

### **3.10. ANNUAL BUDGET 2019 - 2020**

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**DEPARTMENT:** Finance, ICT and Procurement

#### **RECOMMENDATION**

Pursuant to section 107A of the *Local Government Act 2009* and sections 169 and 170 of the *Local Government Regulation 2012*, Council's Budget for the 2019/20 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 18 June 2019),

as tabled, be adopted.

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#### **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 2019 - 2020 presented to Council has been prepared in collaboration with all Councillors.

This budget is based on sound financial sustainability principles and employs a 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)) and adopt an annual budget before 01 August each year (section 107A).

Previous reports included in this agenda identify the rates and charges to be levied for the period 01 July 2019 to 30 June 2020.

#### **PROPOSAL**

The Annual Budget 2019 - 2020 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 2019 – 2020 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**

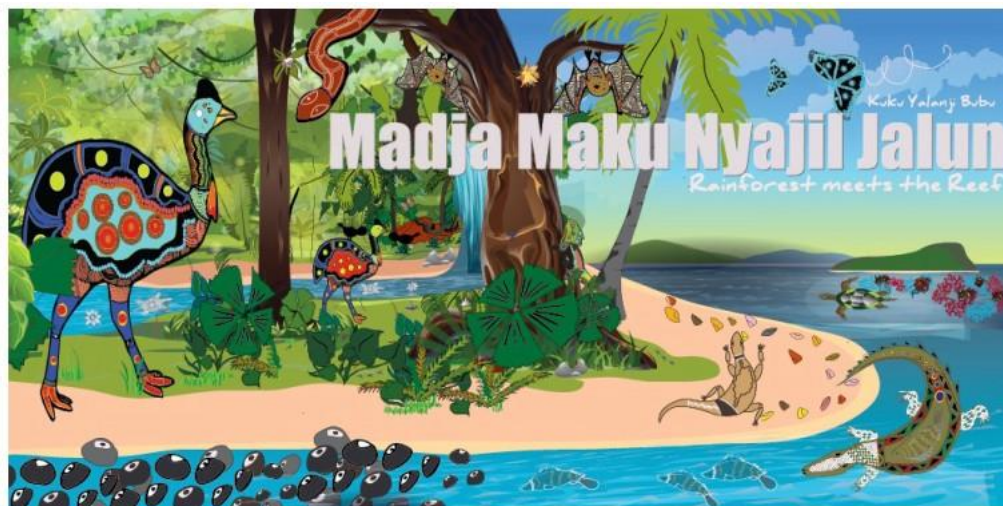
1. Budget 2019-20 **[3.10.1 - 13 pages]**
2. Revenue Statement for the 2019 20 Financial Year **[3.10.2 - 22 pages]**
3. Revenue General Policy **[3.10.3 - 2 pages]**

# DOUGLAS SHIRE COUNCIL ANNUAL BUDGET

2019 – 2020

BUDGETED FINANCIAL STATEMENTS AND  
SUPPORTING INFORMATION

**DOUGLAS**  
SHIRE COUNCIL



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

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# Douglas Shire Council - Budgeted Statement of Income and Expenditure

For the period ending 30 June 2020

	2019/20	2020/21	2021/22
	\$	\$	\$
Operating Revenue			
Rates and utility charges	35,291,228	36,318,209	37,373,327
Less: Pensioner remissions / Rebates	(441,958)	(454,068)	(466,509)
Net rates and utility charges	34,849,270	35,864,140	36,906,818
Fees and charges	5,601,566	5,820,027	5,979,496
Grants and subsidies	2,899,962	1,858,389	1,895,557
Interest received	803,575	803,575	803,575
Other operating revenue	996,089	996,089	996,089
<b>TOTAL OPERATING REVENUE</b>	<b>45,150,462</b>	<b>45,342,220</b>	<b>46,581,534</b>
Operating Expenses			
Employee benefits	14,813,588	15,072,448	15,373,897
Materials and services	17,453,175	17,169,932	17,556,256
Depreciation and amortisation	12,616,241	12,994,728	13,384,570
Finance costs	88,127	89,890	91,687
<b>TOTAL OPERATING EXPENDITURE</b>	<b>44,971,130</b>	<b>45,326,998</b>	<b>46,406,410</b>
<b>Operating Surplus / (Deficit)</b>	<b>179,332</b>	<b>15,222</b>	<b>175,124</b>
Capital Income			
Grants and subsidies	1,089,400	1,089,400	1,089,400
Contributions from developers	250,000	250,000	250,000
<b>TOTAL CAPITAL INCOME</b>	<b>1,339,400</b>	<b>1,339,400</b>	<b>1,339,400</b>
<b>Net Result</b>	<b>1,518,732</b>	<b>1,354,622</b>	<b>1,514,524</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>1,518,732</b>	<b>1,354,622</b>	<b>1,514,524</b>

