

# Reports of the Corporate Governance Committee Meeting held at 5.30pm on Tuesday, 24 July 2012.

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## **APOLOGIES**

## **ACKNOWLEDGEMENT OF LAND**

## **DECLARATIONS OF INTEREST**

### **Pecuniary Interests**

### **Non Pecuniary – Significant Interests**

### **Non Pecuniary – Less than Significant Interests**

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**Minutes of the Corporate Governance Committee held on 24 July 2012**

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**Present** His Worship the Mayor, Councillor A Chanthivong  
Councillor G Greiss (Chairperson)  
Councillor F Borg  
Councillor S Dobson  
Councillor P Hawker  
Councillor P Lake  
Director Business Services - Mr M Sewell  
Acting Director City Works - Mr G Mitchell  
Acting Manager Assets and Supply Services - Mr W Miller  
Manager Business Assurance - Mrs M McIlvenny  
Manager Communications and Marketing - Mrs B Naylor  
Manager Emergency Management - Mr J Dodd  
Manager Executive Services - Mr N Smolonogov  
Manager Financial Services - Mrs C Mears  
Manager Governance and Administration - Ms D Bourke  
Executive Assistant - Ms B Buckley

**Apology (Chanthivong/Hawker)**

That the apologies from Councillors Matheson and Rule be received and accepted.

**CARRIED**

**Acknowledgement of Land**

An Acknowledgement of Land was presented by the Chairperson Councillor Greiss.

**DECLARATIONS OF INTEREST**

There were no Declarations of Interest at this meeting.

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## **1. COMMUNICATIONS AND MARKETING**

### **1.1 Macarthur Welcome Signage**

#### **Reporting Officer**

Manager Communications and Marketing

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#### **Attachments**

Design concepts for the Welcome to Macarthur tourism signage (distributed under separate cover)

#### **Purpose**

To provide Council with design concepts for the proposed Macarthur welcome signage at Stromferry Reserve, Campbelltown.

#### **History**

Council at its briefing on 12 June 2012 requested to be presented with a number of design concepts for the proposed Macarthur welcome signage.

#### **Report**

One of the tourism actions to be implemented as part of the Macarthur Regional Tourism Strategy and Action Plan is to 'explore the possibility of 'Welcome to Macarthur' signage along the Hume Highway'.

In April 2011, to facilitate the implementation of this tourism action, Council approached the Roads and Maritime Services (RMS) to request permission to erect 'Welcome to Macarthur' signage at two pivotal points along the highway, one southbound and one northbound. A response from the RMS was received in August 2011 denying this request.

Following this, the possibility of paid billboard advertising was investigated. However, with a quoted annual cost of \$208,000, billboard advertising is not feasible within the current tourism promotional budget.

The alternative solution is the erection of signage on Council land. The most suitable location identified is on the sound barrier wall at Stromferry Reserve, near the Campbelltown Road exit.

The proposed sign will be 9.5 metres wide by 2.5 metres high, a size suitable to fit the dimensions of the proposed location and positioned high enough to be visible to passing traffic.

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Three concepts for the proposed sign were distributed under separate cover.

Concept one is the preferred design as it is anticipated it will be the easiest to read. This is the most important consideration given the sign's distance from the road and the speed at which drivers will be travelling.

### **Officer's Recommendation**

That concept one be adopted as the design for the Welcome to Macarthur tourism signage.

### **Committee's Recommendation: (Borg/Chanthivong)**

That the Officer's Recommendation be adopted.

### **CARRIED**

### **Council Meeting 31 July 2012 (Greiss/Borg)**

That the Officer's Recommendation be adopted.

### **Council Resolution Minute Number 137**

That the Officer's Recommendation be adopted.

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## **2. GOVERNANCE AND ADMINISTRATION**

### **2.1 Local Government Association Conference 2012**

#### **Reporting Officer**

Manager Governance and Administration

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#### **Attachments**

Nil

#### **Purpose**

To seek motions for inclusion in the 2012 Local Government Association Conference business paper.

#### **Report**

The 2012 Local Government Association Conference will be held in Dubbo from Sunday 28 October to Tuesday 30 October 2012.

The Conference is the annual policy making event for councils which are members of the Local Government Association. Councils work together through the Association to promote Local Government and advocate on behalf of their communities for local democracy, informed decision making and good governance.

The Conference is the pre-eminent event of the Local Government year where Councillors come together to share ideas and debate issues contained within the Business Paper Agenda for the Conference.

As a member of the Local Government Association, Council is entitled to seven voting delegates to the Conference. At the first meeting of Council after the Local Government Elections, Councillors will be asked to select the seven voting delegates.

The Association is seeking motions that Council would like to have considered at the Conference. The deadline for motions is Wednesday 15 August 2012. Council has previously resolved to submit the following motion:

That the Local Government Association be asked to consider establishing a reserve fund for legal costs to assist member councils in defending matters.

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Should Council wish to submit further motions to the Local Government Association Conference, the motions need to be presented to, and adopted by Council, at its meeting of 31 July 2012.

**Officer's Recommendation**

That the information be noted.

**Committee's Recommendation: (Hawker/Lake)**

That the Officer's Recommendation be adopted.

**CARRIED**

**Council Meeting 31 July 2012 (Greiss/Borg)**

That the Officer's Recommendation be adopted.

**Council Resolution Minute Number 137**

That the Officer's Recommendation be adopted.

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## 2.2 Delegations of Authority

### Reporting Officer

Manager Governance and Administration

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### Attachments

Nil

### Purpose

To seek Council's consent to granting Delegation of Authority to the Mayor and General Manager to conduct urgent business of Council during the period from the upcoming Local Government Election to the first meeting of the new Council.

### History

It has been Council's practice to delegate to the Mayor and General Manager the power to deal with urgent items of business that would normally be considered by Council during the period between Local Government Elections and the first meeting of the new Council.

### Report

Under Section 233 of the *Local Government Act 1993* the position of Councillor becomes vacant on the day appointed for the next ordinary election of Councillors ie, midnight on 7 September 2012.

