

3.10. ANNUAL BUDGET 2021-2022

REPORT AUTHOR Tara Killeen, Chief Financial Officer

MANAGER Mark Stoermer, Chief Executive Officer

DEPARTMENT Finance and Corporate Services

RECOMMENDATION

Pursuant to sections 169 and 170 of the *Local Government Regulation 2012*, Council's Budget for the 2021-2022 financial year, incorporating:

- I. The statement of income and expenditure;
- II. The statement of financial position;
- III. The statement of cash flow;
- IV. The statement of changes in equity;
- V. The long-term financial forecast;
- VI. The relevant measures of financial sustainability;
- VII. Budgeted sources and application of Capital Funding
- VIII. Budgeted movement in Reserves
- IX. Budgeted rates and utilities charges
- X. Capital works program
- XI. The total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget;
- XII. The revenue statement; and
- XIII. The revenue policy (adopted by Council resolution on 27 April 2021), as tabled, be adopted.

EXECUTIVE SUMMARY

Council is required to adopt an annual budget for each financial year and also determine the rates and charges to be levied for the same period. The Annual Budget 2021-2022 presented to Council has been prepared in collaboration with all Councillors.

This budget is based on sound financial sustainability principles and employs a long-term strategy to return Council's operating result to a balanced budget.

BACKGROUND

The *Local Government Act 2009* requires Council to resolve the rates and charges to be levied for each financial year (section 94(2)). The *Local Government Regulation 2012* requires Council to adopt an annual budget before 01 August each year (section 170 (1)(b)).

Previous reports included in this agenda identify the rates and charges to be levied for the period 01 July 2021 to 30 June 2022.

PROPOSAL

The Annual Budget 2021-2022 including all legislative requirements as defined by section 169 of the *Local Government Regulation 2012* is presented for adoption.

FINANCIAL/RESOURCE IMPLICATIONS

In accordance with Section 204 of the *Local Government Regulation 2012*, monthly financial reports which state the progress that has been made against the budget will be prepared and presented to Council.

RISK MANAGEMENT IMPLICATIONS

To mitigate risk, progress against budget will be actively monitored by the management team and reported on a monthly basis to Council.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

The budget has been prepared to ensure that appropriate resources are available to deliver the activities and initiatives detailed in the Operational Plan 2021 – 2022 which has been developed based on the objectives of the Corporate Plan 2020 – 2024.

CONSULTATION

The budget process has occurred over a number of months and involved input from all key areas of Council and included many workshops with Councillors to consider the various components of the budget such as the capital works program, fees & charges, rates, materials & services and Council's long term financial forecast.

ATTACHMENTS

1. Annual Budget 2021-2022 [**3.10.1** - 12 pages]
2. Revenue Statement for the 2021 22 Financial Year [**3.10.2** - 25 pages]
3. Revenue General Policy [**3.10.3** - 3 pages]

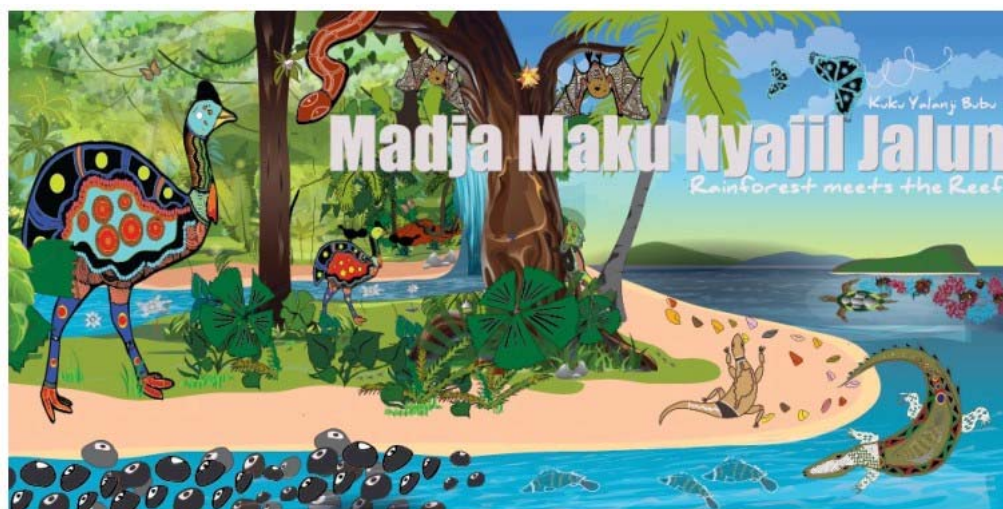
DOUGLAS SHIRE COUNCIL

ANNUAL BUDGET

2021 - 2022

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**"

Table of Contents

1.	BUDGETED STATEMENT OF INCOME AND EXPENDITURE _____	2
2.	BUDGETED STATEMENT OF FINANCIAL POSITION _____	3
3.	BUDGETED STATEMENT OF CASH FLOW _____	4
4.	BUDGETED STATEMENT OF CHANGES IN EQUITY _____	5
5.	LONG TERM FINANCIAL FORECAST _____	6
6.	MEASURES OF FINANCIAL SUSTAINABILITY _____	7
7.	BUDGETED SOURCES AND APPLICATION OF CAPITAL FUNDING _____	8
8.	BUDGETED MOVEMENT IN RESERVES _____	8
9.	BUDGETED RATES AND UTILITY CHARGES _____	8
10.	CAPITAL WORKS PROGRAM _____	9

Douglas Shire Council - Budgeted Statement of Income and Expenditure
For the period ending 30 June 2022

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue										
Rates and utility charges	37,784,630	39,091,523	40,441,544	41,836,115	43,276,707	44,764,838	46,302,078	47,890,047	49,530,418	51,224,922
Less: Pensioner remissions / Rebates	(524,088)	(541,382)	(559,250)	(577,704)	(596,768)	(616,462)	(636,804)	(657,820)	(679,529)	(701,952)
Less: Discounts	0	0	0	0	0	0	0	0	0	0
Net rates and utility charges	37,260,543	38,550,141	39,882,295	41,258,411	42,679,939	44,148,377	45,665,273	47,232,227	48,850,891	50,522,970
Fees and charges	6,605,515	6,823,497	7,048,672	7,281,279	7,521,561	7,769,772	8,026,175	8,291,039	8,564,643	8,847,276
Grants and subsidies	2,380,383	2,427,991	2,476,551	2,526,082	2,576,603	2,628,135	2,680,698	2,734,312	2,788,998	2,844,778
Interest received	355,040	355,040	355,040	355,040	355,040	355,040	355,040	355,040	355,040	355,040
Other operating revenue	997,274	997,274	997,274	997,274	997,274	997,274	997,274	997,274	997,274	997,274
TOTAL OPERATING REVENUE	47,598,755	49,153,943	50,759,832	52,418,085	54,130,417	55,898,598	57,724,460	59,609,892	61,556,846	63,567,338
Operating Expenses										
Employee benefits	16,833,359	17,203,693	17,582,174	17,968,982	18,364,300	18,768,314	19,181,217	19,603,204	20,034,474	20,475,233
Materials and services	19,049,586	19,478,201	19,916,461	20,364,581	20,822,784	21,291,297	21,770,351	22,260,184	22,761,038	23,273,162
Depreciation and amortisation	13,896,369	14,313,260	14,742,658	15,184,938	15,640,486	16,109,700	16,592,991	17,090,781	17,603,505	18,131,610
Finance costs	175,705	179,219	182,803	186,459	190,188	193,992	197,872	201,829	205,866	209,983
TOTAL OPERATING EXPENDITURE	49,955,019	51,174,373	52,424,096	53,704,960	55,017,758	56,363,304	57,742,432	59,155,999	60,604,883	62,089,988
Operating Surplus / (Deficit)	(2,356,264)	(2,020,431)	(1,664,264)	(1,286,875)	(887,341)	(464,706)	(17,972)	453,893	951,962	1,477,351
Capital Income										
Grants and subsidies	4,597,318	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	4,847,318	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	2,491,054	(626,094)	(269,927)	107,462	506,996	929,631	1,376,365	1,848,230	2,346,299	2,871,688
TOTAL COMPREHENSIVE INCOME	2,491,054	(626,094)	(269,927)	107,462	506,996	929,631	1,376,365	1,848,230	2,346,299	2,871,688

