

RMA EXECUTIVE COMMITTEE

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If you have anything you would like to see in the Newsletter, could be an article, a funny story, a member profile, please let me know. I would love to hear from you.

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Association

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NEWSLETTER

Annual General Meeting

27th August



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MESSAGE FROM NEWSLETTER CO-ORDINATOR

Hello and welcome to the August edition of the RMA newsletter.

This year's Annual General Meeting will be held at the Essendon Football Club on the 27th August, 2004.

If you would like to nominate for the Committee please complete the enclosed nomination form.

Take some time to have a look at the photos from the 'very successful' Wangaratta Country Conference.

If you have anything you would like placed or to see in the newsletter please email myself at kwellington@darebin.vic.gov.au

Kerrie Wellington

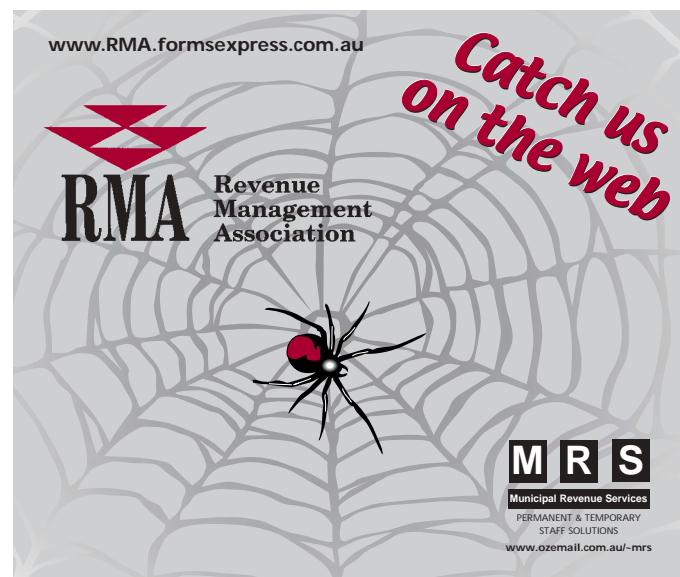
Newsletter Co ordinator

Revenue Management Association.



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MEMBERSHIP NEWS

Penalty Interest Rate:

The Attorney-General has decided to increase the penalty interest rate to 12.00 % per annum (the previous rate was 11.25 %) on and from 1 July 2004 as published in the Government Gazette on Thursday 24 June 2004.

Municipal Rate Concession:

The State-funded Municipal Rate Concession has increased from a maximum \$135 per annum to \$160 per annum in 2004/2005.

This \$25 concession increase is the first increase since 1982/83.

Election of Committee:

The Election of a committee for 2004/2005 will be conducted at the August meeting. All positions will become vacant and we encourage any member who may be interested in nominating for a position on the committee to complete the enclosed nomination form.

Corporate Directory:

To maintain the Corporate Directory, the RMA Committee have decided to have a copy on display at each meeting. This will enable members to see who our corporate people are and also for our corporate people to update or add there wares to the directory.

Remember to look for it at the next general meeting.

Membership Fees:

For those that have not yet paid their Membership Fees please remember to do so as soon as possible. Members who are not financial will be unable to vote at the Annual General Meeting.

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PRESIDENTS REPORT



It's the middle of the year already and a busy time for members. With revaluations being returned, budgets, end of financial year, issuing of rate notices and the preparation of voter's rolls (for some) the next few months is sure to fly by.

The Country Conference at Wangaratta on 25th & 26th March this year was well supported by members and considered by all to be a huge success. The feedback was very positive. Thursday's sporting and social events were extremely successful and provided all participants with an opportunity to network and get to know each other.

I wish to re-iterate my thanks to all committee members for organising such a successful conference, particularly Vanessa Faulkner for her work in putting together Thursday's sponsors and activities and to Paul Browne for organising the sponsors and presenters for Friday. Arrangements for next year's conference are well under way, so stay tuned.

Turning our attention to the Annual General Meeting on Friday 27 August, I encourage you all to attend. Apart from interesting presentations, a guest speaker and some specific local government content, we have the annual election of committee members. Being an RMA Committee member is a rewarding experience and I ask each of you to consider nominating. Nomination forms have been issued with this Newsletter and if you want to know more about what is involved in being a committee member, please contact myself or any of the existing committee members.

The committee would appreciate any suggestions for future meetings; eg, venues, presentations, sponsors, council topics or anything else of interest to our members.