## Douglas Shire Council - Budgeted Statement of Financial Position

For the period ending 30 June 2020

	2019/20	2020/21	2021/22
	\$	\$	\$
<b>Current Assets</b>			
Cash assets and equivalents	17,482,773	16,732,773	16,395,335
Receivables	3,647,918	3,647,918	3,647,918
Inventory	97,728	97,728	97,728
	<u>21,228,419</u>	<u>20,478,419</u>	<u>20,140,981</u>
<b>Non-Current Assets</b>			
Property, plant and equipment	345,515,335	347,619,957	348,749,908
Intangibles	0	0	0
	<u>345,515,335</u>	<u>347,619,957</u>	<u>348,749,908</u>
<b>TOTAL ASSETS</b>	<u>366,743,754</u>	<u>368,098,376</u>	<u>368,890,889</u>
<b>Current Liabilities</b>			
Trade and other payables	4,821,683	4,821,683	4,821,683
Borrowings	0	0	0
Provisions	1,789,951	2,511,962	1,789,951
	<u>6,611,634</u>	<u>7,333,645</u>	<u>6,611,634</u>
<b>Non-Current Liabilities</b>			
Borrowings	0	0	0
Provisions	1,812,038	1,090,027	1,090,027
	<u>1,812,038</u>	<u>1,090,027</u>	<u>1,090,027</u>
<b>TOTAL LIABILITIES</b>	<u>8,423,672</u>	<u>8,423,672</u>	<u>7,701,661</u>
<b>NET COMMUNITY ASSETS</b>	<u>358,320,082</u>	<u>359,674,704</u>	<u>361,189,228</u>
<b>Community Equity</b>			
General reserves	5,532,917	4,782,917	4,432,917
Accumulated surplus / (deficit)	352,787,166	354,891,788	356,756,312
<b>TOTAL COMMUNITY EQUITY</b>	<u>358,320,083</u>	<u>359,674,705</u>	<u>361,189,229</u>

## Douglas Shire Council - Budgeted Statement of Cash Flow

For the period ending 30 June 2020

	2019/20	2020/21	2021/22
	\$	\$	\$
Cash flows from operating activities			
Receipts			
Net rates and utility charges	34,849,270	35,864,140	36,906,818
Fees and charges	5,601,566	5,820,027	5,979,496
Grants, subsidies, contributions and donations	2,899,962	1,858,389	1,895,557
Interest received	803,575	803,575	803,575
Other operating revenue	996,089	996,089	996,089
	<u>45,150,462</u>	<u>45,342,220</u>	<u>46,581,534</u>
Payments			
Employee benefits	(14,813,588)	(15,072,448)	(15,373,897)
Materials and services	(17,453,175)	(17,169,932)	(17,556,256)
Finance costs	(88,127)	(89,890)	(91,687)
	<u>(32,354,889)</u>	<u>(32,332,270)</u>	<u>(33,021,840)</u>
Net cash inflow (outflow) from operating activities	<u>12,795,573</u>	<u>13,009,950</u>	<u>13,559,694</u>
Cash flows from investing activities			
Receipts			
Proceeds from sale of property plant and equipment	110,000	110,000	110,000
Grants, subsidies, contributions and donations	1,339,400	1,339,400	1,339,400
	<u>1,449,400</u>	<u>1,449,400</u>	<u>1,449,400</u>
Payments			
Payments for property, plant and equipment	(15,334,955)	(15,109,350)	(15,246,532)
Payments for intangible assets	(100,000)	(100,000)	(100,000)
	<u>(15,434,955)</u>	<u>(15,209,350)</u>	<u>(15,346,532)</u>
Net cash inflow (outflow) from investing activities	<u>(13,985,555)</u>	<u>(13,759,950)</u>	<u>(13,897,132)</u>
Cash flows from financing activities			
Net cash inflow (outflow) from financing activities	<u>0</u>	<u>0</u>	<u>0</u>
Net increase (decrease) in cash and cash equivalents held	<u>(1,189,982)</u>	<u>(750,000)</u>	<u>(337,438)</u>
Cash and cash equivalents at the beginning of the financial year	18,672,756	17,482,773	16,732,773
Cash and cash equivalents at the end of the financial year	<u>17,482,773</u>	<u>16,732,773</u>	<u>16,395,335</u>



## Douglas Shire Council - Budgeted Statement of Changes in Equity

For the period ending 30 June 2020

	2019/20	2020/21	2021/22
	\$	\$	\$
GENERAL RESERVES			
Balance as at 1 July	6,737,565	5,532,917	4,782,917
Transfers to and from reserves			
Transfers to reserves	400,000	400,000	400,000
Transfers from reserves	(1,604,648)	(1,150,000)	(750,000)
Total transfers to and from reserves	<u>(1,204,648)</u>	<u>(750,000)</u>	<u>(350,000)</u>
Balance as at 30 June	<u>5,532,917</u>	<u>4,782,917</u>	<u>4,432,917</u>
ACCUMULATED SURPLUS / (DEFICIT)			
Balance as at 1 July	350,063,786	352,787,166	354,891,788
Net result	1,518,732	1,354,622	1,514,524
Total comprehensive income for the year	<u>1,518,732</u>	<u>1,354,622</u>	<u>1,514,524</u>
Transfers to and from reserves			
Transfers to reserves	(400,000)	(400,000)	(400,000)
Transfers from reserves	1,604,648	1,150,000	750,000
Total transfers to and from reserves	<u>1,204,648</u>	<u>750,000</u>	<u>350,000</u>
Balance as at 30 June	<u>352,787,166</u>	<u>354,891,788</u>	<u>356,756,312</u>
TOTAL COMMUNITY EQUITY	<u>358,320,083</u>	<u>359,674,705</u>	<u>361,189,229</u>

