

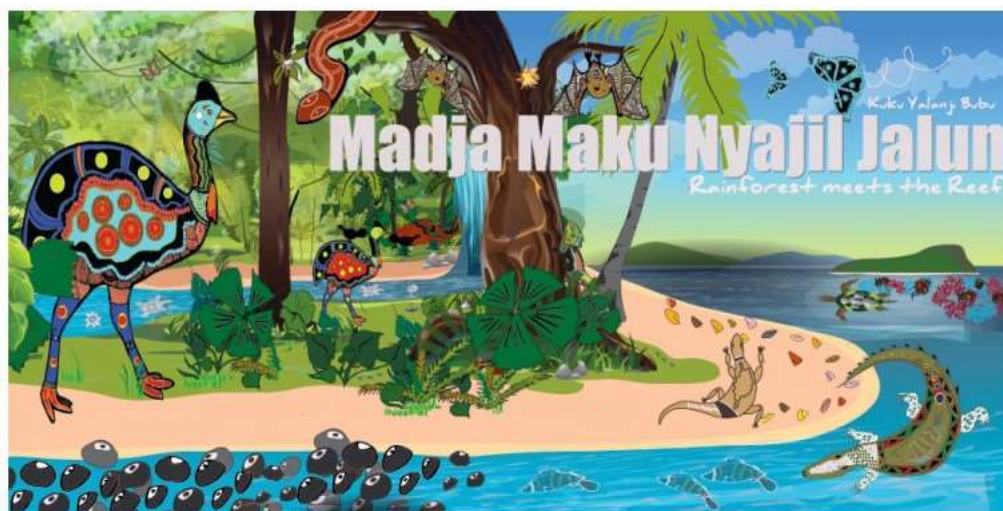


DOUGLAS SHIRE COUNCIL

ANNUAL BUDGET

2023 - 2024

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 2024

	2023/24	2024/25	2025/26
	\$	\$	\$
Operating Revenue			
Rates and utility charges	41,916,255	43,610,990	45,371,818
Less: Pensioner remissions / Rebates	(611,002)	(634,830)	(659,589)
Less: Discounts	0	0	0
Net rates and utility charges	41,305,254	42,976,159	44,712,229
Fees and charges	8,411,328	8,739,369	9,080,205
Grants and subsidies	6,423,376	6,551,843	6,682,880
Interest received	1,261,351	1,261,351	1,261,351
Other operating revenue	1,273,221	1,298,685	1,324,659
TOTAL OPERATING REVENUE	58,674,529	60,827,408	63,061,324
Operating Expenses			
Employee benefits	19,323,083	20,289,237	20,938,493
Materials and services	23,784,226	24,616,674	25,478,258
Depreciation and amortisation	15,187,351	15,642,972	16,112,261
Finance costs	122,210	124,654	127,147
TOTAL OPERATING EXPENDITURE	58,416,870	60,673,537	62,656,158
Operating Surplus / (Deficit)	257,659	153,871	405,166
Capital Income			
Grants and subsidies	3,051,867	701,785	701,785
Contributions from developers	250,000	250,000	250,000
TOTAL CAPITAL INCOME	3,301,867	951,785	951,785
Net Result	3,559,526	1,105,656	1,356,951
TOTAL COMPREHENSIVE INCOME	3,559,526	1,105,656	1,356,951

Douglas Shire Council - Budgeted Statement of Financial Position
For the period ending 30 June 2024

	2023/24	2024/25	2025/26
	\$	\$	\$
Current Assets			
Cash assets and equivalents	10,337,584	10,837,584	11,337,584
Investments	10,000,000	10,000,000	10,000,000
Receivables & contract assets	8,600,546	8,600,546	8,600,546
Inventory	93,356	93,356	93,356
	<u>29,031,486</u>	<u>29,531,486</u>	<u>30,031,486</u>
Non-Current Assets			
Property, plant and equipment	472,533,300	473,138,956	473,137,734
Intangibles	93,800	93,800	93,800
	<u>472,627,100</u>	<u>473,232,756</u>	<u>473,231,534</u>
TOTAL ASSETS	<u>501,658,586</u>	<u>502,764,242</u>	<u>503,263,020</u>
Current Liabilities			
Trade and other payables, contract liabilities	8,872,284	8,872,284	8,872,284
Borrowings	0	0	0
Provisions and Unearned Revenue	3,513,536	3,513,536	2,655,363
	<u>12,385,820</u>	<u>12,385,820</u>	<u>11,527,647</u>
Non-Current Liabilities			
Borrowings	0	0	0
Provisions	5,235,860	5,235,860	5,235,860
	<u>5,235,860</u>	<u>5,235,860</u>	<u>5,235,860</u>
TOTAL LIABILITIES	<u>17,621,680</u>	<u>17,621,680</u>	<u>16,763,507</u>
NET COMMUNITY ASSETS	<u>484,036,906</u>	<u>485,142,562</u>	<u>486,499,513</u>
Community Equity			
General reserves	3,877,586	4,377,586	4,877,586
Accumulated surplus / (deficit)	480,159,320	480,764,977	481,621,927
TOTAL COMMUNITY EQUITY	<u>484,036,906</u>	<u>485,142,562</u>	<u>486,499,513</u>