Douglas Shire Council - Budgeted Statement of Financial Position

For the period ending 30 June 2022

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Current Assets										
Cash assets and equivalents	15,716,587	15,966,587	16,416,587	16,916,587	17,466,587	18,016,587	18,566,587	19,116,587	19,567,568	20,281,244
Receivables	4,647,918	4,647,918	4,647,918	4,647,918	4,647,918	4,647,918	4,647,918	4,647,918	4,647,918	4,647,918
Inventory	97,728	97,728	97,728	97,728	97,728	97,728	97,728	97,728	97,728	97,728
	<u>20,462,233</u>	<u>20,712,233</u>	<u>21,162,233</u>	<u>21,662,233</u>	<u>22,212,233</u>	<u>22,762,233</u>	<u>23,312,233</u>	<u>23,862,233</u>	<u>24,313,214</u>	<u>25,026,890</u>
Non-Current Assets										
Property, plant and equipment	418,244,587	415,896,483	413,926,556	413,534,018	412,632,841	413,012,472	413,838,837	415,137,067	417,032,386	419,190,397
Intangibles	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
	<u>418,354,587</u>	<u>416,006,483</u>	<u>414,036,556</u>	<u>413,644,018</u>	<u>412,742,841</u>	<u>413,122,472</u>	<u>413,948,837</u>	<u>415,247,067</u>	<u>417,142,386</u>	<u>419,300,397</u>
TOTAL ASSETS	<u>438,816,821</u>	<u>436,718,716</u>	<u>435,198,789</u>	<u>435,306,251</u>	<u>434,955,074</u>	<u>435,884,705</u>	<u>437,261,071</u>	<u>439,109,301</u>	<u>441,455,600</u>	<u>444,327,287</u>
Current Liabilities										
Trade and other payables	5,821,683	5,821,683	5,821,683	5,821,683	5,821,683	5,821,683	5,821,683	5,821,683	5,821,683	5,821,683
Borrowings	0	0	0	0	0	0	0	0	0	0
Provisions	3,233,973	2,511,962	2,011,962	2,011,962	1,153,789	1,153,789	1,153,789	1,153,789	1,153,789	1,153,789
	<u>9,055,656</u>	<u>8,333,645</u>	<u>7,833,645</u>	<u>7,833,645</u>	<u>6,975,472</u>	<u>6,975,472</u>	<u>6,975,472</u>	<u>6,975,472</u>	<u>6,975,472</u>	<u>6,975,472</u>
Non-Current Liabilities										
Borrowings	0	0	0	0	0	0	0	0	0	0
Provisions	2,568,016	1,818,016	1,068,016	1,068,016	1,068,016	1,068,016	1,068,016	1,068,016	1,068,016	1,068,016
	<u>2,568,016</u>	<u>1,818,016</u>	<u>1,068,016</u>	<u>1,068,016</u>	<u>1,068,016</u>	<u>1,068,016</u>	<u>1,068,016</u>	<u>1,068,016</u>	<u>1,068,016</u>	<u>1,068,016</u>
TOTAL LIABILITIES	<u>11,623,672</u>	<u>10,151,661</u>	<u>8,901,661</u>	<u>8,901,661</u>	<u>8,043,488</u>	<u>8,043,488</u>	<u>8,043,488</u>	<u>8,043,488</u>	<u>8,043,488</u>	<u>8,043,488</u>
NET COMMUNITY ASSETS	<u>427,193,149</u>	<u>426,567,055</u>	<u>426,297,128</u>	<u>426,404,590</u>	<u>426,911,586</u>	<u>427,841,217</u>	<u>429,217,583</u>	<u>431,065,813</u>	<u>433,412,112</u>	<u>436,283,799</u>
Community Equity										
General reserves	2,455,385	2,705,385	3,155,385	3,655,385	4,205,385	4,755,385	5,305,385	5,855,385	5,905,385	5,955,385
Accumulated surplus / (deficit)	424,737,763	423,861,670	423,141,743	422,749,205	422,706,201	423,085,832	423,912,197	425,210,427	427,506,727	430,328,415
TOTAL COMMUNITY EQUITY	<u>427,193,148</u>	<u>426,567,055</u>	<u>426,297,128</u>	<u>426,404,590</u>	<u>426,911,586</u>	<u>427,841,217</u>	<u>429,217,582</u>	<u>431,065,812</u>	<u>433,412,112</u>	<u>436,283,800</u>

Douglas Shire Council - Budgeted Statement of Cash Flow
For the period ending 30 June 2022

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash flows from operating activities										
Receipts										
Net rates and utility charges	37,260,543	38,550,141	39,882,295	41,258,411	42,679,939	44,148,377	45,665,273	47,232,227	48,850,891	50,522,970
Fees and charges	6,605,515	6,823,497	7,048,672	7,281,279	7,521,561	7,769,772	8,026,175	8,291,039	8,564,643	8,847,276
Grants, subsidies, contributions and donations	2,380,383	2,427,991	2,476,551	2,526,082	2,576,603	2,628,135	2,680,698	2,734,312	2,788,998	2,844,778
Interest received	355,040	355,040	355,040	355,040	355,040	355,040	355,040	355,040	355,040	355,040
Other operating revenue	997,274	997,274	997,274	997,274	997,274	997,274	997,274	997,274	997,274	997,274
	<u>47,598,755</u>	<u>49,153,943</u>	<u>50,759,832</u>	<u>52,418,085</u>	<u>54,130,417</u>	<u>55,898,598</u>	<u>57,724,460</u>	<u>59,609,892</u>	<u>61,556,846</u>	<u>63,567,338</u>
Payments										
Employee benefits	(16,833,359)	(17,203,693)	(17,582,174)	(17,968,982)	(18,364,300)	(18,768,314)	(19,181,217)	(19,603,204)	(20,034,474)	(20,475,233)
Materials and services	(19,049,586)	(19,478,201)	(19,916,461)	(20,364,581)	(20,822,784)	(21,291,297)	(21,770,351)	(22,260,184)	(22,761,038)	(23,273,162)
Finance costs	(175,705)	(179,219)	(182,803)	(186,459)	(190,188)	(193,992)	(197,872)	(201,829)	(205,866)	(209,983)
	<u>(36,058,649)</u>	<u>(36,861,113)</u>	<u>(37,681,438)</u>	<u>(38,520,023)</u>	<u>(39,377,272)</u>	<u>(40,253,603)</u>	<u>(41,149,440)</u>	<u>(42,065,217)</u>	<u>(43,001,379)</u>	<u>(43,958,378)</u>
Net cash inflow (outflow) from operating activities	11,540,106	12,292,829	13,078,394	13,898,063	14,753,144	15,644,995	16,575,020	17,544,674	18,555,467	19,608,961
Cash flows from investing activities										
Receipts										
Proceeds from sale of property plant and equipment	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Grants, subsidies, contributions and donations	4,847,318	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
	<u>4,957,318</u>	<u>1,504,337</u>	<u>1,504,337</u>	<u>1,504,337</u>	<u>1,504,337</u>	<u>1,504,337</u>	<u>1,504,337</u>	<u>1,504,337</u>	<u>1,504,337</u>	<u>1,504,337</u>
Payments										
Payments for property, plant and equipment	(16,046,559)	(13,547,166)	(14,132,731)	(14,902,400)	(15,707,481)	(16,599,332)	(17,529,357)	(18,499,011)	(19,608,823)	(20,399,622)
Payments for intangible assets	0	0	0	0	0	0	0	0	0	0
	<u>(16,046,559)</u>	<u>(13,547,166)</u>	<u>(14,132,731)</u>	<u>(14,902,400)</u>	<u>(15,707,481)</u>	<u>(16,599,332)</u>	<u>(17,529,357)</u>	<u>(18,499,011)</u>	<u>(19,608,823)</u>	<u>(20,399,622)</u>
Net cash inflow (outflow) from investing activities	(11,089,241)	(12,042,829)	(12,628,394)	(13,398,063)	(14,203,144)	(15,094,995)	(16,025,020)	(16,994,674)	(18,104,486)	(18,895,285)
Cash flows from financing activities										
Net cash inflow (outflow) from financing activities	0	0	0	0	0	0	0	0	0	0
Net increase (decrease) in cash and cash equivalents held	450,865	250,000	450,000	500,000	550,000	550,000	550,000	550,000	450,981	713,675
Cash and cash equivalents at the beginning of the financial year	15,265,723	15,716,587	15,966,587	16,416,587	16,916,587	17,466,587	18,016,587	18,566,587	19,116,587	19,567,568
Cash and cash equivalents at the end of the financial year	15,716,587	15,966,587	16,416,587	16,916,587	17,466,587	18,016,587	18,566,587	19,116,587	19,567,568	20,281,244

Douglas Shire Council - Budgeted Statement of Changes in Equity

For the period ending 30 June 2022

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
GENERAL RESERVES										
Balance as at 1 July	2,004,520	2,455,385	2,705,385	3,155,385	3,655,385	4,205,385	4,755,385	5,305,385	5,855,385	5,905,385
Transfers to and from reserves										
Transfers to reserves	1,100,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	400,000	400,000
Transfers from reserves	(649,135)	(650,000)	(450,000)	(400,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Total transfers to and from reserves	<u>450,865</u>	<u>250,000</u>	<u>450,000</u>	<u>500,000</u>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>50,000</u>	<u>50,000</u>
Balance as at 30 June	<u>2,455,385</u>	<u>2,705,385</u>	<u>3,155,385</u>	<u>3,655,385</u>	<u>4,205,385</u>	<u>4,755,385</u>	<u>5,305,385</u>	<u>5,855,385</u>	<u>5,905,385</u>	<u>5,955,385</u>
ACCUMULATED SURPLUS / (DEFICIT)										
Balance as at 1 July	422,697,574	424,737,763	423,861,670	423,141,743	422,749,205	422,706,201	423,085,832	423,912,197	425,210,427	427,506,727
Net result	2,491,054	(626,094)	(269,927)	107,462	506,996	929,631	1,376,365	1,848,230	2,346,299	2,871,688
Total comprehensive income for the year	<u>2,491,054</u>	<u>(626,094)</u>	<u>(269,927)</u>	<u>107,462</u>	<u>506,996</u>	<u>929,631</u>	<u>1,376,365</u>	<u>1,848,230</u>	<u>2,346,299</u>	<u>2,871,688</u>
Transfers to and from reserves										
Transfers to reserves	(1,100,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(400,000)	(400,000)
Transfers from reserves	649,135	650,000	450,000	400,000	350,000	350,000	350,000	350,000	350,000	350,000
Total transfers to and from reserves	<u>(450,865)</u>	<u>(250,000)</u>	<u>(450,000)</u>	<u>(500,000)</u>	<u>(550,000)</u>	<u>(550,000)</u>	<u>(550,000)</u>	<u>(550,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>
Balance as at 30 June	<u>424,737,763</u>	<u>423,861,670</u>	<u>423,141,743</u>	<u>422,749,205</u>	<u>422,706,201</u>	<u>423,085,832</u>	<u>423,912,197</u>	<u>425,210,427</u>	<u>427,506,727</u>	<u>430,328,415</u>
TOTAL COMMUNITY EQUITY	<u>427,193,148</u>	<u>426,567,055</u>	<u>426,297,128</u>	<u>426,404,590</u>	<u>426,911,586</u>	<u>427,841,217</u>	<u>429,217,582</u>	<u>431,065,812</u>	<u>433,412,112</u>	<u>436,283,800</u>