**Douglas Shire Council - Long Term Financial Forecast**

For the period ending 30 June 2020

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue										
Rates and utility charges	34,849,270	35,864,140	36,906,818	37,978,064	39,078,663	40,209,419	41,371,157	42,564,727	43,791,000	45,050,874
Fees and charges	5,601,566	5,820,027	5,979,496	6,143,334	6,311,661	6,484,601	6,662,279	6,844,825	7,032,373	7,225,061
Grants and subsidies	2,899,962	1,858,389	1,895,557	1,933,468	1,972,137	2,011,580	2,051,812	2,092,848	2,134,705	2,177,399
Interest received	803,575	803,575	803,575	803,575	803,575	803,575	803,575	803,575	803,575	803,575
Other operating revenue	996,089	996,089	996,089	996,089	996,089	996,089	996,089	996,089	996,089	996,089
<b>TOTAL OPERATING REVENUE</b>	<b>45,150,462</b>	<b>45,342,220</b>	<b>46,581,534</b>	<b>47,854,530</b>	<b>49,162,126</b>	<b>50,505,264</b>	<b>51,884,912</b>	<b>53,302,064</b>	<b>54,757,743</b>	<b>56,252,997</b>
Operating Expenses										
Employee benefits	14,813,588	15,072,448	15,373,897	15,681,375	15,995,003	16,314,903	16,641,201	16,974,025	17,313,505	17,659,775
Materials and services	17,453,175	17,169,932	17,556,256	17,792,271	18,192,598	18,601,931	19,020,475	19,448,435	19,886,025	20,333,461
Depreciation and amortisation	12,616,241	12,994,728	13,384,570	13,786,107	14,199,690	14,625,681	15,064,452	15,516,385	15,981,877	16,461,333
Finance costs	88,127	89,890	91,687	93,521	95,392	97,299	99,245	101,230	103,255	105,320
<b>TOTAL OPERATING EXPENDITURE</b>	<b>44,971,130</b>	<b>45,326,998</b>	<b>46,406,410</b>	<b>47,353,275</b>	<b>48,482,682</b>	<b>49,639,814</b>	<b>50,825,372</b>	<b>52,040,075</b>	<b>53,284,662</b>	<b>54,559,889</b>
<b>Operating Surplus / (Deficit)</b>	<b>179,332</b>	<b>15,222</b>	<b>175,124</b>	<b>501,255</b>	<b>679,444</b>	<b>865,450</b>	<b>1,059,539</b>	<b>1,261,989</b>	<b>1,473,081</b>	<b>1,693,108</b>
Capital Income										
Grants and subsidies	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400
Contributions from developers	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
<b>TOTAL CAPITAL INCOME</b>	<b>1,339,400</b>	<b>1,339,400</b>	<b>1,339,400</b>	<b>1,339,400</b>	<b>1,339,400</b>	<b>1,339,400</b>	<b>1,339,400</b>	<b>1,339,400</b>	<b>1,339,400</b>	<b>1,339,400</b>
<b>Net Result</b>	<b>1,518,732</b>	<b>1,354,622</b>	<b>1,514,524</b>	<b>1,840,655</b>	<b>2,018,844</b>	<b>2,204,850</b>	<b>2,398,939</b>	<b>2,601,389</b>	<b>2,812,481</b>	<b>3,032,508</b>
Sources of capital funding										
Funded depreciation	12,616,241	12,859,950	13,384,570	13,786,107	14,199,690	14,625,681	15,064,452	15,516,385	15,981,877	16,461,333
Constrained works reserve	1,412,703	1,000,000	600,000	400,000	300,000	250,000	250,000	300,000	300,000	300,000
Daintree ferry reserve	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Public art reserve	41,945	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	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400	1,089,400
General revenue	14,666	0	12,562	175,628	264,722	357,725	454,770	555,994	661,540	771,554
<b>Total sources of capital funding</b>	<b>15,434,955</b>	<b>15,209,350</b>	<b>15,346,532</b>	<b>15,711,135</b>	<b>16,113,812</b>	<b>16,582,806</b>	<b>17,118,622</b>	<b>17,721,779</b>	<b>18,292,817</b>	<b>18,882,287</b>
Application of capital funding										
Capital Works expenditure	15,434,955	15,209,350	15,346,532	15,711,135	16,113,812	16,582,806	17,118,622	17,721,779	18,292,816	18,882,286
<b>Total application of capital funding</b>	<b>15,434,955</b>	<b>15,209,350</b>	<b>15,346,532</b>	<b>15,711,135</b>	<b>16,113,812</b>	<b>16,582,806</b>	<b>17,118,622</b>	<b>17,721,779</b>	<b>18,292,816</b>	<b>18,882,286</b>
COMMUNITY ASSETS										
Total Assets	366,743,754	368,098,376	368,890,889	370,731,545	372,750,389	374,955,238	376,496,004	379,097,393	381,909,874	384,942,382
Total Liabilities	8,423,672	8,423,672	7,701,661	7,701,661	7,701,661	7,701,661	6,843,488	6,843,488	6,843,488	6,843,488
<b>TOTAL COMMUNITY EQUITY</b>	<b>358,320,082</b>	<b>359,674,704</b>	<b>361,189,228</b>	<b>363,029,884</b>	<b>365,048,728</b>	<b>367,253,577</b>	<b>369,652,516</b>	<b>372,253,905</b>	<b>375,066,386</b>	<b>378,098,894</b>

