

**MINUTES OF THE SPECIAL (BUDGET) MEETING OF THE DOUGLAS SHIRE COUNCIL
HELD AT THE DOUGLAS SHIRE COUNCIL CHAMBERS, 64-66 FRONT STREET, MOSSMAN
ON FRIDAY 27 JUNE 2014, COMMENCING AT 10.00AM**

PRESENT

Cr Julia Leu (Mayor), Cr David Carey, Cr Bruce Clarke, Cr Terry Melchert, Cr Abigail Noli, Linda Cardew (Chief Executive Officer), Darryl Crees (General Manager Corporate Services), Paul Hoyer (General Manager Operations), John Rehn, (Manager Finance & IT), Donna Graham (Manager Development & Environment), Wouter Van der Merwe (Manager Water & Waste) Karen Ward (Budget & Grants Officer), Greg McLean (Communications Officer) and Nicole Barton (Mayor & Councillor Support Officer).

ACKNOWLEDGEMENT OF COUNTRY

Cr Leu acknowledged the Kuku Yalanji people who are the Traditional Custodians of the Land and paid respect to their Elders both past and present and extended that respect to other Indigenous Australians present.

APOLOGIES

There were no apologies for the meeting.

CONFLICT OF INTEREST/MATERIAL PERSONAL INTEREST

There were no conflict of interest/material personal interests declared.

MAYOR'S BUDGET ADDRESS

Today is another landmark event in the short history of the new Douglas Council.

A priority for the new Douglas Council is to build a sustainable economic base and lead the way on financial, environmental and social prosperity. The management and improvement of our existing assets, the maintenance of infrastructure and the building of new infrastructure supports our workforce and provides employment opportunities.

The 2014-2015 Budget is conservative and fiscally responsible, while still delivering a substantial capital works program, improvements in service delivery, new community projects and economic initiatives. This budget is based on sound financial sustainability principles and employs a strategy to return Council's operating result to a balanced budget within the shortest possible time. All de-amalgamation costs have been paid for, including the forced staff redundancies thrown at us by CRC late last year.

RATES AND CHARGES

Whilst we had a zero rate increase for the first 6 months, there will be a moderate rate increase of 5.2% for 2014-2015. This is of course well below the increase predicted by QTC which was 28.45% in year 1 and 18.08% for the next 4 years after that.

For the average residential property in Category 1, with all utilities services, this increase equates to \$128.19 per year, \$64 per 6 months, or \$2.47 per week.

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Whilst the 2014-2015 Budget has achieved significant and measurable reductions in expenditure, Council does have to cover increases in costs such as electricity, insurances, street lighting, staff, internal and external audit, a freeze in federal financial assistance grants and declining federal and state opportunities and revenues.

Council has also adopted the fees and charges on 20 May 2014 with a general increase of 3.6%, although there were a number of reductions and the introduction of a free green waste initiative.

I am also pleased to announce the following:

- **Pension Remission** – Council is aware of the financial pressures on ratepayers who are on pensions and is retaining the 40% rebate on general rates up to a maximum of \$1,350 per annum for eligible pensioners. This rebate is over and above the State Government Pensions Subsidy of 20% up to a maximum of \$200 per annum.
- **Rates Based Financial Assistance** – Remission on general rates and sewerage charges for Not for Profit Recreation, Sporting and Community Groups has been retained.
- **Rates Incentive for Conservation** – In recognition of the importance of environmental conservation, Council has removed the cap on rates incentive for properties covered by a Nature Refuge Agreement. Depending on policy guidelines this incentive was previously capped at either \$600 or \$300 per annum and removal of this maximum threshold will provide all eligible landholders with the full general rates rebate applicable to their individual Nature Refuge Agreement.

WHERE THE MONEY WILL BE SPENT

- \$8.9 million Capital Works Program
- \$12 million employee costs
- \$16.8 million materials and services
- \$9.7 million depreciation
- \$202,000 finance costs

CAPITAL WORKS PROGRAM HIGHLIGHTS

Daintree Gateway - \$287,000

First stages of the Daintree Gateway Master Plan to revegetate, landscape and protect the natural environs of the Daintree River, including the proposed use of local artists in the design and signage development incorporating the use of Kuku Yalanji place names on the signage. Toilet facilities included.

Landscaping of Mossman streetscape and town centre improvements - \$100,000

Beautify Mossman by having a themed street using Council-approved plantings suitable for the local environment.

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Port Douglas Waterfront improvements - \$50,000

Landscaping improvements, paths and park seating furniture.

