

2025-26 BUDGET



MAYORAL STATEMENT



ST GEORGE | BOLLON | DIRRANBANDI | THALLON | MUNGINDI | NINDIGULLY | HEBEL

2025-2026 - MAYORAL BUDGET STATEMENT

Good morning Councillors, Ladies and Gentlemen,

Today we present the 2025/2026 Budget for adoption, our second budget of this Council term. Once again, this budget has been developed with care, responsibility, and a strong focus on core infrastructure for our communities. Council remains in a stable financial position with low debt and is focused on delivering quality services from roads, water and sewerage, waste management, to community liveability assets like libraries, sporting facilities, parks, clean amenities and cemeteries.

This budget has been developed in a climate of rising costs, reduction in grant funding and continued recovery from significant flood and rainfall events. Despite these pressures, we have delivered a conservative and responsible budget with a focus on finding efficiencies and cost savings wherever possible.

Council adopted its fees and charges and operational plan for 2025/2026 on 19 June 2025, with the final budget to be adopted today, 17 July 2025. While some may see this timing as late, we remain well within the legislative timeframe, which allows Councils until 1 August each year. This ensures our year-end processes are finalised and any carry-forward projects are confirmed, providing clarity and certainty for the year ahead.

Importantly, Council has kept the increase in general rates and utility charges to just 4%, significantly below increases seen across Queensland this year. Some Councils have been forced to increase their rates by more than 25% to cover rising costs and compliance pressures. Here in Balonne, we are mindful of the cost of living for our residents and have done everything possible to keep our rate increase moderate and fair.

I am also pleased to confirm that Council will continue its commitment to delivering a fairer, simpler and more transparent rating system through the ongoing implementation of our single rural rate strategy. This long-term strategy was first introduced to consolidate numerous complex rural categories into a single, streamlined rural rate, making our rating model more equitable and easier for landholders to understand. After careful review and consultation, Council will extend the transition period by a further three years, meaning the single rural rate strategy will now be fully implemented by 2027/2028. This extension ensures we continue to balance fairness and equity for rural landholders while maintaining the revenue needed to deliver essential services across our Shire.

The 2025/2026 budget forecasts a net operating deficit of \$2.328 million (excluding capital revenue) and a net surplus of \$1.09 million (including capital revenue). Our total revenue is \$53.621 million, with expenditure of \$52.531 million. The capital works program is forecast at \$16.055 million, with extensive flood recovery works estimated at \$13.024 million, a figure expected to grow as further submissions are approved.

Council's key focus continues to be maintaining and renewing our core infrastructure. We have a better understanding of our water and wastewater assets working with the South West Queensland Regional Organisation of Councils to develop a 10 year plan and full asset condition assessment. We have improved asset condition data on our road network and will continue to work on restoring our road network impacted by recent flood and rainfall events. In addition, we will focus on securing betterment funding to improve our road network and work with landholders where necessary to ensure product can get to market.

We will continue to secure future opportunities for growth and investment and support local jobs and businesses. We have again renewed our ISO accreditation and our prequalification under the Department of Transport and Main Roads' National Prequalification System for Civil (Road and Bridge) Construction Contracts, positioning us strongly to earn revenue through road performance contracts (should they become available)..

We recognise that our small rate base cannot carry the full burden alone. That is why we continue to advocate for fairer Federal Assistance Grants, seek external funding, and actively identify opportunities to diversify our revenue streams and delivery services more efficiently. Council recently having its motion adopted at the National General Assembly of Local Governments in Canberra to request that the Federal Government pay the Federal Assistance Grant in the financial year that it falls due and provide greater certainty on the value and timing of payments.

Meeting complex regulatory requirements for waste management across our seven communities is, as it has in recent years continuing to place significant upward pressure on expenditure. This ranges from costs associated with landfill remediation, green waste management, fencing and CCTV. As part of this year's budget, Council has made the necessary decision to close the existing Hebel landfill facility, as it did not meet environmental compliance standards required under State legislation. To maintain waste services for the Hebel community, a new transfer station has been installed. As a result, the cleansing charge for Hebel residential properties will increase from \$152.85 to \$357.30 for 2025/2026. To help lessen this impact, Council will apply a one-off subsidy of \$100 for all affected households. A new \$5,000 cleansing charge will also apply for commercial Hebel premises, with the option to request an exemption if certain criteria is met. This transition ensures environmental compliance while continuing to provide essential waste services for Hebel residents and businesses.

I would also like to highlight several key capital projects funded in this year's budget. Council will deliver important upgrades including a \$1.5 million re-sheeting program across our rural road network, \$1.44 million to support industrial development in St George, and more than \$1 million for sewerage treatment plant and pump station upgrades. Footpath renewals in St George, Bollon and Thallon, along with kerb and channel improvements, will enhance community safety and amenity. We are also investing over \$4.8 million in new and replacement plant and equipment to ensure our teams have the right tools to maintain and deliver essential services.

In addition to our capital program, this year's budget delivers a range of important operational projects to support our communities and remain well-prepared for the future. Key initiatives include major flood studies across multiple towns, new drainage plans for Dirranbandi, and the St George Integrated Stormwater Project. We are investing in rural services such as firebreaks and pest plant programs, continuing feral animal management, and upgrading biosecurity planning. Our waste management focus includes a trench for Dirranbandi landfill, annual green waste collections, and further improvements to recycling and waste reduction. Council is also supporting our people and local economy through staff training, a tourism and events strategy, a community mental health and wellbeing program, and supporting our youth council and youth summit activities.

Council looks forward to working with our communities, contractors and suppliers to plan and deliver all projects and continuously improve service delivery. At the same time, we will continue to advocate for our communities through our key stakeholders at a Regional, State and Federal level.

In closing, I thank my fellow Councillors, our Chief Executive Officer, the Directors and all Council staff for their efforts in developing this budget under challenging conditions. Together, we remain committed to delivering for our communities, managing costs carefully, and building welcoming, connected and innovative communities, where economies are strong, and opportunities are abundant.

Cr Samantha O'Toole
MAYOR

Tabled at the Special Council Meeting to adopt the budget on Thursday 17 July 2025.