## Douglas Shire Council - Measures of Financial Sustainability

For the period ending 30 June 2020

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	%	%	%	%	%	%	%	%	%	%

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

Ratio	How the measure is calculated	Target										
<b>Operating surplus ratio</b>	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	0.40	0.03	0.38	1.05	1.38	1.71	2.04	2.37	2.69	3.01
<b>Asset sustainability ratio</b>	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	Greater than 90%	90.19	90.94	91.29	91.76	91.71	91.67	91.65	91.77	91.74	92.17
<b>Net financial liabilities ratio</b>	Total liabilities less current assets divided by total operating revenue (excluding capital items)	Not greater than 60%	(28.36)	(26.59)	(26.70)	(26.05)	(25.79)	(25.81)	(27.66)	(27.87)	(28.25)	(28.78)

### 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 2020

	2019/20	2020/21	2021/22
	\$	\$	\$
Sources of capital funding			
Funded depreciation	12,616,241	12,859,950	13,384,570
* Constrained works reserve	1,412,703	1,000,000	600,000
Daintree ferry reserve	150,000	150,000	150,000
Public art reserve	41,945	0	0
Proceeds from sale of assets	110,000	110,000	110,000
Capital grants	1,089,400	1,089,400	1,089,400
General revenue	14,666	0	12,562
Total sources of capital funding	15,434,955	15,209,350	15,346,532
Application of capital funding			
Capital Works expenditure	15,434,955	15,209,350	15,346,532
Total application of capital funding	15,434,955	15,209,350	15,346,532
* Application of funds from Constrained works reserve			
Road / Transport Network	381,110		
Public Spaces	380,783		
Water	459,140		
Wastewater	191,670		
	1,412,703		

## Douglas Shire Council - Budgeted Movement in Reserves

For the period ending 30 June 2020

	2019/20	2020/21	2021/22
	\$	\$	\$
RESERVES			
Constrained works reserve			
Balance as at 1 July	2,695,620	1,532,917	782,917
Transfers to reserve	250,000	250,000	250,000
Transfers from reserve	(1,412,703)	(1,000,000)	(600,000)
Balance as at 30 June	1,532,917	782,917	432,917
Daintree ferry reserve			
Balance as at 1 July	4,000,000	4,000,000	4,000,000
Transfers to reserve	150,000	150,000	150,000
Transfers from reserve	(150,000)	(150,000)	(150,000)
Balance as at 30 June	4,000,000	4,000,000	4,000,000
Public art reserve			
Balance as at 1 July	41,945	0	0
Transfers to reserve	0	0	0
Transfers from reserve	(41,945)	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 2020

	2018/19	2019/20	Change	Change
	\$	\$	\$	%
Rates and utility charges	34,522,491	35,291,228	768,737	2.23