However under Section 230 of the Act, the Mayor remains elected until a successor is declared to be elected to the office. At this stage, the Mayoral Election is proposed to be held on Tuesday 25 September 2012 subject to the Declaration of the Poll.

Under Section 226 of the Act, the role of the Mayor is:

- To exercise, in cases of necessity, the policy making functions of the governing body of the Council between meetings of the Council
  - To exercise such other functions of the Council as the Council determines
  - To preside at meetings of the Council
  - To carry out the civic and ceremonial functions of the Mayoral Office.
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For the period 8 September 2012 to the first meeting of the newly elected Council it would be appropriate for the Council to delegate to the Mayor and General Manager the authority to deal with urgent items of business that would normally be considered by the Council.

In the past, this Delegation has not been utilised to any major extent, however issues may arise that need to be dealt with and during this period the above Delegation is warranted.

### **Officer's Recommendation**

That the Mayor and General Manager be delegated authority to deal with matters of urgent business during the period between the Local Government Elections and the first meeting of the new Council.

### **Committee's Recommendation: (Borg/Lake)**

That the Officer's Recommendation be adopted.

### **CARRIED**

### **Council Meeting 31 July 2012 (Greiss/Borg)**

That the Officer's Recommendation be adopted.

### **Council Resolution Minute Number 137**

That the Officer's Recommendation be adopted.

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### 3. PROPERTY SERVICES

No reports this round

### 4. FINANCIAL SERVICES

#### 4.1 Investment Report - June 2012

##### Reporting Officer

Manager Financial Services

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##### Attachments

Investment Portfolio Performance as at 30 June 2012

##### Purpose

To provide a report outlining Council's investment portfolio performance for June 2012.

##### Report

Council invests any surplus funds that become available through the financial instrument designated by the Ministerial Order from the Division of Local Government. The *Local Government Act 1993* and the *Local Government (General) Regulation 2005* require a monthly investment report be presented to Council.

Council's Investment Portfolio as at 30 June 2012 stood at approximately \$86m. Funds are currently being managed both by Council staff and Fund Managers and are in accordance with the *Local Government Act 1993*, *Local Government (General) Regulation 2005* and Council's Investment Policy.

##### Portfolio performance

Directly managed investments show an outperformance of the 90 day bank bill index benchmark by more than 100 basis points for the reporting period.

Return	Annualised	Month
Council Managed Funds	5.38%	0.44%
Benchmark: 90 Day Bank Bill Index	3.29%	0.27%

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Investment returns can fluctuate during any one reporting period based on market perceptions, or as in the case of funds under management, changes in asset classes. As such any measurement of performance is better reflected over a rolling 12 month period to average out any fluctuations in monthly performance. Council's total investment portfolio has outperformed the benchmark on average over the last twelve months.

<b>Rolling Year to Date Return</b>	<b>June</b>
Council Managed Funds	5.78%
Benchmark: 90 Day Bank Bill Index	4.59%

Council's portfolio as at 30 June 2012 is diversified with 69% in term deposits of varying lengths of maturity which are managed in accordance with market expectations and Council's investment strategy, 22% in floating rate notes which give Council a set margin above either 30 or 90 day bank bills, 7% in fixed rate bonds, 1% in funds in a short term at call account and 1% in a National Australia Bank offset facility which expires in 2014.

<b>Duration Profile</b>	<b>June</b>
Short Term at Call	\$1,124,471
1 – 3 Months	\$3,262,374
3 – 6 Months	\$38,943,212
6 – 12 Months	\$15,475,161
12 Months +	\$27,454,066

All investments are placed with Approved Deposit Taking Institutions. No funds are placed with any unrated institutions.

<b>Credit Exposure</b>	<b>June</b>
AAA to AA-	85%
A+ to A	12%
A- to BBB-	3%
Other Approved Deposit Taking Institutions	0%

### **Yearly portfolio performance**

Council has exceeded budget expectations for interest on investments by \$435,907 in the 2011-2012 financial year. This is an excellent result considering the reductions handed down by the Reserve Bank of Australia Board in the cash rate over the past 12 months.

Approximately 10% of these funds relate to Section 94 and Property Development Reserves and will be allocated accordingly. The remainder of funds will contribute to Council's end of year result and improve Council's Unrestricted Current Ratio.

### **Economic outlook**

The Reserve Bank Board (RBA) left the cash rate unchanged at 3.50% at its meeting on 3 July 2012. The Board's statement indicates that recent data showed the economy had grown at a pace somewhat stronger than was earlier indicated and labour market conditions had also firmed slightly. The Board judged that as a result of earlier easing in monetary policy inflation remained consistent within target levels and as such the stance on monetary policy remained appropriate at this time.

### **Summary**

Council's investment portfolio continues to outperform the benchmark of the 90 day bank bill index. The Local Government Investment Guideline leaves little scope for the enhancement of Council's investment portfolio with the various investment products being offered. However, to enhance the portfolio, advantage is taken on the length of maturity of the investment given the rating of the institution as well as reviewing any new investment products offered in consultation with Council's financial advisor, Spectra Financial Services. Regular liaison with Council's external financial advisor assists in monitoring all of the risk factors to maximise Council's return on the investment portfolio while minimising the risk associated with this strategy.

### **Officer's Recommendation**

That the information be noted.

### **Committee's Recommendation: (Lake/Dobson)**

That the Officer's Recommendation be adopted.

### **CARRIED**

### **Council Meeting 31 July 2012 (Greiss/Borg)**

That the Officer's Recommendation be adopted.

### **Council Resolution Minute Number 137**

That the Officer's Recommendation be adopted.

