of 6.67% based on the following assumptions: Assessed Gross Income \$13,000 per annum (\$47/m<sup>2</sup>), Outgoings \$2,000 per annum (\$7/m<sup>2</sup>).</p> <p>Apportionment of Sale: Land \$65,000 (\$37/m<sup>2</sup>) Improvements \$100,000 (\$365/m<sup>2</sup>).</p> <p>Property previously sold \$220,000 15/10/2008. Sale was considered strong at the time.</p>						
<b>Comparison:</b>		Superior location, inferior building. Overall superior						
6.	459 Kelly Street, Deniliquin, NSW, 2710	11/09/2013	\$100,000	1,859	630	10.40	8.40	\$159
<b>Comments:</b>		<p>This is a level, rectangular shaped site. The site provides a reasonable building contour without significant adverse features. The property has a single road frontage to Kelly Street. Kelly Street is a bitumen sealed local road. Secondary industrial location.</p> <p>Older style office/warehouse in fair/basic condition. Office - 55 sqm; Warehouse - 575 sqm. The building was constructed Circa 1970's.</p> <p>The sale analyses to a yield of 8.4% based on the following assumptions: Assessed Gross Income \$10,400 per annum (\$17/m<sup>2</sup>), Outgoings \$2,000 per annum (\$3/m<sup>2</sup>).</p> <p>Apportionment of Sale: Land \$30,000 (\$16/m<sup>2</sup>) Improvements \$70,000 (\$111/m<sup>2</sup>).</p>						
<b>Comparison:</b>		Similar type location, inferior building. Overall inferior						

<b>Sales Conclusion</b>	<p>The improved sales above identify an added value of buildings less land value of \$64 to \$41.7 per square metre of building area</p> <p>The assessed building value component of the subject property is \$500 per square metre for the office, \$330 per square metre for the warehouse and \$100 per square metre for the ancillary shedding equating to an all up added value of the building component of \$80,000 (rounded).</p> <p>The improved sales above reflect a value range based on sale price divided by building area of \$159 to \$805 per square metre. The applied rate to the subject property ranges from \$405 to \$485 per square metre.</p> <p>The improved sales show an all up value range of \$80,000 to \$165,000</p> <p>The all up value applied to the subject property is \$135,000.</p> <p>We refer the reader to our comparison comments within the above sales tables.</p>
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#### VALUATION RATIONALE

<b>Highest and Best Use</b>	We consider the existing use of the subject property to be consistent with the highest and best use of the land.
<b>Methods of Valuation</b>	Direct Comparison on a rate per square metre of floor area and Summation.
<b>Selling Period</b>	Up to six months.



350 Augustus Street, Deniliquin NSW 2710  
 Job No. JB592824  
 Date of Valuation: 21 April 2017

Page 11



**VALUATION CALCULATIONS**

**Summation Approach** Primary approach to valuation noting the most active buyers in this market segment are owner occupiers, hence they tend to look at replacement cost and general levels of value rather than potential income generated from a rental stream.

**Summation Approach – Derived**

Component	Land Area (m <sup>2</sup> )	Rate (\$/m <sup>2</sup> )	Adopt(\$)
Land	2,000	27	55,000
Improvements/Other			78,330
<b>Total</b>			<b>133,330</b>
<b>Rounded for Valuation Purposes</b>			<b>135,000</b>

**Improvements**

Description	No. Units or m <sup>2</sup>	Added Value (\$/m <sup>2</sup> or unit)	Derived Value (\$)
Office	22	500	11,000
Warehouse	171	330	56,430
Shed	96	100	9,600
Chemical Store 1	4	100	400
Chemical Store 2	9	100	900
<b>Adjusted Value</b>			<b>78,330</b>
<b>Rounded Improvements for Valuation Purposes</b>			<b>80,000</b>

**Direct Comparison Approach - Building**

Secondary approach to value determination

**Direct Comparison Approach – Improvements**

Sales evidence suggests a rate per square metre of building area range as follows:

Comparisons	GLA (m <sup>2</sup> )	\$/m <sup>2</sup> Building	Total (\$)
Low	302	405	122,310
High	302	485	146,470
<b>Core Value</b>		<b>445</b>	<b>134,390</b>
<b>Rounded for Valuation Purposes</b>			<b>135,000</b>

**Valuation Conclusions**

In valuing the subject property, we have relied upon the two different valuation approaches above being the direct comparison (improvements) approach and the summation approach.

The derived values from these approaches and our adopted value are shown below:

Valuation Summary	Value (\$)
Direct Comparison (Improvements) Value	135,000
Summation Value	135,000
<b>Adopted Value</b>	<b>135,000</b>

**Contract of Sale**

We are not aware of any current contract of sale over the property.



