



Media Release

Banana Shire Council

27 June 2018

2018/19 MAYOR'S BUDGET REPORT

Welcome to the 2018/19 Budget for Banana Shire Council, our third budget since the elections in 2016.

There were many challenges in preparing and setting this budget and it has been prepared based on Council's long term financial forecast, asset management plans, community plans, corporate and operational plans and budget workshops.

In endeavouring to keep rates at an affordable level, Council has applied an average of 2% rate increase across the board on general rates and utility charges for the 2018/19 financial year.

Once again, there has been a property revaluation effective from 1 July 2018, and the impact of revaluations has varied widely across the Shire and subsequently Council had to apply rate capping in several rating categories to smooth the impact of the revaluation.

Further, Council has introduced a number of new rating categories in an effect to achieve equitable rating charges across the Shire.

This budget has a significant level of capital works totalling some \$23m including some \$9.3m for roads, bridges and drainage, \$8.9m for water and sewerage, whilst the roads maintenance budget has been increased to \$5.5m.

A significant impact on this budget will be the finalisation of the ongoing flood damage restoration from the disaster events that occurred. This will be the first time since 2010/11 that Council will finalise these works, and transition back into its normal operational works program for the major infrastructure.

Future budgets will reflect this return to normal operations.

Council continues to source external funding for capital projects that are both affordable and identified priority projects for Council.

Council acknowledges the State Government for its ongoing commitment to funding the Works for Queensland program. Council received \$1.73m in the first round of the program and has completed all of the approved projects.

A further \$1.71m was approved during the 2017/18 financial year and the following projects have been approved:

- Automated Water Meters – Biloela/Moura
- Car Park – Baralaba
- Bikeway/walkway – Theodore/Taroom
- Skate Park pads – Goovigen/Baralaba/Jambin
- Solar panels – Moura Water Treatment Plant
- Murals – Moura/Lawgi
- Industrial Estate – Biloela

Another round of funding has since been confirmed and Council will receive a further \$1.67m in this round. Project submissions are yet to be lodged by Council.

Council's loan balance currently stands at \$9.8m and there are no projected loan borrowings in the 2018/19 budget. Council's debt balance at the end of the 2018/19 financial year will be \$8.3m and Council remains on target to be debt free in the 2024/25 financial year.

One ongoing issue for Banana Shire and all Council's in Queensland is waste management.

In preparing this budget report, I noted the comments in Council's 2010/11 Budget Report by the Mayor of the day in relation to the introduction of a waste disposal levy by the State Government.

It certainly is a case of history repeating itself and the State Government in May/June announced the reintroduction of the waste disposal levy, effective from 1 January 2019.

Whilst we all acknowledge the need to significantly reform the methods of waste disposal, Council is deeply concerned that the cost impact on rate payers will be significant.

Council is working through the details of the State's new legislation and is seeking further and better particulars on a number of areas on this critical issue.

I cannot over emphasise, there will be a direct cost impact on Council, and there may well need to be a significant budget review and reallocation of resources during the course of the financial year.

This is a very complex issue and from a Council perspective, there is no quick fix.

This also comes at a time when Council has committed significant resources to the Trap Gully landfill site and the conversion/upgrade of the Taroom landfill site to a transfer station.

MAJOR PROJECTS 2018/19

WASTE SERVICES

Trap Gully	Rehabilitation	\$500,000
	New cell construction	\$600,000
Taroom	Closure of tip and planning/construction of transfer station	\$350,000

COUNCIL'S HALLS AND BUILDINGS

Community Resource Centre Building upgrade (subject to external funding)	\$650,000
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SWIMMING POOLS AND SPORTING COMPLEXES

Moura Pool	Refurbish amenities/ablution building	\$70,000
Biloela Pool	Shade structure/solar/disability ramp	\$500,000
Taroom Pool	Lighting	\$85,000

AIRPORTS

Moura Airport	Lighting/fencing repairs	\$40,000
Thangool Airport	Fencing upgrade	\$300,000

LAND DEVELOPMENT

Raedon Street Industrial Estate	Construction of next stage	\$1,400,000
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TOURISM INFRASTRUCTURE

Lake Callide Retreat	Amenities Block	\$80,000
Cracow	RV Park	\$150,000

WATER AND SEWERAGE

Automated meter reading Biloela/Moura	\$450,000
Install SCADA and telemetry equipment	\$334,500
Moura water intake and truck main	\$950,000
Thangool water pump station	\$370,000
Biloela water infrastructure upgrades	\$302,400
Moura water infrastructure upgrades	\$1,268,798
Biloela sewerage infrastructure upgrades	\$1,557,000

ROADS AND INFRASTRUCTURE

Roads maintenance	\$5,500,000
Rural construction	
Gravel	\$825,000
Sealed	\$3,130,000
Rural drainage	\$573,150
Rural reseals	\$187,225
Urban	
Construction	\$464,000
Drainage	\$790,000
Reseals	\$295,000
Bridge upgrades	\$2,042,000
Footpaths/bikeways	\$405,000

SUMMARY

As with all budgets, there is the challenge of finding a balance between providing a wide range of diverse services and facilities to the many communities throughout the Shire whilst delivering these services fairly and equitably.

Council has taken all reasonable steps to bring down a fair and equitable budget whilst trying to keep rises to a reasonable and acceptable level.

I commend this budget to you.

Councillor Neville Ferrier
Mayor, Banana Shire Council

MEDIA NOTE: For further information or media comment, contact Mayor Neville Ferrier, on (07) 4992 9500 or 0448 011 814.