

## **Mayor's introduction**

I introduce the second Clarence Valley Council Management Plan and Budget, which explains your Council's proposed service provision and revenue sources for financial year 2006/2007. The Management Plan describes the intended functions and principal activities of your Council in 2006/07 and the budget allocates resources to meet those targets. The draft documents are distributed for your input and will be presented at six public meetings across the Valley between 22<sup>nd</sup> and 25<sup>th</sup> May 2006.

At a recent Extraordinary meeting of council the first CVC consolidated financial position was presented for the accounting period ending 30<sup>th</sup> June 2005. It is pleasing to inform you that Councils auditor has reported that Clarence Valley Council is in a sound financial position. Council has instructed the General Manager to eliminate the small current year budget deficit (estimated \$329,908 at 31<sup>st</sup> December 2005) so that such sound position will be retained at commencement of 2006/07 financial year.

The consolidated format annual 2006/07 budget proposes a total expenditure of close to \$135 million, will provide employment for about 550 staff, and envisages a small deficit of \$973,284 in the General Fund or about .72 of one percent of proposed total expenditure. One Council budget decision is that about 20 currently vacant positions in the organisation will not be filled as part of a process of refining the organisational structure. When Council signs off on this budget after the consultation process I am confident that it will be on the basis that the General Manager is instructed to eliminate the small proposed deficit through ongoing review and reshaping of the organisation structure and overheads. Council will ensure in this way that the sound financial position is retained.

As much as possible standardized levels of service have been provided across the council area. Every effort has been taken to at least maintain service levels whilst in some areas e.g. open spaces the budget votes will be increased. The budget has again been framed on the basis of continuation of the fair, differential rating system that was developed and introduced last year, a system that was well received by ratepayers. Council is again committed to staying with the permitted rate pegging limit of 3.6% even though other coastal councils were again seeking increases well above such limit.

I encourage the Clarence community to review the Draft Management Plan and budget and to be involved in the community meetings scheduled for Iluka, Yamba, Maclean, Wooli, Coutts Crossing and Grafton. Your input will be appreciated.

Ian Tiley  
Mayor  
Clarence Valley Council