**ANNEXURES**

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Definitions, Assumptions, Qualifications & Disclaimers  
Letter of Instruction  
Current Title Search  
Extract from Deposited Plan

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350 Augustus Street, Deniliquin NSW 2710  
Job No. JB592824  
Date of Valuation: 21 April 2017

Page 13

## DEFINITIONS, ASSUMPTIONS, QUALIFICATIONS & DISCLAIMERS

### DEFINITIONS

<b>Market Value</b>	"the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".
<b>Market Rent</b>	"the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".
<b>Highest and Best Use</b>	"the use of an asset that maximises its potential and that is physically possible, legally permissible and financially feasible".
<b>'As Is'</b>	Means a valuation that provides the current market value of the property as it currently exists rather than the value of the proposed development.
<b>Passing Yield</b>	Net passing income divided by sale price or adopted value.
<b>Initial Yield Fully Leased</b>	Net passing income plus vacancies at market rents divided by sale price or adopted value plus any capital adjustments to the core value (capex, outstanding incentives and letting up allowances). Also known as 'Equated Initial Yield'.
<b>Analysed Yield</b>	Assessed net market income after permanent vacancy allowance, divided by total sale price or adopted value plus any capital adjustments to the core value (capex, PV of reversions and letting up allowances). Also known as 'Equated Market Yield' or 'Equated Reversionary Yield'.
<b>WALE</b>	The Weighted Average Lease Expiry (WALE) is a weighted measure in years of the overall lease profile. The weighting is based upon either the gross income or the floor areas. The higher the measure of WALE, the lower the risk of the property's security of cash flow. Conversely, the lower the measure of WALE, the higher the risk of the property's security of cash flow.

### ASSUMPTIONS

<b>Identification Survey</b>	<p>We have physically identified the boundaries upon inspection and there do not appear to be any encroachments. However, we are not surveyors and no warranty can be given without the benefit of an identification survey.</p> <p>To the best of the valuer's knowledge, the subject property is not affected by landslip, pest infestation or resumption matters, however, no searches have been undertaken in this regard.</p>
<b>Easements</b>	This valuation is subject to there being no other encumbrances (other than those noted within this report), which may have an adverse effect on our valuation. Should any such easement or encumbrance become apparent, we reserve the right to review our valuation.
<b>Town Planning</b>	<p>We assume that planning data provided to us by the relevant Local Planning Authority is accurate. In the event that a Town Planning Certificate or any other relevant Planning Certificate or document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.</p> <p>A search of the permitted use with the Authority has <u>not</u> been provided or obtained and therefore this valuation has been undertaken on the basis that all necessary and appropriate town planning and/or building, consents, approvals and certifications have been issued for the use of occupation of the improvements as more fully described in this report.</p>
<b>Floor Areas</b>	<p>The adopted floor areas are based on our own on site measurements and are subject to confirmation by survey.</p> <p>It is assumed that measurements are in accordance with the Property Council of Australia's appropriate recommended method of measurement for the specific premises type.</p>
<b>Condition of Improvements</b>	Whilst we have carried out a building inspection, we have not completed a detailed structural survey, verified the condition of the plant and machinery, tested any of the services or inspected unexposed or inaccessible portions of the building. We are therefore unable to state that these are free from defect, rot or infestation. We have viewed the general state of repair of the building and have assumed that the improvements are reasonably structurally sound considering their age.



**Market Evidence** Market data has been obtained from a range of sources, or as reported by real estate agents. As well as using such documented and generally reliable evidence or market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information.

