

MAYORS BUDGET SPEECH

26 June 2024

Good morning,

Thank you for joining us today as we table the Cassowary Coast Regional Council's budget for the 2024-25 financial year.

I made a commitment to the community when I was voted Mayor earlier this year to keep this council focused on essential services of roads and rubbish, and to provide ratepayers with value for money.

Everyone who knows me, knows that I'm a straight shooter and I tell it how it is.

I've been Mayor now for three months and most of this time has been spent reviewing our budget. I'll tell you straight... there are some things in this budget that I don't like, and some that I do.

Developing this budget has been a heavy process, and much of the expenses are inherited from decisions that were made well before I became Mayor.

So, let's start with what I don't like.

This year our budget has been heavily impacted by:

- Inflation which has seen the cost of building roads and basic infrastructure increase substantially
- Ambitious waste reduction targets set by the Queensland Government increasing our costs for waste and resource recovery operations by 30%
- But the expense that I am most upset about - depreciation. A mandatory transport revaluation of Council's roads, bridges and pathways has resulted in an 13% increase in the depreciation expense.

Cassowary Coast Regional Council's total asset value has increased from \$1.37 billion to \$1.45 billion.

Council is required to revalue each asset class every 5 years to ensure that the value reported is reflective of our current replacement costs.

By Australian Accounting Standards and performance measures set out by the Queensland Government councils must account for depreciation in our financial statements and reports.

In this budget, depreciation will cost us \$36.3 million. This is by far the greatest amount of depreciation required to be accounted for within any of our Council's prior budgets, representing one-third of our operational spend, and \$4.1 million more than last year.



In summary, the 2024-25 Budget provides for \$103 million of expenditure for operations which is made up of:

- \$33 million for employee expenses
- \$33.8 million for materials and services
- \$36.3 million for depreciation

Without intervention, these increased cost pressures would have resulted in an almost 10% rate rise which I refuse to accept, so we've been going through every line with a fine-tooth comb to find savings at every opportunity.

I am grateful to the officers in Council for finding \$1 million in operational efficiencies, and I have their commitment to continue reviewing how they can deliver value for money for our community.

Thankfully, we've been able to bring the minimum increase in residential general rates to 5%. Council has 37 different rating categories so the changes to rates will vary from property to property.

Other rate increases have been guided by an independent Rating Advisory Committee who reviewed Council's general rating categories, providing 11 recommendations of which we've adopted 3 in full, and partially adopted 2 others.

Council will continue to consider the Rating Advisory Committee recommendations throughout the course of this term, and if you tune in to tomorrow's Council meeting, you'll see a full presentation of these recommendations as part of the agenda.

There's the parts that I don't like. Now for the good side of this budget.

I am deeply conscious of the effects of cost-of-living pressures. We have worked hard to keep the 5% discount on general rates if paid by the due date, and the pensioner discount of \$300 – one of the most generous in the state.

Council will continue to offer interest-free payment plans to residents who are in hardship. A redesign of our levies will see the Environment Management Levy discontinued in favour of a new Waste Infrastructure Utility Charge to improve transparency of where this money is being spent. Rest assured we're still looking after our environment.

Council continues to invest in the Cassowary Coast's natural environment and sustainability through the renewal of our biosecurity planning, the rollout of actions from our Cassowary Conservation Policy, coordination of a feral pig control program and a range of activities associated with the review of our Reef Guardian Council action plan.

And I'm pleased to see kerbside recycling finally being provided to our community in 2025.

The Budget invests in our future with \$70.4 million in essential capital spend that will secure the future and give better liveability for us and our children. This includes:

- \$17.9 million towards CBD Revitalisation
- \$27.1 million for water and wastewater infrastructure
- \$11 million for road improvements, pathways, bridges, culverts and recreation areas
- \$5.2 million for stormwater drainage
- \$2.4 million for waste and resource recovery

The renewal of our fundamental needs ensures our future prosperity. And thankfully, the Queensland and Australian Governments have come to the party in helping us deliver some of these projects with over \$21 million in grant funding.

We need to try and encourage people to come and live here, so we're looking for ways to attract and support businesses and cultivate industry in the Cassowary Coast to grow our region and create jobs. To help do this, the budget allows for key community and economic development projects including a priority development area plan of Mourilyan Harbour and the launch of a Cassowary Coast Investment Prospectus.

We'll also continue to support our tourism industry, and our Community Grants and Support Program.

To summarise, the 2024-25 Budget is underpinned by managing unprecedented cost pressures whilst delivering critical services and infrastructure in the interest of our community. While we feel the effects of economic pressures and being a small ratepayer base, we have to be thankful that we live in the best place on Earth – our one coast, Cassowary Coast.

Lastly, although we are still awaiting the results of our Community Scorecard, we remain committed to using this valuable feedback to develop a new Corporate Plan. I look forward to sharing this with you later in the year.

I would like to thank my fellow Councillors for their time and input in preparing the budget and acknowledge the efforts of the Finance team, and the Executive Leadership Team, for their guidance and assistance.

I would now like to offer Councillors an opportunity to speak to the budget.

Thank you.