

MAYOR'S *Budget* MESSAGE

QUILPIE SHIRE COUNCIL BUDGET 2015-16

A WRAP UP FROM THE MAYOR

The adoption of the 2015-16 budget is heralding what should be a positive and progressive year for the Quilpie Shire. The 12 months just completed has seen some of the planning and initiatives of previous years starting to bear fruit. The implementation of the 2012 rates and charges review and a concerted effort to restrict expenditure increases below what was the accepted "norm" has certainly reaped rewards. Coupled with a well delivered capital works program which invariably came in on time and at cost the 2014-15 financial year has produced a \$2.2M surplus over what was forecast.

The excellent work by the Proterra Group in securing and managing our continuing flood damage program has also been extremely valuable in maintaining the quality of our shire roads and in so doing providing continued employment for our shire and private road construction gangs. Proterra's contribution cannot be overstated.

Each of these factors have contributed to positioning Council well to take on another ambitious capital works program, with the highlight being the construction of the new Council depot and workshop. This \$5.2M project is extremely significant for the Shire and will set up our workforce for many decades into the future. This project has been discussed ever since I was first on Council 18 years ago, but for one reason or another it has never happened. It is very satisfying to see it finally happening.

To help cover this cost Council is setting up a loan facility with QTC (Queensland Treasury Corporation). It is also a significant step for Council which, in the past, has had a "no loan" policy. I believe this has put us at a disadvantage as we were entirely reliant on cash reserves to fund everything. This was not conducive to making the big long term investment decisions. Setting up this loan facility at this time is also taking advantage of possibly record low interest rates. It also takes some of the burden off today's ratepayers to pay for what is, in effect, infrastructure for our future generations.

As I write this the State Government budget has just been handed down and, although early days, there are signs that there may be more opportunity for road construction funding than what we have seen in the past, especially on State roads. This will be a major boost for our Council workforce, in particular, looking forward.

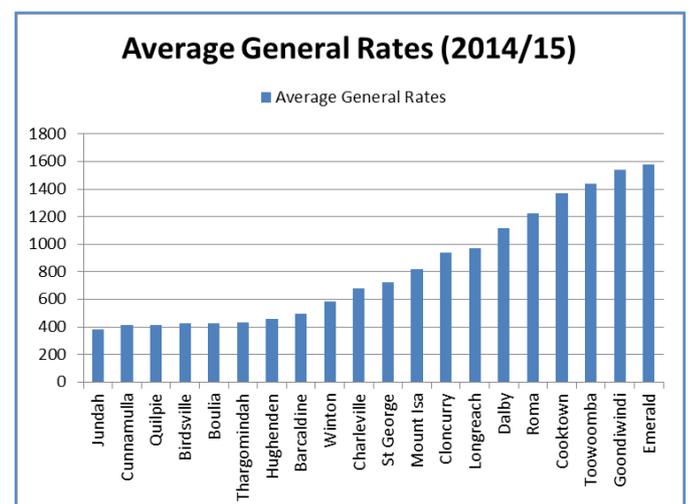
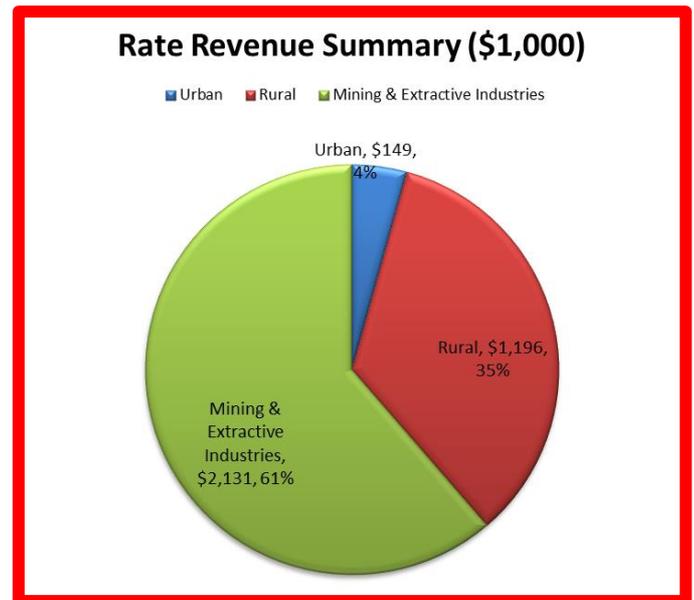
RATES

Rates have been increased on average by 2.5% across the board. Some considerable pain has been visited on our urban and resource sectors in the last two years so I am pleased to report that the goals of the 2012 rates review

Just as Federal and State Governments collect taxes to pay for their programs, Council collects rates to fund the services to the community. Many of these services have seen significant cost increases and critical funding from other levels of Government is tighter.

have been met and I don't see any more substantial rate rises in the foreseeable future. In the present climate some serious consideration was given to even a CPI increase but Council, with some misgivings, has decided to continue the well established policy of not allowing our revenue base to get out of step with our ever increasing expenditure.