Sugar Wharf Building (develop and start five-year renewal plan) - \$50,000

Stage one of repairs to marine piles, headstocks and the roof over the next few years.

Green Building Facilities program - \$30,000

Ongoing energy improvements for Council Administration Building in Mossman, including investigating hydro from the Mossman Treatment Plant and incorporate other measures, with savings to be reinvested into the program.

Installation of playground Cape Tribulation - \$15,000

Council has \$60,000 worth of playground equipment ready for installation at Cape Tribulation.

Port Douglas Sports Complex (surface netball courts) - \$35,000

Thornton Beach picnic shelters - \$5000

ROADS/BRIDGE NETWORK

More than \$3.4 million of the capital works budget will be spent on improvements to the roads and bridge network

- *\$650,025 in Disaster Mitigation and Resilience Funding for flood mitigation, Daintree flood gauge automation and Whyanbeel as well as causeway upgrades for Mowbray Valley and Whyanbeel.*
- *\$700,000 for road rehabilitation of Junction Rd and Shannonvale Rd;*
- *\$413,200 for the new Woobadda Creek bridge;*
- *\$460,000 for the bitumen reseal and asphalt overlay program;*
- *\$250,000 to replace Fischers Bridge to improve access to China Camp and provide economic development and tourism opportunities;*
- *\$200,000 major works replacement for Diggers Bridge;*
- *\$60,000 footpath renewal to connect Old Cooya to Ocean Breeze;*

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- **\$81,000** footpath renewal Davidson Street;
- **\$75,000** for Nicole Drive causeway;
- **\$60,000** - Wharf St and Rex Smeal Park drainage;
- **\$50,000** - Sonata Close (replace footbridge);
- **\$50,000** to replace Grant Street footbridge;
- **\$50,000** for Santacattarina Rd (concrete floodway);
- **\$20,000** for Ironbark Rd (extension of culverts)
- **\$16,000** - Footpath renewal William St;
- **\$12,000** - Cape Tribulation Rd (Tulip Oak to Cape Kimberley Rd, install new guardrail Ferntrees corner on Alexandra Range, narrow corner with steep drop off on inside lane)
- **\$10,000** - Bus shelters
- **\$10,000** - New kerb and channel Cooya Beach Rd to Shalom Close;
- **\$20,000** for Cycling/walking strategy implementation;

Expand cycle/pedestrian infrastructure to improve and increase safe cycling access and paths. Funding to link the path to Mossman Gorge with a cycle/pedestrian bridge over creek crossing.

WATER

- **\$375,000** for the Implementation of gas chlorine disinfection (estimated total cost for consultation, equipment, telemetry, specialised reservoir dosing equipment). Council will investigate the potential to return to chemical free water in the next 12months. The implementation of gas chlorine disinfection will enable chlorine free trials.
- **\$200,000** to refurbish, commission and integrate Mossman reservoir back on line
- **\$160,000** for the Mossman intake (Rex Creek) upgrade (new lining in race and concrete repairs).

WASTEWATER

*Sewer investigation and relining Mossman and Port Douglas - **\$300,000***

*Generators purchase and install at critical pump stations (Port Douglas and Mossman) - **\$100,000***

OPERATIONAL WORKS BUDGET - ITEMS OF INTEREST

Planning Scheme review (\$392,012)

Resource and Performance Agreements (\$770,000) – Includes funding for Tourism Port Douglas Daintree (\$430,000), Community Grants (\$100,000), Mossman aged care facility business plan (\$40,000), Douglas Chamber of Commerce (\$53,000), Cairns IRONMAN (\$42,120), The Crocodile Trophy (\$10,000), Douglas Shire Historical Society (\$5000), the Clink Theatre (\$5000), the Douglas Shire Community Services Association (\$5000) and In-Kind Assistance (\$73,880) for the provision of initiatives and events which have significant community and economic benefits for the Douglas Shire.

Tree management (\$250,000) – Includes the management and maintenance of important trees in the Douglas Shire including coconut palms, oil palms and rain trees.

Sharks football maintenance (\$8000) – Funding provided to Mossman-Port Douglas Sharks football club to assist with maintenance and improvements to football ground.

Bloomfield Track drive project (\$10,000) – interpretative signage along the Bloomfield Track incorporating Kuku Yalanji significance to enhance visitor experience.