#### QUALIFICATIONS & DISCLAIMERS

<b>Supporting Memorandum</b>	This valuation pro-forma is a concise summary made in accordance with the Australian Property Institute Practice Standard currently in force and the instructing party's Standing Instructions.
<b>Accuracy of Information</b>	We advise that any objective information, data or calculations set out in the Valuation will be accurate so far as is reasonably expected from a qualified and experienced valuer, reflecting due skill, care and diligence. However, we have not independently verified third party information, adopted it as our own, or accepted its reliability. If any of the information provided by others and referred to in the valuation report is incorrect, it may have an impact on the valuation. The valuation is provided on the proviso that the reliant party accepts this risk.
<b>Conflict of Interest</b>	Neither the valuer, nor to the best of their knowledge, any member of this firm, has any conflict of interest, or direct, indirect or financial interest in relation to this property that is not disclosed herein.
<b>Excluded Searches</b>	The following searches have not been undertaken: Land Survey Plan, Building Survey Plan, Formal Flood, Detailed Town Planning, Contaminated Land/Environmental Management Registers, Heritage Register, Local/State Road Widening, Vegetation Protection, Certificate of Title, Native Title. Our valuation assumes such searches would identify no issues that may affect the value and/or liquidity of the property. Should any person relying on the contents of this report be aware or become aware of an issue that may affect value and/or liquidity then the searches should be referred to the valuer for comment.
<b>Goods and Services Tax (GST)</b>	We stress we are not experts in assessment of GST. We are not privy to the financial circumstances of the owner(s), any agreements executed (or to be executed) between the parties or the previous transactions relating to the property which may impact upon the status of the property for GST. We recommend any party relying upon this valuation seek independent advice in regard to any GST liabilities which may attach to the property.  All rentals, outgoings and sale prices quoted in this report are net of GST unless otherwise stated.
<b>Land Not Affected</b>	To the best of the valuer's knowledge, the land is not affected by unstable, hazardous or toxic soil material, pest infestation or resumption matters however, no searches have been undertaken in this regard. This valuation assumes that there are no problems, however, should any such issues arise, then this matter should be referred to the valuer for further comment.
<b>Limited Liability</b>	Liability limited by a scheme approved under professional standards legislation. This scheme does not apply in Tasmania.
<b>Market Movement</b>	This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 90 days from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation. However, it should be recognised that the 90 day reliance period does not guarantee the value for that period; it always remains a valuation at the date of valuation only.
<b>No Compliance Certificate</b>	No Compliance Certificate/Certificate of Classification has been obtained. This valuation is subject to the building(s) complying in all material respects with any restrictive covenants affecting the site. Furthermore, it is assumed that the site improvements have been built, occupied and operated in full compliance with all requirements of law, including all zoning, land-use classifications, building, planning, fire and health by-laws (including asbestos and legionnaires disease), rules, regulations, orders and codes of all authorities, and that there are no outstanding requisitions.
<b>No Pecuniary Interest</b>	The valuer has no pecuniary interest in the subject property either past, present or prospective at the date of preparing this report and the opinion expressed is free of any bias in this regard.
<b>Not to be reproduced without permission</b>	Neither the whole nor any part of this valuation or any reference thereto may be included in any published documents, circular or statement, nor published in part or full in any way, without written approval of the form and context in which it may appear.
<b>Other Taxation Implications</b>	Herron Todd White are not taxation experts and we provide our valuation assessment and any associated sales, rental or feasibility analysis, independent of any consideration of income tax, capital gains tax or any other property related tax implications that may be associated directly or indirectly with the subject property.
<b>Reliance on Valuation</b>	This valuation report is for the use of, and may be relied upon for the stated purpose, only by the party/parties to whom it is addressed. No other parties are entitled to use or rely upon it and the valuer does not assume any liability or responsibility to any other party who does so rely upon the valuation without the express written authority of Herron Todd White (Murray Riverina) Pty Ltd.
<b>Structural Survey</b>	This valuation report does not purport to be a site or structural survey of the land or improvements thereon, and any advice provided is not given in the capacity as an expert.



350 Augustus Street, Deniliquin NSW 2710  
Job No. J8592824  
Date of Valuation: 21 April 2017

Page 15

**Annexure 1 Letter of Instruction**

----- Forwarded message -----  
From: **Barry Barlow** <barry.barlow@edwardriver.nsw.gov.au>  
Date: 3 April 2017 at 12:12  
Subject: Valuation  
To: "john.henderson@htw.com.au" <john.henderson@htw.com.au>

John,

Could you please complete a market valuation of the land & buildings at Augustus Street, Deniliquin and Saleyards Rd, Finley for the Central Murray County Council.

The Central Murray County Council is considering their future and requires the valuation to assist in finalizing decisions.

**Barry Barlow**  
Interim Deputy General Manager

Edward River Council  
Civic Place (PO Box 270)  
Deniliquin NSW 2710  
P (03) 5898 3000 | F 03 5898 3029  
E barry.barlow@edwardriver.nsw.gov.au  
W www.edwardriver.nsw.gov.au



350 Augustus Street, Deniliquin NSW 2710  
Job No. JB592824  
Date of Valuation: 21 April 2017

Page 16

## Annexure 2 Current Title Search

InfoTrack  
An Approved LPI NSW  
Information Broker

## Title Search



LAND AND PROPERTY INFORMATION NEW SOUTH WALES - TITLE SEARCH  
-----

FOLIO: 4/46241  
-----

SEARCH DATE	TIME	EDITION NO	DATE
25/4/2017	4:58 PM	1	6/9/1993

LAND  
-----

LOT 4 IN DEPOSITED PLAN 46241  
AT NORTH DENILIQUIN  
LOCAL GOVERNMENT AREA EDWARD RIVER  
PARISH OF NORTH DENILIQUIN COUNTY OF TOWNSEND  
TITLE DIAGRAM DP46241

