

MEDIA RELEASE

FINANCIAL SUSTAINABILITY, FLOOD RECOVERY THE FOCUS OF MID MURRAY COUNCIL'S BUDGET

Supporting the ongoing recovery of South Australia's worst flood-affected Council region is one of the key priorities for Mid Murray Council in the coming financial year.

The Council's ***Draft 2023/24 Annual Business Plan and Budget*** focuses on rebuilding following the devastating recent River Murray flood, while also committing to pursuing financial sustainability in a highly challenging operating environment.

The draft plan sets out Council's priority projects, services, programs and other initiatives for the year ahead. It will be released for community consultation on Thursday, 18 May, 2023.

Mid Murray Mayor Simone Bailey said the *Draft 2023/24 Annual Business Plan and Budget* prioritises essential works and services, with Council also committed to identifying cost savings and efficiencies to improve the financial position of the business.

"Council has already started reviewing our operations to identify financial sustainability measures and cost savings," Mayor Bailey said.

"This work will continue over the coming six months, including a review of our Strategic Plan. As part of that, we'll be taking a close look at efficiencies and savings opportunities to ensure that any measures taken are done so in a planned and considered way.

"Council will be consulting with community throughout this process to ensure they have the opportunity for input into any changes we may decide to make.

"Council is also acutely aware of the financial pressures facing the community, and the need to balance affordability for the community while implementing measures to deliver long-term sustainability."

In the short-term, Flood recovery is the biggest challenge facing the Council, with a \$2M provision in the draft plan for ongoing works. This has combined with the substantial costs already incurred by Council for preparation and recovery during 2022/23, and escalating cost pressures across its operations and soaring inflation costs.

"Before the floods, Council was already facing a challenging operating environment with significant cost pressures due to high inflation," Mayor Bailey said.

"The flood disaster – and the huge damage bill it has left behind – has exacerbated this and made financial planning for both the immediate future and the longer-term incredibly difficult.

"As a Council, we cover a large geographic area – however, our population and, therefore, our rate base, is quite small. The floods inundated over 2,300 properties, or 35% of homes in our area which account for 36% of our ratable income.

"Council's flood emergency response, recovery, clean-up and repairs has already cost nearly \$7M – and a provision has been made for a further \$2M in 2023/24."

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Council continues to advocate for State and Federal Government funding to support its flood recovery costs and reduce the financial impact on Mid Murray ratepayers, with approximately \$5M committed to thus far.

“We know our community is also suffering from both the impacts of the flood and rising costs and we are mindful of the affordability and impact on our residents of any rate increases,” Mayor Bailey said.

“We’ve been lobbying both the State and Federal Governments since the flood for funding support during recovery, and we are also asking for additional Government funding so that Council can further support our flood-affected ratepayers, and limit the financial burden to all ratepayers. These have been positive discussions and we will continue to push for this for our community.”

In the *Draft 2023/24 Annual Business Plan and Budget*, Council is proposing a budget deficit of \$2.194M, and capital expenditure of \$10.072M. Borrowings will rise to \$19.1M by the end of 2024, an increase of \$4.097M.

General rates are proposed to increase on average by 10.2%, with an additional 0.5% in growth, equating to an estimated increase of \$137 on average per rateable property (noting that the exact amount will vary between individual ratepayers, depending on individual property valuations).

Key projects for the year ahead, as outlined in the *Draft 2023/24 Annual Business Plan and Budget*, include:

- Review of Council’s Strategic Plan – *Our Plan 2020-24*, and the development of financial sustainability plan
- Development of the Truro Township Masterplan
- Detailed design and costing of the Wongulla CWMS
- Implementation of Council’s Reconciliation Action Plan
- Development of Mid Murray Council Growth Strategy
- Implementation of the Astro Tourism strategy for the River Murray International Dark Sky Reserve
- Blanchetown water re-use and playground project
- Mannum Waters boat ramp
- Len White Reserve upgrade
- Tungkillo, Morgan, Palmer and Mannum (Ramm Road), Stormwater projects
- Cambrai Landfill Cell development
- Murray Coorong Trail – stage 3 construction
- Completion of PS Canally restoration project and the Mannum Murray River Heritage Tourism project.

The above includes projects funded by previous State or Federal Government grants.

“Through its *Draft 2023/24 Annual Business Plan and Budget*, Council has sought to balance the significant cost pressures we are facing with our responsibilities to provide essential and efficient services, infrastructure and projects to our community during a time of limited resources and economic vulnerability following a natural disaster,” Mayor Bailey said.

Council is also planning for its future financial sustainability through the development of a new ***Draft Long Term Financial Plan 2023/24 – 2032/33***. The 10-year plan aims for Council to return to an operating surplus in 2028/29, with its net financial liabilities ratio peaking at 77% in 2023/24 with borrowings of \$19.1M. To do this, Council will reduce expenditure on new and upgraded assets, as well as delaying the remaining stages of the sealing of Murraylands Road until 2030/31 and beyond.

Public consultation on both the *Draft 2023/24 Annual Business Plan and Budget* and the *Draft Long Term Financial Plan 2023/24 – 2032/33* opens on Thursday, 18 May, 2023 and ends at 12pm on Thursday, 8 June, 2023.

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Submissions can be made in writing and submitted online at www.mid-murray.sa.gov.au/community/public-consultation, emailed to postbox@mid-murray.sa.gov.au or posted to PO Box 28, Mannum SA 5238.

Council will also provide the opportunity for the public to attend a Council meeting on Tuesday, 20 June, 2023 at the Cambrai Council Chambers from 9.30-10.30am to ask questions, make a verbal representation or speak in support of their written submissions.

For more information on the *Draft 2023/24 Annual Business Plan and Budget* and the *Draft Long Term Financial Plan 2023/24 – 2032/33*, visit www.mid-murray.sa.gov.au

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