

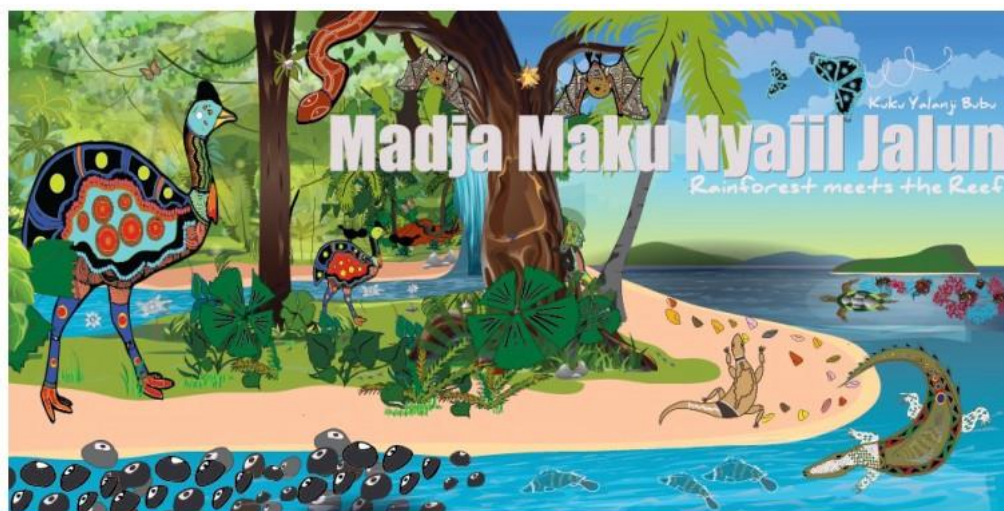


DOUGLAS SHIRE COUNCIL

ANNUAL BUDGET

2022 - 2023

BUDGETED FINANCIAL STATEMENTS AND
SUPPORTING INFORMATION



Douglas Shire Council would like to show its appreciation by acknowledging local indigenous artists Lenice Schonenberger, Loretta Pierce (Lenoy) and Ronald Bamboo for providing the cover artwork entitled "**Daintree Ferry**"

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Douglas Shire Council - Budgeted Statement of Income and Expenditure

For the period ending 30 June 2023

	2022/23	2023/24	2024/25
	\$	\$	\$
Operating Revenue			
Rates and utility charges	39,394,229	40,990,605	42,649,238
Less: Pensioner remissions / Rebates	(630,090)	(654,665)	(680,196)
Less: Discounts	0	0	0
Net rates and utility charges	<u>38,764,139</u>	<u>40,335,940</u>	<u>41,969,042</u>
Fees and charges	7,282,782	7,523,114	7,771,377
Grants and subsidies	3,286,841	4,082,578	4,529,229
Interest received	389,424	389,424	389,424
Other operating revenue	<u>1,098,218</u>	<u>1,098,218</u>	<u>1,098,218</u>
TOTAL OPERATING REVENUE	<u>50,821,404</u>	<u>53,429,274</u>	<u>55,757,290</u>
Operating Expenses			
Employee benefits	18,027,874	18,604,765	19,200,118
Materials and services	21,222,715	21,803,283	22,348,365
Depreciation and amortisation	14,186,318	13,951,908	14,370,465
Finance costs	<u>171,550</u>	<u>174,981</u>	<u>178,480</u>
TOTAL OPERATING EXPENDITURE	<u>53,608,457</u>	<u>54,534,937</u>	<u>56,097,429</u>
Operating Surplus / (Deficit)	<u>(2,787,053)</u>	<u>(1,105,663)</u>	<u>(340,139)</u>
Capital Income			
Grants and subsidies	1,397,392	1,144,337	1,144,337
Contributions from developers	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
TOTAL CAPITAL INCOME	<u>1,647,392</u>	<u>1,394,337</u>	<u>1,394,337</u>
Net Result	<u>(1,139,661)</u>	<u>288,674</u>	<u>1,054,198</u>
TOTAL COMPREHENSIVE INCOME	<u>(1,139,661)</u>	<u>288,674</u>	<u>1,054,198</u>

