

2018-19 Mayoral Budget Statement

Welcome to the announcement of the proposed Western Downs Regional Council's Budget for 2018-19.

It is with great pleasure that I present my third Budget of this term of Council.

Financial Sustainability

At the forefront of every budget is the need to keep Council financially sustainable so that we can deliver essential services and maintain the assets required for the delivery of the services in good working order.

I'm pleased to advise that this Budget, and our forecasts over the next nine years, indicate that Council will be financially and operationally sustainable. However, I'm mindful of the need to start considering the future beyond then and we are committed to handing over a responsible and sustainable Council when that time comes.

Since 2015, through prudent and diligent financial control our Council has reduced its debt by more than \$50 Million dollars. This has substantially reduced debt repayments and eased the pressure on our operational budget.

For 2018-19, Council is expecting to deliver a modest surplus of \$1.5 million dollars. This budget has been built on a solid foundation of the continuing tight control over our expenditure. We are achieving this and, as a result, have been able to contain the rates and utilities charge increases to 1.5% which is less than the Reserve Bank's expected inflation of 2.25% for 2018-19. Gas charges will also increase by 1.5% while our other fees and charges, on average, will increase by 2.5%. This compares more than favourably with the Queensland State Government's 3.5% increase in fees and charges.

Our operating revenues are budgeted to be \$143 million and our operating expenses \$141.5 million. This includes the rates and utility charges of \$89 million, which is almost the same as the \$88.8 million we expect to collect in 2017-18.

Our capital expenditure program is \$47.9 million, and of that, \$31.4 million is allocated to maintain and upgrade our 7,500 kilometres of road network. This considerable financial injection will allow us to continue upgrading and improving our vast transport infrastructure.

Great Liveability

In delivering the Budget for 2018-19, Council has focussed on making sure that the Western Downs region is affordable for our families to live, work, prosper and play.

Depending on where you live, the 1.5% increase will result in the average residential ratepayer paying between \$35 and \$43 extra per year in rates and utility charges including water consumption. For a rural ratepayer, the average unimproved property value is \$518,000 and, therefore, the increase on an average property will be \$54 extra per year.

We believe your rate increases are modest and we're also continuing to invest in the region to improve its liveability. We're confident that these projects we've committed to will add value and benefits to our communities. They include:

- Completion of the Chinchilla Parklands which will feature Queensland's largest inland water play park, an amphitheatre, many differently themed gardens, mega-fauna and railway heritage amongst other features. This exceptional facility is expected to be completed in the first quarter of next year and be a great place for the people of Chinchilla and visitors to enjoy.
- Further upgrades to the Tara Lions Park, making it one of the premier parks in the region and giving the community access to great multi-purpose open spaces. We've also committed to fund an initial project which will be identified through the Master Planning of the Tara Lagoon. We look forward to this master plan coming to fruition in the coming years.
- We recognise that a secure water supply is essential. Our current priorities are the water supplies for Dalby and Bell. Work will soon commence on the drilling of a new bore for the people of Bell while in Dalby funding has been secured for a new bore to supplement the existing water supply.
- Throughout the region we will be spending \$49.5 million on roads, bridges and footpaths. Council has allocated capital works for roads, bridges and footpaths with the following highlights:
 - \$7.7 million on Dalby, Bell, Jandowae and surrounds
 - \$5.3 million on Chinchilla and surrounds
 - \$2.4 million on Miles and surrounds
 - \$2.6 million on Tara and surrounds, and
 - \$1.5 million on Wandoan and surrounds.

Active Vibrant Communities

Within months the Knowles Pavilion upgrade will be completed. The improved venue will be fully air-conditioned (including on its verandas), have a quality commercial kitchen, audio and visual systems, upgraded flooring and lighting and improved landscaping. For the first time, Dalby will have a facility which will be able to host a variety of high quality events that previously may have had to be held outside the town.

Council is also committed to maintaining our other civic centres and community halls so that they continue to be valuable community resources.

Next year we will be providing significant funding to our libraries so that these marvellous facilities remain a real hub of activity and learning in our communities. Our other cultural activities, including our art galleries and the funding of cultural programs and art projects and groups, have also been catered for in this budget.

Recently Council entered into a new contract to manage and operate our pools and as a result we hope for increases in pool attendance with new programs and better value for money on offer to pool users. In this budget, we have also committed to maintaining and improving these outstanding community facilities as these great recreational areas strongly support our active and vibrant community.

We have also budgeted funds to keep our sports and recreation grounds in good condition so that they can continue to be enjoyed by members of our community throughout the year.

Construction begins shortly in Chinchilla on a new skate park to enjoy, with this project to be completed within months.

We will continue to find ways to attract tourism to the region and as such will be constructing a panoramic lookout in the Bunya Mountains which will provide visitors with a purpose-built viewing platform that makes the most of the Western Downs vista.

Council will also continue to support local events and community organisations by providing grants and donations. We have allocated money for community events including Australia Day celebrations, citizenship ceremonies etc. We will provide almost 200 community organisations with concessions on rates and utility charges so that they can use the money they save to better service the community.

Economic Development

While we won't see the record levels of investment that occurred during the development of the coal gas seam industry, we are still seeing significant new investment in the region.

The region's economic strength lies in its agricultural economy together with the ongoing investment in the coal seam gas industry and the investment in the power generation and transmission industries. This is not to understate the importance of our established manufacturing businesses and the improving retail capability (as demonstrated by Bunnings opening its doors in late 2017 and Aldi to commence trading in the coming months).

Construction continues for the 250 MW solar farm near Kogan with the first 100 MW nearing completion. It will be Australia's largest solar farm when it's fully operational.

At Cooranga North construction has commenced at the \$850 million Coopers Gap Windfarm. On completion it will be Australia's largest windfarm.

Our industries are underpinned by quality highway networks to the north, east, south and west as well as Queensland's largest local road network.

Council has also secured considerable funding from the Department of Transport and Main Roads to undertake the landscaping of the Warrego Highway upgrade through the town of Dalby to compliment the upgrade.

The upgrade of the Warrego Highway through Chinchilla is expected to commence in 2018-19.

These upgrades together with the 2nd Range Crossing will make our region more accessible than ever before.

This investment in the Western Downs is supported by what industry acknowledges is Queensland's best planning scheme.

Council is committed to the management of pests, the stock routes and vegetation as failure to control can have a significant negative impact on the regional economy. Funding has been allocated to address these matters.

Council is also committed to growing the Western Down's economic base.

To assist the improvement for tourists, Council has upgraded its internet presence and has budgeted for the provision of Wi-Fi at all our major centres. This budget also has allocated funding to support and market our signature regional events including:

- Delicious and Delightful Festival
- Chinchilla Melon Festival
- Opera at Jimbour
- Tara Camel Festival
- Back to the Bush
- Timbertown Festival, and
- Big Skies.

We have also set aside funding to attract industry conferences and forums.

Western Downs faces the very same challenges faced by inland regional communities everywhere. Declining employment opportunities in agriculture because of property aggregation and greater productivity left unchallenged will naturally result in declining populations.

We must harness all our collective efforts to grow our economy across a wider spectrum than merely historic or traditional industries. We must seek out and encourage the new industries that will sustain and employ our communities in the decades to come. The economic rewards can be hard fought and the gains incremental, however, we must pursue a more diverse economy for our future.

Conclusion

In conclusion, I submit this Budget, as detailed in the accompanying reports, to Council for consideration and subsequent adoption.

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I would also like to acknowledge the work of both Council, management and staff in preparing for the adoption of this Budget and congratulate you all on a great team effort.