Continuing to provide interesting presentations that are relevant is a challenge for the Committee and any input from you would be great. Any items for the Newsletter would also be welcomed by Kerrie Wellington.

Another workshop/training session was held during April on Adding Value to Valuations and Sale of Property Information. Attendance was a little disappointing and we hope that everyone will support the next workshop planned for later in the year (possibly on Special Rate and Charges). Thanks to ARL for their commitment and support to these sessions.

Customised Training & Curriculum Services (CTCS) advise that they have 43 participants studying the Certificate III & Certificate IV courses in Financial Services who are progressing well. These courses have been structured to include subjects that are considered relevant to the Local Government Revenue Management area. Enrolments are still being accepted, so contact CTCS.

Don't forget to continue to support our sponsors and they will continue to support us.

Looking forward to seeing you at the AGM on 27th August.

Rod Leith, F.R.M.A.

President

Ph. 03 5320 5518

rodleith@ballarat.vic.gov.au

Trivia Answers



1. We underestimated
2. Reading between the Lines
3. Long Underwear
4. Tripod
5. Three degrees below zero
6. Neon Lights
7. Down Town
8. Travel over seas
9. He's far from himself or He's apart from himself
10. Just between you and me

TRIVIA PAGE



- | | |
|--|--|
| <p>1. ESTIMATED
WE</p> <p>2. READING </p> <p>3. WEAR
LONG</p> <p>4. POD
POD
POD</p> <p>5. O
B.A.
M.D.
Ph.D.</p> | <p>6. KNEE
LIGHTS</p> <p>7. T
O
W
N</p> <p>8. TRAVEL
CCCCC
CCCC
CCC</p> <p>9. HE'S HIMSELF</p> <p>10. J
YOU U ME
S
T</p> |
|--|--|

The answers are on the next page. Don't peek!!

Thanks to Ian Hales from City of Greater Dandenong for supplying these brain teasers.



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Carl Jones
 Tel: 03 5229 1568
 Mobile: 0408 402 722
 Email: cjones@rmg.com.au

Brooke Boyd
 Tel: (03) 9320 2334
 Mobile: 0408 02 774
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Local Government Training Module 2 “ Adding Value to Valuations and Sale of Property Hosted by ARL supported by the RMA.

30 People arrived at the Hotel William on Bell St, Preston for the Local Government Training Module 2 “ Adding Value to Valuations and Sale of Property Hosted by ARL with the support of the RMA.

There were three speakers for the afternoon session the first was Bill Graham Yarra City Council's in house Valuer. Bill spoke on the Valuation Process how it has become a 2 yearly cycle since 1998. He went on to explain the Revaluation is a redistribution of rate payments to make it more equitable across the Municipality. Bill briefly defined Site Value, Capital Improved Value and Net Annual Value along with SMG's being Sub Market Groups which is a grouping together of data which is similar in description this helps determine valuations to compare like with like.

Bill then briefly touched on Valuation Best Practice which came from the Valuer General in which all Victorian Valuers must use the genetically data so the Valuer General sees the same sort of data in each municipality an example of this is when he sees the land use code 140 it stands for Brick Veneer House he can compare the Brick Veneer Valuations of one Municipality to another Municipality.

Bill explained Section 13DF of the Valuation Land Act 1960 regarding Supps and how an error supp can only be backdated if it is code 0 or is the 1st Valuation for the period. He then moved on to Charitable properties said it is really hard to define Charitable and said look carefully into all avenues if a so called Charitable property asks for an exemption to Rates.

Bill was a fantastic speaker adding funny lines during his presentation and providing a brief interpretation of Valuations for Council Municipalities.

Stephen Jarvis – Deputy Valuer General

Stephen spoke on Data elements showing how these elements can be mapped to show the various land sizes, age of buildings, land use, construction materials, he explained doing this would possibly help other Council staff and also if we could sell the data it could be used by a number of businesses.

Stephen Jarvis mentioned the Valuation Land Act Review should be distributed in the next few weeks to Councils.

Alison Umbers from Harwood Andrews Lawyers gave the third presentation on Section 181 Sale of Properties. Alison explained and handed out a paper on what she said are the 12 steps for selling a property. Alison was bombarded by questions from the floor for then next 20 minutes or more in relation to problems Council's are having locating owners and Alias names being used and Deceased Estates, Alison did a marvelous job on trying to answer these questions and offered some other ways of recovering the monies perhaps you could seize assets which she did explain is also very difficult. At last Alison briefly went through a case in 1997 and advised if anyone is going to sell up a property to review this case it may be handy for you. Well done Alison.