FIRST SCHEDULE  
-----

CENTRAL MURRAY COUNTY COUNCIL

SECOND SCHEDULE (1 NOTIFICATION)  
-----

1 LAND EXCLUDES MINERALS AND IS SUBJECT TO RESERVATIONS AND  
CONDITIONS IN FAVOUR OF THE CROWN - SEE MEMORANDUM S700000A

NOTATIONS  
-----

NOTE: THE CERTIFICATE OF TITLE FOR THIS FOLIO OF THE REGISTER DOES  
NOT INCLUDE SECURITY FEATURES INCLUDED ON COMPUTERISED  
CERTIFICATES OF TITLE ISSUED FROM 4TH JANUARY, 2004. IT IS  
RECOMMENDED THAT STRINGENT PROCESSES ARE ADOPTED IN VERIFYING THE  
IDENTITY OF THE PERSON(S) CLAIMING A RIGHT TO DEAL WITH THE LAND  
COMPRISED IN THIS FOLIO.

UNREGISTERED DEALINGS: NIL

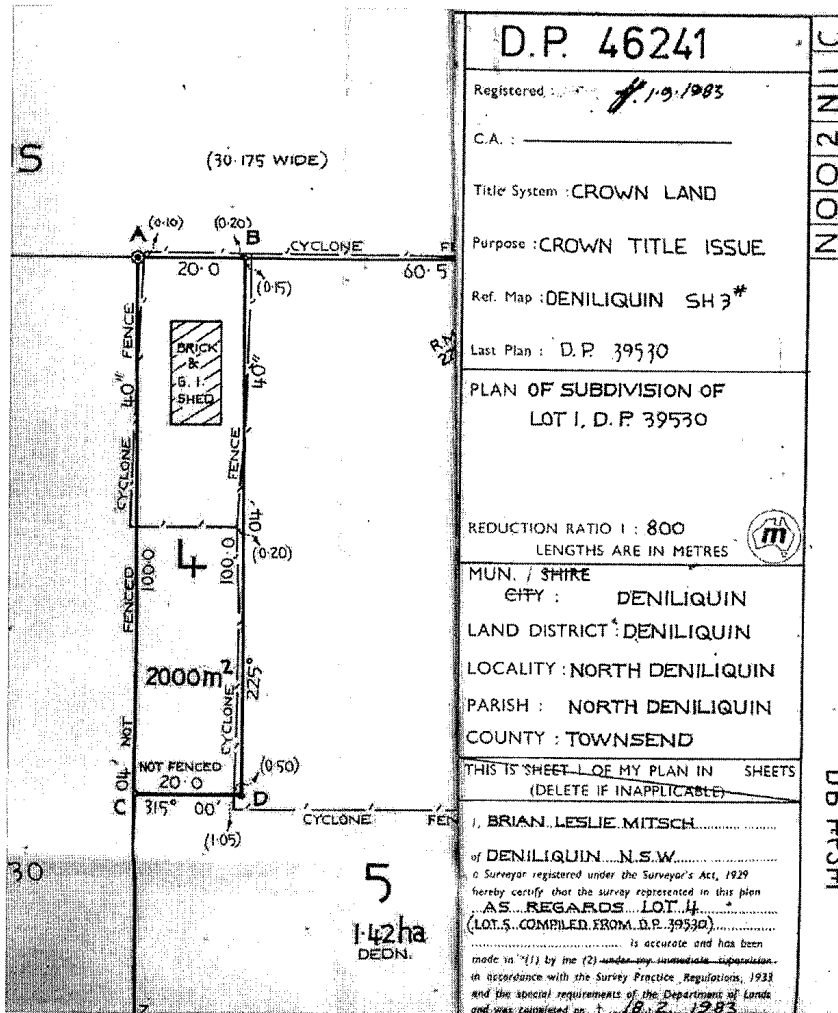
\*\*\* END OF SEARCH \*\*\*



350 Augustus Street, Deniliquin NSW 2710  
Job No. JB592824  
Date of Valuation: 21 April 2017

Page 17

Annexure 3 Extract from Deposited Plan



350 Augustus Street, Deniliquin NSW 2710  
Job No. JB592824  
Date of Valuation: 21 April 2017

## Attachment 4. Council Resolutions

### (A) Murray River Council

#### ACTING GENERAL MANAGER'S REPORT

##### CLAUSE 1. MEMBERSHIP OF CENTRAL MURRAY COUNTY COUNCIL

Moved Councillor AM Mathers **Seconded** Councillor A Aquino

060118 **RESOLVED**

1. That Murray River Council discontinue membership of the Central Murray County Council from the end of the 2017/2018 financial year, 30 June 2018.