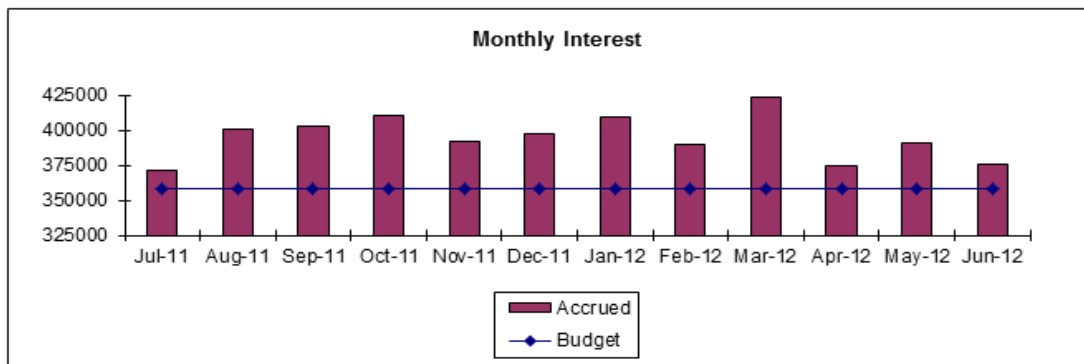
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# ATTACHMENT 1

## Summary June 2012

Benchmark UBS Warburg 90 Day Bank Bill Index  
 Portfolio Balance \$86,259,284.51

Monthly Performance	Return (mth)	Return (pa)
UBSW 90 Bank Bill Index	0.27%	3.29%
Total Portfolio	0.44%	5.36%
<i>Performance to Benchmark</i>	+ 0.17%	+ 2.08%
Portfolio - Direct Investments	0.44%	5.38%
<i>Performance to Benchmark</i>	+ 0.17%	+ 2.09%
Short Term Call Account	0.34%	4.15%

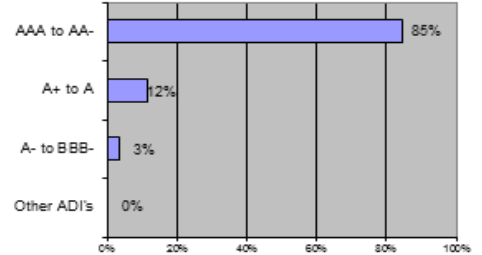


### Year to Date Performance

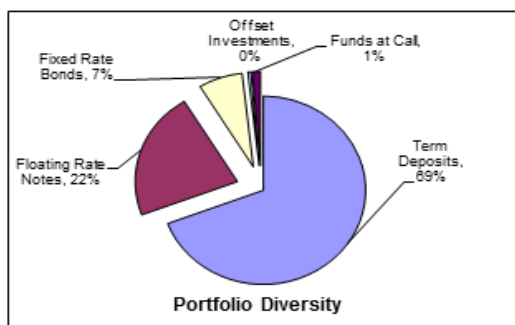
Rolling 12 Month Period  
 5.78% Council Managed Funds  
 0.00% Other Managed Funds  
 4.59% Benchmark

Interest Budget to Actual  
 Budget to Period \$4,300,000  
 Accrued to Period \$4,735,907

### Credit Exposure



### Securities



### Institutions

Institution	Amount Invested	% Portfolio
Funds at Call	\$ 1,124,471.26	1%
Suncorp Metway	\$ 9,054,065.75	10%
National Australia Bank	\$ 11,540,682.73	13%
ANZ Bank	\$ 4,541,435.40	5%
NSW Treasury	\$ 4,250,000.00	5%
Westpac Bank	\$ 18,132,354.46	21%
St George Bank	\$ 8,352,616.18	10%
Commonwealth Bank	\$ 12,500,000.00	14%
Bank Western Australia	\$ 13,763,658.73	16%
Bank of Queensland	\$ 3,000,000.00	3%
<b>Total</b>	<b>\$86,259,284.51</b>	<b>100%</b>

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## 4.2 Sundry Debtors Report - June 2012

### Reporting Officer

Manager Financial Services

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### Attachments

1. Debtors Summary to 30 June 2012
2. Ageing of Sundry Debts to 30 June 2012

### Purpose

To provide a report detailing the amount outstanding by type and age for sundry and miscellaneous debts for the period ending 30 June 2012.

### Report

Debts outstanding to Council as at 30 June 2012 were \$1,400,081 reflecting an increase of \$338,183 since May 2012. The ratio of outstanding debts to current invoices has decreased from 43% in May to the current level of 21%. This debtor management ratio is a measure of the effectiveness of recovery efforts, however is impacted by Council policies as well as economic and social conditions.

During the month, 1,119 invoices were raised totalling \$1,408,968 and of these, the most significant have been in the following areas:

#### Corporate administration – \$489,134

The main invoices relate to:

Landcom – Stage 2 completion of masonry walls at Benham Oval Amenities	\$137,500
NSW Government Family and Community Services – Partnership contribution towards place-spaced community development projects at Rosemeadow, Ambarvale, Claymore and Macquarie Fields	\$132,000
Australian Rail Track Corporation – Occupation fees for March to May 2012	\$113,102
Jemena Gas Networks Ltd – Annual gas mains assessment	\$54,943
NSW Government Land and Housing Corporation – Repair of Parliament Road, Macquarie Fields	\$22,000

#### Government and other grants - \$357,894

The main invoices relate to:

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Department of Trade and Investment Regional Infrastructure – Year 3 Triennial Funding Campbelltown Arts Centre	\$286,949
Department of Premier and Cabinet (Local Government) – Final Pension Subsidy claim for rates and waste	\$30,245
Sydney Metropolitan Catchment Management Authority – First payment for Simmos Beach Reserve Fire Trail Rehabilitation	\$27,500
New South Wales Land and Housing Corporation – Funding for mobile toy and book library, Claymore and Macquarie Fields	\$13,200

**Private works - \$136,604**

The main invoices relate to:

Roads and Maritime Services – Mowing of various areas within the Local Government Area	\$55,708
Adtrans Hino – Trade in on truck, registration number VQQ-560	\$41,000
NSW Land and Housing Corporation - Mowing of various areas within the Local Government Area	\$28,507

**Sportsground and field hire - \$114,001**

The main invoices relate to:

Invoices raised in June for the hire and commission on sales at Campbelltown Sports Stadium	\$45,801
Campbelltown District Netball Association – Electricity accounts	\$8,348
Macarthur District Soccer and Football Association – Electricity and floodlighting accounts	\$5,652
Freeman Catholic College – Hire of Campbelltown Athletics Stadium for school carnival	\$4,349
Campbelltown Oz Tag – Floodlighting account	\$3,730

