

Mayor's Speech

Budget 2018/19

A Simpler, Faster, Better Council

Please check against delivery



2018/19 Budget

It is an honour for me to present the 2018-19, Townsville City Council Budget, my 6th Budget as Mayor.

This is a jobs, jobs, jobs budget and reflects our ongoing dedication toward keeping Townsville City on the right track, and to operate as a simpler, faster, better council.

This is a no-frills financial plan that recognises many people in our community are doing it tough, yet it reflects the positive trend we are seeing in our local economy by preparing for better times.

We are on the verge of significant economic recovery with jobs, water security and major infrastructure projects assured for our region.

In this budget we continue to deliver on the election promise we made as a council that we would ensure sound financial management, and reduce needless spending.

Today I present a budget that demonstrates how efficiency and reform has made it possible for Council to deliver a record infrastructure and capital spend with an allocation of \$432.5 million for the 2018/2019 financial year.

Expenditure this year invests heavily in rehabilitating and improving the essential building blocks of the city, our roads, drainage, water and sewerage.

For the Ratepayers

Today's budget, while driving job creation, acknowledges that our community needs time to get back on its feet and will minimise increases to council rates and charges.

There will only be a 1.9% increase to general rates to match inflation- which will be one of the lowest in the state.

The average property owner, with a land value of \$160,000, will pay just 51 cents per week extra for general rates and 81 cents more for utilities.

The combined average weekly increase for rates and charges will be \$1.32.

Council will continue to offer 10% discount on rates paid by their due date, which equates to \$15.4 million in foregone revenue.

We typically see 90% of property owners across the city access this generous discount.

This rates relief is about a direct financial dividend coming back to the people of Townsville as a result of our reform agenda.

Concessions

Council will continue with its generous pensioner discount, the most in Queensland, with eligible homeowners able to receive an 85% rebate up to \$800 off their rates bills annually.

Combined with the Queensland Government contribution of \$200 this provides considerable financial relief to many of our residents.

While this concession program for pensioners' costs \$5.4 million in foregone revenue, supporting the most vulnerable in our city has been a long standing position of council.

Our seniors make a significant contribution to our community and as such we are thrilled to continue with our pensioner transport subsidy, which equates to \$370,000 for the next financial year.

Eligible pensioners can also benefit from our complimentary lawn mowing services, which I am proud to say will receive \$120,000 in funding for the next year.

Pensioners will be allowed one free registration for a de-sexed dog as part of the package introduced in this budget.

Water Security

This budget will allocate \$158.9 million to Townsville's water security

This is our top infrastructure priority, and we are on track to completing this project by December next year.

Council will contribute \$143.9 million from this budget before receiving the full amount of the state grant, which began \$9.1 million this year, \$15.9 million in 2018/2019 before receiving \$100 million in each of the following two financial years.

As Council will receive a full refund for all money spent on the water pipeline, we have ensured project completion by December 2019 through the establishment of a temporary Working Capital Facility with the Queensland Treasury Corporation.

This will be paid down until it is no longer needed by 2020, and any interest charges will be covered by the Queensland

Government's \$225 million contribution to Council's 3-point water security solution.

Thirty years ago, the then Bjelke Petersen State Government did not consider the city water needs a priority and in 1987 the council of the day had to borrow to build the first pipe from the Haughton to Ross River Dam. The \$15 million it cost then to provide Townsville with its water solution, was paid for by the Townsville community.

Today there is a recognition by the state government as part of the City Deal process, around water security. Fully funding this important piece of infrastructure means that the 80,000 households, the local industry, the sporting clubs, our growing community will be assured of water. The capital cost of this important piece of infrastructure will be paid for by the Palaszczuk State Government.

Allowing council to manage this major means we can deliberately structure all work packages around the pipeline project to ensure local business can secure work and create jobs.

We commend the community on sticking to water restrictions in recent times.

Job Creation

Our commitment to creating an environment that provides jobs, investment and economic activity form a major part of this budget.

