

Cardinia Shire Council Budget 2014/15, including Council Plan and Strategic Resource Plan

I have sat here on many previous occasions to comment on the Council's annual budget, and nothing has ever changed. The proposed spending program goes ahead, no matter what members of the ratepaying community have to say. This time I almost intended to say nothing but then decided to use the opportunity to look at the central problem of council's financial administration, so tonight I will come from a different angle.

Observations – I have watched councillors come and go, most approaching the job with high ideals and independent intentions, however by budget time they have been "educated" with regard to council expenditure and financial management and thereby rely on Svengali and Finian here to lead them through the annual budget process. I can think of only two perhaps three councillors who have shown an inclination to question the level and pace of annual spending leading to higher rates charged.

As we all agree, the pressures on Cardinia Shire and indeed all the other high growth municipalities is enormous (if you have seen this month's RACV magazine, a full page advertisement by growth councils Wyndham, Whittlesea and Casey putting election based requests for government assistance with roads, public transport infrastructure etc.) What is Cardinia Shire doing? Contributing \$1 million towards a new government school project in Officer. Education, health and various social services are a government responsibility to be funded by taxes.

The central issue is that State government has declared population growth corridors and is expecting local councils to bear financial responsibility for providing services and infrastructure at an unmanageable pace, and ratepayers are required to pay for things which should be funded by government taxes. This means government is leveraging off the value of people's properties, and unfortunately Cardinia Shire Council feels obliged to cooperate with this process and has continued to incur debt and increase rates over the past ten years, running programs of every kind in addition to the basic requirement of roads, bridges, drains, footpaths and waste removal, to which now the cost of graffiti removal has been added.

A lot of people say to me if CSC has so many ratepayers coming in at a huge pace, why are costs such an issue, they should have plenty of money ?? Council needs to give an answer to this frequently expressed viewpoint.

Despite Council explanation of the new shire office expenditure and consequent \$67 million debt level, there is very negative opinion regarding the need for and location of new premises.

Rates at 5.9% for 2014/15 are viewed against the fact it is a property revaluation year. Looking ahead, there really is no guarantee that rates can be contained as forecast. With new government Plan Melbourne policy to be rolled out with likely further growth and expansion throughout Cardinia Shire, it is likely spending will continue to increase. However, if there is a change of government in November, hopefully a new policy on municipal rates being tied to CPI could be implemented. In the meantime, the outlook for individual property owners remains grim, and there is need for close examination of the means of raising revenue by councils and the collection of government revenue through income tax. The current system has led to a very inequitable situation which will become worse if it is not reviewed and consideration given to a more equitable user pays system. I have some queries on the major projects and expenditure items which will be put to the Manager Corporate Services separately when convenient.

Gloria O'Connor.