Receipts to the value of \$1,070,786 have been received during the period, the most notable in the following areas:

Corporate administration	\$360,707
Government and other grants	\$310,554
Private works	\$91,107
Land and building rentals	\$86,462
Sportsground and field hire	\$53,492

Debts exceeding 90 days of age totalled \$262,107 as at 30 June 2012. The major invoices relating to this balance include:

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Debtor 68316.9 - Retaining wall between Lot 1451 DP 703487 2 & 4 Brownlow Place, Ambarvale. Debtor is maintaining arrangement to pay \$450 per month as approved by Council	\$24,557
Debtor 71438.6 - Personal injury claim for Council employee due to a motor vehicle accident. Awaiting payment from insurance company to finalise debt	\$19,968
Various sundry items - Recovery of costs relating to four separate incidents of damage to Council vehicles. Three of the incidents have been forwarded to Council's auditors for write off as we are unable to locate debtors	\$16,569
Private works - Recovery of costs relating to two separate incidents of damage to Council property. An arrangement to pay \$50 per week has been made on one of these accounts. Council's agents, Executive Collections is attempting to locate the other debtor	\$4,798
Sydney Water - Various road restorations in the Local Government Area. Payment is expected in July 2012	\$3,368
Housing NSW - Mowing of various open spaces within the Local Government Area. Payment is expected in July 2012	\$53,014
Arencos Pty Ltd - Road Occupancy Approval 3 January 2012 to 31 March 2012 for Queen Street Campbelltown. Payment was received on 16 July 2012	\$26,923

During the month, 17 accounts progressed to recovery action. The defaulting debtors were issued a letter of demand on Council's letterhead advising that if the account was not settled or an appropriate arrangement was not made, the account will escalate to formal legal action through Council's agents.

Six accounts progressed to the first stage of formal legal recovery action. The defaulting debtors were issued a letter of demand by Council's agents, Executive Collections advising that if the account was not settled or an appropriate arrangement was not made the account may be escalated to a Statement of Liquidated Claim.

Council's agents were instructed to proceed with two Statement of Liquidated Claims, one for unpaid swimming squad fees and the other for a compliance clean-up order, one Judgement for an abandoned motor vehicle and one Writ of Execution for an abandoned motor vehicle also.

Council officers continue to provide assistance to debtors experiencing difficulties in paying their accounts. Debtors are encouraged to clear their outstanding debts through regular payments where possible to avoid any further recovery action.

### **Officer's Recommendation**

That the information be noted.

### **Committee's Recommendation: (Borg/Dobson)**

That the Officer's Recommendation be adopted.

**CARRIED**

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**Council Meeting 31 July 2012 (Greiss/Borg)**

That the Officer's Recommendation be adopted.

**Council Resolution Minute Number 137**

That the Officer's Recommendation be adopted.

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**ATTACHMENT 1**

***DEBTORS SUMMARY 1 June 2012 to 30 June 2012***

DEBTOR TYPE/DESCRIPTION	ARREARS AT 31/05/2012	RAISED THIS PERIOD	RECEIVED THIS PERIOD	BALANCE AT 31/05/2012	% DEBT RATIO
Corporate Administration	205,582	489,134	360,707	334,008	23.86%
Abandoned Items	1,940	0	0	1,940	0.14%
Child Care Debts	14,650	4,707	0	19,357	1.38%
Community Bus	339	550	445	444	0.03%
Tennis Court Hire	757	0	0	757	0.05%
Sportsground and Field Hire	68,048	114,001	53,492	128,557	9.18%
Government and other Grants	171,555	357,894	310,554	218,895	15.63%
Public Hall Hire	11,120	42,393	31,058	22,454	1.60%
Health Services	350	0	0	350	0.02%
Land and Building Rentals	46,116	79,708	86,462	39,362	2.81%
Healthy Lifestyles	5,074	0	3,272	1,802	0.13%
Library Fines and Costs	168,853	2,366	0	171,219	12.23%
Shop Licence Fees	44,450	18,795	16,560	46,685	3.33%
Pool Hire	3,693	15,182	8,289	10,586	0.76%
Private Works	162,475	136,604	91,107	207,972	14.85%
Road and Footpath Restoration	4,007	16,965	683	20,288	1.45%
Shop and Office Rentals	12,955	53,178	50,122	16,010	1.14%
Various Sundry Items	130,386	17,976	34,241	114,121	8.15%
Waste Collection Services	48,985	59,516	23,792	84,710	6.05%
	<b>1,061,898</b>	<b>1,408,968</b>	<b>1,070,786</b>	<b>1,400,081</b>	<b>100%</b>

**ATTACHMENT 2**

**AGEING OF SUNDRY DEBTOR ACCOUNTS - 30 June 2012**

Description	Current Charges	Total 30 Days	Total 60 Days	Total 90+ Days	Balance Due	Previous Month 90+ days
Corporate Administration	310,601	7,901	1,097	14,409	334,008	18,963
Abandoned Items	0	0	203	1,737	1,940	1,737
Child Care Debts	19,357	0	0	0	19,357	0
Community Bus	344	0	0	100	444	50
Sportsground and Field Hire	69,109	16,319	24,180	19,706	129,313	12,851
Government and other Grants	66,545	151,250	0	1,100	218,895	1,200
Public Hall Hire	21,100	711	76	567	22,454	1,095
Health Services	0	0	0	350	350	350
Land and Building Rentals	23,481	899	0	14,982	39,362	22,741
Healthy Lifestyles	0	290	0	1,512	1,802	1,407
Library Fines and Costs	171,219	0	0	0	171,219	0
Shop Licence Fees	14,322	7,785	2,780	21,798	46,685	23,373
Pool Hire	8,603	690	241	1,052	10,586	798
Private Works	112,416	5,209	0	90,347	207,972	64,340
Road and Footpath Restoration	16,965	0	0	3,324	20,288	4,007
Shop and Office Rentals	10,899	5,111	0	0	16,010	0
Various Sundry Items	18,173	1,305	3,820	90,823	114,121	84,110
Waste Collection Services	59,186	25,094	128	301	84,710	173
	<b>882,884</b>	<b>222,564</b>	<b>32,526</b>	<b>262,107</b>	<b>1,400,081</b>	<b>237,193</b>

## **4.3 Monthly Rates Summary**

### **Reporting Officer**

Manager Financial Services

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### **Attachments**

1. Monthly Rates Summary
2. Actual to Budget Result
3. Rates Statistics

### **Purpose**

To provide details of the 2011-2012 Rates and Charges Levy and cash collections for the year ending 30 June 2012.