Douglas Shire Council - Long Term Financial Forecast

For the period ending 30 June 2022

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue										
Rates and utility charges	37,260,543	38,550,141	39,882,295	41,258,411	42,679,939	44,148,377	45,665,273	47,232,227	48,850,891	50,522,970
Fees and charges	6,605,515	6,823,497	7,048,672	7,281,279	7,521,561	7,769,772	8,026,175	8,291,039	8,564,643	8,847,276
Grants and subsidies	2,380,383	2,427,991	2,476,551	2,526,082	2,576,603	2,628,135	2,680,698	2,734,312	2,788,998	2,844,778
Interest received	355,040	355,040	355,040	355,040	355,040	355,040	355,040	355,040	355,040	355,040
Other operating revenue	997,274	997,274	997,274	997,274	997,274	997,274	997,274	997,274	997,274	997,274
TOTAL OPERATING REVENUE	47,598,755	49,153,943	50,759,832	52,418,085	54,130,417	55,898,598	57,724,460	59,609,892	61,556,846	63,567,338
Operating Expenses										
Employee benefits	16,833,359	17,203,693	17,582,174	17,968,982	18,364,300	18,768,314	19,181,217	19,603,204	20,034,474	20,475,233
Materials and services	19,049,586	19,478,201	19,916,461	20,364,581	20,822,784	21,291,297	21,770,351	22,260,184	22,761,038	23,273,162
Depreciation and amortisation	13,896,369	14,313,260	14,742,658	15,184,938	15,640,486	16,109,700	16,592,991	17,090,781	17,603,505	18,131,610
Finance costs	175,705	179,219	182,803	186,459	190,188	193,992	197,872	201,829	205,866	209,983
TOTAL OPERATING EXPENDITURE	49,955,019	51,174,373	52,424,096	53,704,960	55,017,758	56,363,304	57,742,432	59,155,999	60,604,883	62,089,988
Operating Surplus / (Deficit)	(2,356,264)	(2,020,431)	(1,664,264)	(1,286,875)	(887,341)	(464,706)	(17,972)	453,893	951,962	1,477,351
Capital Income										
Grants and subsidies	4,597,318	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	4,847,318	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	2,491,054	(626,094)	(269,927)	107,462	506,996	929,631	1,376,365	1,848,230	2,346,299	2,871,688
Sources of capital funding										
Funded depreciation	10,690,106	11,642,829	12,428,394	13,248,063	14,103,144	14,994,995	15,925,020	16,894,674	17,603,505	18,131,610
Constrained works reserve	299,135	500,000	300,000	250,000	200,000	200,000	200,000	200,000	200,000	200,000
Daintree ferry reserve	350,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Public art reserve	0	0	0	0	0	0	0	0	0	0
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	4,597,318	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
Council source funding	0	0	0	0	0	0	0	0	0	0
General revenue	0	0	0	0	0	0	0	0	400,981	663,675
Total sources of capital funding	16,046,559	13,547,166	14,132,731	14,902,400	15,707,481	16,599,332	17,529,357	18,499,011	19,608,823	20,399,622
Application of capital funding										
Capital Works expenditure	16,046,559	13,547,166	14,132,731	14,902,400	15,707,481	16,599,332	17,529,357	18,499,011	19,608,823	20,399,622
Total application of capital funding	16,046,559	13,547,166	14,132,731	14,902,400	15,707,481	16,599,332	17,529,357	18,499,011	19,608,823	20,399,622
COMMUNITY ASSETS										
Total Assets	438,816,821	436,718,716	435,198,789	435,306,251	434,955,074	435,884,705	437,261,071	439,109,301	441,455,600	444,327,287
Total Liabilities	11,623,672	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
TOTAL COMMUNITY EQUITY	427,193,149	426,567,055	426,297,128	426,404,590	426,911,586	427,841,217	429,217,583	431,065,813	433,412,112	436,283,799

Douglas Shire Council - Measures of Financial Sustainability

For the period ending 30 June 2022

			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
			%	%	%	%	%	%	%	%	%	%
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%	(4.95)	(4.11)	(3.28)	(2.46)	(1.64)	(.83)	(.03)	0.76	1.55	2.32
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	Greater than 90%	75.93	90.20	93.27	90.58	91.99	92.43	93.71	95.79	98.58	99.57
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	Not greater than 60%	(18.57)	(21.48)	(24.15)	(24.34)	(26.18)	(26.33)	(26.45)	(26.54)	(26.43)	(26.72)

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 2022

	2021/22	2022/23	2023/24
	\$	\$	\$
Sources of capital funding			
Funded depreciation	10,690,106	11,642,829	12,428,394
* Constrained works reserve	299,135	500,000	300,000
Daintree ferry reserve	350,000	150,000	150,000
Public art reserve	0	0	0
Proceeds from sale of assets	110,000	110,000	110,000
Capital grants	4,597,318	1,144,337	1,144,337
Council source funding	0	0	0
General revenue	0	0	0
Total sources of capital funding	16,046,559	13,547,166	14,132,731
Application of capital funding			
Capital Works expenditure	16,046,559	13,547,166	14,132,731
Total application of capital funding	16,046,559	13,547,166	14,132,731
* Application of funds from Constrained works reserve			
Road / Transport Network	98,715		
Public Spaces	35,896		
Water	80,766		
Wastewater	83,758		
	299,135		

Douglas Shire Council - Budgeted Movement in Reserves

For the period ending 30 June 2022

	2021/22	2022/23	2023/24
	\$	\$	\$
RESERVES			
Constrained works reserve			
Balance as at 1 July	2,004,520	1,955,385	1,705,385
Transfers to reserve	250,000	250,000	250,000
Transfers from reserve	(299,135)	(500,000)	(300,000)
Balance as at 30 June	1,955,385	1,705,385	1,655,385
Daintree ferry reserve			
Balance as at 1 July	0	500,000	1,000,000
Transfers to reserve	850,000	650,000	650,000
Transfers from reserve	(350,000)	(150,000)	(150,000)
Balance as at 30 June	500,000	1,000,000	1,500,000
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	0	0	0

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

For the period ending 30 June 2022

	2020/21	2021/22	Change	Change
	\$	\$	\$	%
Rates and utility charges	36,123,565	37,784,630	1,661,065	4.6%

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 2022

	New/ Renewal/ Upgrade (N/R/U)	2021/22 \$
<u>Community Development</u>		
Sports Master Plan Implementation for Port Douglas and Mossman	R	250,000
Indigenous Signage Final Stage	N	30,000
		280,000
<u>ICT Services</u>		
Asset Management System	U	237,250
Evidence Management System	N	15,832
Authority Online Timesheets	N	30,000
InfoXpert Public Portal	N	17,000
Promapp - Process Mapping Tool	N	21,000
SCADA - Cyber Security Refresh	R	126,000
Security System Access Refresh	R	45,000
		492,082
<u>Property Services</u>		
Mossman Pool - Design	N	150,000
Purchase Road Reserve to Accommodate Reef Bank	N	10,000
		160,000
<u>Building Facilities</u>		
Building & Facilities Renewal Program	R	280,000
Infrastructure Lighting Renewal Program	R	40,000
Mossman Depot Auto Gates	U	30,000
Diwan Health Clinic Generator Compound Renewal	R	75,000
		425,000
<u>Fleet</u>		
Fleet Renewal Program - Heavy Plant	R	650,000
		650,000
<u>Environment & Planning</u>		
Refurbish Pile Moorings at Port Douglas Boat Harbour	R	25,000
		25,000
<u>Resource Management</u>		
Landfill Capping - Newell	R	154,000
Killaloe Transfer Station Amenities & Crib Room	R	20,000
Killaloe Landfill - Interim Capping	R	180,000
Sanitary Depot Final Capping	R	60,000
Cow Bay Transfer Station Communications & Safety	U	20,000
Cow Bay Transfer Station Ramp	R	20,000
Killaloe Transfer Station Site Security	R	10,000
Killaloe Recovery Shed Pavers	N	126,477
		590,477
<u>Public Spaces</u>		
Parks Renewal Program	R	450,000
Rex Smeal Playground	U	100,000
		550,000
<u>Civil Works</u>		
Timber Bridge and Boardwalk Renewal Program	R	80,000
Disability Infrastructure Upgrades	R	100,000
Road Reseal Program	R	600,000
Pavement Renewal Program	R	250,000
Gravel Road Renewal Program	R	450,000
Footpath Renewal Program	R	150,000
Kerb and Channel Program	R	200,000
Footpath & Road Lighting Program	R	350,000
Craiglie Residential Estate Trunk Infrastructure	N	1,000,000
Cooya to Mossman Cycle Way Stage 2	N	2,500,000