Changes in valuations will impact on individual rates with some increasing by more than that and some may actually decrease. The resource sector has experienced a significant downturn and Council has looked closely at how that is impacting and made adjustments to relieve rate pressure on the larger lease holders.

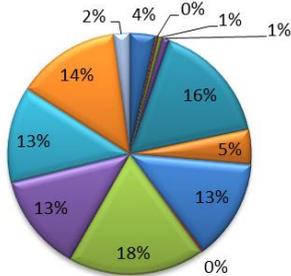


Quilpie Shire Council continues to retain one of the lowest average general town rates in the State.

Keeping our Community Connected

Rates Revenue by Category (\$1,000)

- Cat 1 Quilpie
- Cat 2 - Eromanga
- Cat 3 Other Rural Towns
- Cat 4 Mining Tenements
- Cat 6 - Rural <7\$/ha
- Cat 8 - Rural 7-10\$/ha
- Cat 9 - Rural > 10\$/ha
- Cat 10 - Pumps, Bores & Telec
- Cat 11 - Mine&Oil Prod <5000ha
- Cat 12 - Oil Prod 5000-10000ha
- Cat 13 - Oil Prod 10000-20000ha
- Cat 14 - Oil Prod 20000-50000ha
- Cat 16 - Oil Distillation/Refinery



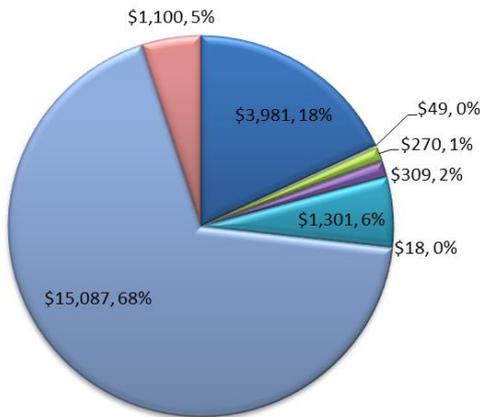
OTHER CHARGES

Charges for sewerage, water and garbage collection have been increased by 3%. The good news is that, after many years of above CPI increases, the goal of achieving full cost recovery on sewerage, water and garbage collection services has been achieved.

Council offers a generous pensioner subsidy on rates and charges of 50% up to a maximum of \$450. This is on top of the State Government's Pensioner Rate Subsidy Scheme for eligible Centrelink card holders. Information on eligibility is available on the Department of Communities, Child Safety and Disability Services website www.communities.qld.gov.au

Revenue (\$1,000)

- Rates & Charges
- Fees
- Rental
- Interest
- Sales
- Other
- Grants
- Capital Revenue



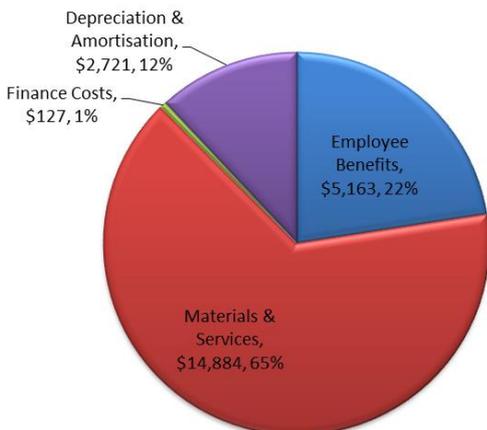
CAPITAL WORKS

The new Council workshop and depot is the major component of a \$9M capital works program. In addition though, \$680,000 will be allocated to increasing the sealing of the Kyabra road. This 85 km link road sealing project was commenced by Council over 10 years ago and with only 19 km left unsealed the completion of this upgrade is drawing near. Other road projects include the widening of Sommerfield Road in the major industrial area of Quilpie and sealing the well used section of the Adavale Black road as far as the turn off to Lake Houdraman.