Douglas Shire Council - Budgeted Statement of Financial Position

For the period ending 30 June 2023

	2022/23	2023/24	2024/25
	\$	\$	\$
Current Assets			
Cash assets and equivalents	13,573,131	14,023,131	14,523,131
Receivables	4,647,918	4,647,918	4,647,918
Inventory	97,728	97,728	97,728
	<u>18,318,777</u>	<u>18,768,777</u>	<u>19,268,777</u>
Non-Current Assets			
Property, plant and equipment	431,712,471	430,301,145	430,855,343
Intangibles	110,000	110,000	110,000
	<u>431,822,471</u>	<u>430,411,145</u>	<u>430,965,343</u>
TOTAL ASSETS	<u>450,141,248</u>	<u>449,179,922</u>	<u>450,234,120</u>
Current Liabilities			
Trade and other payables	5,821,683	5,821,683	5,821,683
Borrowings	0	0	0
Provisions	2,511,962	2,011,962	2,011,962
	<u>8,333,645</u>	<u>7,833,645</u>	<u>7,833,645</u>
Non-Current Liabilities			
Borrowings	0	0	0
Provisions	1,818,016	1,068,016	1,068,016
	<u>1,818,016</u>	<u>1,068,016</u>	<u>1,068,016</u>
TOTAL LIABILITIES	<u>10,151,661</u>	<u>8,901,661</u>	<u>8,901,661</u>
NET COMMUNITY ASSETS	<u>439,989,587</u>	<u>440,278,261</u>	<u>441,332,459</u>
Community Equity			
General reserves	1,904,520	2,354,520	2,854,520
Accumulated surplus / (deficit)	438,085,067	437,923,741	438,477,939
TOTAL COMMUNITY EQUITY	<u>439,989,587</u>	<u>440,278,261</u>	<u>441,332,459</u>

Douglas Shire Council - Budgeted Statement of Cash Flow

For the period ending 30 June 2023

	2022/23	2023/24	2024/25
	\$	\$	\$
Cash flows from operating activities			
Receipts			
Net rates and utility charges	38,764,139	40,335,940	41,969,042
Fees and charges	7,282,782	7,523,114	7,771,377
Grants, subsidies, contributions and donations	3,286,841	4,082,578	4,529,229
Interest received	389,424	389,424	389,424
Other operating revenue	1,098,218	1,098,218	1,098,218
	<u>50,821,404</u>	<u>53,429,274</u>	<u>55,757,290</u>
Payments			
Employee benefits	(18,027,874)	(18,604,765)	(19,200,118)
Materials and services	(21,222,715)	(21,803,283)	(22,348,365)
Finance costs	(171,550)	(174,981)	(178,480)
	<u>(39,422,139)</u>	<u>(40,583,030)</u>	<u>(41,726,964)</u>
Net cash inflow (outflow) from operating activities	<u>11,399,265</u>	<u>12,846,244</u>	<u>14,030,326</u>
Cash flows from investing activities			
Receipts			
Proceeds from sale of property plant and equipment	210,000	110,000	110,000
Grants, subsidies, contributions and donations	1,647,392	1,394,337	1,394,337
	<u>1,857,392</u>	<u>1,504,337</u>	<u>1,504,337</u>
Payments			
Payments for property, plant and equipment	(13,745,809)	(13,900,581)	(15,034,663)
Payments for intangible assets	0	0	0
	<u>(13,745,809)</u>	<u>(13,900,581)</u>	<u>(15,034,663)</u>
Net cash inflow (outflow) from investing activities	<u>(11,888,417)</u>	<u>(12,396,244)</u>	<u>(13,530,326)</u>
Cash flows from financing activities			
Net cash inflow (outflow) from financing activities	<u>0</u>	<u>0</u>	<u>0</u>
Net increase (decrease) in cash and cash equivalents held	<u>(489,152)</u>	<u>450,000</u>	<u>500,000</u>
Cash and cash equivalents at the beginning of the financial year	14,062,283	13,573,131	14,023,131
Cash and cash equivalents at the end of the financial year	<u>13,573,131</u>	<u>14,023,131</u>	<u>14,523,131</u>