Douglas Shire Council - Capital Works Program

For the period ending 30 June 2022

	New/ Renewal/ Upgrade (N/R/U)	2021/22 \$
Warner Bridge Replacement	R	1,000,000
Anichs Bridge Renewal	R	880,000
Realign Douglas Creek Road	N	150,000
Daintree Ferry - Infrastructure Stage 1	N	350,000
		8,060,000
<u>Wastewater</u>		
Manhole Raise & Reseal Program	R	60,000
Manhole Condition Assessment - Refurb Program	R	50,000
PDWWTP Air Compressors Renewals	R	52,000
Auto-samplers	R	14,000
RTU & Switchboard Renewal	R	305,000
Tertiary Filters Media Sand Replacement and Inspections/Repairs	R	45,000
PDWWTP Odour Control Unit Renewal	R	100,000
Wastewater Network Renewal Program	R	150,000
		776,000
<u>Water Quality</u>		
Security and Disaster Response Strengthening Program	U	80,000
Chemical WHS WTP Works	R	100,000
CIP Filter Replacement Program	R	6,000
Process Control Renewal Program	R	110,000
UF Cartridge Renewals Program	R	315,000
Protective Roof Turbidity Meter Cabinet	R	15,000
RTU & Switchboard Renewals for Water Quality	R	215,000
UV Unit Renewals	R	70,000
		911,000
<u>Water Reticulation</u>		
Water Main Fire Fighting Compliance	R	100,000
Water Network Service Renewals Program	R	750,000
Smart Water Meter Program	R/U	800,000
Water Main Renewal Program	R	550,000
Bulk Raw Water Storage Reservoir	N	150,000
BBRF Grant Application - Council Contribution	N	477,000
		2,827,000
<u>Drainage</u>		
Drainage Renewal Program	R	300,000
		300,000
Total Capital Works		16,046,559



REVENUE STATEMENT FOR THE 2021/22 FINANCIAL YEAR

1. INTRODUCTION

This revenue statement is produced in accordance with section 104 of the *Local Government Act 2009* and sections 169 and 172 of the *Local Government Regulation 2012*.

2. DIFFERENTIAL GENERAL RATING

2.1 – Differential General Rating – General Comments

Council has decided that in accordance with section 81 of the *Local Government Regulation 2012*, differential general rates will be levied on all rateable land in the Council area. In Council's opinion, differential general rating enables there to be a more equitable relationship between revenue raised from particular land and the circumstances relevant to that land, than would be the case under a standard rating system where rates are levied at a single rate in the dollar on all rateable land.

In determining its differential rating system, Council's objective is to ensure the fair and consistent application of lawful rating and charging principles, without bias, taking account of all relevant considerations and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes.

In summary, the differential rating categories have been determined having regard to matters such as:

- Land use;
- Availability of services;
- Consumption of services;
- Valuation; and
- Income producing capacity of land.

2.2 – Summary of Differential General Rating Categories & Descriptions (refer to Schedule 1 for the full list of categories, descriptions and identification for each category)

The following categories and descriptions are to be used for rating purposes for all rateable properties:

Category	Description
1 - Residential PPR	Residential properties, which are the principal place of residence of the owner/s, with a rateable valuation from \$1 to \$250,000.
2 - Residential PPR	Residential properties, which are the principal place of residence of the owner/s, with a rateable valuation from \$250,001 to \$500,000.
3 - Residential PPR	Residential properties, which are the principal place of residence of the owner/s, with a rateable valuation from \$500,001 to \$1,000,000.
4 - Residential PPR	Residential properties, which are the principal place of residence of the owner/s, with a rateable valuation from \$1,000,001 to \$1,300,000.
5 - Residential PPR	Residential properties, which are the principal place of residence of the owner/s, with a rateable valuation from \$1,300,001 to \$2,000,000.

6 - Residential PPR	Residential properties which are the principal place of residence of the owner/s, with a rateable valuation greater than \$2,000,000.
7 - Residential NPPR	Residential properties, which are not the principal place of residence of the owner/s, with a rateable valuation from \$1 to \$250,000.
8 - Residential NPPR	Residential properties, which are not the principal place of residence of the owner/s, with a rateable valuation from \$250,001 to \$500,000.
9 - Residential NPPR	Residential properties, which are not the principal place of residence of the owner/s, with a rateable valuation from \$500,001 to \$1,000,000.
10 - Residential NPPR	Residential properties, which are not the principal place of residence of the owner/s, with a rateable valuation from \$1,000,001 to \$1,300,000.
11 - Residential NPPR	Residential properties, which are not the principal place of residence of the owner/s, with a rateable valuation from \$1,300,001 to \$2,000,000.
12 - Residential NPPR	Residential properties, which are not the principal place of residence of the owner/s, with a rateable valuation greater than \$2,000,000.
13 – Residential PPR	Residential properties that are building units, which are the principal place of residence of the owner/s.
14 – Residential NPPR	Residential properties that are building units, which are not the principal place of residence of the owner/s.
15 - Residential Flats	Multi Unit Dwellings (Flats 2)
16 - Residential Flats	Multi Unit Dwellings (Flats 3 - 4)
17 - Residential Flats	Multi Unit Dwellings (Flats.5 – 6)
18 - Residential Flats	Multi Unit Dwellings (Flats 7+).
19 - Residential	Residential land which is subject to section 50 of the <i>Land Valuation Act 2010</i> .
20 - Rural Productive	All properties which are used predominantly for Primary Production.
21 - All Other Land	All land which is not otherwise categorised.
22 - Commercial North	Properties that are used, or capable of being used, for commercial/industrial purposes in the localities of Cooya, Mossman and other localities to the north of Mossman (excluding those properties in Categories 24 and 25).
23 – Commercial South	Properties that are used, or capable of being used, for commercial/industrial purposes in the localities of Port Douglas, Craiglie and other localities to the south of Craiglie (excluding those properties in Categories 24 and 25)
24 – Commercial NFP	Properties used by Not for Profit Recreation, Sporting and Community Groups that are eligible for a rates concession.
25 – Commercial Marina	Shopping Centres with a secondary land use of Marina with a total area over 1.5ha.
26 – Heavy Industry	Properties that are used, or has the potential to be used for a sugar mill, co-generation plant or any heavy industry purpose

Council delegates to the Chief Executive Officer (CEO) the power to determine which differential rating category a particular rateable assessment should be allocated into. In this regard, the CEO may be guided by the list of land use codes set out in Schedule 1.

Further information that the CEO may utilise in this regard includes:

- The land use codes as adopted by the Department of Resources for formulating Local Authority valuations;
- The current Planning Areas in the 2018 Douglas Shire Planning Scheme Version 1.0. and the Integrated Resort Development Act 1987 (Mirage Port Douglas Scheme);
- Other such criteria as outlined within this statement and existing as at 1 July 2021.

The definition of rateable land and details of land exempted from rates are outlined in section 93 of the *Local Government Act 2009* and section 73 of the *Local Government Regulation 2012* and are attached as Schedule 2.

2.3 – Limiting the increase in rates and charges

Pursuant to section 116 of the *Local Government Regulation 2012*, the amount of the differential general rate to be levied for the 2021/22 financial year on Category 20 – Rural Productive will be limited to an amount no more than an amount equal to the amount of general rate levied on that land in the previous financial year increased by twenty percent (20%).

3. CALCULATION OF LEVIES

3.1 PROVISIONS

- Differential General Rates will apply based on differential rating categories.
- Minimum general rates will apply.
- There will be “rate capping” on the rural productive category (see section 2.3 above).

3.2 APPLICATION OF GENERAL RATES BY CATEGORY

(a) RESIDENTIAL

Category 1	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Category 2	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Category 3	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Category 4	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Category 5	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Category 6	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Category 7	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Category 8	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Category 9	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Category 10	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Category 11	A single rate in the dollar to apply to all properties included in this category with a set minimum.

- Category 13 A single rate in the dollar to apply to all properties included in this category with a set minimum.
- Category 14 A single rate in the dollar to apply to all properties included in this category with a set minimum.
- Category 15 A single rate in the dollar to apply to all properties included in this category with a set minimum.
- Category 16 A single rate in the dollar to apply to all properties included in this category with a set minimum.
- Category 17 A single rate in the dollar to apply to all properties included in this category with a set minimum.
- Category 18 A single rate in the dollar to apply to all properties included in this category with a set minimum.
- Category 19 A single rate in the dollar to apply to all properties included in this category with no minimum, as required under section 50 of the *Land Valuation Act 2010*.

(b) RURAL PRODUCTIVE

- Category 20 A single rate in the dollar to apply to all properties included in this category with a set minimum.

(c) All OTHER LAND

- Category 21 A single rate in the dollar to apply to all properties included in this category with a set minimum.

(d) COMMERCIAL

- Category 22 A single rate in the dollar to apply to all properties included in this category with a set minimum. The minimum will not apply to properties that are subject to section 50 of the Land Valuation Act 2010.
- Category 23 A single rate in the dollar to apply to all properties included in this category with a set minimum. The minimum will not apply to properties that are subject to section 50 of the Land Valuation Act 2010.
- Category 24 A single rate in the dollar to apply to all properties included in this category with a set minimum.
- Category 25 A single rate in the dollar to apply to all properties included in this category with a set minimum.

(e) HEAVY INDUSTRY

- Category 26 A single rate in the dollar to apply to all properties included in this category with a set minimum.

4. ISSUE OF NOTICES

The issuing of rate notices and the payment of rates is closely linked to interest charged on overdue rates.

- Rate notices for the 2021/22 financial year will be issued half-yearly, with water access and water usage notices being issued three times during the year.
- The due date for payment is defined as being not more than thirty-five (35) days from the date of issue of the rate notice.
- Interest will be charged at the rate of 8.03% per annum calculated at compound interest at daily rests on all rates and charges which remain outstanding after expiration of the due date for payment.

