

MEDIA RELEASE

BREAK-EVEN BUDGET TO HOLD SERVICE LEVELS AT STANDARDS EXPECTED BY THE COMMUNITY

Coonamble Shire Council has opted for a break-even budget for the next Financial Year, anticipating a small surplus of just over \$8,000 by June 2025.

Residents and ratepayers can expect rates, water, sewer and garbage charges to increase as part of Council's aim to balance compliance and maintenance costs with usage and the standards of service expected by the community.

Each year the State Government pegs the maximum percentage by which ordinary rates for each council can be increased. Coonamble Shire Council has opted to apply the full, allowable rate increase of 4.5%.

The effect of this rate pegging means that Council's operations – which, this next Financial Year, are expected to amount to just over \$35 million – are to be funded by only \$5.5 million collected in rates and another \$14.5 million in fees and charges. The remaining \$15 million must be drawn from other sources, including grants.

The proposed 2024-25 Financial Year budget shows an 'Own Source Operating Revenue Ratio' of 55%, while the State Government-preferred benchmark is 60% or higher.

In relation to water rates, the Coonamble access charge will increase by 5%, and the Gulargambone and Quambone access charge will increase by 2.5%. Meanwhile, Coonamble and Quambone water usage charges will increase by 10%, while those for Gulargambone will increase by 4%. These increases bring access and water usage charges across the Shire into greater alignment with each other.

Sewage access rates for Coonamble will increase by 10%, while those for Gulargambone will go up 5%.

Previous councils have opted to maintain waste management fees below the level required to cover the cost of work for waste management facilities to operate in compliance with the Environment Protection Authority's strict compliance regulations and the cost of providing the service.

To begin reducing the burden of debt being passed to future generations with regard to waste management, Council this year is bringing waste collection in-house, ensuring waste management facilities are being maintained in compliance with EPA regulations and charging fees that better match the level of service being provided.

As part of this strategy, a rural waste management charge of \$45 will apply to all rural landowners for the opportunity to use any of the waste management facilities operated by Coonamble Shire Council. Actual disposal of rubbish by rural landowners at any of the waste facilities will be at the current fee for the type of rubbish.

Waste collection charges will increase by 27% for the first bin collection service in Coonamble and Quambone, and by 21% in Gulargambone, while the collection service fee for any second or more extra bins will increase by 30% in each town and village.

To give context to these increases, residents and ratepayers are asked to note that Council's insurance premiums have increased by 12%, electricity has increased by 7%, Superannuation Guarantee contributions for workers have increased to 11.5%, employee-related on-costs now stand at 48% (meaning it costs Council an employee's wages x 1.5 to employ them). Depreciation of Council machinery and plant makes up almost one-fifth of the expenditure. Council must also comply with State Government legislation regarding the creation and operation of an Audit, Risk and Improvement Committee and internal audit position and processes. This has increased expenditure by \$350,000.

Site development investigation and maintenance works for the Sons of the Soil Hotel project is budgeted at \$500,000, with Mt Magometon Quarry upgrades and plant expenses of \$530,000 to be covered by a transfer from Council Reserve funds.

Additional machinery required for Council to operate its waste management facilities will require a \$1.2 million loan.

By legislation, Council must operate its General Fund, Water Fund and Sewerage Fund as separate entities. In effect, this means that each Fund must 'look after itself', so projects funded under the General Fund, for example, cannot draw on extra funding from the Water or Sewer Fund.

Council welcomes comments and submissions on the proposed Budget for FY24-25 and the proposed Fees and Charges. To see the documents and to leave a submission electronically, please visit Council's website [here](#).

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GENERAL MANAGER