A \$1.2M plant replacement budget allocation will maintain our plant in an enviable state of constant renewal.

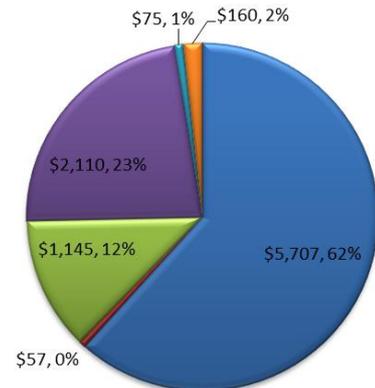
Expenditure (\$1,000)

- Employee Benefits
- Materials & Services
- Finance Costs
- Depreciation & Amortisation



Capital Works (\$1,000)

- Buildings & Structures
- Furniture, Office Equipment & IT
- Plant & Equipment
- Roads and Drainage
- Water Infrastructure
- Sewerage Infrastructure



HOW CAN I PAY MY RATES?

Rates notices are issued twice yearly. To ensure you receive the applicable discount, full payment **MUST BE RECEIVED BY COUNCIL** by the due date. Payment options:

By cash, cheque or credit card at the Quilpie Shire Council Administration Office;

By posting your cheque to Quilpie Shire Council PO Box 57 Quilpie Q 4480;

By telephoning the Quilpie Shire Council Administration Office on 07 4656 0500 with your credit card details;

By BPay using biller code 504407 and the customer reference number stated on your rates notice; or

By direct payment to Council's bank account using your rates assessment as the reference (please contact the office for account details).

*PLEASE ENSURE YOU ALLOW SUFFICIENT TIME FOR BANK TRANSFERS AND MAILING SO THAT PAYMENT ARRIVES AT COUNCIL BEFORE THE DISCOUNT PERIOD CLOSES.

LOOKING FORWARD

The outlook from a Council perspective is certainly the most positive it has been for some time. This is due to a strengthened financial position and a proven recent excellent performance in capital project delivery. With the possibility of increased government investment there is every reason to look forward with some confidence.

I would like to congratulate all our staff for their contribution to a successful year and look forward to similar results in 2015-16.

Warm Regards,

Stuart Mackenzie

Mayor Quilpie Shire Council

The following table provides details on Council's capital works program.

Activity	Budget (\$000)
Activity: Tourism	
Military history museum additional fit-out	\$30K
Activity: Administration	
Complete the budgeted IT replacement program	\$57K
Activity: Housing & Buildings	
Admin building paint trims and gutters and replace posts	\$30K
Admin building part internal paint	\$15K
Adavale Hall septic system upgrade	\$15K
Cultural centre internal paint	\$22K
Housing 43 Galah St external paint gutters and trims	\$10K

Activity	Budget (\$000)
Housing 43 Galah St outdoor areas	\$40K
Housing 67 Boonkai St fence 4 sides	\$15K
Housing Gyrica Gardens external paint gutters and trims	\$20K
Quilpie Hall supper room paint and repairs	\$30K

Activity: Public Services

Construct stage 1 of the lawn cemetery Quilpie	\$30K
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Activity: Depots & Camps

Construct new depot	\$5,200K
Construct storage shed Eromanga Depot	\$20K
Replace camp units	\$80K

Activity: Roads

Reseal Kyabra Road 00km to 10.8km	\$390K
Reseal Mt Margaret Road 10.10km to 12.42km	\$70K
Reseals Chipu St (Brolga to Winchu full width)	\$80K
Reseals Chulungra St (Brolga to Bulloo Park full width)	\$70K
Reseals Buln Buln St (Brolga to Galah full width)	\$80K
Reseals Gyrica St (Brolga to Winchu full width)	\$50K
Kyabra Road upgrade to sealed standard 65.2km to 84.6km part	\$680K
Hell Hole Gorge access road stage 2	\$150K
Rest area Rick's Jump Up	\$40K
Black Road upgrade 00km to 2.8km	\$300K
Widen Sommerfield Road stage 1	\$200K

Activity: Parks

JW Park upgrade kiosk fit-out	\$30K
JW Park upgrade main oval lighting	\$50K

Activity: Aerodromes

Lighting upgrade	
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Activity: Fleet

Plant replacement program:	\$1,205K
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Activity: Water Supply

Fire fighting main to Quilpie aerodrome	\$75K
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Activity: Sewerage