5. CONCESSIONS AND DISCOUNTS

5.1 LODGEMENT OF APPLICATIONS

- (a) All applications for concessions must be in writing on the prescribed form and contain a declaration as to the accuracy of the information contained therein.
- (b) Applications in respect of a new financial year should be submitted before the commencement of each rating period. New applications for a concession received after the commencement of a rating period will be accepted for consideration provided the applicant meets all the criteria as at the first day of the rating period and such concession will be effective from the beginning of that rating period and not applied retrospectively to previous rating periods. Furthermore, if an applicant meets all the criteria on multiple properties for the full rating period, a concession will be applicable to one property only. Depending on the lateness of the application and processing times, the applicant may be required to pay the rates in full by the due date to ensure that interest does not apply. In such cases a credit for the amount of the concession will be placed on the applicant's rate file.
- (c) Once an application for a concession is approved it shall remain in force from year to year without further renewal whilst the applicant remains owner/occupier of the property in question.
- (d) Where an applicant's circumstances alter it is incumbent upon the applicant to notify Council. Council will conduct periodic audits to verify current entitlements.

5.2 PENSIONER CONCESSION

Pensioners may be entitled to a State Government subsidy (currently 20%, up to a maximum of \$200.00 per property per annum). Where the State Government subsidy applies, Council will remit the appropriate amount on the rate notice and claim reimbursement from the State Government.

Pensioners deemed eligible for the State Government subsidy may also be entitled to the Council Pensioner Concession.

- (a) The rebate will be up to 40% of the General Rate to a maximum of \$1,350.00 per annum. The concession will not be granted on a pro-rata basis, where a ratepayer becomes eligible part way through a rating period. The pensioner concession will be granted from the first day of the next rating period.

- (b) The upper limit of total concessions will not exceed 5% of Council's total net general rates at which point the 40% rebate is to be reduced on a pro rata basis.
- (c) The following guidelines apply in respect of persons applying for a pensioner concession:
- i. The applicant(s) must be the registered owner(s) of the property in respect of which the concession is sought or be Life tenant(s) under a Will with responsibility to pay all rates and charges.
 - ii. Such property must be their principal place of residence.
 - iii. The applicant(s) must be the holder(s) of one of the following Queensland cards:
 - Centrelink, Pension Concession Card.
 - Department of Veterans' Affairs, Pension Concession Card.
 - Department of Veterans' Affairs, Repatriation Health Card. (Full Conditions only)
 - iv. If a pensioner becomes the owner of a new property, they must make a new application for a concession in respect of that property.
 - v. In cases of co-ownership, the Council Pensioner Concession will only apply if all owners meet all of the eligibility requirements at the commencement of the rating period.
- (d) Recognising that many pensioners reside some or all of the time in hospitals, nursing homes, or with family or friends for ill health reasons, the residence may be regarded as the 'principal place of residence' if it is not occupied on a paid tenancy basis during the absence of the approved pensioner owner(s).
- (e) Where a pensioner is receiving a Council pensioner concession in respect of a property owned by that person and the person dies, the concession will cease at the end of the rating period in which records obtained from Services Australia for entitlement purposes do not match Council's Records.
- (f) Where more than one pensioner is receiving a Council pensioner concession in respect of a property owned by those pensioners and one of the pensioners dies but the title hasn't been changed then the remaining pensioner(s) will receive the full Council concession.
- (g) When the property title is transferred under a will to a beneficiary who qualifies for a Council pensioner concession, that person will be granted a concession from the first day of the next rating period.

To be eligible for the concession a pensioner is required to complete an initial application form including a declaration, or if already registered with Council that person's eligibility status will continue. Once registered, no further application is required each year, unless the ratepayer's pensioner or eligibility status changes.

Provisions of this aspect of the policy may change from time to time depending on the policies of the Government of the time. Guidelines currently applicable are available on request from Council.

5.3 RETIREMENT VILLAGE CONCESSION

A concession will be extended to retirement villages (as classified under Land Use Code 21), where a legal entity separate to the residents is the owner and the residents are responsible for paying the rates, to the extent that residents of the village are pensioners.

Thirty days prior to the commencement of any rating period the owner of the land shall lodge an application for concession in the following form:

- (a) There shall be a Declaration by the owner that pensioners resident in the complex will be given the benefit of the concession.
- (b) A list of all residents in the village and an indication as to which of those residents are pensioners.
- (c) Where residents are pensioners, their pension number.
- (d) A declaration from residents or their legal representatives (where they were residents) that they received the benefit of the concession in the prior year.

A pensioner concession will then apply based on the number of dwellings occupied by pensioners as a percentage of the total number of dwellings in the village.

5.4 RATES REBATE – NOT FOR PROFIT ENTITIES POLICY

This policy allows Council to consider applications for a rebate of general rates and sewerage charges from Not for Profit Recreation, Sporting and Community Groups.

To qualify for assistance, the constitution of these organisations must state prohibitions on any member of the organisation making a private profit or gain, either from ongoing operations of the organisation or as a result of distribution of assets if the organisation is wound up.

Those not for profit organisations that are not already receiving a concession and believe that they may be eligible should contact Council.

Council may provide up to 100% rebate of the general rate and up to 50% rebate of sewerage charges for organisations that comply with the requirements as set out in Council's policy.

This rebate is not available on vacant land.

5.5 RATES INCENTIVE FOR CONSERVATION POLICY

This policy allows Council to consider applications for a rebate of general rates where a landholder enters into a Conservation Agreement for a Nature Refuge under the *Nature Conservation Act 1992* or a Voluntary declaration (VDec) under the *Vegetation Management Act 1999*.

The rebate is proportionately attributed to that area of land included in an agreement. The owner enters into an agreement preserving/conserving flora and fauna on a rateable property within the boundaries of the Council. This agreement must be bound to the property title, in perpetuity.

Council may provide either 35% or 50% rebate of the general rate for landholders that comply with the requirements as set out in Council's policy. The rates rebate will be credited to the recipient's rates notice prior to being issued.

Those landholders that are not already receiving Rates Incentive for conservation and believe that they may be eligible should contact Council.

5.6 RATES REBATE FOR PERMITS TO OCCUPY LAND ON DAINTREE RIVER POLICY

A rates rebate of 50% of the general rate will only apply on rateable land on the banks of the South Arm and the Heads of the Daintree River that is occupied by holders of Permits to Occupy (fishing huts) which have been issued by the Department of Resources and comply with the requirements as set out in Council's policy.

6. SPECIAL CHARGES

6.1 RURAL FIRE BRIGADES

A special charge will be levied on all rateable land within the Wonga, Thornton Peak, Daintree, Mowbray Valley and Bloomfield River Rural Fire Brigade areas (identified by the Rural Fire Service of Queensland).

Each parcel of rateable land will specially benefit from the service, facility or activity funded by the special charge because each such parcel is within the area for which the brigade is in charge of fire fighting and fire prevention under the *Fire and Emergency Services Act 1990*. Further, the fire emergency response capability that is provided by the brigade would be substantially diminished if it did not receive the funding provided by Council as a direct consequence of the levying of the special charge.

The special charge will form part of the half yearly rates levy issued twice yearly.

6.2 REFUSE DISPOSAL

A special charge will be levied on each rateable assessment with improvements, based on the improvements on the property, (excluding properties holding Permits to Occupy on the South Arm and the Heads of the Daintree River) that do not receive the Council kerbside waste and/or recyclables collection service, where the occupier has been provided with an identification card to use the Cow Bay, Daintree, Killaloe and Ayton Transfer Stations.

The special charge represents a contribution towards the costs associated with funding the provision, operation and maintenance of landfill refuse disposal sites including transfer stations available for general public use.

Each occupier of rateable land will benefit from the use of landfill and transfer stations that are available.

The levy will form part of the half yearly rates levy issued twice yearly.

7. UTILITY CHARGES

7.1 WATER

(a) RESIDENTIAL and “ALL OTHER LAND” (excluding Commercial and Rural Productive)

All properties in this class of consumer receiving water from the following Water Supply Schemes and Catchments:-

Daintree;

Mossman/Port Douglas;

Whyanbeel; and other groundwater and run off river sources, shall be levied the following charges:-

- An access charge for all residential type improvements.
- Water usage charged at a prescribed rate.
- Water access and water usage charges levied three times during the year.

In circumstances where improvements are built over the boundary line of two allotments and neither allotment could be sold without a boundary re-alignment and the ratepayer proves to Council that this is the case, Council shall levy utility charges as if it were one property.

Financial assistance is available to offset water usage costs for users of Home Dialysis Equipment. Written applications must be submitted to Council for approval.

(b) COMMERCIAL

All properties in this class of consumer regardless of supply scheme shall be levied the following charges:-

- An access charge per improvement.
- Water usage charged at a prescribed rate.
- Water access and water usage charges levied three times during the year.

In circumstances where commercial/industrial improvements are built over the boundary line of two allotments and the ratepayer proves to Council that this is the case, Council shall levy utility charges as if it were one property.

(c) RURAL PRODUCTIVE

All properties in this class of consumer receiving water from the following Water Supply Schemes and Catchments:-

Daintree;

Mossman/Port Douglas;

Whyanbeel; and other groundwater and run off river sources, shall be levied the following charges:

- An access charge for all residential type improvements.
- An access charge for all rural productive improvements with water connected.
- Water usage charged at a prescribed rate.
- Water access and water usage charges levied three times during the year.

(d) UNTREATED WATER SCHEME (COMMERCIAL, RESIDENTIAL AND RURAL PRODUCTIVE)

All properties receiving an untreated water supply:

Dagmar Heights (14 active water users identified);
Upper Daintree (4 active water users identified) and other groundwater and run off river sources;

shall be levied the following charges:-

- An access charge for all residential or commercial type improvements.
- Water usage charged at a prescribed rate.
- Water access and water usage charges levied three times during the year.