### 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 2020

	New/ Renewal/ Upgrade (N/R/U)	2019/20 \$
<b><u>COMMUNITY DEVELOPMENT</u></b>		
Dixies Shed Flooring and Deck	U	20,000
Enhanced Disaster Dashboard and Information Notification System	N	10,000
Modifications to Port Douglas Hall	U	10,000
Douglas Indigenous Signage Program	N	50,000
Mossman and Port Douglas Flagpoles	N	100,000
Mossman Showgrounds Master Plan	R	50,000
Douglas Council's Website Upgrade and Media Monitoring	U	30,000
Hydration Stations and Sunscreen Stations	N	25,000
		<b>295,000</b>
<b><u>ICT SERVICES</u></b>		
ICT Mossman Computer Room Equipment Refresh	R	155,000
ICT Planning Zone Report Tool	N	24,000
ICT Authority Fleet Module - purchase, install and configure	N	17,000
ICT Decommission Community Suite - Commission iPlatinum	N	41,000
ICT Authority Mobile Platform (Actus) - purchase, install and configure	N	49,000
Phone System Upgrade - Telstra changes to current technology	N	67,831
3 x Ricoh Printers/Scanner Refresh	N	22,124
A0 Scanner-Printer - Records	R	18,000
		<b>393,955</b>
<b><u>PROPERTY SERVICES</u></b>		
Thornton Beach Café - Roof replacement	R	30,000
Mossman Pool - Design	N	400,000
Port Douglas Tennis Club Fence replacement around basketball court	R	11,000
Mossman Showgrounds - Disability access to toilets	U	10,000
Douglas Arts Base - Urgent heritage works	R	17,000
Thornton Beach Café - External painting and repairs	U	12,000
Port Douglas Sports Oval Master Plan	N	50,000
		<b>530,000</b>
<b><u>BUILDING FACILITIES</u></b>		
Port Douglas Community Hall	R	130,000
Diwan Depot Solar Power System	R	32,000
Mossman Shire Hall - renewal of various items	R	150,000
Mossman Admin and Flag Staff Hill - Install remote generator monitoring	U	50,000
Port Douglas Sugar Wharf - new toilets, track lights, fans	R	160,000
Mossman Administration Building - automatic door repairs	R	16,000
Mossman Depot	U	70,000
Water & Wastewater Treatment Plants	U	120,000
Mossman Depot	R	25,000
Mossman Shire Hall	U	30,000
Mossman Administration Building	N	12,000
		<b>795,000</b>
<b><u>FLEET</u></b>		
Fleet Renewal Program	R	700,000
Ride On Mower	N	7,000
		<b>707,000</b>
<b><u>ENVIRONMENT &amp; PLANNING</u></b>		
Mossman Pound Renewal	R	50,000
Refurbish Pile Moorings at Port Douglas Boat Harbour	R	30,000
Port Douglas Wastewater Treatment Plant Solar Project	N	100,000
Undertake actions outlined in the Coastal Hazard Adaptation Strategy (CHAS)	N	65,000
		<b>245,000</b>

# Douglas Shire Council - Capital Works Program

For the period ending 30 June 2020

	New/ Renewal/ Upgrade (N/R/U)	2019/20 \$
<b><u>RESOURCE MANAGEMENT</u></b>		
Killaloe Transfer Station Work Shed	U	12,000
Resource Recovery Shed at Killaloe Transfer Station	N	565,000
Killaloe Well part replacements	R	17,000
		<b>594,000</b>
<b><u>PUBLIC SPACES</u></b>		
Dog Park	N	145,000
Park Shade Sail Renewal Program	R	50,000
Port Douglas CBD Blueprint Planning Project	U	300,000
Miallo State School Carpark Renewal	R	40,000
Playground Renewal Program	R	525,000
Macrossan Street Improvements	U	200,000
Wheelchair access from path at Port Haven to Four Mile Beach	N	15,000
Parks Renewal Program	R	1,500,000
Water Park Options	N	100,000
Captain Cook Highway, Craiglie	N	50,000
		<b>2,925,000</b>
<b><u>DISASTER MANAGEMENT</u></b>		
VMS Board	N	30,000
Installation of rain gauge instruments and river level monitors	N	90,000
Automatic rain gauges at the Port Douglas Wastewater Treatment Plant and Craiglie Pump Station	N	30,000
Automatic river level gauge and two flood cameras for Daintree Ferry area	N	70,000
Purchase of flood mapping over Shire	N	20,000
Upgrade of Guardian IMS disaster management system to Cloud based	U	5,000
Various projects submitted to the Qld Disaster Resilience Fund to cover Council's 50% contribution	U	195,000
		<b>440,000</b>
<b><u>CIVIL WORKS</u></b>		
Tara Hills Road, Mossman	R	450,000
Murphy Street, Port Douglas	R	1,500,000
Davidson Street, Port Douglas	R	500,000
Drainage Program	R	200,000
Diggers Bridge Renewal	R	250,000
Ribbon Avenue, Port Douglas	U	110,000
Alexandra Range	R	100,000
Reseal Program	R	1,050,000
Disability Infrastructure Upgrades	R	75,000
Whyanbeel Causeway Upgrade	R	600,000
Atoll Close, Port Douglas	R	150,000
Melaleuca Drive, Cooya Beach	U	135,000
Warner Street, Port Douglas	R	250,000
Finlay Crescent, Oak Beach	U	30,000
Kerb and Channel Program	R	100,000
Drainage Inspection Program	N	30,000
Gate for Drumsara	N	30,000
Mowbray Street, Port Douglas	N	18,000
Footpath Lighting Master Plan	N	25,000
		<b>5,603,000</b>