Douglas Shire Council - Budgeted Statement of Cash Flow
For the period ending 30 June 2024

	2023/24	2024/25	2025/26
	\$	\$	\$
Cash flows from operating activities			
Receipts			
Net rates and utility charges	41,305,254	42,976,159	44,712,229
Fees and charges	8,411,328	8,739,369	9,080,205
Grants, subsidies, contributions and donations	6,423,376	6,551,843	6,682,880
Interest received	1,261,351	1,261,351	1,261,351
Other operating revenue	1,273,221	1,298,685	1,324,659
	<u>58,674,529</u>	<u>60,827,408</u>	<u>63,061,324</u>
Payments			
Employee benefits	(19,323,083)	(20,289,237)	(20,938,493)
Materials and services	(23,784,226)	(24,616,674)	(25,478,258)
Finance costs	(122,210)	(124,654)	(127,147)
	<u>(43,229,519)</u>	<u>(45,030,565)</u>	<u>(46,543,897)</u>
Net cash inflow (outflow) from operating activities	<u>15,445,010</u>	<u>15,796,843</u>	<u>16,517,427</u>
Cash flows from investing activities			
Receipts			
Proceeds from sale of property plant and equipment	110,000	110,000	110,000
Grants, subsidies, contributions and donations	3,301,867	951,785	951,785
	<u>3,411,867</u>	<u>1,061,785</u>	<u>1,061,785</u>
Payments			
Payments for property, plant and equipment	(16,664,354)	(16,358,628)	(17,079,212)
Net cash inflow (outflow) from investing activities	<u>(13,252,487)</u>	<u>(15,296,843)</u>	<u>(16,017,427)</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>2,192,523</u>	<u>500,000</u>	<u>500,000</u>
Cash and cash equivalents at the beginning of the financial year	18,145,061	20,337,584	20,837,584
Cash and cash equivalents/investments at the end of the financial year	<u>20,337,584</u>	<u>20,837,584</u>	<u>21,337,584</u>

Douglas Shire Council - Budgeted Statement of Changes in Equity
For the period ending 30 June 2024

	2023/24 \$	2024/25 \$	2025/26 \$
GENERAL RESERVES			
Balance as at 1 July	3,127,586	3,877,586	4,377,586
Transfers to and from reserves			
Transfers to reserves	1,350,000	1,350,000	1,350,000
Transfers from reserves	(600,000)	(850,000)	(850,000)
Total transfers to and from reserves	<u>750,000</u>	<u>500,000</u>	<u>500,000</u>
Balance as at 30 June	<u>3,877,586</u>	<u>4,377,586</u>	<u>4,877,586</u>
ACCUMULATED SURPLUS / (DEFICIT)			
Balance as at 1 July	477,349,794	480,159,320	480,764,977
Net result	3,559,526	1,105,656	1,356,951
Total comprehensive income for the year	<u>3,559,526</u>	<u>1,105,656</u>	<u>1,356,951</u>
Transfers to and from reserves			
Transfers to reserves	(1,350,000)	(1,350,000)	(1,350,000)
Transfers from reserves	600,000	850,000	850,000
Total transfers to and from reserves	<u>(750,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>
Balance as at 30 June	<u>480,159,320</u>	<u>480,764,977</u>	<u>481,621,927</u>
TOTAL COMMUNITY EQUITY	<u>484,036,906</u>	<u>485,142,562</u>	<u>486,499,513</u>

Douglas Shire Council - Long Term Financial Forecast
For the period ending 30 June 2024

