

22 October 2008

Mr Kerry Yates
General Manager
Wyong Shire Council
PO Box 20
WYONG NSW 2259

Dear Mr Yates

Election Funding and Disclosure Act 1981 – councillors and mayors obligations for reporting

I write to inform you that we have written to each of the recently elected councillors in your local government area to advise them of their obligations under the *Election Funding and Disclosure Act 1981* with respect to the bi-annual reporting conditions.

A copy of the letter provided to each councillor is enclosed.

You may consider adding this item to a meeting of council to ensure that all councillors have acknowledged that they have received the correspondence and that they are aware of their obligations under the above Act.

There are significant penalties for any councillor who fails to lodge a declaration every six months.

I note that General Managers have no obligation regarding the administration of these provisions. General Managers should not undertake to submit declarations to the Authority on behalf of their councillors.

If you require additional information regarding the funding and disclosure provisions please visit our website at www.efa.nsw.gov.au.

Yours sincerely



Colin Barry
Chair

Name
Street
Suburb Postcode

22 October 2008

Dear First Name,

I write to inform you that as a Local Government Councillor in New South Wales, you must comply with the provisions of the *Election Funding and Disclosure Act 1981* ('the Act'). You must submit to the Election Funding Authority ('the Authority') a declaration of political donations received and electoral expenditure incurred every six months. The following information is a guide to your obligations, but it is not a substitute for the law. Further information regarding your obligations is to be found on the Authority's website at www.efa.nsw.gov.au.

Between now and 30 days after the 2012 Local Government Election, you cannot receive political donations or incur electoral expenditure totalling or exceeding \$1,000 unless you have a campaign account and an official agent. 'Electoral expenditure' includes any expenditure of your own private funds on your campaign in the lead-up to the 2012 Election.

If you are required to have an official agent, you may either retain the agent you appointed prior to the recent Local Government Election or appoint a fresh one.

If you wish to appoint a fresh official agent, he or she must complete the prescribed on-line training and assessment available through the Authority's website. If you are endorsed by a Registered Political Party, you may wish to appoint as your official agent "the party agent" of that party.

If you are required to appoint an official agent, the agent is the only person authorised to operate your campaign account, handle the receipt of political donations and make payments for electoral expenditure. You are required to immediately inform the Authority in writing if, at any time, any of the following occur:

- you revoke the appointment of your official agent;
- you appoint a fresh official agent;
- your agent dies; or
- your agent resigns.

The agent is required to make the appropriate disclosures to the Authority. The declaration for the current disclosure period (1 July 2008 to 31 December 2008) must be lodged between 1 January and 25 February 2009. In the event that you have no donations or expenditure to disclose in the current disclosure period, you are nevertheless required to lodge a 'nil' declaration.

Your campaign account must be separate from any personal account(s). The official agent must keep a record of all donations and expenses (and loans of or in excess of \$1,000) associated with your campaign. Donations of \$1,000 or more must be receipted to the donor and disclosed to the Authority. This includes multiple donations received from a single source within one financial year which together equal or exceed \$1,000.

Whether or not you are required to appoint an official agent, the total amount of individual 'small donations' (each being of an amount less than \$1,000) must be disclosed to the Authority, as must the total number of persons who made those donations.

Whether or not you are required to appoint an official agent, loans of \$1,000 or more from any source (other than a bank or financial institution) must be disclosed to the Authority. This includes multiple loans received from a single source within each six month period (ending on 30 June and 31 December each year) which together equal or exceed \$1,000.

Donations 'in kind' of office accommodation, vehicles, computers, advertising or other equipment usable in election campaigns and any of which have a value of in excess of \$1,000 are prohibited. Multiple 'in kind' donations received from a single source within one financial year are aggregated for this purpose.

If at any time you are required to appoint an official agent and establish a campaign account, you must maintain these arrangements until the 2012 Local Government Election. These arrangements must be maintained even if you do not receive any political donations or incur any electoral expenditure during a particular six-month period. In the event that you have no donations or expenditure to disclose in a particular six-month period, you are nevertheless required to lodge a 'nil' declaration. If it is necessary for whatever reason to replace your official agent (e.g. because your original agent resigns, dies or their appointment is revoked by you), you must ensure that all relevant records maintained by the original agent are transferred to the new agent.

Please be aware that failure to lodge a disclosure declaration every six months will result in either you or your official agent (as applicable) being in breach of the Act and liable to a penalty of up to \$22,000.

For more information go to the Authority's website www.efa.nsw.gov.au. The handbook and frequently asked questions will answer most of your enquiries.

From now on you should regularly monitor the EFA website for additional information regarding your disclosure obligations.

Yours sincerely



Brian DeCelis
Acting Director
Funding and Disclosure