# Douglas Shire Council - Capital Works Program

For the period ending 30 June 2020

	New/ Renewal/ Upgrade (N/R/U)	2019/20 \$
<b><u>WASTEWATER</u></b>		
Manhole Raising and Resealing, HCB Lines, Sewer Main Replacements	R	250,000
Sluice Valve Renewal	R	60,000
Wastewater Treatment Plant Radio Transmitter Unit and SCADA Upgrades - Assessment Stage	R	40,000
Wastewater Pump Renewals	R	80,000
Flow meters to Pump Stations - High filtration areas only	R	20,000
Biowin/Desktop Modelling to Upgrade Port Douglas Wastewater Treatment Plant	U	55,000
Port Douglas Wastewater Treatment Plant Aerators and Diffusers Assessment	R	66,000
Port Douglas Wastewater Treatment Plant Road Upgrade	R	132,000
Upgrade Pipework to North Mossman Sewer Pump Station	U	25,000
Sewer Pump Station Lids	R	50,000
Fixed Generators at Sewer Pump Stations x 2	N	115,000
Mossman Wastewater Treatment Plant Lime Dosing Equipment Assessment of Chemical Dosing - Consultant costs	N	40,000
		<b>933,000</b>
<b><u>WATER QUALITY</u></b>		
Water Treatment Plants PLC SCADA Equipment Renewals	R	18,000
Water Treatment Plants Radio Transmitter Unit and SCADA Upgrades - Assessment Stage	R	50,000
Mossman Water Treatment Plant CIP Filter Replacement	R	28,000
Water Treatment Plants Instrument Control Renewals Program	R	69,000
Mossman Treated Water Reservoir Relining Assessment	R	50,000
Whyanbeel Water Treatment Plant New Residual Treatment Plant - Design Stage	N	70,000
Communication System Upgrade to Ethernet at Water Treatment Plants	R	70,000
Water Treatment Plants Pump Overhauls	R	90,000
Water Treatment Plants Air Compressor Renewals	R	75,000
Daintree Water Treatment Plant Genset External Fuel Tank and Structural Renewal	R	20,000
Craiglie Reservoir Upgrades	R	150,000
		<b>690,000</b>
<b><u>WATER RETICULATION</u></b>		
Rex Creek Aerial Trunk Main Renewals	R	400,000
Water Network Service Renewals Program	R	500,000
Automatic Flushing Stations x 4	R	30,000
Smart Meter Trial	R	100,000
PRV and District Metering - Design Stage	U	44,000
Cooya Beach Reservoir Pipeline - Design Stage	N	110,000
Daintree Intake - Pipework and Access Track Renewal	R	100,000
		<b>1,284,000</b>
<b>Total Capital Works</b>		<b>15,434,955</b>



## REVENUE STATEMENT FOR THE 2019/20 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	Residential properties with a valuation from \$1 to \$250,000.
2 - Residential	Residential properties with a valuation from \$250,001 to \$500,000.
3 - Residential	Residential properties with a valuation from \$500,001 to \$1,000,000.



4 - Residential	Residential properties with a valuation from \$1,000,001 to \$1,300,000.
5 - Residential	Residential properties with a valuation from \$1,300,001 to \$2,000,000.
6 - Residential	Residential properties with a valuation greater than \$2,000,000.
7 - Residential	Residential properties not subject to banding.
8 - Residential	Residential properties that are building units.
9 - Residential	Multi Unit Dwellings (Flats).
10 - Residential	Residential land which is subject to section 50 of the <i>Land Valuation Act 2010</i> .
11 - Commercial	Commercial 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 13 and 14).
12 – Commercial	Commercial 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 13 and 14)
13 - Commercial	Properties used by Not for Profit Recreation, Sporting and Community Groups that are eligible for Rates Based Financial Assistance.
14 - Commercial	Shopping Centres with a secondary land use of Marina with a total area over 1.5ha.
15 - Rural Productive	All properties which are used predominantly for Primary Production.
16 - All Other Land	All land which is not otherwise categorized.

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

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

- The land use codes as adopted by the Department of Natural Resources and Mines 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 2017.

The definitions of rateable and non-rateable land 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 2019/20 financial year on Category 15 – 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 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 no minimum, as required under section 50 of the <i>Land Valuation Act 2010</i> .

#### (b) COMMERCIAL

Category 11	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 12	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 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.

(c)    RURAL PRODUCTIVE

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

(d)    All OTHER LAND

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 2019/20 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 at least thirty-one (31) days but not more than thirty-five (35) days from the date of issue of the rate notice.
- Interest will be charged at the rate of 9.83% 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.    REMISSIONS AND CONCESSIONS

##### 5.1    LODGEMENT OF APPLICATIONS

- (a)    All applications for remission 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 remission received within three (3) months of the commencement of a rating period will be accepted for consideration provided the applicant meets all the criteria as at the commencement of the rating period and such remission 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, remission 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 remission will be placed on the applicant's rate file.
- (c)    Once an application for remission 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 REMISSION

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 Remission.

