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**TRRA**

**TOMAREE RATEPAYERS & RESIDENTS ASSOCIATION**

### **TRRA asks for Independent Enquiry into Council Finances**

The ninety three residents who attended the Tomaree Ratepayers and Residents Association (TRRA) meeting on Monday night voiced their strong opposition to the Council's proposed 8.86% rate hike. Over the past two years Council has increased rates by 8.8%, and if this additional increase goes ahead it will bring the total increase in rates for Port Stephens to 17.66% since the global financial crisis.

TRRA Chairman, Mr Bob Young, said that Port Stephens is reported to have one of the highest mortgage failures rate in the country, as well as a substantial number of retirees on fixed (and depleted) incomes. The council rate income debt ratio (standing at 5.18% of revenue at the 30th June 2009), is increasing and a further hike will only exacerbate this problem.

Following a unanimous vote to reject any further rate increase, there was a growing concern about the financial position, and a strong feeling that the 'council is out of control'. Members requested that representation be made to the Minister for Local Government for an independent enquiry into the financial and management operations of the Council, and the meeting voted unanimously on this motion.

'There are substantial cutbacks that council can and should implement before they put further pressure on an already financially strapped community as a consequence of the economic downturn', Mr Young said.

'When council can demonstrate that it has the will and the way to reduce its own overheads and financially draining business activities, that's the time they should come back to the community with this rate hike proposal.'

'Council allows operations like the Caravan Parks at Samurai resort to continue to lose money – around \$700,000 this year, and the Economic Development Unit to spend \$675,000 – raised mostly from rate income – primarily on salaries, administration and consultancies instead of on activities for the community.'

Council needs to reign in the debt – the \$17 million invested in the unsaleable Newcastle Airport venture, and a further \$29 million attributable to Port Stephens LGA. With \$16 million borrowed last year alone, and all of it a mortgage over the future rates of the Port Stephens community.

'We have all had to tighten our belts, it's about time council does the same.'

Councillor John Nell who attended the meeting would have recognised the mood of the ratepayers toward this rate hike. Hopefully all councillors will get the same message as council tries the 'media spin' over coming weeks in an attempt to win over an already questioning community.

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