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This is Page No. 4 of the Minutes of the Ordinary Meeting of MURRAY RIVER COUNCIL held on Tuesday 16 January 2018 in the Multi-Function Room, Mathoura Visitor & Business Centre, Cobb Highway, Mathoura.



MINUTES of the Extraordinary Meeting  
24 October 2018, 9:30am  
Rich River Golf Club

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#### GENERAL MANAGER'S REPORT

##### CLAUSE 1. CENTRAL MURRAY COUNTY COUNCIL – PROPOSAL DISSOLUTION

Moved Councillor GS Campbell **Seconded** Councillor GW Wise

321018 **RESOLVED** that the Council:

- (a) Resolve to deliver its weed control responsibilities under the *Biosecurity Act 2015* as an internal Council service across the whole geographic area of the Murray River Council;
- (b) Takes on the role as joint proponent with the Central Murray County Council in the proposed dissolution process of the Central Murray County Council;
- (c) Requests that one (1) staff member currently stationed at the Central Murray County Council in Deniliquin be transferred to Murray River Council;
- (d) Request that apportionment of existing equipment and funds be undertaken, as identified within the proposal; and
- (e) Resolve that any financial return to Murray River Council as a result of this dissolution be established in an internally restricted reserve.

***Carried Unanimously.***



**(B) Edward River Council**

11/18 **SUBJECT:** CENTRAL MURRAY COUNTY COUNCIL  
**FROM:** ADAM MCSWAIN  
 General Manager

Moved Councillor McCrabb

**RESOLUTION:**

That Council

1. Discontinue membership of the Central Murray County Council and advise the Minister for Local Government of this decision
2. Investigate all available options for the continued provision of noxious weeds to ensure Council is meeting its legislative requirements
3. That at a minimum the options investigated include a shared service model under the proposed Riverina and Murray Joint Organisation, shared service models with neighbouring Councils and Council delivering the service internally as a single organisation

Seconded Councillor Bull

**CARRIED**

**(C) Berrigan Shire Council**

Minutes of the Ordinary Council meeting held in the Council Chambers on 21<sup>st</sup> March, 2018.

---

**Min. No.**

**5.10 CONTROL OF NOXIOUS AND PROVISION OF OTHER WEED CONTROL SERVICES**

**AUTHOR:** General Manager

**STRATEGIC OUTCOME:** Sustainable natural and built landscapes

**STRATEGIC OBJECTIVE:** 1.2 Retain the diversity and preserve the health of our natural landscapes and wildlife

**FILE NO:** 11.160.1

- 41 RESOLVED** Crs Bruce and Morris that the Council continue with the service delivery provided by CMCC to 30 June 2019 and in the future Council will provide this service itself and further that the Council commit to the redeployment of some Central Murray County Council staff to the Council.