- (a) The rebate will be up to 40% of the General Rate to a maximum of \$1,350.00 per annum.
- (b) The upper limit of total remission will not exceed 5% of Council's total net general rates at which point the 40% remission is to be reduced on a pro rata basis.
- (c) Council Remission will apply for the full rating period (presently six months) for which the remission has been granted whether the ratepayer remains the registered owner or not.
- (d) The following guidelines apply in respect of persons applying for pensioner remission:
  - i. The applicant(s) must be the registered owner(s) of the property in respect of which remission 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 application for remission in respect of that property.
  - v. In cases of co-ownership, the Council Pensioner Remission will only apply if all owners meet all of the eligibility requirements at the commencement of the rating period.
- (e) 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).
- (f) Where a pensioner is receiving Council pensioner remission in respect of a property owned by that person and the person dies, Council remission will cease at the end of the rating period in which records obtained from the Department of Social Security for entitlement purposes do not match Council's Records.

- (g) Where more than one pensioner is receiving Council pensioner remission 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 remission.

When the property title is transferred under a will to a beneficiary who qualifies for Council pensioner remission, that person will be granted Council remission retrospectively to the beginning of the rating period, provided the pensioner would also have conformed with all the relevant criteria at the commencement of such rating period.

To be eligible for the subsidy 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 REMISSIONS

A remission 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 pensioners 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 remission 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 remission.
- (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 remission in the prior year.

A pensioner remission 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 BASED FINANCIAL ASSISTANCE

This policy allows Council to consider applications for remission 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 Rates Based Financial Assistance and believe that they may be eligible should contact Council.

## 5.5 RATES INCENTIVE FOR CONSERVATION POLICY

### (a) Purpose

The purpose of this Policy is to establish the process for affording rates incentives to landholders that enter into a Conservation Agreement for a Nature Refuge under the *Nature Conservation Act 1992*.

### (b) Scope

This policy applies to all land within the Council boundaries.

### (c) Reference

*Nature Conservation Act 1992*

Where this policy is inconsistent with a previously published policy, procedure or requirement, this policy shall prevail.

### (d) Definitions

Critical Habitat – as per the meaning under the *Nature Conservation Act 1992*.

### (e) Policy

- i. 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, by a Conservation Agreement for a Nature Refuge under the *Nature Conservation Act 1992*.
- ii. The rates incentive is proportionately attributed to that area of land included in an agreement.
- iii. The rates incentive will be credited to the recipient's rates notice prior to being issued.
- iv. Refund Rules;
  - Properties where more than 50% of the total area of the property is covered by a Nature Refuge Agreement under the *Nature Conservation Act 1992* are entitled to 50% of the general rate.
  - Properties where less than 50% of the total area of the property is covered by a Nature Refuge Agreement under the *Nature Conservation Act 1992* are entitled to 35% of the general rate.
- v. Any benefit provided to a landholder through the Rates Incentive for Conservation Program must be repaid to Council if the declaration of the Nature Refuge to which it relates is revoked in accordance with Section 50 of the *Nature Conservation Act 1992*.

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

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 Natural Resources, Mines and Energy.

## 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*.

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 recyclables collection service, where the occupier has been provided with an identification card to use the Cow Bay, Daintree, Killaloe and Ayton Transfer Stations free of charge for waste.

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 specially 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 (RESIDENTIAL AND RURAL PRODUCTIVE)

All properties in this class of consumer identified under the Water Supply (Safety and Reliability) Act 2008 and the Australian Drinking Water Guidelines, 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 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 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 Natural Resources and Mines 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 Rates Based Financial Assistance will be charged for all water usage at a rate equivalent to the residential charge per kilolitre.

## 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.

### 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, or the issue of, an approval, consent, licence, permission, registration or other authority 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) Performing a function other than one mentioned in paragraphs (a) to (d), 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* or entitled to Rates Based Financial Assistance (refer 5.4).
- (c) If the land is still considered rateable after due consideration to the above, Council may grant financial relief under section 96 of the *Local Government Act 2009* and 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.
- (d) Not for Profit Recreation, Sporting and Community Groups may make application for financial relief or remission to be known as Rates Based Financial Assistance in accordance with the Rates Based Financial Assistance General Policy. Refer to Remissions and Concessions.

## 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 Land Use Codes 01, 04, 06, 09, and 72.

### 10.1 RESIDENTIAL

#### CATEGORY 1

##### Description

Properties used, or capable of being used, for residential purposes with a 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 11 and 12);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in category 7 and those in commercial categories 11 and 12);
- 05 Large homesite - dwelling - urban and rural; (excluding those in category 7);
- 06 Outbuildings (excluding those in category 7 and those in commercial categories 11 and 12);
- 09 Group Titles;
- 94 Vacant rural land.

#### CATEGORY 2

##### Description

Properties used, or capable of being used, for residential purposes with a 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 11 and 12);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in category 7 and those in commercial categories 11 and 12);
- 05 Large homesite - dwelling - urban and rural; (excluding those in category 7);
- 06 Outbuildings (excluding those in category 7 and those in commercial categories 11 and 12);
- 09 Group Titles;
- 94 Vacant rural land.