In circumstances where improvements are built over the boundary line of two allotments and neither allotment could be sold without a boundary re-alignment and the ratepayer proves to Council that this is the case, Council shall levy utility charges as if it were one property.

Financial assistance is available to offset water usage costs for users of Home Dialysis Equipment. Written applications must be submitted to Council for approval.

(e) ALL CATEGORIES

For Residential, "All Other Land", Commercial and Rural Productive where improvements are of a joint nature, water usage charges will be calculated using the water usage rate applicable to the differential rating category on which general rates are levied or would be levied if the property was rateable.

Meters shall be read on a rotational basis, three times each year.

Where residential type improvements share a meter with commercial improvements and the Department of Resources land use code for that assessment is commercial, water usage charges will be levied at the commercial rate.

For Residential, "All Other Land" and Commercial properties, where improvements are built on one parcel of land any adjoining parcels with the same owners shall be rated separately for utility charges.

Not for Profit Recreation, Sporting and Community Groups that are recipients of a concession will be charged for all water usage at the relevant residential or commercial charge per kilolitre.

Water charges apply to properties within the declared water service area.

7.2 SEWERAGE

(a) RESIDENTIAL and "ALL OTHER LAND" (excluding Commercial and Rural Productive)

A base charge will be levied for each vacant allotment, residence, flat and each strata-title unit where Council is prepared to accept sewage.

In circumstances where improvements are built over the boundary line of two allotments and neither allotment could be sold without a boundary re-alignment

and the ratepayer proves to Council that this is the case, Council shall levy utility charges as if it were one property.

In circumstances where pedestals/urinals are built on common property associated with Strata Title units a standard commercial charge per water closet (W.C.) will apply.

(b) COMMERCIAL

To be charged per water closet (W.C.).

(c) RURAL PRODUCTIVE

- i. A base charge will be levied for all residency type improvements.
- ii. A charge per water closet (W.C.) will apply for all rural productive improvements connected to the sewer.

(d) ALL CATEGORIES

Sewage charges apply to properties within the declared sewage service area.

7.3 CLEANSING

(a) DOMESTIC CLEANSING CHARGE

A base charge will be levied for all residency type improvements.

(b) COMMERCIAL CLEANSING CHARGE

All properties are to be charged in accordance with the adopted schedule (refer Rates and Charges).

8. FEES AND CHARGES

8.1 GENERAL COMMENTS

In general, the application of the "user pays" principle is the most acceptable methodology for applying a charge for services provided by Council. It permits a choice that can be exercised by constituents and allows increases or supports reductions in consumption in accordance with the particular preferences and tastes of the individual user. As well, equity benefits are paramount because those who do not use a particular service are not required to pay part of the cost of its supply.

Council may decide to provide subsidised services in certain instances to various disadvantaged groups and may relax or reduce user fees in those cases. Decisions to subsidise these community groups will be explicit both in terms of the groups to be subsidised and the level of subsidy to be provided.

Council's adopted Fees and Charges Schedule includes cost-recovery fees.

8.2. COST-RECOVERY FEES

Pursuant to section 97 of the *Local Government Act 2009*, Council may fix a cost-recovery fee for any of the following:-

- (a) An application for the issue or renewal of a licence, permit, registration or other approval under a "Local Government Act" (this term is defined in the Schedule to the *Local Government Act 2009*);
- (b) Recording a change of ownership of land;
- (c) Giving information kept under a Local Government Act;
- (d) Seizing property or animals under a Local Government Act; or
- (e) The performance of another responsibility imposed upon Council under the Building Act 1975 or the Plumbing and Drainage Act 2002.

The cost recovery fees will not exceed the cost to Council of providing the service or taking the action for which each fee is charged.

9. POLICY FOR RATING EXEMPTIONS and ASSISTANCE

Upon receipt of a written submission Council shall:

- (a) Decide if the land is rateable land after considering section 93 of the *Local Government Act 2009*.
- (b) If the land is rateable land, consider if the land is exempt under section 73 of *Local Government Regulation 2012*.
- (c) If the land is still considered rateable after due consideration to the above, Council may grant financial relief under Chapter 4 Part 10 of *Local Government Regulation 2012* by way of a concession after considering the following:-
 - i. A local government may grant the concession only by-
 - A resolution granting the concession to a stated rate payer; or
 - if the resolution is a rebate of all or part of the rates or charges, or an agreement to defer payment of rates or charges, by a resolution granting the concession to a rate payer who is a member of a stated class of rate payers.
 - ii. However, the only circumstances or factors justifying the exercise of the power are –
 - the land is owned or occupied by a pensioner; or
 - the land is owned by -
 - an entity whose objects do not include making a profit; or
 - an entity that provides assistance or encouragement for arts or cultural development; or
 - the payment of the rates or charges will cause the owner of land hardship; or
 - the concession will encourage the economic development of all or part of the local government area; or

- the concession will encourage land that is of cultural, environmental, historic, heritage or scientific significance to the local government area to be preserved, restored or maintained; or
- the land is used exclusively for the purpose of a single dwelling house or farming and could be used for another purpose, including, for example, a commercial or industrial purpose; or
- the land is subject to a GHG (greenhouse gas) tenure, mining tenement or petroleum tenure; or
- the land is part of a parcel of land (a parcel) that has been subdivided and
 - the person who subdivided the parcel is the owner of the land; and
 - the land is not developed land.

10. SCHEDULE 1 - LAND USE CATEGORIES

Note: The Planning Areas in the 2018 Douglas Shire Planning Scheme Version 1.0 and the Integrated Resort Development Act 1987 (Mirage Port Douglas Scheme) may be a factor in determining the rating categories for various Land Use Codes.

10.1 RESIDENTIAL

CATEGORY 1

Description

Properties used solely for a single residential dwelling or home unit, which is the principal place of residence of the owner/s with a rateable valuation from \$1 to \$250,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 02 Residential single unit dwelling - urban and rural;
- 05 Large homesite - dwelling - urban and rural;
- 09 Group Titles;

CATEGORY 2

Description

Properties used solely for a single residential dwelling or home unit, which is the principal place of residence of the owner/s with a rateable valuation from \$250,001 to \$500,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 02 Residential single unit dwelling - urban and rural;
- 05 Large homesite - dwelling - urban and rural;
- 09 Group Titles;

CATEGORY 3

Description

Properties used solely for a single residential dwelling or home unit, which is the principal place of residence of the owner/s with a rateable valuation from \$500,001 to \$1,000,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 02 Residential single unit dwelling - urban and rural;
- 05 Large homesite - dwelling - urban and rural;
- 09 Group Titles;

CATEGORY 4Description

Properties used solely for a single residential dwelling or home unit, which is the principal place of residence of the owner/s with a rateable valuation from \$1,000,001 to \$1,300,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 02 Residential single unit dwelling - urban and rural;
- 05 Large homesite - dwelling - urban and rural;
- 09 Group Titles;

CATEGORY 5Description

Properties used solely for a single residential dwelling or home unit, which is the principal place of residence of the owner/s with a rateable valuation from \$1,300,001 to \$2,000,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 02 Residential single unit dwelling - urban and rural;
- 05 Large homesite - dwelling - urban and rural;
- 09 Group Titles;

CATEGORY 6Description

Properties used solely for a single residential dwelling or home unit, which is the principal place of residence of the owner/s with a rateable valuation greater than \$2,000,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 02 Residential single unit dwelling - urban and rural;
- 05 Large homesite - dwelling - urban and rural;
- 09 Group Titles;

CATEGORY 7Description

Properties used solely for, or capable of use for, a single residential dwelling or home unit, which is not the principal place of residence of the owner/s with a rateable valuation from \$1 to \$250,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 01 Vacant urban land (excluding those included in commercial categories 22 and 23);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in commercial categories 22 and 23);
- 05 Large homesite - dwelling - urban and rural;
- 06 Outbuildings (excluding those in commercial categories 22 and 23);
- 09 Group Titles;
- 94 Vacant rural land.

CATEGORY 8

Description

Properties used solely for, or capable of use for, a single residential dwelling or home unit, which is not the principal place of residence of the owner/s with a rateable valuation from \$250,001 to \$500,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 01 Vacant urban land (excluding those included in commercial categories 22 and 23);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in commercial categories 22 and 22);
- 05 Large homesite - dwelling - urban and rural;
- 06 Outbuildings (excluding those in commercial categories 22 and 23);
- 09 Group Titles;
- 94 Vacant rural land.

CATEGORY 9

Description

Properties used solely for, or capable of use for, a single residential dwelling or home unit, which is not the principal place of residence of the owner/s with a rateable valuation from \$500,001 to \$1,000,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 01 Vacant urban land (excluding those included in commercial categories 22 and 23);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in commercial categories 22 and 22);
- 05 Large homesite - dwelling - urban and rural;
- 06 Outbuildings (excluding those in commercial categories 22 and 23);
- 09 Group Titles;
- 94 Vacant rural land.

CATEGORY 10

Description

Properties used solely for, or capable of use for, a single residential dwelling or home unit, which is not the principal place of residence of the owner/s with a rateable valuation from \$1,000,001 to \$1,300,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 01 Vacant urban land (excluding those included in commercial categories 22 and 23);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in commercial categories 22 and 22);
- 05 Large homesite - dwelling - urban and rural;
- 06 Outbuildings (excluding those in commercial categories 22 and 23);
- 09 Group Titles;
- 94 Vacant rural land.

