MORNINGTON SHIRE COUNCIL

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We would like to acknowledge the traditional owners of the land, the Lardil people of Mornington Island.
We also wish to pay our respects to the historical people from the surrounding islands and areas including the Kaiadilt, Yangkal and Gangalidda peoples.
We pay respects to our elders both past and present and acknowledge the many leaders in the community.

Mayor Kyle Yanner 2021/22 Budget Report

It is with pleasure that I present the Mornington Shire Council's Budget for 2021/22 Financial Year.

The budget has been a joint effort between Councillors and staff. Thank you to all our Departments for the extensive work that has been undertaken to produce the Budget for the 2021/22 Financial Year.

Council finished the 2020/21 Financial Year with an estimated operational deficit of some 9% of total operational income. This compares to an average five-year operational deficit of some 30% over the past five years. Budget control has been excellent given Council exceeded the estimated revenue and all expenditures have been well managed within the overall budget context.

Council has used its first year of running the Council to get a good understanding of Council's financial position and a good understanding of living conditions and issues our Community face on Mornington Island.

As the community is now aware, Council inherited a community in crisis. Through the media, I have brought the deplorable living conditions on the Island to the attention of both the State Government and the Australian Government. We certainly have their attention.

The visit by the Acting Prime Minister and Minister for Indigenous Australians on the 13 June and proposed visits by our Community Champions and the Premier of Queensland are all evidence our message is getting across.

While our message is being heard, we now must turn that into action.

Council also inherited a Council in crisis with very low service standards right across the Council with poor financial control and no asset management. Look at Council's plant and equipment, it is run down or broken. 75% of our homeland roads are in very poor quality with very limited annual maintenance. There has been a complete neglect of our roads system over past years as well as our town streets and footpaths.

Council's financial management must improve. Council cannot operate as in the past few years with very high deficits. We must ensure we live within our means, improve important community services and infrastructure, and ensure that the whole community can look forward to improved living standards. That is what my Council is determined to deliver over the next three years.

Overall Budget Position.

Council is budgeting for an operational deficit of 5%. As previously mentioned, this compares to a 30% average operational deficit over the past 5 years. A considerable improvement.

While it is Council's goal to operate in at least a balanced budget position by next financial year, Council's services need to be improved, so with good financial control, Council will achieve greatly improved financial results as well as higher quality services throughout Council.

Regarding Council's asset replacement program, the Budget provides for some $17million in renewal, upgraded and new assets funded 22% by Council and the balance with Grant funding. Council is therefore being very responsible in ensuring Council's assets are being replaced or upgraded in accordance with strong asset management principles.

I want to now go through the budget to highlight some important Council services and projects Council wants to continue or implement in the next 12 months.

Roads and Plant and Equipment and Workshop

- With up to 90% of our homeland roads subject to flood damage works, estimated at around $7 million, funded through the Queensland Reconstruction Authority, the budget provides for about $4.2million to be spent this financial year. Council has allocated a further $250,000 for road maintenance. While this is a drop in the ocean to what we need, the funding for flood damage will greatly assist to restore the roads, and Council can then start to undertake regular road maintenance every year. **Council will not let ever again for our roads system to be so run down.**
- Council has budgeted for $880,000 in road plant replacement. This will enable Council's workforce to get back to work, build their skill levels and become more capable of doing our own flood damage restoration in

the future instead of using external Contractors with too much of this funding leaving the Island.

- Council has allowed $395,000 to construct a new state of the art security fence at the Workshop area to ensure Council's assets are protected.

I give the community assurance that Council will deliver a far better skilled workforce over the next three years by ensuring we have the plant and equipment, supervision, training, and funding to make this happen.

Parks and Gardens, Cemetery and Street Cleaning

- Council has increased the Parks and Gardens budget to $900,000 up from $360,000 on last year's budget. This covers the maintenance of all our town streets, public parks and gardens, sports field, cemeteries, shaded areas, and foreshore. Areas around our public buildings, such as the Administration Building need to be greatly improved. Litter along the road will be a big focus with zero tolerance for people who litter. Council will employ an extra 4 fulltime employees to do this work, bringing the total to 10 employees. I am expecting the community will see a big difference in the coming months in how we present our town. I have spoken with the CEO to get a fully developed program of work, so the workforce knows each week what must be done.
- In regard to the cemetery, Council intends to carry out detail survey of the area, develop an overall management plan showing existing and future burial plots. We intend to update Council's records so that Council again has complete records of where people are buried. For too long proper record keeping has been neglected and this must change. Council wants an interested community group to advise Council on this. We need community input. $53,000 has also been allowed in this year's budget for the cemetery amenities block to be refurbished.
- The budget provides for new public toilets to be built in Lardil Street at an estimated cost of $83,278.
- We will continue our program of weed spraying in partnership with our Rangers organized through the Carpentaria Land Council. We have just completed the first round of spraying at a total estimated cost is $30,000 plus chemicals. But next time, straight after the wet season, we will also try and get the Department of Public Works and Housing to join us. We all want to get on top of the weed problem, present our town in the best

possible way, and encourage residents to look after their own properties better.

