

Don Colley



Objection to Coffs Harbour City Council application for increased rate rise

To whom it may concern,

Denise Knight (Mayor) and five other councilors are supportive of Steve McGrath (General Manager) to increase rates in Coffs Harbour.

My opinion is that the GM has clearly demonstrated his inability to manage his budget (even after 4 years in the role) i.e. the financial report for 2014 has the payroll budget as \$28 million compared to the 2013 actual of \$37 million and there is a clear anomaly here, especially when the current year 2014/15 is at \$33 million? He has failed to implement an action plan in all that time opting to increase rates as a solution and as the only way to "maintain" existing infrastructure.

Continual amendments appear for the budget ref Council meeting note for 12 Feb 2015 and Nov 2014 budget changes.

There are huge gaps in accountability for setting an accurate budget, controlling that budget and knowing where any costs are headed, then taking corrective actions.

The audit report fails to highlight the poor accounting practice and recommend any budget controls mechanisms - it all seems too easy to make excuses based on wage increases, wrongly allocated costs etc.

As a rate payer my concerns are and reasons for not supporting any increase are:

1. No containment and or reduction in costs i.e. wages; materials and contracts increase year on year.
2. Percentage of rates to ratepayer incomes is >1.44 % and growing in this low socio economic area.
3. TCorp benchmarking is against other councils and is, at best, 4 years out of date!!
4. Benchmarking should be against best practice in business and commerce not just councils.
5. Outstanding rates running at 6% which equates to \$2.3 million plus year on year - please collect, even if curtailed to 3% that's an extra \$1million - they would not be in trouble now. Business wouldn't survive with that amount of non-payment year on year.
6. The General Manager has been in the role for 4 years with no sign of improvement and yet still gets a salary increase and a bonus!
7. The management needs some meaningful KPIs which reflect safety, and clear improvement in financials.
8. There appears to be a clear lack of business acumen.