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue										
Rates and utility charges	41,305,254	42,976,159	44,712,229	46,516,006	48,204,066	49,951,209	51,759,501	53,631,084	55,568,171	57,573,058
Fees and charges	8,411,328	8,739,369	9,080,205	9,434,333	9,802,272	10,184,560	10,581,758	10,994,447	11,423,230	11,868,736
Grants and subsidies	6,423,376	6,551,843	6,682,880	6,816,538	6,952,868	7,091,926	7,233,764	7,378,440	7,526,008	7,676,529
Interest received	1,261,351	1,261,351	1,261,351	1,261,351	1,261,351	1,261,351	1,261,351	1,261,351	1,261,351	1,261,351
Other operating revenue	1,273,221	1,298,685	1,324,659	1,351,152	1,378,175	1,405,739	1,433,854	1,462,531	1,491,781	1,521,617
TOTAL OPERATING REVENUE	58,674,529	60,827,408	63,061,324	65,379,380	67,598,733	69,894,785	72,270,228	74,727,852	77,270,541	79,901,290
Operating Expenses										
Employee benefits	19,323,083	20,289,237	20,938,493	21,608,524	22,299,997	23,013,597	23,750,032	24,510,033	25,294,354	26,103,773
Materials and services	23,784,226	24,616,674	25,478,258	26,369,997	27,422,947	28,252,750	29,241,596	30,265,052	31,324,329	32,420,681
Depreciation and amortisation	15,187,351	15,642,972	16,112,261	16,595,629	17,093,497	17,606,302	18,134,491	18,678,526	19,238,882	19,816,048
Finance costs	122,210	124,654	127,147	129,690	132,284	134,929	137,628	140,381	143,188	146,052
TOTAL OPERATING EXPENDITURE	58,416,870	60,673,537	62,656,158	64,703,840	66,948,725	69,007,579	71,263,748	73,593,992	76,000,753	78,486,554
Operating Surplus / (Deficit)	257,659	153,871	405,166	675,540	650,008	887,206	1,006,480	1,133,860	1,269,788	1,414,736
Capital Income										
Grants and subsidies	3,051,867	701,785	701,785	701,785	701,785	701,785	701,785	701,785	701,785	701,785
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	3,301,867	951,785	951,785	951,785	951,785	951,785	951,785	951,785	951,785	951,785
Net Result	3,559,526	1,105,656	1,356,951	1,627,325	1,601,793	1,838,991	1,958,265	2,085,645	2,221,573	2,366,521
Sources of capital funding										
Funded depreciation	12,902,487	14,696,843	15,417,427	16,171,169	16,643,505	17,393,508	18,040,972	18,678,526	19,238,882	19,816,048
Constrained works reserve	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Daintree ferry reserve	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Proceeds from sale of assets	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Capital grants	3,051,867	701,785	701,785	701,785	701,785	701,785	701,785	701,785	701,785	701,785
General revenue	0	0	0	0	0	0	0	266,930	334,895	407,368
Total sources of capital funding	16,664,354	16,358,628	17,079,212	17,832,954	18,305,290	19,055,293	19,702,757	20,607,241	21,235,561	21,885,201
Application of capital funding										
Capital Works expenditure	16,664,354	16,358,628	17,079,212	17,832,954	18,305,290	19,055,293	19,702,757	20,607,242	21,235,561	21,885,201
Total application of capital funding	16,664,354	16,358,628	17,079,212	17,832,954	18,305,290	19,055,293	19,702,757	20,607,241	21,235,561	21,885,201
COMMUNITY ASSETS										
Total Assets	501,658,586	502,764,242	503,263,020	504,890,345	506,492,138	508,331,129	510,289,394	512,375,039	514,596,612	516,963,133
Total Liabilities	17,621,680	17,621,680	16,763,507	16,763,507	16,763,507	16,763,507	16,763,507	16,763,507	16,763,507	16,763,507
TOTAL COMMUNITY EQUITY	484,036,906	485,142,562	486,499,513	488,126,838	489,728,631	491,567,622	493,525,887	495,611,532	497,833,105	500,199,626

Douglas Shire Council - Measures of Financial Sustainability

For the period ending 30 June 2024

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	%	%	%	%	%	%	%	%	%	%

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%	0.44	0.25	0.64	1.03	0.96	1.27	1.39	1.52	1.64	1.77
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	Greater than 90%	80.61	90.14	90.31	90.48	91.24	91.13	90.40	90.69	91.83	91.89
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	Not greater than 60%	(19.45)	(19.58)	(21.04)	(21.06)	(21.11)	(21.13)	(21.13)	(20.79)	(20.54)	(20.37)

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 2024

	2023/24	2024/25	2025/26
	\$	\$	\$
Sources of capital funding			
Funded depreciation	12,902,487	14,696,843	15,417,427
Loan borrowings	0	0	0
Constrained works reserve	0	250,000	250,000
Daintree ferry reserve	600,000	600,000	600,000
Public art reserve	0	0	0
Proceeds from sale of assets	110,000	110,000	110,000
Capital grants	3,051,867	701,785	701,785
General revenue	0	0	0
Total sources of capital funding	16,664,354	16,358,628	17,079,212
Application of capital funding			
Capital Works expenditure	16,664,354	16,358,628	17,079,212
Total application of capital funding	16,664,354	16,358,628	17,079,212