- In regard to town street cleaning a new a bigger street sweeper is beyond Council's financial capacity this financial year, so the sweeper we have will be adapted to fit a new loader we purchase this financial year. But into the future Council wants to invest in a fit for purpose street sweeper.

Water Supply, Sewerage and Waste and Landfill Services

The budget for the sewerage, water supply and waste management are sound.

Function	Income from Charges $	Operations	Depreciation Costs $	Capital Replacement/ New Assets $
Sewerage	$750,000	$215,125	$283,324	$471,636
Waste and Land Fill	$633,815	$486,149	$4,139	$182,000
Water Management	$1,303,380	$676,806	$491,669	$1,525,690

The budget provides for strong maintenance of the water supply and sewerage operations and Council has almost doubled the maintenance of the waste landfill site to $486,000 to allow for improved sorting of rubbish and management of the facility and start for the setting of a transfer station to remove indiscriminate dumping.

New capital expenditure for Sewerage, Water and Waste infrastructure allowed for in the Budget include the following:

Water Supply:

- Design and installation of a new high-grade water filtration system to improve water quality by removing suspended particles from the town's water mains thereby helping to safeguard the health of network users. $1.5Milllion. Funding is from the State Government's Works for Queensland Grant Program and the Indigenous Councils Critical Infrastructure Program.

Sewerage:

- Network analysis and condition $125,690
- Veneer vacuum trailer for grease traps and sewer overflows $82,000
- Backup generators for pump stations $113,120
- Prescreen at Sewerage Treatment Plant $150,826

Waste and Landfill:

- Council has provided for a reconditioning of the Garbage Truck at a cost of $168,000 but leaves open the possibility of purchasing a completely new garbage truck at a cost of some $320,000.
- Refurbishment of an existing toilet block and shower and relocating to the landfill site. $14,000.

Housing

Council's Housing Department, has 16 staff and contractors who are responsible for delivering the State Governments new house construction program, undertaking QBuild public housing maintenance works, and plays a very important role in planning and delivery of Council housing and special projects.

Council in this year's budget is providing for a major change in project delivery with much more emphasis on developing Council's own workforce to deliver these services and less reliance on external contractors. This will need a big 'change management' strategy but one Council considers crucial for the development of its own skilled workforce and provide greater opportunities for local tradesman and apprentices.

Council's budget provides for a net surplus in operations of some $2.954million, with investment in new plant and equipment of $560,000.

Mornington Island Airport

My Council is again taking a lead in making sure that its Mornington Island Master Plan for development is progressed. For too long past Councils have known of the need to have the runway realigned to allow for safer operations under the prevailing weather conditions and to allow for an increase in the length of the runway so larger planes can land.

Importantly, once the runway is realigned, this will allow for a further 100 residential allotments to be developed on the existing runway, which Gununa needs urgently for continued residential housing development.

Council has provided $170,000 for the preliminary design and survey. Once completed Council can have detailed discussion with both the Australian Government and State Government to have the realignment undertaken.

Total operational costs in 2021/22 are estimated at $625,062 plus depreciation costs of $423,000. These costs are off set by aerodrome landing fees estimated at $442,000 this financial year.

Maintenance works include the rolling of the runway and taxiways, lighting survey, renewal of line marking, apron lighting and repairs to pavement.

Facilities Management

Councils accommodation facilities include the Commercial shops, residential properties, and the Motel and Visitor Accommodation Centre. These are very substantial assets for Council to properly maintain and manage. Council is applying for grant funding for a further 4 motels units and a commercial laundry.

Council is pleased to advise that these facilities do make a significant operational return for Council. Total Operational Income is recorded at $3.2million, operational expenses before depreciation $1.48 million and depreciation costs of some $832,000, making a net profit of approximately $890,000

On a review of the facilities, Council is, however, needing to replace quite a lot of fitting and fixtures amounting to some $380,000. This covers fire alarms, replacement of furniture, renovations, TVs, and other electronic equipment, air-condition units, laundry facilities, power upgrades. This is what happens when there is not a regular asset replacement program. My Council is determined to develop an asset management plan in 2021/22 financial year and stick to it.