Quilpie STP repairs	\$100K
Raise sewer manholes Quilpie	\$50K
Replace sewer main CWA Hall Quilpie	\$10K

Activity: Community Development

Quilpie minor projects	\$50K
Eromanga minor projects	\$35K
Adavale minor projects	\$25K
Toompine minor projects	\$10K
Quilpie street banners	\$20K

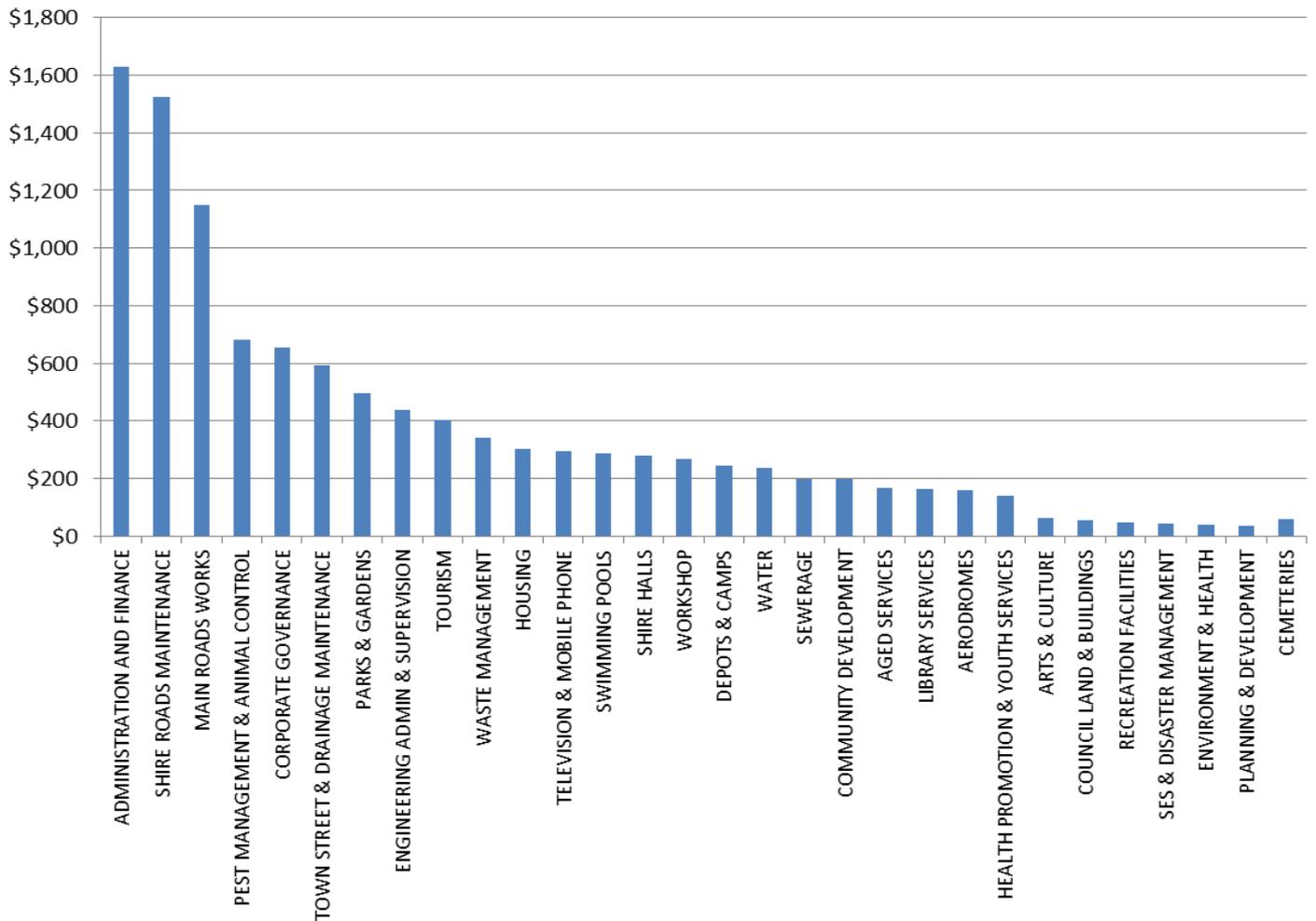
Activity: Shire Halls

Upgrade Adavale Hall septic tank	\$15K
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Activity: Swimming Pools

Construct shade structures	\$25K
Replace pool covers	\$15K

Where The Money Goes (\$1,000)



Your Council...

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