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MEDIA RELEASE

Endorsement of 2023/24 Budget Estimates and Rates Resolution

Glamorgan Spring Bay Council unanimously endorsed its 2023/2024 Budget and Rates Resolution at its 27th June 2023 Ordinary Council Meeting. The Budget has been developed and produced during a period of economic turmoil and there has been much Council deliberation on the budget over the course of this calendar year.

Council has taken into account the affordability of daily expenses on our community exacerbated by a Hobart Consumer Price Index CPI at 6.9% and persistent reserve bank increases to interest rates. A year ago we were working with a 3% CPI. In addition to these unforeseen charges, next financial year will see an unprecedented increase in waste costs including contract variation in the order of \$0.6 million. State Government waste management levies for the mandated use of facilities, as well as increases to waste collection charges totaling \$0.6 million, for no change in service.

Through prudent and responsible financial management, in keeping with Council's Long Term Financial Management Plan, Council has been able to absorb the aforementioned unforeseen costs in the 2023/2024 budget. While the general rates have remained in-line with our Long Term Financial Management Plan rates revenue forecast, we have been able to limit the average general rates increase on our non-vacant residential properties to 8.8%. Under the circumstances an exceptional result.

This budget focuses on the necessary cost to continue core services and to provide funding as broadly as possible to minimize impact on residential ratepayers. To achieve this, costs that can be reduced have been reviewed or deferred and all funding sources assessed to contribute to this outcome.

The budget responds to the Asset Management Plan reviews that have taken place over the last year, asset valuations as required by the Tasmanian Audit Office and market forces for contracted works. A Council commitment to ensuring that Council maintains its assets at 100% renewal is reflected in the budget. This is critically important to ensure that a growing backlog of renewal works within the municipality is addressed and is in line with sound and responsible asset management practice.

In addition to the above, the 2023/2024 includes \$7.3 million of capital works mainly in roads and stormwater projects. It allows for a \$1.5 million Covid loan to be repaid as well as building a small unrestricted cash balance.

There have been no increases in excess of CPI to the Council fees and charges. The only exception is the marina berth fees that have only increased by half of CPI approx. 3.5%.

A very pleasing outcome for Glamorgan Spring Bay Council, especially given the ongoing inequity of the State Financial Assistance Grants.

Clr Cheryl Arnol
MAYOR

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