The Visitor Accommodation Centre needs upgrading. While Council cannot fix everything in one year, it does propose to purchase and install 2 X 2 rooms dongas as well as remove some old structures. The total cost allowed for this is $192,000.

Community Development

Council's community development program has been in full swing with regular community liquor events and other fun events and programs throughout the past six months.

Another initiative of Council is to employ a full-time bus driver so the Community Bus Council purchased last year can be fully operational. Public advertising for local resident to be employed on a full-time basis will be undertaken very soon. In the meantime, Council is looking for a temporary driver. This is much needed service and we can't wait around for Government grant programs to fund this service.

I am pleased to say Council is going to do some building works on the community gym. We have allowed $50,000 in this year's budget to brace the sub floor of the GYM. While there is a lot to be done down there, this at least will address some Workplace Health and Safety matters.

Another good initiative is to provide $15,000 in the Budget for an electronic Notice Board to be erected in the vicinity of Festival Grounds to allow more effective community notices.

Examples of how Council's community development will address community issues is the Community Boxing Program, known as Baya Kuburda and Touch Football program known as Thaldi Gilmoo Luuli. These are good examples of how the State Government and Council can work together to provide much needed youth activities.

Council has provided $380,000 in this year's budget for the program with grants and other revenues of $43,000.

Council will continue to put a lot of emphasis in developing strong programs that promote community development.

Introduction of Legal Alcohol to Mornington Island.

This is another initiative past Councils have failed to address. I have heard that this should have happened years ago but there was no leadership shown.

Council is determined to have a Carriage Limit introduced which will allow residents to purchase an agreed amount of legal alcohol from a retail outlet off Island and transport that alcohol to the Island. Of course, this must be well managed but is crucial to have implemented as soon as possible so we can

start to address the consumption of Home Brew which is crippling this community.

The Carriage Limit application is with the Department of Aboriginal and Torres Strait Islander Partnerships (DATSIP). We will have a lot more to say about this application in the coming weeks.

Council is also in the process of applying for a liquor license for the Motel and Tavern with the State Government's Office of Liquor and Gaming Regulation. This is a detailed process, but we are well underway and again Council will have more to say over the coming months.

It is essential with the re-introduction of legal alcohol to the Island, that Council shows leadership in implementing with the Community Safety Plan. The State Government has now endorsed Council's Community Safety Plan and intends to provide very significant funding for the implementation of the Plan. I thank the State Government for this great initiative. We will work closely with all Agencies who have responsibility under the Plan, so we get the best outcomes possible.

I must thank the Council and staff who have been working on both these liquor applications and especially to officers of both DATSIP and Liquor and Gaming Regulation, without whom we could not have progressed so quickly.

Environmental Management

Council's budget provides for the employment of a full time Environmental Health Officer, an Animal Control Officer, and some trainees. Council is determined to establish both positions as soon as possible.

The work Council has been doing both in terms of Vet Services for dogs and the desexing of the male horse program will continue.

Fencing is being constructed at the Rodeo Grounds with town water to be connected and this will be the place private horse owners can keep their horses at their own expense. Council is tightening up on its Local Laws and Council Environment Health Officer and Animal Control officer will have the powers they need to ensure all animals are kept safely and not be a public nuisance.

The total program is budgeted for at approximately $400,000 with a State Government grant of $110,000 to help off-set this cost.

Special Projects funded under State Government Programs including the 'Works for Queensland Funding Program.

In addition to the $1.5 million mentioned earlier for the Towns new water filtration system, works are continuing with the planning and construction of the following projects:

- New Council Administration Building to be constructed in Lardil Street at an estimated cost of $5.642million.
- Tavern Outdoor stage, dance floor and grassed Amphitheatre, $636,800
- New staff accommodation in Cemetery Road at a cost of $500,000
- Visitor Accommodation Centre Fencing Remediation $290,000.

Summary

Council has been very proactive over its first 12 months to identify what must be done and commence to not only talk about it but put the funding and manpower in place to implement it.

I want to thank the Councillors, the Acting CEO, the Executive Managers and all Council Departmental Officers who have worked on the Budget process over the past couple of months. Council has a sound financial plan going forward and projects and programs that will see our community benefit.

Along side Council's Budget and planning documents, I am attaching a well-developed Action Plan that identifies initiatives that Council wants to work with both the Australian Government and the Queensland State Government on.

I am tabling this Action Plan today and presenting this to the Community, so we all go forward together knowing that there is a better future ahead for all sections of our community.

I am honored to present this Council Budget for adoption.

Mayor Kyle Yanner

Mornington Shire Council

12th July 2021