Douglas Shire Council - Budgeted Statement of Changes in Equity

For the period ending 30 June 2023

	2022/23	2023/24	2024/25
	\$	\$	\$
GENERAL RESERVES			
Balance as at 1 July	1,754,520	1,904,520	2,354,520
Transfers to and from reserves			
Transfers to reserves	1,350,000	1,350,000	1,350,000
Transfers from reserves	(1,200,000)	(900,000)	(850,000)
Total transfers to and from reserves	<u>150,000</u>	<u>450,000</u>	<u>500,000</u>
Balance as at 30 June	<u>1,904,520</u>	<u>2,354,520</u>	<u>2,854,520</u>
ACCUMULATED SURPLUS / (DEFICIT)			
Balance as at 1 July	439,374,728	438,085,067	437,923,741
Net result	(1,139,661)	288,674	1,054,198
Total comprehensive income for the year	<u>(1,139,661)</u>	<u>288,674</u>	<u>1,054,198</u>
Transfers to and from reserves			
Transfers to reserves	(1,350,000)	(1,350,000)	(1,350,000)
Transfers from reserves	1,200,000	900,000	850,000
Total transfers to and from reserves	<u>(150,000)</u>	<u>(450,000)</u>	<u>(500,000)</u>
Balance as at 30 June	<u>438,085,067</u>	<u>437,923,741</u>	<u>438,477,939</u>
TOTAL COMMUNITY EQUITY	<u>439,989,587</u>	<u>440,278,261</u>	<u>441,332,459</u>

Douglas Shire Council - Long Term Financial Forecast
For the period ending 30 June 2023

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue										
Rates and utility charges	38,764,139	40,335,940	41,969,042	43,665,835	45,035,810	46,446,884	47,900,291	49,397,299	50,939,218	52,527,395
Fees and charges	7,282,782	7,523,114	7,771,377	8,027,832	8,292,750	8,566,411	8,849,103	9,141,123	9,442,780	9,754,392
Grants and subsidies	3,286,841	4,082,578	4,529,229	4,619,814	4,712,210	4,806,454	4,902,583	5,000,635	5,100,648	5,202,661
Interest received	389,424	389,424	389,424	389,424	389,424	389,424	389,424	389,424	389,424	389,424
Other operating revenue	1,098,218	1,098,218	1,098,218	1,098,218	1,098,218	1,098,218	1,098,218	1,098,218	1,098,218	1,098,218
TOTAL OPERATING REVENUE	50,821,404	53,429,274	55,757,290	57,801,123	59,528,412	61,307,392	63,139,619	65,026,700	66,970,288	68,972,090
Operating Expenses										
Employee benefits	18,027,874	18,604,765	19,200,118	19,814,522	20,448,586	21,102,941	21,778,235	22,475,139	23,194,343	23,936,562
Materials and services	21,222,715	21,803,283	22,348,365	22,907,075	23,479,751	24,066,745	24,668,414	25,285,124	25,917,252	26,565,184
Depreciation and amortisation	14,186,318	13,951,908	14,370,465	14,801,579	15,245,626	15,702,995	16,174,085	16,659,307	17,159,087	17,673,859
Finance costs	171,550	174,981	178,480	182,050	185,691	189,405	193,193	197,057	200,998	205,018
TOTAL OPERATING EXPENDITURE	53,608,457	54,534,937	56,097,429	57,705,225	59,359,655	61,062,086	62,813,927	64,616,627	66,471,680	68,380,623
Operating Surplus / (Deficit)	(2,787,053)	(1,105,663)	(340,139)	95,897	168,757	245,305	325,692	410,072	498,608	591,467
Capital Income										
Grants and subsidies	1,397,392	1,144,337	1,144,337	1,144,337	1,144,337	1,144,337	1,144,337	1,144,337	1,144,337	1,144,337
Contributions from developers	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
TOTAL CAPITAL INCOME	1,647,392	1,394,337	1,394,337	1,394,337	1,394,337	1,394,337	1,394,337	1,394,337	1,394,337	1,394,337
Net Result	(1,139,661)	288,674	1,054,198	1,490,234	1,563,094	1,639,642	1,720,029	1,804,409	1,892,945	1,985,804
Sources of capital funding										
Funded depreciation	10,299,265	11,746,244	12,930,326	13,797,476	14,314,384	14,848,300	15,399,777	16,469,380	17,057,695	17,665,326
Constrained works reserve	600,000	300,000	250,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Daintree ferry reserve	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Public art reserve	0	0	0	0	0	0	0	0	0	0
Proceeds from sale of assets	210,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Capital grants	1,397,392	1,144,337	1,144,337	1,144,337	1,144,337	1,144,337	1,144,337	1,144,337	1,144,337	1,144,337
Contributed assets	0	0	0	0	0	0	0	0	0	0
Council source funding	639,152	0	0	0	0	0	0	0	0	0
General revenue	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	13,745,809	13,900,581	15,034,663	15,851,813	16,368,721	16,902,637	17,454,114	18,523,717	19,112,032	19,719,663
Application of capital funding										
Capital Works expenditure	13,745,809	13,900,581	15,034,663	15,851,813	16,368,721	16,902,637	17,454,114	18,523,717	19,112,033	19,719,663
Total application of capital funding	13,745,809	13,900,581	15,034,663	15,851,813	16,368,721	16,902,637	17,454,114	18,523,717	19,112,033	19,719,663
COMMUNITY ASSETS										
Total Assets	450,141,248	449,179,922	450,234,120	450,866,182	452,429,276	454,068,918	455,788,947	457,593,357	459,486,302	461,472,106
Total Liabilities	10,151,661	8,901,661	8,901,661	8,043,488	8,043,488	8,043,488	8,043,488	8,043,488	8,043,488	8,043,488
TOTAL COMMUNITY EQUITY	439,989,587	440,278,261	441,332,459	442,822,694	444,385,788	446,025,430	447,745,459	449,549,869	451,442,814	453,428,618