**(D) Central Murray County Council**

CMCC MINUTES 22/03/18

Page 3 of 3

**FUTURE OF THE COUNTY COUNCIL**

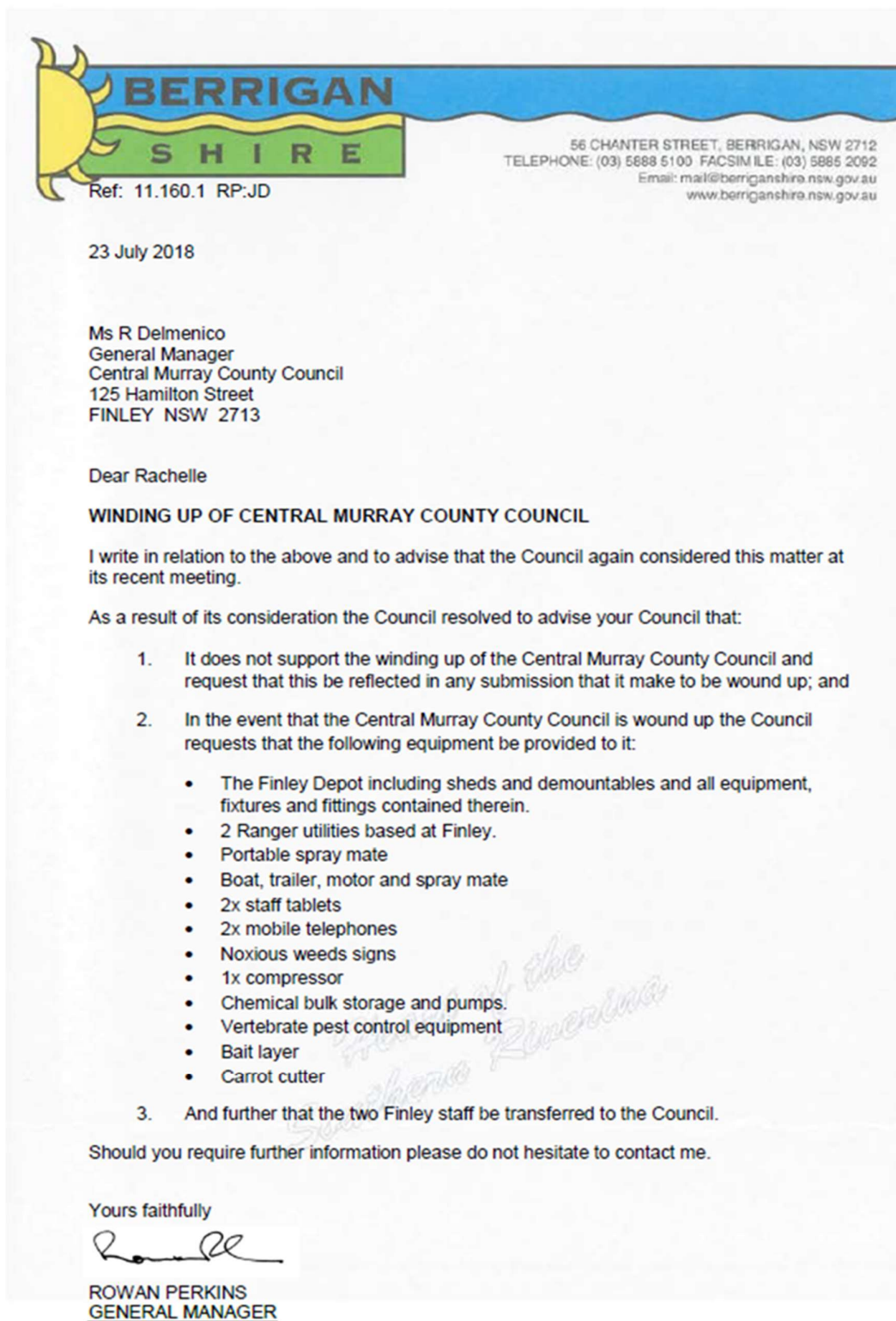
**Resolved:** Crs J Bruce / Crs C Jones that the "correspondence in" from the Special Meeting be noted in this meeting and accepted.

- 1- A letter of advice (23/02/2018) has been received from the Murray River Shire stating they wish to discontinue membership of the Central Murray County Council, and a copy of the resolution from Council meeting.
- 2- A resolution (15/03/2018) from Edward River Shire indicating they wish to discontinue membership of the Central Murray County Council.


**Resolved:** Crs A Hall / N Metcalfe that the Central Murray County Council be disbanded at 30.06.2019 and seek Ministers' approval.]

**Resolved:** Crs A Hall / N Metcalfe that Mr M Wooden and Mrs R Delmenico document what each constituent will require from the Staff & Assets Register to maintain their obligations with reference to the Noxious Weeds Program and the Weeds Action Plan (WAP).

## Attachment 5. Berrigan Shire Council Position



## Attachment 6. Correspondence from United Services Union (USU)



New South Wales Local Government, Clerical,  
Administrative, Energy, Airlines & Utilities Union

**31 July 2018**

**In reply please quote: CMUR 1/5  
Contact: Brian Harrington**

The Interim General Manager  
Central Murray County Council  
PO Box 1  
FINLEY NSW 2173

Dear Madam

**Re: Union Members – Central Murray County Council**

The Union are writing to you on behalf of our members currently employed by Central Murray County Council. It is the understanding of the Union that Central Murray County Council is to be disbanded and that the current employers will then be employed directly by the Councils where they reside.


The Union has had consultation with the staff regarding their future employment and advises that the staff are happy to be "absorbed" into their local Council workforce. The Union also understands that the staff will transfer to their new employment with all of their current entitlements transferring with them.

The Union would suggest that the Councils that employ these staff review the current Central Murray Country Council Salary System and Council's own Salary System and employ these people under whichever Salary System offers the greater remuneration. This would avoid any conflict on this matter in the future.

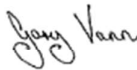
The Union would also request that the Council's that employ these staff consider offering them the same protections that apply to staff at Amalgamated Council, i.e. three (3) years of no forced redundancies as in affect their current employer will amalgamate with the three (3) local Councils in the area.

Thank you for your consideration in this matter.