### **Report**

Rates and charges levied for the year ending 30 June 2012 totalled \$76,353,614 representing 99.6% of the annual budget forecast.

Receipts collected to the end of June totalled \$75,613,951. In percentage terms this amount represents 95.73% of all rates and charges due to be paid. In comparison, the amount collected in the same period last year was 95.21%.

A process to identify and assist ratepayers experiencing difficulties in meeting the instalment deadlines was conducted early in June. This process commenced with the issue of 1,738 letters of demand to ratepayers with a balance exceeding \$500 and two or more instalments outstanding. The letters were issued on 19 June 2012 on Council letterhead requesting payment or suitable payment arrangements in writing by 29 June 2012. During this period 1,071 defaulters paid the amount due, therefore requiring no further action.

Rate payers who purchased property after the fourth instalment notice where a balance remained due have been issued a 'notice to new owner' letter. During the month four letters were sent providing information on the annual rate amount and the balance due.

Over the financial year eRates registrations have increased by 13% to a total number of 1,141 as at 30 June 2012.

### **Officer's Recommendation**

That the information be noted.

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**Committee's Recommendation: (Lake/Hawker)**

That the Officer's Recommendation be adopted.

**CARRIED**

**Council Meeting 31 July 2012 (Greiss/Borg)**

That the Officer's Recommendation be adopted.

**Council Resolution Minute Number 137**

That the Officer's Recommendation be adopted.

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# ATTACHMENT 1

## RATES SUMMARY

### STATEMENT OF ALL OUTSTANDING RATES AND EXTRA CHARGES

RATE - CHARGE	NET ARREARS 1/7/2011	NET LEVY FOR YEAR	PENSION REBATES	EXTRA CHARGES	TOTAL RECEIVABLE	CASH COLLECTED	NET AMOUNT DUE	POSTPONED RATES & INTEREST	GROSS AMOUNT DUE
RESIDENTIAL	2,651,511.85	42,996,626.37	1,312,518.14	925,704.38	45,261,324.46	42,677,024.45	2,584,300.01	321,109.28	2,905,409.29
BUSINESS	468,880.66	14,459,780.47		108,903.38	15,037,564.51	14,389,439.69	648,124.82		648,124.82
BUSINESS - IND	172,708.36	0.00		3,722.67	176,431.03	161,477.10	14,953.93		14,953.93
FARMLAND	53,259.58	348,359.10	883.57	3,497.34	404,232.45	414,762.49	-10,530.04	127,116.17	116,586.13
MINING	0.00	13,051.33		24.67	13,076.00	13,076.00	0.00		0.00
LOAN	251,772.85	4,023,112.69		18,451.11	4,293,336.65	4,049,017.13	244,319.52	43,775.12	288,094.64
F5 ACCESS RAMPS	24,330.32	0.00		556.76	24,887.08	22,806.18	2,080.90		2,080.90
MAIN STREET	72.86	0.00		0.00	72.86	32.74	40.12		40.12
<b>TOTAL</b>	<b>\$3,622,536.48</b>	<b>\$61,840,929.96</b>	<b>\$1,313,401.71</b>	<b>\$1,060,860.31</b>	<b>\$65,210,925.04</b>	<b>\$61,727,635.78</b>	<b>\$3,483,289.26</b>	<b>\$492,000.57</b>	<b>\$3,975,289.83</b>
GARBAGE	706,630.61	13,327,486.88	394,583.90	53,125.99	13,692,659.58	12,998,290.31	694,369.27		694,369.27
SANITARY	0.00	73.21		0.00	73.21	73.21	0.00		0.00
STORMWATER	55,274.31	883,162.30		3,366.66	941,803.27	887,951.98	53,851.29		53,851.29
<b>GRAND TOTAL</b>	<b>\$4,384,441.40</b>	<b>\$76,051,652.35</b>	<b>\$1,707,985.61</b>	<b>\$1,117,352.96</b>	<b>\$79,845,461.10</b>	<b>\$75,613,951.28</b>	<b>\$4,231,509.82</b>	<b>\$492,000.57</b>	<b>\$4,723,510.39</b>

Total from Rates Financial Transaction Summary	3,900,255.83
Overpayments	-823,254.56
Difference	0.00

## ANALYSIS OF RECOVERY ACTION

Rate accounts greater than 6 months less than 12 months in arrears	574,319.68
Rate accounts greater than 12 months less than 18 months in arrears	146,300.41
Rate accounts greater than 18 months in arrears	34,340.66
<b>TOTAL rates and charges under instruction with Council's agents</b>	<b>\$754,960.75</b>

## ATTACHMENT 2

### COMPARISON OF BUDGET TO ACTUAL

DESCRIPTION	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	BALANCE STILL REQD.	% RAISED
RESIDENTIAL	42,819,100	42,819,100	42,996,626	(177,526)	100.41%
BUSINESS	14,484,800	14,484,800	14,459,780	25,020	99.83%
FARMLAND	364,600	364,600	348,359	16,241	95.55%
MINING	13,104	13,104	13,051	53	99.60%
LOAN	4,010,200	4,010,200	4,023,113	(12,913)	100.32%
TOTALS	61,691,804	61,691,804	61,840,930	(149,126)	100.24%
INTEREST CHARGES	240,000	240,000	276,908	(36,908)	115.38%
LEGAL COSTS RECOVERED	1,100,000	1,100,000	793,647	306,353	72.15%
PENSIONERS - Sec 575	(1,649,996)	(1,649,996)	(1,707,986)	57,990	103.51%
PENSIONERS SUBSIDY	907,498	907,498	939,392	(31,894)	103.51%
SUB TOTAL	62,289,306	62,289,306	62,142,891	146,415	99.76%
DOMESTIC WASTE CHARGES	13,208,604	13,208,604	12,998,380	210,224	98.41%
COMMERCIAL WASTE CHARGES	273,266	273,266	329,107	(55,841)	120.43%
SANITARY INCOME	1,000	1,000	73	927	7.32%
STORMWATER MNGMNT	880,000	880,000	883,162	(3,162)	100.36%
GRAND TOTALS	76,652,176	76,652,176	76,353,614	298,562	99.61%