CATEGORY 11

Description

Properties used solely for, or capable of use for, a single residential dwelling or home unit, which is not the principal place of residence of the owner/s with a rateable valuation from \$1,300,001 to \$2,000,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 01 Vacant urban land (excluding those included in commercial categories 22 and 23);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in commercial categories 22 and 22);
- 05 Large homesite - dwelling - urban and rural;
- 06 Outbuildings (excluding those in commercial categories 22 and 23);
- 09 Group Titles;
- 94 Vacant rural land.

CATEGORY 12

Description

Properties used solely for, or capable of use for, a single residential dwelling or home unit, which is not the principal place of residence of the owner/s with a rateable valuation greater than \$2,000,000.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 01 Vacant urban land (excluding those included in commercial categories 22 and 23);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in commercial categories 22 and 22);
- 05 Large homesite - dwelling - urban and rural;
- 06 Outbuildings (excluding those in commercial categories 22 and 23);
- 09 Group Titles;
- 94 Vacant rural land.

CATEGORY 13Description

Properties that are used for residential purposes and the unit lot is part of a Community Title Scheme, which is the principal place of residence of the owner.

Identification (as determined by the CEO)

Ordinarily properties with the following land use code would fall within this category:-

08 Building Units

CATEGORY 14Description

Properties that are used for residential purposes and the unit lot is part of a Community Title Scheme, which is not the principal place of residence of the owner.

Identification (as determined by the CEO)

Ordinarily properties with the following land use code would fall within this category:-

08 Building Units

CATEGORY 15Description

Properties used for multi residential purposes (flats) and contain 2 independent living flats.

Identification (as determined by the CEO)

Ordinarily properties with the following land use code would fall within this category:-

03 Multi Unit Dwelling (Flats)

CATEGORY 16Description

Properties used for multi residential purposes (flats) and contain 3 or 4 independent living flats.

Identification (as determined by the CEO)

Ordinarily properties with the following land use code would fall within this category:-

03 Multi Unit Dwelling (Flats)

CATEGORY 17Description

Properties used for multi residential purposes (flats) and contain 5 or 6 independent living flats.

Identification (as determined by the CEO)

Ordinarily properties with the following land use code would fall within this category:-

03 Multi Unit Dwelling (Flats)

CATEGORY 18Description

Properties used for multi residential purposes (flats) and contain 7 or more independent living flats.

Identification (as determined by the CEO)

Ordinarily properties with the following land use code would fall within this category:-

03 Multi Unit Dwelling (Flats)

CATEGORY 19Description

Residential properties that are subject to section 50 of the *Land Valuation Act 2010*.

Identification (as determined by the CEO)

Ordinarily properties with the following land use code would fall within this category:-

72 Residential land which is subject to section 50 of the *Land Valuation Act 2010*.

10.2 RURAL PRODUCTIVE

CATEGORY 20Description

Properties which are used predominately for primary production.

Identification (as determined by the CEO)

Ordinarily properties with the following land use codes would fall within this category:-

- 60 Sheep Grazing - Dry;
- 61 Sheep Breeding;
- 64 Cattle Grazing - Breeding;
- 65 Cattle Breeding and Fattening;
- 66 Cattle Fattening;
- 67 Goats;
- 68 Milk - Quota;
- 69 Milk - No Quota;
- 70 Cream;
- 71 Oil Seeds;
- 73 Grains;
- 74 Turf Farms;
- 75 Sugar Cane;
- 76 Tobacco;
- 77 Cotton;
- 78 Rice;
- 79 Orchards;
- 80 Tropical Fruits;
- 81 Pineapples;
- 82 Vineyards;
- 83 Small Crops and Fodder Irrigated;
- 84 Small Crops Fodder Non-irrigated;
- 85 Pigs;

- 86 Horses;
- 87 Poultry;
- 88 Forestry and Logs;
- 89 Animals Special;
- 93 Peanuts.

10.3 ALL OTHER LAND

CATEGORY 21

Description

All land which is not otherwise categorized.

Identification (as determined by the CEO)

10.4 COMMERCIAL

CATEGORY 22

Description

Properties in the localities of Cooya, Mossman and other localities to the north of Mossman (excluding those properties in Commercial Categories 24 and 25):

- (i) that are used, or capable of being used, for commercial/industrial purposes; or
- (ii) included as Commercial and Industry Planning Areas in the 2018 Douglas Shire Planning Scheme Version 1.0.

Identification

Ordinarily properties with the following land use codes would fall within this category:-

- 01 Vacant urban land;
- 04 Large vacant urban land;
- 06 Outbuildings;
- 07 Guest House/Private Hotel;
- 08 Building Units;
- 09 Group Titles;
- 10 Combined Multi Dwelling and Shop;
- 11 Shop - Single;
- 12 Shops - Shopping group (more than 6 shops);
- 13 Shopping group (2 to 6 shops);
- 14 Shops - Main Retail;
- 15 Shops - Secondary Retail;
- 16 Drive In Shopping Centres;
- 17 Restaurant;
- 18 Special Tourist Attraction;
- 19 Walkway;
- 20 Marina;
- 22 Car Park;
- 23 Retail Warehouse;
- 24 Sales Area Outdoor;
- 25 Offices;
- 26 Funeral Parlours;
- 27 Hospitals;
- Convallescent Homes (Medical Care) (Private);
- 28 Warehouses and Bulk Stores;

- 29 Transport Terminal;
- 30 Service Station;
- 31 Oil Depots and Refinery;
- 32 Wharves;
- 33 Builders Yard/Contractors Yard;
- 34 Cold Stores - Iceworks;
- 35 General Industry;
- 36 Light Industry;
- 37 Noxious/Offensive Industry;
- 38 Advertising - Hoarding;
- 39 Harbour Industries;
- 40 Extractive;
- 41 Child Care;
- 42 Hotel/Tavern;
- 43 Motel;
- 44 Nurseries;
- 45 Theatres and Cinemas;
- 46 Drive-In Theatres;
- 47 Licensed Clubs;
- 48 Sports Clubs/Facilities;
- 49 Caravan Parks;
- 50 Other Clubs
Non-Business;
- 51 Religious;
- 52 Cemeteries (including Crematoria);
- 55 Library;
- 56 Showgrounds/Racecourses/Airfields;
- 57 Parks and Gardens;
- 58 Educational - including Kindergartens;
- 72 Refer to section 50 of the *Land Valuation Act 2010*.
- 91 Transformers;
- 92 Defence Force establishments;
- 95 Reservoir, Dam, Bores;
- 96 Public Hospital;
- 97 Welfare Homes/Institutions;
- 99 Community Protection Centre.

CATEGORY 23

Description

Properties in the localities of Port Douglas, Craiglie and other localities to the south of Craiglie (excluding those properties in Commercial Categories 24 and 25):

- (i) that are used, or capable of being used, for commercial/industrial purposes; or
- (ii) included as Commercial and Industry Planning Areas in 2018 Douglas Shire Planning Scheme Version 1.0.

Identification

Ordinarily properties with the following land use codes would fall within this category:-

- 01 Vacant urban land;
- 04 Large vacant urban land;
- 06 Outbuildings;
- 07 Guest House/Private Hotel;
- 08 Building Units;
- 09 Group Titles;
- 10 Combined Multi Dwelling and Shop;

- 11 Shop - Single;
- 12 Shops - Shopping group (more than 6 shops);
- 13 Shopping group (2 to 6 shops);
- 14 Shops - Main Retail;
- 15 Shops - Secondary Retail;
- 16 Drive In Shopping Centres;
- 17 Restaurant;
- 18 Special Tourist Attraction;
- 19 Walkway;
- 20 Marina;
- 22 Car Park;
- 23 Retail Warehouse;
- 24 Sales Area Outdoor;
- 25 Offices;
- 26 Funeral Parlours;
- 27 Hospitals;
- Convolescent Homes (Medical Care) (Private);
- 28 Warehouses and Bulk Stores;
- 29 Transport Terminal;
- 30 Service Station;
- 31 Oil Depots and Refinery;
- 32 Wharves;
- 33 Builders Yard/Contractors Yard;
- 34 Cold Stores - Iceworks;
- 35 General Industry;
- 36 Light Industry;
- 37 Noxious/Offensive Industry;
- 38 Advertising - Hoarding;
- 39 Harbour Industries;
- 40 Extractive;
- 41 Child Care;
- 42 Hotel/Tavern;
- 43 Motel;
- 44 Nurseries;
- 45 Theatres and Cinemas;
- 46 Drive-In Theatres;
- 47 Licensed Clubs;
- 48 Sports Clubs/Facilities;
- 49 Caravan Parks;
- 50 Other Clubs
- Non-Business;
- 51 Religious;
- 52 Cemeteries (including Crematoria);
- 55 Library;
- 56 Showgrounds/Racecourses/Airfields;
- 57 Parks and Gardens;
- 58 Educational - including Kindergartens;
- 72 Refer to section 50 of the *Land Valuation Act 2010*.
- 91 Transformers;
- 92 Defence Force establishments;
- 95 Reservoir, Dam, Bores;
- 96 Public Hospital;
- 97 Welfare Homes/Institutions;
- 99 Community Protection Centre.

CATEGORY 24Description

Properties used by not for profit recreation, sporting and community groups that receive a concession under Council's Rates Rebate – Not for Profit Entities Policy.

Identification (as determined by the CEO)

Properties in this category are recipients of a concession under Council's Rates Rebate – Not for Profit Entities Policy.

CATEGORY 25Description

Properties which are predominantly used or intended for use as a shopping centre and with a secondary use of a marina which:

- (a) Have an area in excess of 1.5 ha; and
- (b) Contain a building or group of buildings comprising more than six shops.

Identification (as determined by the CEO)

Ordinarily properties with the following land use code would fall within this category:-
12 Shops - Shopping group (more than 6 shops).