Certificates were handed out to all who attended feedback forms were handed out then it was out to the pool area for some networking, drinks and food.

On behave of the RMA I would like to thank ARL for being the host of the day and all those that attended, it was great to see a lot of Country Councils staff and we look forward to the next Module.

Vanessa Faulkner
Vice President RMA



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QUESTIONS ASKED IN GENERAL BUSINESS 26TH MARCH 2004

Question 1.

Rob Smart from Stonnington via an email regarding Verification of Pension Data, most of his verification was rejected due to postcode changes in 1999 which has not flowed through to DHS. Megan Woods from Nillumbik responded hers was the same she rang DHS and they said resubmit and they will fix it up at their end.

Question 2.

Martin King from Monash asked if the RMA has written to DHS regarding the changes required to software and the costing involved. Rod Leith (President) explained that some investigation was done on how much Council's would be up for and said that it varied between software suppliers, and No the RMA has not at this stage written in a letter.

Question 3.

Glendon Dickinson from Warrnambool wanted to know if the RMA could lobby DHS regarding Pensions in general, he states the forms are crap now that we have online verification why waste time completing a form which gets thrown out after 1 year. Glendon volunteered to be a part of the lobbying group, the group consensus was Yes this should be done the RMA to follow up.

Question 4

Wendy Clarke from Shepparton gave a scenario that occurred where a friend came in to pay rates for the ratepayer as she has just come out of hospital, Wendy provided the rate amount to the friend who went to the Cashier and paid the rates. Wendy was then told that she had breached the Privacy Act. This was discussed and the conclusion was that a rate amount is not Private information and we all would have done the same thing. Browyn Baird from Whittlesea mentioned they had a similar situation and they called the Privacy Help Line and was told its fine.

PRIVACY OFFICE NUMBER IS 8619 8719.

Question 5

Martin King asked if the RMA write to BOI to co ordinate Television Adverts for rates and charges including due dates. It was mentioned that some Councils send out a reminder notice prior to the February date even though it is not specified in the act. Russell Hodges from Cardinia said the ads wouldn't work as some Councils are on Instalments only, he also said that they sent out reminders 3 years ago and copped a bit of flack but 3 years later the people are used to receiving a notice prior to the February date. Perhaps Monash could take this option up of issuing notices as a in house courtesy.

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legal update

RATES & THE CHARITABLE PURPOSES EXEMPTION

Section 154 of the *Local Government Act 1989 (LGA)* provides that all land is rateable. However, any part of land used exclusively for charitable purposes is not rateable: s154(2)(c).

In determining whether land is 'used' for charitable purposes it is necessary to focus on the actual use of the land.

The effect of the word 'exclusively' is to preclude something that was not only to serve the purpose specified but also to serve some other purpose. If multiple uses or purposes are involved, it must be determined whether the use for charitable purposes is:

- dominant, and the other uses ancillary or subsidiary to it (in which case, the property is still being used 'exclusively' for a charitable purpose); or
- is but one of two or more independent uses (in which case exclusivity is not made out).

The land is deemed not be used exclusively for charitable purposes if it is (s154(4):

- separately occupied and used for a purpose which is not exclusively charitable;
- used as a residence;
- used for the retail sale of goods; or
- used to carry on a business for profit (unless that use is necessary for or incidental to a charitable purpose).

For example, where land is used primarily for a Church but also includes a piety stall (which sells religious paraphernalia) a charitable purpose will exist. The stall is incidental to the dominant purpose.

The meaning of the phrase 'charitable purposes' is reasonably clear and is based on a classification into four heads of charity:

- the relief of poverty (eg land used to accommodate the aged);
- the advancement of education (eg land used for schools and universities);

- the advancement of religion (eg land used for a church);
- other purposes beneficial to the community, not falling under any of the preceding heads.

Additionally, a purpose is not charitable unless it is directed to the public benefit. This means that:

- the purpose itself must be beneficial and not harmful to the public; and
- the benefit of the purpose must be available to a sufficient section of the public.

One question that often arises in this context, is whether a private institution (eg a private school or hospital) is a use of land for charitable purposes.