COLLECTIONS AS A % OF:	TOTAL RECEIVABLE	TOTAL LEVIED	TOTAL RECEIVABLE	TOTAL LEVIED
RESIDENTIAL	94.29%	99.26%		
BUSINESS	95.69%	99.51%	RATES	99.82%
FARMLAND	102.60%	119.06%	SANITARY	0.00%
LOAN	94.31%	100.64%	STORMWATER	100.54%
ALL RATES	94.66%	99.82%	TOTAL RATES & CHARGES	100.51%
				95.73%

## ATTACHMENT 3

### RATES STATISTICS

No. of documents issued	July	August	September	October	November	December	January	February	March	April	May	June	Jun-11
Rate Notices	48,056	175		173			129						
Electronic - DoH	5,617												
Instalment Notices				41,808			41,257			41,093			
Electronic - DoH				5,752			5,804			5,973			
Missed Instalment Notices			9,857			8,572			7,110			6,791	7,851
- Pensioners > \$15.00			603			611			599			598	593
Notice to new owner	299	103	18	36	21	23	40	36	15	5	27	4	9
7-day Letters - Council issued			1,701			1,794			1,797			1,639	1,732
- Pensioners > \$500.00			123			114			109			99	113
7-day Letters - Agent issued			693				724		679				810
Statement of Claim	278	26	9	272	19	14	255	32	23	264	28	16	6
Judgements	20	61	37	35	72	9	31	52	44	26	111	40	53
Writs	22	14	43	53	11	32	33	12	51	37	61	49	75
eRates	1,029	1,039	1,056	1,066	1,072	1,079	1,085	1,097	1,121	1,129	1,133	1,141	1,010
Arrangements	381	369	519	336	304	431	376	330	454	401	331	421	391

## **4.4 Update of Rateable Land Valuations**

### **Reporting Officer**

Manager Financial Services

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### **Attachments**

Valuer General's Newsletter

### **Purpose**

To provide Council with information regarding new valuations for the calculation of land rates base date 1 July 2012.

### **Report**

The NSW Valuer General is tasked with the responsibility of issuing land valuations to councils for the purposes of calculating land rates. Campbelltown City Council is currently using valuations calculated as at 1 July 2009 and these will be refreshed to reflect the market as at 1 July 2012.

Council will receive a copy of the new valuations in the form of a 'General Valuation' list, usually within six months or by the end of December 2012. These new values will form the basis of calculating the 2013-2014 annual rate levies. An analysis of the valuation effect on landowners shall be provided to Council early in the 2013 calendar year.

Following a process of calculating and collating the new valuations, advice by means of a 'Notices of Valuation' are sent to all landowners within the Local Government Area. These notices are generally issued within eight months of the base date determination, it is expected they will be issued by February 2013.

The Valuer General's office has advised that information packs will be issued with each notice of valuation. The information pack contains information relevant to the process, how to read and relate to the information supplied and what to do if the landowner feels the notice is incorrect.

A copy of the July 2012 Valuer General's Newsletter that is available on Council's website is attached for the information of Council.

### **Officer's Recommendation**

That the information be noted.

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**Committee's Recommendation: (Hawker/Borg)**

That the Officer's Recommendation be adopted.

**CARRIED**

**Council Meeting 31 July 2012 (Greiss/Borg)**

That the Officer's Recommendation be adopted.

**Council Resolution Minute Number 137**

That the Officer's Recommendation be adopted.

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## ATTACHMENT 1



# Newsletter

FROM THE NSW VALUER GENERAL

JULY 2012

## Your land value and council rates

The Valuer General supplies land values to councils to use in the calculation of rates.

The majority of councils receive new land values for rating every three years. The regular issue of land values ensures changes in the local property market are reflected in the councils' rates model, helping to ensure fairness and equity for ratepayers.

Councils calculate rates in one of three ways:

- › a combination of the land value of the property and a fixed amount per property
- › entirely on the land value of the property

› entirely on the land value but subject to a minimum amount.

Fluctuations in land values don't necessarily lead to similar changes in rates.

Rates depend on each council's rating structure and the limits to increases set by the Independent Pricing and Regulatory Tribunal (IPART).

If you want to find out how your rates are calculated you should contact your council.

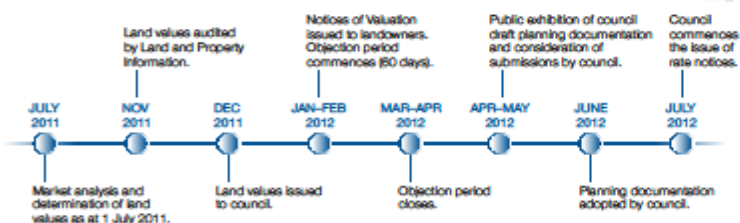
If you lodge an objection to your land value you must still pay your rates while your objection is being considered.

If your land value is amended, the Valuer General will advise the council and your rates will be adjusted if necessary.

## Your Notice of Valuation

When a council receives new land values for rating, the Valuer General provides the landowner with a Notice of Valuation. This ensures the landowner has the opportunity to consider the land value before it is used in the calculation of rates. Landowners have a 60 day period to lodge an objection if they disagree with the land value.

For councils using new land values for the 2012-13 rates, landowners would have been issued with a Notice of Valuation in January-February 2012 showing the land value for the property as at 1 July 2011.



## Land values

Land value is the value of your land only. It does not include your home or other structures and improvements on the land.

### WHO USES LAND VALUES

- › Local Government in the determination of rates.
- › State Government in the management of land tax.

