

Budget 2019/20 Media Release

27 June, 2019

Council approves modest rate rise

Balonne Shire Council today announced a modest increase of 2 per cent in the minimum general rate, rate in the dollar and utility charges at its Budget Meeting.

Mayor Richard Marsh said the Balonne Shire 2019-20 Budget included some landmark decisions of which Council could be proud.

“These include the Wild Dog Exclusion Fencing Special Rate Scheme and new rating strategy to move toward a single rural rate in the dollar,” he said. “This is the last Budget prior to the March 2020 elections and we can today say this is a Council budget that will realise our vision to have connected, innovative communities, where economies are strong and opportunities are abundant.”

Cr Marsh said the rate increase for the rate in the dollar and minimum general rate in most rate categories was consistent with the Council Cost Index (CCI).

“Council’s general rate revenue represents only 30 per cent of our total revenue and is insufficient for long-term financial sustainability,” he said.

“We have been on a two-year journey to review our rates and charges structure and are now proposing to move to a single rural rate in the dollar for rural categories 60 to 63 and 65 to 75 with these categories to be consolidated into four rating categories 100, 200, 300 and 500. To minimise the impact on those affected ratepayers this will be transitioned over a seven-year period and without a consumer price index (CPI) or CCI increase in the first year.”

The Mayor said the new rating strategy met all the recommendations under the Queensland Audit Office *Managing local government rates and charges* report last year and took into account the significant changes in valuations in 2017-18.

“Water, waste and sewerage utility charges will increase 2 per cent – except for Mungindi. Mungindi rates are set based on Moree Plains Regional Council services plus an administrative charge. Balonne Shire and Moree Plains have no plans for an increase in utility charges for Mungindi in 2019-20.

“In 2019-20 Council will increase the rates for all other categories by 2 per cent for both the rate in the dollar – which is applied to the land valuation to determine the amount you pay - and the minimum general rate - which is the minimum amount payable irrespective of valuation and is used for essential services such as road works, car parks, boat ramps, libraries, street lighting, community health and sporting facilities, parks and reserves, and amenities such as showers, toilet and barbecues in parks.

“The new rural categories 100, 200, 300 and 500 will see a new rate in the dollar that will progress over a seven-year period towards a single rural rate in the dollar – limitations will also apply to assist the transition.

“Eligible pensioners will continue to receive the maximum concession. Council recognises the responsibility it is charged with and has concentrated on creating a budget that can deliver essential services to our communities, whilst keeping rate and charges increases to a minimum.”

Cr Marsh said overall the Budget showed a significant operating deficit due to the accrual accounting requirements to recognise revenue when it was received.

“Council has received a number of funding approvals and milestone payments in 2018-19 in excess of \$2 million. These funds will be expended and progressed in 2019-20 and 2020-21,” he said.

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