Douglas Shire Council - Budgeted Movement in Reserves

For the period ending 30 June 2024

	2023/24	2024/25	2025/26
	\$	\$	\$
RESERVES			
Constrained works reserve			
Balance as at 1 July	2,627,586	2,877,586	2,877,586
Transfers to reserve	250,000	250,000	250,000
Transfers from reserve	0	(250,000)	(250,000)
Balance as at 30 June	<u>2,877,586</u>	<u>2,877,586</u>	<u>2,877,586</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>

Douglas Shire Council - Budgeted Rates and Utility Charges - Value of Change

For the period ending 30 June 2024

	2022/23	2023/24	Change	Change
	\$	\$	\$	%
Rates and utility charges	39,626,789	41,916,255	2,289,466	5.78

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 2024

	New/ Renewal/ Upgrade (N/R/U)	2023/24 \$
<u>Plant and Equipment</u>		
Reynolds Rm - A/V Refresh	U	35,000
UPS Replacement - MM Admin	R	40,000
Fleet renewal program - Light/Medium Trucks	R	800,000
Network Switches	U	48,000
Extra vServer Host	U	38,000
Firewalls Asset Refresh	R	35,000
		996,000
<u>Council & Community Facilities</u>		
Security fence at Wonga Beach Caravan Park	U	10,000
Building & Facilities renewal Program	R	500,000
Parks Renewal Program	R	574,000
Port Douglas Community Hub Renovation	U	25,000
Mossman Depot Improvements	R	195,000
Rex Smeal Park Playground - short term	U	500,000
Business case for Aquatic Precinct - Port Douglas	N	80,000
		1,884,000
<u>Resource Management</u>		
Sanitary Depot Final Capping	R	105,800
Cow Bay Transfer Station Communications and Safety	U	11,758
Landfill Capping - Newell	R	166,000
Cow Bay Hazardous Waste Storage Shed	U	25,000
Killaloe Landfill - Final Capping	R	232,000
		540,558
<u>Marine</u>		
Ferry Vessel Maintenance/Renewals	R	200,000
Ferry Davit Renewal	R	648,000
Daintree River Ferry - Vessel Design	U	100,000
		948,000
<u>Wastewater</u>		
Wastewater Pump Renewals Program	R	74,000
Sewerage Rehabilitation Program	R	100,000
Wastewater Network Renewal Program	R	214,000
SPS Switchboard Renewals	R	200,000
Port Douglas WWTP - Shed Replacement	R	100,000
Port Douglas WWTP - Inlet Works Renewal	R	100,000
Port Douglas WWTP - Recycled Water Upgrade	U	150,000
SPS MA Rising Main Upgrade	U	790,000
		1,728,000
<u>Water Supply</u>		
Water Pump Renewal Program	R	20,000
Water - Security Program	U	70,000
Water - Critical Mains Renewal Program	R	600,000
Water Mains Renewal Program - Reactive Maintenance	R	800,000
Water Treatment - WHS Improvements	U	125,000
Mossman River Intake	N	273,693
WTP Membrane Renewal Program	R	776,316
District metering and pressure management	U	400,000
Grant / Macrossan Streets Water Main Connection	R	300,000
Water Network - Fire Fighting Compliance Program	U	300,000
		3,665,009

Douglas Shire Council - Capital Works Program

For the period ending 30 June 2024

	New/ Renewal/ Upgrade (N/R/U)	2023/24 \$
<u>Drainage</u>		
Drainage Renewal Program	R	300,000
		300,000
<u>Transport</u>		
Alex Range (Cape Tribulation) Embankment Stabilisation - TIDS	U	450,000
Grant Funded - Lees Bridge Renewal	R	1,857,582
Alex Range (Cape Tribulation) Renewal - TIDS	R	238,869
Road Reseal / AC Overlay Renewal Program	R	916,336
Pavement Renewal Program	R	1,050,000
Gravel Road resheet program	R	450,000
Footpath Renewal Program	R	200,000
Daintree River Ferry - Landside Infrastructure	U	250,000
Kerb and Channel Program	R	250,000
Footpath & Road Lighting Program	R	200,000
Disability Infrastructure Upgrades Program	U	30,000
Grant Funding - TIDS - Fern Gully widening	U	400,000
Cow Bay Footpath – School Link	N	85,000
		6,377,787
<u>Emergent</u>		
Emergent Capital Works	N	225,000
		225,000
Total Capital Works		16,664,354