Yours faithfully



**Graeme Kelly**  
General Secretary



**Per:**  
G Vann Southern Manager

Support Team: 1300 136 604 • Email: [united@usu.org.au](mailto:united@usu.org.au) • Website: [www.usu.org.au](http://www.usu.org.au)  
Registered Office: Level 7, 321 Pitt St Sydney 2000 • Phone: (02) 9265 8211 • Fax: (02) 9261 2265 • ABN: 95 571 805 442  
Regional Offices: Newcastle, Wollongong. Satellite Offices: Armidale, Bathurst, Canberra, Dubbo, Grafton, Hay, Port Macquarie, Wagga Wagga

## Attachment 7. Detail Considerations for Proclamation

### Detailed Notes on the Proposal under section 383 of the *Local Government Act 1993*

#### Principal objectives

The principal objective of the proposal is for the dissolution of Central Murray County Council (CMCC) and for the transfer of authority under the *Biosecurity Act 2015* No 24 back to the individual councils namely Murray River Council, Edward River Council and Berrigan Shire Council.

#### Proposed achievement of objectives and operation of the change

It is proposed to achieve the objectives of the reform by proclamation under the *Local Government Act 1993*. This would include making provisions to give effect to the proclamation to dissolve the CMCC and to ensure a seamless transition from the CMCC to the care and control of the individual councils and to provide continuity of service delivery for weeds services across the former CMCC Area.

#### Background

The proclamation for the creation of the CMCC on the application of the Municipality of Deniliquin and the Shires of Berrigan, Murray and Windouran was issued on 10 May 1978 and came into effect on 12 May 1978. Further proclamation for boundary alterations to include Conargo Shire was issued 14 May 1980 and came into effect on 16 May 1980.

The CMCC provides the following services:

1. Property inspections for the presence of noxious weeds, assisting landowners with weed identification and preparation of control programs for noxious plants.
2. Issue weed control notices under Biosecurity Act 2015.
3. Assists the local authorities with roadside weed management services.
4. The provision of contract weed spraying services for private owners and public authorities.
5. Issuing certificates regarding outstanding fees, charges or notices on a property.

The CMCC has an annual budget of \$1.021M and a total staff of six, made up of four full-time and two part-time. The General Manager's position is currently filled by an Acting General Manager (part-time). The General Manager's contract was not renewed in August.

The CMCC has been struggling financially in recent years and asked the member councils for an increase in their contributions to keep a balanced budget financial result and maintain equipment integrity.

Murray River Council made the decision that they would take back the noxious weed responsibilities in-house as they could continue with the weeds program more cost effectively than the services provided by the CMCC.

#### External reviews: structural arrangements of the County Council

No external review into the operations of the County Council has been carried out. The scale of the operation and the fact that the member councils of the CMCC have an intimate knowledge of its administration and operation over the long-term, make this unnecessary. All services are being provided within the local government areas and under the proposal, services will be continued by the councils.

### Existing proclamations

It is recognised that a review of the operative provisions of each proclamation that is currently in force will be required to ensure that the nature and extent of all existing powers and functions are preserved.

A copy of the proclamation made on 10 May 1978 and 14 May 1980 by the Governor under the *Local Government Act 1919* and the *Local Government Act 1993* is attached (Attachment 1).

### Detailed statement

It is proposed that the dissolution of the CMCC will be effected under the *Local Government 1993* whereby:

- (1) Pursuant to section 383 the Murray River Council seeks the approval of the Minister to dissolve the Central Murray County Council.
- (2) Pursuant to sections 384-386, where the Minister for Local Government decides to proceed with the proposal, public notice will be given seeking representations from anyone affected by the proposal. The Minister will then consider all representations made and recommend a course of action to the Governor.
- (3) Subject to the Minister for Local Government recommending to the Governor that the proposal be implemented either with or without modification and pursuant to sections 397 and 398, the Governor by proclamation will, among other things:
  - (a) Dissolve the Central Murray County Council, and
  - (b) Make any such other provision as necessary or convenient for giving effect to the proclamation.

The intention is for Murray River Council, Edward River Council and Berrigan Shire Council to continue the Noxious Weed program and continue to be the authority within the council's individual borders. All staff, assets and liabilities to be split amongst the constituent councils as per agreement.

### Facilitating provisions incidental to the making of an amending proclamation

There are a range of matters of a transitional nature that need to be provided for to give effect to the proclamation. Set out below is a non-exhaustive list of matters that may inform the drafting of the facilitating provisions of the proclamation:

#### Facilitating provisions: examples

##### General Details

1. *Transfer or apportionment of assets, rights and liabilities*  
 It is proposed that each member council be distributed with assets and staff to continue operations of weed control services.  
 It is further proposed that the remaining assets be distributed or sold and monies be distributed to member councils in accordance with their contribution percentage. All Councils agree with this.
  - Berrigan Shire Council 33%
  - Edward River Council 36%
  - Murray River Council 31%
2. *Transfer of staff*  
 All four full-time staff are to be transferred to the individual councils.
  - Berrigan Shire Council – 2 x full-time employees
  - Edward River Council – 2 x full-time employees
  - Murray River Council – Nil

The part-time General Manager position and part-time Finance/Administration Officer position will not continue.