CONCLUSION

In closing, I would like to thank and commend Linda Cardew - CEO, Darryl Crees – General Manager Corporate Services, Paul Hoye – General Manager Operations, John Rehn – Finance Manager, the finance team, all Managers and staff who have contributed to the budget development process. I also want to acknowledge Council management and staff in the preparation of the reports being considered today. I know for a fact that there have been many early starts and late evenings by so many of you, and in particular Linda, Darryl, and John.

Finally, I want to thank my fellow Councillors for their time and input in participating in the budget process and for your attendance at a number of budget workshops since April.

Councillors, I am very pleased to recommend the 2014-2015 Douglas Shire Council Budget to you for adoption.

AGENDA ITEMS

1. OPERATIONAL PLAN 2014 – 2015

Darryl Crees – General Manager Corporate Services

Moved Cr Carey

Seconded Cr Clarke

“That Council adopt the Operational Plan 2014-2015.”

Carried unanimously.

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2. 2014/15 REVENUE POLICY

Darryl Crees – General Manager Corporate Services

Moved Cr Noli

Seconded Cr Carey

"That Council adopt:

- 2014/15 Revenue Policy; and
- 2014/15 Debt Policy; and
- Reserves Policy"

Carried unanimously.

3. STRUCTURE OF GENERAL RATING CATEGORIES FOR 2014/15

Darryl Crees – General Manager Corporate Services

Moved Cr Carey

Seconded Cr Clarke

"That Council adopt the following categories and descriptions for the purpose of levying differential general rates for 2014/15:

Category

Description

- | | |
|----------------------|--|
| • Residential A - | Residential properties with a valuation from \$1 to \$490,000. |
| • Residential B - | Residential properties with a valuation from \$490,001 to \$735,000. |
| • Residential C - | Residential properties with a valuation from \$735,001 to \$975,000. |
| • Residential D - | Residential properties with a valuation from \$975,001 to \$1,220,000. |
| • Residential E - | Residential properties with a valuation from \$1,220,001 to \$1,465,000. |
| • Residential F - | Residential properties with a valuation from \$1,465,001 to \$1,710,000. |
| • Residential G - | Residential properties with a valuation from \$1,710,001 to \$1,955,000. |
| • Residential H - | Residential properties with a valuation from \$1,955,001 to \$2,200,000. |
| • Residential I - | Residential properties with a valuation greater than \$2,200,000. |
| • Residential J - | Residential properties not subject to banding. |
| • Residential K - | Residential properties that are building units. |
| • Residential L - | Multi Unit Dwellings (Flats). |
| • Residential M - | Residential land which is subject to section 50 of the Land Valuation Act 2010. |
| • Residential Q - | Land situated at the South Arm and the Heads of the Daintree River that has a land use code of 0600 and is held as a Permit to Occupy. |
| • Commercial E - | Commercial properties not included in Commercial Categories F & H. |
| • Commercial F - | Properties used by Not for Profit Recreation, Sporting and Community Groups that are eligible for Rates Based Financial Assistance. |
| • Commercial H - | Shopping Centres with a secondary land use of Marina with a total area over 5ha. |
| • Rural Productive - | All properties which are used predominantly for Primary Production. |

Carried unanimously

4.1 MOWBRAY VALLEY RURAL FIRE BRIGADE – SPECIAL CHARGE

Darryl Crees – General Manager Corporate Services

Moved Cr Clarke

Seconded Cr Carey

That Council levy a special charge in accordance with sections 92 and 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012* to be known as the Mowbray Valley Rural Fire Brigade Special Charge.

1. The overall plan for this special charge is as follows:
 - (a) The service, facility or activity the subject of the special charge is the annual funding of the Mowbray Valley Rural Fire Brigade.
 - (b) The rateable land to which the special charge applies is delineated in orange on the map named Mowbray Valley Rural Fire Brigade.
 - (c) The estimated cost of carrying out the overall plan is \$151,900.
 - (d) The estimated time for carrying out the overall plan is one (1) year ending on 30 June 2015.
2. All rateable land within the area delineated in orange on the map named Mowbray Valley Rural Fire Brigade will specially benefit to the same extent from the purchase and maintenance of equipment by the Brigade in the current or future financial years 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 Rescue Service Act 1990*.
3. Council makes a special charge of \$40.00 per rateable assessment for the 2014/15 financial year to be levied by two half year levies.
4. The entire budgeted revenue shall be remitted to the Mowbray Valley Rural Fire Brigade to be expended in accordance with their budget.

Carried unanimously.