With a secondary land use of:

20 Marina

CATEGORY 26Description

Properties that are used or have the potential to be used for a sugar mill or co-generation plant.

Identification (as determined by the CEO)

Ordinarily properties with the following land use code would fall within this category:-
35 General Industry

INTERPRETATION

The following terms used in the differential rating categories have the meanings set out below:

Community Titles Scheme: a community titles scheme under the *Body Corporate and Community Management Act 1997*.

Land use code: the codes recorded in Council's land records which identify the principal use of the land determined by the State valuation authority.

Principle place of residence: land that is the place of residence at which at least one natural person who constitutes the owner/s of the land predominantly resides.

In establishing whether land is the owner's principal place of residence, Council may consider, but not be limited to the owner's declared address for electoral, taxation, government social security or national health registration purposes, or any other form of evidence deemed acceptable by the Council. Residential premises that have not met these criteria will be deemed a secondary residence.

For the avoidance of doubt, land will not be the owner's principal place of residence where it is:

- 1) not occupied by at least one person/s who constitute the owner/s, but occupied by any other person/s, whether in return for rent or remuneration or not, including members of the owner's family, or;
- 2) vacant, whether permanently or temporarily (for more than 120 days of the financial year), including for the purposes of renovation or redevelopment, except in the case where:
 - a) premises that are being renovated are and remain the principal place of residence of the owner, and the owner does not during the renovation period own any other property which is used as, or asserted by the owner for any purpose to be, the owner's place of residence; and
 - b) a property is vacant for a period longer than 120 contiguous days of the financial year due to the owner/s absence on an extended holiday, provided that the property remains completely vacant for the entire period of their absence;
 - c) a property is vacant due to the owner/s absence due to work commitments, provided that the absence is confirmed in writing by the owner's employer to Council's satisfaction and the property remains vacant or is occupied by immediate family members only during the period of the owner's absence;
 - d) The owner is absent due to medical reasons of the owner or a close relative and this is confirmed in writing by a health professional to Council's satisfaction; or
- 3) not owned by a natural person, e.g., owned by a company, except where the ratepayer residing at the property as their principal place of residence is the company owner.
- 4) flats and other multiple tenement residential properties, even where the owner of the land resides in one of the flats or tenements.

11. SCHEDULE 2 - RATEABLE AND NON RATEABLE LAND DEFINITIONS

Rateable land is any land or building unit, in the local government area, that is not exempt from rates.

The following land is exempt from rates-

- (a) *unallocated State land within the meaning of the Land Act 1994;*
- (b) *land that is occupied by the State or a government entity, unless*
 - (i) *the government entity is a GOC or its subsidiary (within the meaning of the Government Owned Corporations Act 1993) and the government entity is not exempt from paying rates; or*
 - (ii) *the land is leased to the State or a government entity by someone who is not the State or a government entity;*
- (c) *land in a state forest or timber reserve, other than land occupied under-*
 - (i) *an occupation permit or stock grazing permit under the Forestry Act 1959; or*
 - (ii) *a lease under the Land Act 1994;*
- (d) *Aboriginal land under the Aboriginal Land Act 1991 or Torres Strait Islander land under the Torres Strait Islander Land Act 1991, other than a part of the land that is used for commercial or residential purposes;*
- (e) *the following land under the Transport Infrastructure Act 1994 -*

- (i) *strategic port land that is occupied by a port authority, the State, or a government entity;*
- (ii) *strategic port land that is occupied by a wholly owned subsidiary of a port authority, and is used in connection with the Cairns International Airport or Mackay Airport*
- (iii) *existing or new rail corridor land;*
- (iv) *commercial corridor land that is not subject to a lease;*
- (f) *airport land, within the meaning of the Airport Assets (Restructuring and Disposal) Act 2008, that is used for a runway, taxiway, apron, road, vacant land, buffer zone or grass verge;*
- (g) *land that is owned or held by a local government unless the land is leased by the local government to someone other than another local government;*
- (h) *land that is-*
 - (i) *primarily used for show grounds or horse racing; and*
 - (ii) *exempted from rating by resolution of a local government;*
- (i) *land that is exempted from rating, by resolution of a local government, for charitable purposes;*
- (j) *land that is exempted from rating under-*
 - (i) *another Act; or*
 - (ii) *a regulation, for religious, charitable, educational or other public purposes.*

The following land is included in (j) (ii) above as specified in section 73 of the Local Government Regulation 2012;

- (a) *land owned by a religious entity if the land is less than 20ha and is used for 1 or more of the following purposes -*
 - (i) *religious purposes, including, for example, public worship;*
 - (ii) *the provision of education, health or community services including facilities for aged persons and persons with disabilities;*
 - (iii) *the administration of the religious entity;*
 - (iv) *housing incidental to a purpose mentioned in subparagraph (i) to (iii);*
- (b) *land vested in, or placed under the management and control of, a person under an Act for-*
 - (i) *a public purpose that is a recreational or sporting purpose; or*
 - (ii) *charitable purposes;*
- (c) *land used for the purposes of a public hospital if-*
 - (i) *the public hospital is-*
 - (A) *part of a private hospital complex; or*
 - (B) *a private and public hospital complex; and*
 - (ii) *the land used for the purpose is more than 2ha and is separated from the rest of the complex;*
- (d) *land owned by a community organisation if the land is less 20ha and is used for providing the following-*
 - (i) *accommodation associated with the protection of children;*
 - (ii) *accommodation for students;*
 - (iii) *educational, training or information services aimed at improving labour market participation or leisure opportunities;*
- (e) *land used for a cemetery.*



4. REVENUE GENERAL POLICY

Purpose

To set out the principles used by Council in the 2021/22 financial year for:

- The levying of rates and charges
- Granting concessions for rates and charges
- Recovering overdue rates and charges
- The establishment of cost-recovery methods (fees).

This policy also addresses:

- The purpose of concessions
- The extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

Scope

This policy applies to Douglas Shire Council.

Policy Content

1. General Rates

General rate revenue funds services not otherwise funded through fees and charges, grants, subsidies, contributions or donations from other entities. Council will consider all funding options before determining general rate revenue levels.

Council is required to raise an amount of revenue it sees as being appropriate to maintain and replace assets and provide services to the shire as a whole. In deciding how that revenue is raised, Council has formed the opinion that a differential general rating scheme based primarily on land use, provides the most current equitable basis for the distribution of the general rate burden.

The *Local Government Regulation 2012* requires Council to calculate the rates for land by using the rateable value for the land.

2. The Levying of Rates and Charges

In levying rates and charges the following principles will be applied:

- Consider the level of revenue that can be achieved from direct user charges, grants and subsidies, contributions and other sources.
- Consider the level of the cost of maintaining existing facilities and necessary services and the need for additional facilities and services.
- Make clear what is Council's and each ratepayer's responsibility to the rating system.

- Timing the levy of rates to ensure a sustainable cash flow for the operation of Council and to spread the cost to the ratepayer over the financial year.
- Equity through flexible payment arrangements.
- Transparency in the making of rates and charges.
- Having in place a rating regime that is efficient to administer.
- Flexibility to take account of changes to the local economy.

Council may consider levying special and separate rates and charges when appropriate, to recover the costs associated with a particular service, project or facility that provides direct or additional benefit to the ratepayers or class of ratepayer.

3. Concessions for Rates and Charges

In considering the application of concessions, Council will be guided by the principles of:

- The same treatment for ratepayers with similar circumstances.
- Transparency by making clear the requirements necessary to receive concessions.
- Flexibility to allow Council to respond to local economic issues.

Council may give consideration to granting a concession to a class of landowner without the need for an individual application (*s122 (4) of the Local Government Regulation 2012*).

4. Recovery of Overdue Rates and Charges

Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. It will be guided by the principles of:

- Transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them to meet their financial obligations.
- Making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective.
- Equity by having regard to providing the same treatment for ratepayers with similar circumstances.
- Flexibility by responding where necessary to changes in the local economy.

Council will charge interest on all overdue rates and charges (*s133 of the Local Government Regulation 2012*).

5. The establishment of cost-recovery methods

Section 97 of the Local Government Act 2009 allows Council to set cost-recovery fees.

Council recognises the validity of fully imposing the user pays principle for its cost-recovery fees, unless the imposition of the fee is contrary to its express social, economic, environmental and other corporate goals. This is considered to be the most equitable and effective revenue approach and is founded on the basis that the Shire's rating base cannot subsidise the specific users or clients of Council's regulatory products and services.

However, in setting its cost-recovery fees, Council will be cognisant of the requirement that such a fee must not be more than the cost to Council of providing the service or taking the action to which the fee applies.

6. The purpose of concessions

Statutory provision exists for Council to rebate or defer rates in certain circumstances. In considering the application of concessions, Council will be guided by the principles set out in section 3 above.

7. The extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development

Council requires developers to pay reasonable and relevant contributions towards the cost of physical and social infrastructure required to support the development. Specific charges are detailed in the policies and other material supporting Councils’ town planning schemes.

Related Legislation

Local Government Act 2009

Local Government Regulation 2012

Policy Review

This policy is to be reviewed whenever legislation changes, or annually if no changes have been required to be enacted, at the direction of the Chief Executive Officer.

Policy Details

Policy Name	Revenue General Policy
Policy Number	4
Policy Version	7
Document Number	815033
Endorsed by	Chief Executive Officer
Policy Type	Statutory
Approval Authority	Council
Date Adopted	27/04/2021
Time Period	Annually
Review Date	01/02/2022
Policy Department	Finance and Corporate Services
Link to Corporate Plan	Robust Governance and Efficient Service Delivery
Revoked/Superseded	

This policy is to remain in force until otherwise determined by Council.