### DETERMINING LAND VALUES

- › Most land values in NSW are determined by mass valuation, where properties are valued in groups.
- › The properties in each group are similar or reflect changes in value in a similar way.
- › Mass valuation provides an efficient and cost effective way to value the 2.4 million properties in NSW every year.

### MEASURING QUALITY

- › Independent statistical monitoring of the quality of land values is undertaken by the University of Western Sydney.
- › The measures used are internationally recognised for mass valuation systems.
- › 96.6% of all local government areas meet or exceed the internationally recognised standard for accuracy and consistency for residential land values as at 1 July 2011.



INFORMING NEW SOUTH WALES LANDOWNERS ABOUT VALUATION ACTIVITIES

## NSW Property Market – 1 July 2011

Property sales are the most important factor considered by valuers when determining land values.

Many councils will be using new land values as at 1 July 2011 in the calculation of rates.

The graph below shows trends in median residential sale prices across New South Wales for the period 1 July 2008 to 1 July 2011. This is the period between valuations for rating purposes for most landowners receiving a Notice of Valuation as at 1 July 2011.

### Metropolitan East

During the period between 1 July 2008 to 1 July 2011 residential sale prices in the lower and middle sectors of the market including the eastern suburbs, inner west, northern and southern beaches showed moderate increases prior to levelling out from 1 July 2010 to 1 July 2011.

The prestige market was variable over the period with sale prices as at 1 July 2011 generally being at similar levels to 1 July 2008.

### Metropolitan West

The market in the western area of Sydney generally showed slight to moderate increases in residential sale prices from 1 July 2008 to 1 July 2011.

### Wollongong

Overall residential sale prices across the Wollongong area showed

moderate increases from 1 July 2008 until mid 2010 and then levelled out to 1 July 2011.

### Newcastle/Central Coast

These areas generally experienced increases in residential sale prices from 1 July 2008 until mid 2010 prior to levelling out. A slight decline in sale prices for higher priced residential properties was evident to 1 July 2011.

### Coastal

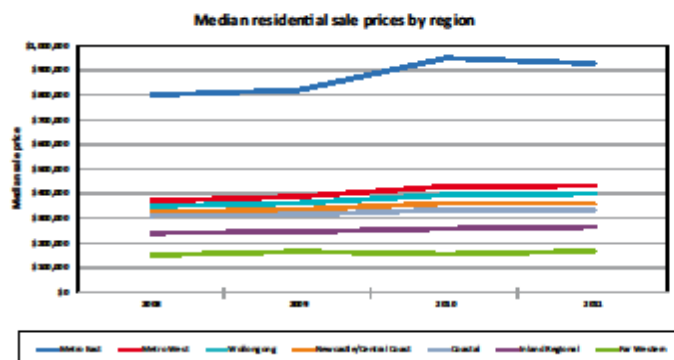
This market generally experienced steady growth from 1 July 2008 to until 2011 when residential sale prices levelled out.

### Inland Regional

The inland regional area extends from Moree to Albury and generally experienced a slight increase in residential sale prices from 1 July 2008 to 1 July 2011. Regional towns influenced by employment growth in the mining sector generally had stronger than average growth over the period.

### Far Western

Overall, sale prices for residential property generally showed slight increases from 1 July 2008 to 1 July 2011.



This graph shows trends in median sale prices for vacant and improved residential property in NSW using sales information lodged with Land and Property Information up to 28 May 2012. The Valuer General disclaims any liability to any person who acts or omits to act on the basis of the information contained herein.

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VALUERS



INFORMING NEW SOUTH WALES LANDOWNERS ABOUT VALUATION ACTIVITIES

## Property Market Update 2012

During the past six months residential property sale prices in the lower to middle sectors of the market have been generally stable.

Exceptions to this trend are:

- Metropolitan West with slightly increased sale prices
- Inland Regional with slightly decreased sale prices across the market, except in towns influenced by mining, where sale prices are stable
- Far Western where sale prices have slightly decreased.

Residential sale prices for higher end and prestige properties have generally shown slight decreases except in the Metropolitan East region where decreases have ranged from slight to moderate.

## Contact us

- ☎ **Phone**  
1800 110 038  
8.30am – 5.00pm
- 🌐 **Website**  
[www.lpi.nsw.gov.au/valuation](http://www.lpi.nsw.gov.au/valuation)
- ✉ **Email**  
[valuationenquiry@lpi.nsw.gov.au](mailto:valuationenquiry@lpi.nsw.gov.au)
- 📠 **Fax**  
02 6332 8399
- ✉ **Mail**  
Valuation Objections –  
Customer Service  
PO Box 745  
BATHURST NSW 2795  
  
*Phone 1800 110 038 for  
your nearest office.*

## Feedback

- ✉ **Mail**  
Philip Western  
Valuer General  
GPO Box 15  
SYDNEY NSW 2001
- ✉ **Email**  
[valuergeneral@lpi.nsw.gov.au](mailto:valuergeneral@lpi.nsw.gov.au)  
  
*Interpreter service available  
13 14 50.*

## **5. BUSINESS ASSURANCE**

### **5.1 Insurance Renewal and Register 2012-2013**

#### **Reporting Officer**

Manager Business Assurance

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#### **Attachments**

1. 29 May 2012 Council Report Insurance Renewal 2012-2013
2. Finalised 2012-2013 Insurance Register

#### **Purpose**

To advise Council of the final costs for the insurance policies taken out by Council.

#### **History**

On 5 June 2012, Council endorsed the renewal process for the required insurance policies falling due on 30 June 2012.

#### **Report**

On 4 July 2012, Council received the 2012-2013 policies and premiums from the insurance brokers, Jardine Lloyd Thompson after negotiations with various underwriters.

The 2012-2013 policies and premiums vary slightly from the 2011-2012 ones. This includes a reduction in the value of artworks collection to be insured, from \$7.5m to \$6.5m, as a result of Council not receiving a piece of art work that was expected last year. In addition the coverage in the Councillor's and Officer's Liability policy has had the component related to statutory liability indemnity and supplementary legal expenses increase from \$2m to \$5m. This was due to an increase in penalties that can be issued under the new *Work Health and Safety Act 2011*. This resulted in an increase in the premium paid. The final minor change includes a move from Zurich to QBE for Marine Hull insurance.