4.2 DAINTREE RURAL FIRE BRIGADE – SPECIAL CHARGE

Darryl Crees – General Manager Corporate Services

Moved Cr Noli

Seconded Cr Carey

That Council levy a special charge in accordance with sections 92 and 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012* to be known as the Daintree Rural Fire Brigade Special Charge.

1. The overall plan for this special charge is as follows:
 - (a) The service, facility or activity the subject of the special charge is the annual funding of the Daintree Rural Fire Brigade.

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- (b) The rateable land to which the special charge applies is delineated in orange on the map named Daintree Rural Fire Brigade.
 - (c) The estimated cost of carrying out the overall plan is \$4,170.
 - (d) The estimated time for carrying out the overall plan is one (1) year ending on 30 June 2015.
- 2. All rateable land within the area delineated in orange on the map named Daintree Rural Fire Brigade will specially benefit to the same extent from the purchase and maintenance of equipment by the Brigade in the current or future financial years 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 Rescue Service Act 1990*.
 - 3. Council makes a special charge of \$25.00 per rateable assessment for the 2014/15 financial year to be levied by two half year levies.
 - 4. The entire budgeted revenue shall be remitted to the Daintree Rural Fire Brigade to be expended in accordance with their budget.

Carried unanimously.

4.3 THORNTON PEAK RURAL FIRE BRIGADE – SPECIAL CHARGE

Darryl Crees – General Manager Corporate Services

Moved Cr Carey

Seconded Cr Clarke

That Council levy a special charge in accordance with sections 92 and 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012* to be known as the Thornton Peak Rural Fire Brigade Special Charge.

- 1. The overall plan for this special charge is as follows:
 - (a) The service, facility or activity the subject of the special charge is the annual funding of the Thornton Peak Rural Fire Brigade.
 - (b) The rateable land to which the special charge applies is delineated in orange on the map named Thornton Peak Rural Fire Brigade.
 - (c) The estimated cost of carrying out the overall plan is \$5,666.
 - (d) The estimated time for carrying out the overall plan is one (1) year ending on 30 June 2015.
- 2. All rateable land within the area delineated in orange on the map named Thornton Peak Rural Fire Brigade will specially benefit to the same extent from the purchase and maintenance of equipment by the Brigade in the current or future financial years 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 Rescue Service Act 1990*.

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3. Council makes a special charge of \$8.00 per rateable assessment for the 2014/15 financial year to be levied by two half year levies.
4. The entire budgeted revenue shall be remitted to the Thornton Peak Rural Fire Brigade to be expended in accordance with their budget.

Carried unanimously.

4.4 WONGA RURAL FIRE BRIGADE – SPECIAL CHARGE

Darryl Crees – General Manager Corporate Services

Moved Cr Noli

Seconded Cr Carey

That Council levy a special charge in accordance with sections 92 and 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012* to be known as the Wonga Rural Fire Brigade Special Charge.

1. The overall plan for this special charge is as follows:
 - (a) The service, facility or activity the subject of the special charge is the annual funding of the Wonga Rural Fire Brigade.
 - (b) The rateable land to which the special charge applies is delineated in orange on the map named Wonga Rural Fire Brigade.
 - (c) The estimated cost of carrying out the overall plan is \$125,133.
 - (d) The estimated time for carrying out the overall plan is one (1) year ending on 30 June 2015.
2. All rateable land within the area delineated in orange on the map named Wonga Rural Fire Brigade will specially benefit to the same extent from the purchase and maintenance of equipment by the Brigade in the current or future financial years 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 Rescue Service Act 1990*.
3. Council makes a special charge of \$35.00 per rateable assessment for the 2014/15 financial year to be levied by two half year levies.
4. The entire budgeted revenue shall be remitted to the Wonga Rural Fire Brigade to be expended in accordance with their budget.

Carried unanimously.

4.5 BLOOMFIELD RIVER RURAL FIRE BRIGADE – SPECIAL CHARGE

Darryl Crees – General Manager Corporate Services

Moved Cr Clarke

Seconded Cr Noli

That Council levy a special charge in accordance with sections 92 and 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012* to be known as the Bloomfield River Rural Fire Brigade Special Charge.

1. The overall plan for this special charge is as follows:
 - (a) The service, facility or activity the subject of the special charge is the annual funding of the Bloomfield River Rural Fire Brigade.
 - (b) The rateable land to which the special charge applies is delineated in orange on the map named Bloomfield River Rural Fire Brigade.
 - (c) The estimated cost of carrying out the overall plan is \$25,100.
 - (d) The estimated time for carrying out the overall plan is one (1) year ending on 30 June 2015.
2. All rateable land within the area delineated in orange on the map named Bloomfield River Rural Fire Brigade will specially benefit to the same extent from the purchase and maintenance of equipment by the brigade in the current or future financial years 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 Rescue Service Act 1990*.
3. Council makes a special charge of \$25.00 per rateable assessment for the 2014/15 financial year to be levied by two half year levies.
4. The entire budgeted revenue shall be remitted to the Bloomfield River Rural Fire Brigade to be expended in accordance with their budget.

