

I submit that the Armidale Dumaresq Council application for a SRV of 10% per year over 7 years should not be approved, for the following reasons:

1. The cavalier way in which rate-payers were informed and consulted about this large increase. The explanation for the necessity of an increase was heavily blurred. The publicity – over the long Christmas holiday period – was insufficient and the community was given very little publicised opportunity to express an opinion.
2. Consistent incompetent financial management over many years appears to have led to this situation developing. (I understand a review recommending changes and economies in 2009 was never implemented).
3. The justification for the proposed Special Variation is to address the backlog and make more funds available for desirable but not vital projects. There is no assurance that if the additional revenue was obtained from the rate-payers further poor management would not lead to more overspending in the future.

Therefore: No Special Rate Variation should be considered until Council has made substantial savings by putting its own house in order by:

- Allocating spending priorities
- Eliminating wasteful expenditure
- Reducing staffing levels and unnecessary bureaucratic practices
- Increasing productivity
- Selling off under-utilised or inessential assets

**Only then**, if the budget can still not be balanced, should a rate increase be considered.

One further point. The proposed 10% over 7 years will hit rural ratepayers disproportionately highly, particularly because such a small part of the estimated proceeds would be used on services (such as rural roads) which benefit them rather than the urban community. The current drought will affect the cashflow of livestock farmers, who have had to sell off their stock, over the next several years. A rate increase of this magnitude will not help making ends meet.

Michael Butler

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