The premiums are approximately \$33,660 more than the previous year, however are in line with the 2012-2013 budgeted figures for the premiums as adopted by Council.

The attachment contains the details of the premiums paid for Council's 10 policies.

#### **Officer's Recommendation**

That the information be noted.

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**Committee's Recommendation: (Dobson/Lake)**

That the Officer's Recommendation be adopted.

**CARRIED**

**Council Meeting 31 July 2012 (Greiss/Borg)**

That the Officer's Recommendation be adopted.

**Council Resolution Minute Number 137**

That the Officer's Recommendation be adopted.

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## ATTACHMENT 1



Corporate Governance Committee Meeting 29/05/12

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### **TITLE Insurance Renewal 2012-2013**

#### **Reporting Officer**

Manager Business Assurance

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#### **Attachments**

Insurance Register 2011-2012

#### **Purpose**

To inform Council about the renewal process of the insurance policies of Council.

#### **History**

Council undertakes an annual insurance renewal process. This process is primarily managed through the insurance broker, Jardine Lloyd Thompson (JLT). In preparing for this process Council reviews the existing premium excesses and conditions to determine 'best value' for the organisation.

#### **Report**

The Attachment contains the details of each of the 2011-2012 Insurance Policies for Council operations, more specifically, the type of cover, the current insurer, the excess and premium paid.

As part of the regular insurance process Council is informed of the various insurance coverage required given the nature of the different aspects of Council's business. Due to the timing of the renewal process pricing for the 2012-2013 policies will not be available for Council consideration prior to the 30 June 2012. Council's broker Jardine Lloyd Thompson is currently obtaining quotes within the insurance market for their requirements.

Policies included in the quotation are: Councillors and Officer's Liability, Motor Vehicle, Marine Hull, Personal Accident, Workers Compensation Excess of Loss, Property, Casual Hirer's Liability, Public Liability and Professional Indemnity and Fidelity Guarantee that do not require a change in the conditions of each policy.

It is anticipated that the renewals of all policies are adequately provided for within the budget estimates for 2012-2013.

A further report to Council will detail the actual premiums and coverage details once the process has been completed.

#### **Art works**

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This policy covers temporary exhibitions and the permanent collection of Council, with an excess of \$2,000. The permanent collection is in the process of being re-valued by a professional valuer. At present the collection is insured for \$7.5m. At the time of preparing this report the valuation had not been completed.

**Officer's Recommendation**

1. That Council endorse the renewal of these policies falling due on 30 June 2012.
2. That a further report be presented to Council outlining the actual cost of renewals, when available.

**Insurance Register 2011/2012**

Coverage	2011/2012		
	Insurer	Excess	Premium (incl. GST)
Professional Indemnity/ Public Liability	Statewide	\$200,000	\$324,472.50
Property	Statewide	\$10,000	\$456,143.46
Motor Vehicle	Zurich	\$10,000	\$91,961.65
Workers Compensation Excess of Loss (XOL)	Liberty International Underwriters	\$1,000,000	\$31,487.50
Casual Hirer's Liability	Statewide	\$2,000	\$9,240.00
Marine Hull	Associated Marine Insurers (Zurich)	\$250	\$946.00
Art Works	Axa Art Ins Ltd	\$2,000	\$20,039.55
Councillors' and Officers' Liability	Zurich	NIL	\$52,112.50
Personal Accident	ACE Insurance	NIL	\$2,447.50
Fidelity Guarantee	Statewide	1% of claim or \$500	\$10,048.61
Insurance Broker Fee	Jardine Lloyd Thompson	N/A	\$60,500
		<b>Total</b>	<b>\$1,059,399.27</b>

## ATTACHMENT 2

### Insurance Register 2012/2013

Coverage	2012/2013		
	Insurer	Excess	Premium (incl. GST)
Professional Indemnity/Public Liability	Statewide	\$200,000	\$335,828.90
Property	Statewide	\$10,000	\$484,772.67
Motor Vehicle	Zurich	\$10,000	\$84,362.41
Workers Compensation Excess of Loss (XOL)	Liberty International Underwriters	\$1,000,000	\$32,587.50
Casual Hirer's Liability	Statewide	\$2,000	\$9,240.00
Marine Hull	Associated Marine Insurers (Zurich)	\$250	\$665.50
Art Works	Axa Art Ins Ltd	\$2,000	\$17,987.50
Councillor's & Officer's Liability	Zurich	Nil	\$55,137.50
Business Travel & Group Personal Accident	ACE Insurance	Nil	\$2,447.50
Fidelity Guarantee	Statewide	1% of claim or \$500	\$11,853.36
Insurance Broker Fee	Jardine Lloyd Thompson	N/A	\$61,468.00
		<b>Total</b>	<b>\$1,096,350.84</b>



## **6. HUMAN RESOURCES**

**No reports this round**

## **7. INFORMATION MANAGEMENT AND TECHNOLOGY**

**No reports this round**

## **8. GENERAL BUSINESS**

Nil.

### **Confidentiality Motion: (Chanthivong/Borg)**

That the Committee in accordance with Section 10 of the *Local Government Act 1993*, move to exclude the public from the meeting during discussions on the items in the Confidential Agenda, due to the confidential nature of the business and the Committee's opinion that the public proceedings of the Committee would be prejudicial to the public interest.

**CARRIED**

## **21. CONFIDENTIAL ITEMS**

### **21.1 Lease - Shop 1 Milgate Arcade, Queen Street Campbelltown**

#### **Reason for Confidentiality**

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the *Local Government Act 1993*, which permits the meeting to be closed to the public for business relating to the following: -

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.
-

## 21.2 Suite 3 Milgate Arcade, Queen Street Campbelltown

### Reason for Confidentiality

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the *Local Government Act 1993*, which permits the meeting to be closed to the public for business relating to the following: -

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.

There being no further business the meeting closed at 6.01pm.

G Greiss  
CHAIRPERSON

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