Douglas Shire Council - Measures of Financial Sustainability

For the period ending 30 June 2023

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	%	%	%	%	%	%	%	%	%	%

Council's expected performance at 30 June against key financial ratios and targets:

Ratio	How the measure is calculated	Target										
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	(5.48)	(2.07)	(.61)	0.17	0.28	0.40	0.52	0.63	0.74	0.86
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	Greater than 90%	75.76	90.86	90.18	90.17	90.40	90.63	90.86	90.29	90.44	90.60
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	Not greater than 60%	(16.07)	(18.47)	(18.59)	(20.37)	(20.70)	(21.00)	(21.26)	(20.72)	(20.20)	(19.68)

Basis of Preparation
 The financial sustainability ratios are prepared in accordance with the requirements of the *Local Government Regulation 2012* and the Financial Management (Sustainability) Guideline 2013 issued by the Department of Local Government, Community Recovery and Resilience.

Douglas Shire Council - Budgeted Sources and Application of Capital Funding
For the period ending 30 June 2023

	2022/23	2023/24	2024/25
	\$	\$	\$
Sources of capital funding			
Funded depreciation	10,299,265	11,746,244	12,930,326
* Constrained works reserve	600,000	300,000	250,000
Daintree ferry reserve	600,000	600,000	600,000
Public art reserve	0	0	0
Proceeds from sale of assets	210,000	110,000	110,000
Capital grants	1,397,392	1,144,337	1,144,337
Contributed assets	0	0	0
Council source funding	639,152	0	0
General revenue	0	0	0
Total sources of capital funding	13,745,809	13,900,581	15,034,663
Application of capital funding			
Capital Works expenditure	13,745,809	13,900,581	15,034,663
Total application of capital funding	13,745,809	13,900,581	15,034,663
<i>* Application of funds from Constrained works reserve</i>			
Road / Transport Network	198,000		
Public Spaces	72,000		
Water	162,000		
Wastewater	168,000		
	<u>600,000</u>		

Douglas Shire Council - Budgeted Movement in Reserves
For the period ending 30 June 2023

	2022/23	2023/24	2024/25
	\$	\$	\$
RESERVES			
Constrained works reserve			
Balance as at 1 July	1,254,520	904,520	854,520
Transfers to reserve	250,000	250,000	250,000
Transfers from reserve	(600,000)	(300,000)	(250,000)
Balance as at 30 June	<u>904,520</u>	<u>854,520</u>	<u>854,520</u>
Daintree ferry reserve			
Balance as at 1 July	500,000	1,000,000	1,500,000
Transfers to reserve	1,100,000	1,100,000	1,100,000
Transfers from reserve	(600,000)	(600,000)	(600,000)
Balance as at 30 June	<u>1,000,000</u>	<u>1,500,000</u>	<u>2,000,000</u>
Public art reserve			
Balance as at 1 July	0	0	0
Transfers to reserve	0	0	0
Transfers from reserve	0	0	0
Balance as at 30 June	<u>0</u>	<u>0</u>	<u>0</u>

Douglas Shire Council - Budgeted Rates and Utility Charges - Value of Change
For the period ending 30 June 2023

	2021/22	2022/23	Change	Change
	\$	\$	\$	%
Rates and utility charges	37,684,964	39,394,229	1,709,265	4.5%

Basis of Preparation

This information is provided in accordance with the requirements of the *Local Government Regulation 2012*.

