

Fellow Councillors, ratepayers, community members and staff.

I present the Barcaldine Regional Council 2024-2025 Budget. This has seen the new Council come and pull together in a very short timeframe and I am proud to say I think we have prepared a budget that responsible given the current economic conditions and cost of living pressures. While the economy is reporting stabilising economic conditions with the consumer price index at 3.6% for the March Quarter (abs.gov.au), cost impacts for Council are significantly higher.

Cost of living is continuing to be a barrier of living in the west and the budget we have prepared looks to balance the needs of Council while trying to limit the impact on the community. Council is heavily reliant on grant funding and sales revenue. Council's own source revenue continues to be quite low at 22.76%. This budget builds on the strong foundations of the previous Council to continue to retain a positive cash position and remaining on track to be debt free by 2030.

The budget is stretched this year with leveling out of the federal assistance grant having a great deal of impact on Council's fiscal position. Capital works is a crucial element for Council in effective management of assets and roads are the top of our list. A new round of Roads to Recovery funding and Works for Queensland will be essential in funding some these renewal programs across all our asset classes. The projects in our capital budget largely focus on renewal, but we have still reserved some funds for Major Projects.

The \$12.6million capital program for 2024/2025 is headlined by the revitalisation of Gordon Street, Aramac. The main street and business hub of the community will see Council take the opportunity of various assets requiring renewal in this area, to revitalise the street in major project expected to cost \$1.2million over two years. The project will include new streetscapes, footpaths and enhancement projects, breathing new life into this small community.

The capital program is funded with \$5.7million of external funds and Council has listened to the community and spread the money far and wide to all areas of our region. Plant and fleet is a major part of the capital replacement program, however does provide significant return on investment for its outlay. Some of the community capital highlights include:

- \$730,000 for the Community Buildings Program providing critical improvements to town halls and showgrounds. \$505,000 to be spent in Alpha and Jericho
- \$300,000 over three years for solar power installations on Council's high energy use locations
- \$395,000 for Footpaths around the Alpha State School and along Bridge Street, Muttaborra.
- \$60,000 for community enhancement projects in Muttaborra, and Barcaldine
- \$50,000 for further improvements to the Barcaldine Rec Park
- \$50,000 for waste management initiatives
- \$3.2million over two years for the Barcaldine Sewerage Treatment Plant

Roads, as I mentioned is a priority for this Council and this is headlined by Council committing \$3million over the next three years to Gravel Road Resheeting and increasing the rural road maintenance budget to \$2.3million per year. Council will continue the floodway improvement program, rural road sealing program and the finalisation of the flood damage works under the Restoration of Essential Public Assets funding from the Queensland Reconstruction Authority.

To support the continued investment into our assets, Council will be developing Asset Management Plans across all our asset classes to better inform Council of the appropriate level of renewal we have in front of us.

The capturing of Council's future vision, direction and development will set out in a number of strategies and planning documents being prepared in 2024/2025. A regional housing strategy will outline a clear future for one of our region's biggest challenges. Housing is at a premium across our region and in many cases impacting the growth of our area. With the prospect of significant investment across our region in the coming years, getting housing right will be critical for this success.

As mentioned our cash flow is a constant challenge and the reliance on external funding has never been more important. To alleviate this challenge, Council will invest in a grants management program designed to focus on increasing our grants revenue, while supporting the growth of our community groups in this space as well.

A local laws uplift and sealing of the private road at the Barcaldine Age Care facility are other significant investments in our operating budget. On the main roads front, Council once again will partner with TMR to deliver much needed improvements to our State Road Network. Completing the widening of the 5km section of the Barcaldine Aramac Road, and \$4million RMPC program will provide for considerable improvements and maintenance to the network. The prospect of Beef Roads funding for roads in the Alpha area could see huge investment over the coming years and Council continues to advocate for this funding to be brought forward for delivery.

Financial Sustainability for a number of years has been a fixture for measurement of the budget and Council's financial performance. Major reform has been undertaken by the Department of Local Government in consultation with Councils, Queensland Treasury and Queensland Audit Office. The new measures now expanded provide some flexibility in understanding the unique situations of rural and remote councils being different to resource and coastal councils. I can inform you that our projections see Council achieving all financial performance targets over the 10 year forecast, however our operating performance is skating very close to the wind. Our operating deficit of 3.9% will need constant focus to monitor over the coming years and view to improve this position.

Rates are being impacted in 2024/2025 with a general rates and utility charges rising by 4%. Waste continues to be a major challenge for Council to provide the essential public service, while meeting the legislative requirements. The impact in waste management and collection charges will again be 8%. This is a challenging situation for the community and more work needs to be done to address the shortfall in covering the cost of the waste service.

This is a responsible budget given the economic conditions we are operating in. A solid financial position will be monitored with watchful tracking of expenditure and maximising of grant revenue. This has been a tough budget, but I feel it offers something for all our communities to be in a better place going forward.

I commend this budget to the chamber.