We have allocated \$9 million in upgrades to infrastructure and services, such as promenades, landscaping, and new road design in the Stadium Precinct.

This will also include upgrading water and sewerage infrastructure in the Stadium Precinct as part of the City Deal between Council, the Queensland Government and the Australian Government.

The Stadium Precinct will be a major driver of urban renewal, and a catalyst for development and jobs.

This work will ensure vital infrastructure and essential services are in place to service our city as we move toward the completion of major projects such as the North Queensland Stadium.

We are now in the final stages of the CBD Utilities Upgrade Program, with an allocation of \$15.9 million toward services in the CBD area. More than 300 locals have been employed during the last 3 years of this project. This project began at a time when unemployment was far higher than it is today.

The task of undertaking works to ageing infrastructure nearing 100 years old has fallen upon our generation and this Council to complete; and these works will be finalised within the next financial year.

This work is the equivalent to performing open heart surgery on our CBD; and now means our city heart will be in perfect shape moving forward as development continues in the region. To the retailers and businesses in the area who have had to put up with this disruption I thank them for their patience.

City Wide Projects

All of our city will benefit from this budget, with an allocation of funding toward projects across all of Townsville's suburbs.

Our heritage listed Tobruk Memorial Baths will undergo works of \$4.5 million in repair and upgrades.

Built in 1950, this precious historical asset, which has been graced by swimming legends such as Dawn Fraser and Murray Rose, is heavily utilised by the community and this work will ensure future generations will continue to do so.

A further \$700,000 will go toward repair and maintenance of many of our community sports facilities in all Townsville suburbs.

\$41 million has been put toward managing our 338 beautiful parks and 3 world class botanical gardens, with a further \$2.1 million toward infrastructure works in these areas.

Our Council crews look after the equivalent of more than 3000 football fields right across our city and we have some of the best parks in Queensland.

The Upper Ross PCYC will also receive \$134,000 for refurbishment, giving this asset a new lease on life and ensuring it continues to be well utilised.

\$1.35 million had been allocated in the Budget to complete the fit out for the North Queensland Regional Data Centre.

This data center will not only ensure digital resilience for our community but it will be a key driver to attract more high-tech businesses – and most importantly jobs – to our city.

The 2018-19 Budget has allocated \$2 million – which includes \$797,000 in state and federal grant funding – to complete construction of the joint Local Disaster Coordination Centre and Data Hub.

Free Parking in the CBD

Local businesses in the CBD have called for free parking in the city, and Council has listened.

Council will offer 15 minutes free parking in the CBD for motorists in any of the 2 hour parking spaces within the city center.

This initiative aims to encourage an increase in trade for business in the CBD, and is a great opportunity for people to grab a coffee, return a library book, post a letter or run errands.

We hope to see more locals return to the city heart.

Animals

For this financial year, Council will introduce a new simplified system for animal management and registration.

There will be no charge of rescue fees for the first release of registered dogs and cats, which was previously \$169.

Pensioners will also be eligible to have their first de-sexed dog registered free of charge.

Conclusion

This budget is without doubt a lean and responsible financial plan that has been carefully prepared with community needs at the forefront.

Funding is assured to building the city's new water pipeline, and we are committed to ensuring this is built by December next year.

We have made this significant task possible through careful planning and spending reform.

Council has reigned in any additional expenses to create a back to basics, community focused budget that is right for the times.

It looks to build local business confidence and create jobs, through our major capital works program, water security and Townsville 2020, our vision for the future.

It reaffirms our position on buying locally, from locals; through packaging contracts of all our projects to give Townsville businesses greater opportunity.

More importantly it delivers on our promise with the community to focus on job creation, water security and getting the basics right.

It provides a break to those in Townsville who are struggling to meet the rising cost of living, and it provides a boost to our retailers and businesses that may be struggling as we work our way through these tough times.

Councillors, this budget has left no stone unturned in ensuring every dollar is spent wisely and delivers on our promise to the people of Townsville.

I submit the budget for your consideration.