The principles of 218CA of the *Local Government Act 1993* will be followed as all staff are currently employed in the area relevant to the individual council borders where they will transfer to and staff will not be disadvantaged by having to travel further to reach the new work depots in comparison to the CMCC depots.

There is no redundancy for the part-time General Manager, as the General Manager is acting in the role as the previous General Manager's contract was not renewed.

There is a redundancy for the part-time Finance/Administration Officer.

All CMCC staff are needed to provide the services for councils. Continuity of service for the staff under the *Local Government Act 1993* will be provided by the individual councils. The provision of additional staff is anticipated to meet the long-term service needs for weeds.

3. *Delivery or retention of records*

All records in the custody of the CMCC are to be placed in the custody of Murray River Council and will be managed through the Council's records system.

All records of the CMCC will be transferred and stored as part of the Murray River Council records system, including all private and personal information and records of operation will be kept in accordance with the *Privacy and Personal Information Protection Act 1998*, *Health Records and Information Privacy Act 2002* and *Government Information (Public Access) Act 2009*. Any protections under Section 731 of the *Local Government Act 1993* and Section 70 of the *Noxious Weeds Act 1993* will remain.

All notices, instruments and contracts with landowners and the CMCC will become notices, instruments and contracts with Murray River Council, Edward River Council and Berrigan Shire Council.

Facilitating provisions: examples

Factors of Consideration under Section 263 of Local Government Act 1993

Under Section 263 of the *Local Government Act 1993*, the Boundaries Commission is required to have regard to the following factors. Council addresses these factors in support of its application:

(a) *Financial advantages or disadvantages*

Savings will be generated through salary (no longer employing a General Manager). Further savings will be generated by not having to support the meetings of the CMCC and the need to provide for elected councillors meeting and travel expenses.

(b) *Community of interest and geographic cohesion*

The Berrigan Shire, Edward River and Murray River Councils' fall within the Murray Local Land Service jurisdiction. The Murray Regional Strategic Weed Management Plan sets out the strategies for weed management actions with guiding legislation.

All Council areas will participate in these programs. The CMCC were active contributors when pulling this strategy document together.

Murray River Council has some issues with absentee landowners but the rural/urban areas have a more cooperative response on weed problems. The variation in natural landscapes between the council areas means that different weed species and density of infestations require different responses to the weed control program.

All councils have the responsibility of waterways (creeks and rivers), which in itself bring another terrain for management and a different weed program.

Each council will ultimately have responsibility for its own areas strategic response to weed problems.

- (c) *Existing historical and traditional values in the existing areas and the impact of change*  
 The region is predominately rural/farm land and agriculture is vitally important to the area. The long-term land use will not evolve significantly from current patterns. The weed issues will remain the same. Inspections and weed control programs will need to continue to ensure there is not a detrimental effect to the existing agriculture industry.  
 There are pockets of growing urbanism such as the towns of Moama and Barooga. The response to weeds is constantly evolving and vigilant programs need to be adapted to suit the increase in development.
- (d1) *Attitude of the residents and ratepayers*  
 The proposal has been the subject of comment within Berrigan Shire Council and Murray River Council through media releases to print and social media however, no comments on the proposal have yet been received by the CMCC.  
 Please note, no attempt has been made to seek direct public comment on the proposal or formally seeking comment as it was anticipated that this will be part of the formal process of the Minister when considering the proposal.
- (d2) *Elected representation for residents and ratepayers at the local level*  
 By placing the responsibility for noxious weeds on the individual councils, their Councillors will then become elected representatives for the ratepayers and residents. Under the CMCC model, they are represented by the two councillors per council nominated to the CMCC by the constituent council.  
 Under the new model, residents and ratepayers will have greater access to elected representation than they currently have because they will be represented by all Councillors.
- (e1) *The impact on the ability of the councils to provide adequate, equitable and appropriate services and facilities*  
 No significant impacts are anticipated. The scale of the weeds operations is relatively minor in relation to the many other services provided by the councils.  
 Improved support can be provided to weed services through the greater economies of scale that the councils can provide for administrative and corporate support services.
- (e2) *Impact on the employment of the staff*  
 The employees can be transferred directly to the individual councils without any loss of entitlements and conditions.
- (e3) *Impact on rural communities*  
 No significant impact is anticipated. Field services will continue to be provided as per normal and the rural communities will have access to the branch offices and social media communication of the larger councils.