The change in \$ amount / percentage includes rates and utility charges levied on additional assessments, connections and services added since the previous financial year and a revised estimate of the value of utility charges for water consumption.

Douglas Shire Council - Capital Works Program

For the period ending 30 June 2023

	New/ Renewal/ Upgrade (N/R/U)	2022/23 \$
<u>Plant and Equipment</u>		
Daintree Ferry network connectivity	N	71,309
Network Hardware	N	25,000
Fleet renewal Program - Heavy Plant	R	800,000
CCTV Boat Ramps & Jetties	N	99,000
		995,309
<u>Council & Community Facilities</u>		
Infrastructure Lighting Renewal Program	R	40,000
Building and Facilities Renewal Program	R	350,000
Asbestos Renewal Program	R	40,000
Green Buildings Program	N	10,000
Pound Renewal	R	25,000
Wonga Caravan Park - Septic upgrade	U	50,000
Sports Master Plan Implementation for Port Douglas and Mossman	R	250,000
Douglas Arts Base Roof works	R	19,000
Macrossan Street Decorative Lighting Stage 2	N	150,000
Dunal Beach Access - Coastal Hazard Adaptation Strategy Implementation	N	200,000
Parks Renewal Program	R	652,000
Streetscape Improvement	R	50,000
		1,836,000
<u>Resource Management</u>		
Killaloe Landfill - Final Capping	R	1,300,000
Sanitary Depot Final Capping	R	60,000
Newell Landfill Capping	R	147,000
		1,507,000
<u>Marine</u>		
Daintree Ferry - North Ramp Installation	R	100,000
		100,000
<u>Wastewater</u>		
Wastewater Pump Renewals Program	R	40,000
Port Douglas Wastewater Treatment Plant Aerators and Diffusers	R	600,000
Wastewater Network Renewal Program	R	120,000
Port Douglas Wastewater Treatment Plant SBR and Decanter Renewal Works	R	95,000
Process Control Renewal Program - Wastewater	R	50,000
		905,000
<u>Water Supply</u>		
Security and Disaster Response Strengthening Program	U	70,000
Process Control Renewal Program	R	70,000
Water Treatment Pump Overhaul Program	R	40,000
Ultrafiltration Cartridge Rack Works and Renewals Program	R	620,000
Work Health and Safety Hazard Rectification Works Whyanbeel and Daintree Water Treatment Plant	R	10,000
Water Main and Asset Fire Fighting Compliance	U	25,000
Reservoir Connect & Commission	U	200,000
Water Network Service Renewals Program	R	785,000
Smart Water Meter Program	R	1,100,000
Water Main Renewal Program	R	200,000
Additional Water Extraction Site	N	100,000
Water Main Disaster Management	R	50,000
		3,270,000
<u>Drainage</u>		
Drainage Renewal Program	R	200,000
Warner / Mowbray Sts Drainage Network Upgrade Phase 3	U	300,000
		500,000

Douglas Shire Council - Capital Works Program

For the period ending 30 June 2023

	New/ Renewal/ Upgrade (N/R/U)	2022/23 \$
Transport		
Concrete Floodway Resilience Program	U	100,000
Road Safety Improvement Program	U	30,000
Alex Range (Cape Tribulation) Embankment Stabilisation	R	150,000
Cooya Beach Rd - Principal Cycle Network - Design	N	87,500
Port Douglas Rd Principle Cycle Network - Design	U	105,000
Island Point Road Safety Upgrade	U	40,000
Craiglie Residential Estate Trunk Infrastructure	N	600,000
Road Reseal / AC Overlay Renewal Program	R	900,000
Pavement Renewal Program	R	900,000
Bus Stop Renewal	R	35,000
McDowel Lane Bank Protection	N	100,000
Footpath and Road Lighting Program	U	135,000
Gravel Road resheet program	R	450,000
Kerb and Channel Program	R	200,000
Footpath Renewal Program	R	150,000
Bridge Renewal - Designs	R	100,000
Disability Infrastructure Upgrades Program	R	50,000
Daintree Ferry - Infrastructure Stage 1 Landside upgrades	U	500,000
		4,632,500
Total Capital Works		13,745,809