Carried unanimously.

5. REFUSE - SPECIAL CHARGE

Darryl Crees – General Manager Corporate Services

Moved Cr Carey

Seconded Cr Noli

That Council levy a special charge in accordance with sections 92 and 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012* to be known as the Special Refuse Charge, as follows:-

1. That Council makes and levies a special charge on the land identified in this resolution for the purpose of contributing to the costs of operation and maintenance of the Cow Bay, Daintree, Killaloe and Ayton Transfer Stations.

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2. The overall plan for the provision of the service be identified as follows:

Overall Plan for the Supply of the Service, Facility or Activity

a) Rateable Land to which the Special Charge Applies

- i) All land with improvements north of Ellis Beach that does not receive the Council kerbside waste and recyclables collection service, where the occupier has been provided with an identification card to use the Daintree and Killaloe Transfer Stations free of charge.
- ii) All land with improvements north of the Daintree River that does not receive the Council kerbside waste and recyclables collection service, where the occupier has been provided with an identification card to use the Cow Bay and Ayton Transfer Stations free of charge.

b) Description of the Service, Facility or Activity

The special refuse charge is to be applied to a number of rateable parcels of land, with improvements, within the area north of Ellis Beach, which do not currently receive the Council kerbside waste and recyclables collection service. This excludes properties holding Permits to Occupy on the South Arm and the Heads of Daintree River.

The occupiers of the subject land will have special access to the following Transfer Stations for free disposal of waste:

- i) Cow Bay Transfer Station
- ii) Daintree Transfer Station
- iii) Killaloe Transfer Station
- iv) Ayton Transfer Station

c) Estimated Cost for Implementing the Overall Plan

The estimated cost to Council of operating the above mentioned Transfer Stations over the 2014/15 financial year is \$262,188 and the estimated revenue from gate fees for the same period is \$124,320, resulting in an anticipated net operating loss of \$137,868. The special refuse charge is to be levied to contribute to the cost of operation and maintenance of the Transfer Stations and will raise approximately \$53,336, which equates to less than 21% of the yearly operating cost.

d) Estimated Time for Implementing the Overall Plan

The special charge will apply for the 2014/15 financial year.

3. The occupiers of the land to which the special charge applies will have special access to the above mentioned Transfer Stations for the purpose of free disposal of waste.
4. A special charge of \$156.87 is hereby made to apply equally to each rateable assessment defined in clause 2(a) for the 2014/15 financial year.

Carried unanimously.

**6. REVENUE STATEMENT AND RATES AND CHARGES FOR THE
2014/15 FINANCIAL YEAR**

Darryl Crees – General Manager Corporate Services

Moved Cr Carey

Seconded Cr Noli

1. That Council resolve pursuant to chapter 4, part 3 of the *Local Government Act 2009* and chapter 5, part 2 division 3 of the *Local Government Regulation 2012* to adopt the attached Revenue Statement for the 2014/15 financial year.
2. That Council resolve pursuant to chapter 4 of the *Local Government Regulation 2012* to adopt the recommendations contained in the attached Rates and Charges for the 2014/15 financial year, and included with the minutes.

Carried unanimously.

7. FINANCIAL REPORT FOR PERIOD ENDING 31 MAY 2014

Darryl Crees – General Manager Corporate Services

Moved Cr Carey

Seconded Cr Clarke

That Council notes the Financial Report for the period ended 31 May 2014.

Carried unanimously.

8. ANNUAL BUDGET 2014 - 2015

Darryl Crees – General Manager Corporate Services

Moved Cr Melchert

Seconded Cr Carey

That Council adopt the Annual Budget 2014 - 2015 as presented, including:

- a. Statement of Comprehensive Income
- b. Statement of Financial Position
- c. Statement of Cash Flows
- d. Statement of Changes in Equity
- e. Long-term Financial Forecast
- f. Measures of Financial Sustainability

Carried unanimously.

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CLOSURE OF MEETING

The meeting closed at 10.28 am

CONFIRMED THIS 15th DAY OF July 2014


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MAYOR/CHAIR