

# CHAIRMAN'S REPORT

---

## FINANCE AND PERFORMANCE 30 NOVEMBER 23

Firstly, I'd like to extend a huge thank you to all the staff involved with getting the Annual Report finalized at the end of last month. Getting that signed off would be the envy of many Councils so thank you.

Now we are wrestling with the challenge of our LTP budgets and like most businesses and households at the moment the impact of the 3 I's – interest, inflation and insurance are top of mind.

Additionally, the three yearly revaluation of Council assets has seen significant value increases. Unfortunately, this also means our Depreciation cost has risen from \$13 to \$17 million – another uncontrollable cost.

All these factors point to an unbalanced budget for the year.

While all these factors are impacting most Councils it is important to realize that due to the significant size of our roading network and our relatively small number of ratepayers, depreciation disproportionately affects our Council.

I welcome the new Government, especially our new MP Suze Redmayne and hope there is a recognition that the current way of funding Local Councils predominately via rates is unsustainable going forward. With very limited expansion of services 10% plus increases in rates, year on year is unaffordable. Being able to retain the GST on rates in the district would be a start.

Fi Dalgety

---