It has been judicially accepted that a gift to a private school is generally charitable in character, since it involves the advancement of education. It appears to be accepted that this charitable status (of a private school) is lost if it is carried on commercially, with a view to make profits for private individuals. It is likely that this analysis applies in respect of section 154(2)(c).

So, where profits are generated and paid to members operating a private institution any charitable status will almost certainly be lost.

Checklist

The following questions are relevant when considering whether section 154(2)(c) of the LGA applies:

1. What is the actual use of the land?
2. Can the use be characterised as a use for 'charitable purposes'? That is, can the use be characterised as
 - advancement of religion;
 - advancement of education;
 - relief of poverty; or
 - other purposes beneficial to the community?

And, is there an overarching public benefit to the purpose?

That is, is the use of the land beneficial to the community, and available to a sufficient section of the community?

If not, the exemption will not apply.

3. If the use of the land can be characterised as a use for 'charitable purposes', is the land used exclusively for this purpose?

If there is a collateral, and independent, purpose operating with the charitable purpose, the exemption will not apply to that part of the land.

If there is another, incidental, purpose to the charitable purpose, the rate exemption should apply.



Caroline Morgan is a lawyer in Maddocks' Public Law Planning & Environment group. If you have any queries regarding

any of the issues discussed in this update, please contact Caroline on tel 03 9240 0832 or email caroline.morgan@maddocks.com.au.

Should you have any queries regarding Maddocks' debt recovery business, ML&C Collections, please contact Business Development Manager Marie Treacy on tel 03 9288 0669 or email marie.treacy@maddocks.com.au.



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Member Profile

Peter Sing - 40 Years in Local Government

Peter started with the Borough of Kyabram on the 3rd February 1964 and continues with the Shire of Campaspe. He hitchhiked from Maryborough to attend his interview and then hit the road to go home again. Starting as a 16 year old, Peter was the junior admin officer completing general administration duties which included applying boiled oil to the old wooden desk tops every Friday afternoon

During his time with Council he has:

- looked after rates, creditors and debtors
- implemented private street construction schemes, kerb and channel schemes and half cost footpath schemes
- seen the departure of old accounting machines and the implementation of computers
- was instrumental in construction of the sporting and netball complexes in Kyabram
- has been acting Town Clerk and was studying towards achieving this qualification but did not finish, preferring to spend quality time with his family
- acted as relief swimming pool manager
- was instrumental in ensuring amalgamations went as smoothly as they could with his work ethic and local government knowledge. In fact, he was the admin executive to the interim CEO at this time.
- worked on setting up the customer call centre at Campaspe
- always been known as the "Cultural attaché to the Shire" and is often called upon to assist in interpreting for the local Chinese restaurant owners. (Though he claims he can only speak "Australian" mate)

ATTRIBUTES:

- An ambassador for the Council and the community
- A loyal and loving family man (keeps a close eye on his daughter's boyfriends!)
- Respected by his peers for his knowledge and work ethic and is a mentor to many.
- Level-headed and only been known to "lose his cool" on one occasion when a customer wanted to pay only three quarters of the dog registration fee as his dog only had three legs!
- Known for his humour and always provides great entertainment to those around him. His best effort would have to be after one of the Midstate Xmas parties, where the taxi fare in his pocket and the distance to Kyabram did not match, thereby seeing him with a lengthy cross country walk the rest of the way home. Peter arrived home as the sun was coming up.
- A thorough gentlemen who has found himself walking some of the female RMA members back to the motel after many a night out. (apparently he is the only one of the male members they will entrust with this job)
- A great story teller who can make an average tale into an action packed thriller
- Keen shooter and fisherman and loves nothing better than heading off with his boys for some male bonding
- One of the all time great losing punters. The only time he actually had a big win, he couldn't reinvest as the last race had been run. However, he lost the "wad" out of his pocket somewhere between the race track and home. (intoxication is believed to have had some influence)
- Enjoys a beer and "stitching up" young workmates who try and out drink the old "SILVER FOX"

ACHIEVEMENTS:

- Peter has also been a director, chairman and long term board member of the Kyabram Credit Union and then the Goulburn Murray Credit Union
- Life member of the Kyabram Fire Brigade Cricket Club
- Campaspe has one of the highest collection rates in the State. This has not been achieved by slash and burn processes but by working with ratepayers. Peter will often go out to a farm and sit down with the farmers to work out a repayment plan for their rates. ("at a real kitchen table with a real "rate collector")



Country Conference Wangaratta March 2004



**Thank you to everyone involved in making this a
fantastic conference**