#### CATEGORY 3

##### Description

Properties used, or capable of being used, for residential purposes with a 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 11 and 12);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in category 7 and those in commercial categories 11 and 12);
- 05 Large homesite - dwelling - urban and rural; (excluding those in category 7);
- 06 Outbuildings (excluding those in category 7 and those in commercial categories 11 and 12);
- 09 Group Titles;
- 94 Vacant rural land.

**CATEGORY 4**Description

Properties used, or capable of being used, for residential purposes with a 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 11 and 12);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in category 7 and those in commercial categories 11 and 12);
- 05 Large homesite - dwelling - urban and rural; (excluding those in category 7);
- 06 Outbuildings (excluding those in category 7 and those in commercial categories 11 and 12);
- 09 Group Titles;
- 94 Vacant rural land.

**CATEGORY 5**Description

Properties used, or capable of being used, for residential purposes with a 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 11 and 12);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in category 7 and those in commercial categories 11 and 12);
- 05 Large homesite - dwelling - urban and rural; (excluding those in category 7);
- 06 Outbuildings (excluding those in category 7 and those in commercial categories 11 and 12);
- 09 Group Titles;
- 94 Vacant rural land.

## CATEGORY 6

### Description

Properties used, or capable of being used, for residential purposes with a 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 11 and 12);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in category 7 and those in commercial categories 11 and 12);
- 05 Large homesite - dwelling - urban and rural; (excluding those in category 7);
- 06 Outbuildings (excluding those in category 7 and those in commercial categories 11 and 12);
- 09 Group Titles;
- 94 Vacant rural land.

## CATEGORY 7

### (i) Description

Properties (excluding those in categories 1 to 6) where that land's Planning Area is included in the 2018 Douglas Shire Planning Scheme Version 1.0. or the Integrated Resort Development Act 1987 (Mirage Port Douglas Scheme) as Low Density with a total land area over 10 Hectares or Residential 1 with a total land area over 0.5 Hectares or Residential 2 with a total land area over 3.5 Hectares or Residential 3 with a total land area over 0.5 Hectares or Tourist and Residential with a total land area over 0.5 Hectares or Community Facilities with a total land area over 1 Hectare.

### Identification (as determined by the CEO)

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

- 04 Large Homesite - Vacant Urban and Rural (excluding those in commercial categories 11 and 12);
- 06 Outbuildings (excluding those in commercial category E); and

### (ii) Description

Properties (excluding those in categories 1 to 6) where that land's Planning Area is included in the 2018 Douglas Shire Planning Scheme Version 1.0. or the Integrated Resort Development Act 1987 (Mirage Port Douglas Scheme) as Residential 1 with a total land area over 5 Hectares or Residential 2 with a total land area over 3.5 Hectares or Residential 3 with a total land area over 1.5 Hectares or Tourist and Residential with a total land area over 0.5 Hectares or Community Facilities with a total land area over 1 Hectare.

### Identification (as determined by the CEO)

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

- 05 Large Homesite – Dwelling - Urban and Rural; and

### (iii) Description

As well as those properties used as Residential Institutions (non-medical care).

Identification (as determined by the CEO)

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

21 Residential Institutions (non-medical care);

## **CATEGORY 8**

Description

Properties that are used for residential purposes and the lot is part of a Community Title Scheme.

Identification (as determined by the CEO)

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

08 Building Units

## **CATEGORY 9**

Description

Properties that are used for multi residential (flats) purposes.

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 10**

Description

Properties that comply with 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 COMMERCIAL**

### **CATEGORY 11**

(i) Description

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 Commercial Categories 13 and 14).

Identification

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

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;
- 91 Transformers;
- 92 Defence Force establishments;
- 95 Reservoir, Dam, Bores;
- 96 Public Hospital;
- 97 Welfare Homes/Institutions;
- 99 Community Protection Centre.



(ii) Description

Also including the following properties where that land is included as Commercial and Industry Planning Areas in the 2018 Douglas Shire Planning Scheme Version 1.0..

Identification (as determined by the CEO)

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

- 01 Vacant urban land;
- 04 Large vacant urban land;
- 06 Outbuildings;
- 09 Group Titles;
- 72 Refer to section 50 of the *Land Valuation Act 2010*.

**CATEGORY 12**(j) Description

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 Commercial Categories 13 and 14).

Identification

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

- 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;
- Connalescent 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;
- 91 Transformers;
- 92 Defence Force establishments;
- 95 Reservoir, Dam, Bores;
- 96 Public Hospital;
- 97 Welfare Homes/Institutions;
- 99 Community Protection Centre.

(ii) Description

Also including the following properties where that land is included as Commercial and Industry Planning Areas in 2018 Douglas Shire Planning Scheme Version 1.0.

Identification (as determined by the CEO)

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

- 01 Vacant urban land;
- 04 Large vacant urban land;
- 06 Outbuildings;
- 09 Group Titles;
- 72 Refer to section 50 of the *Land Valuation Act 2010*.

**CATEGORY 13** (Properties used by Not for Profit Recreation, Sporting and Community Groups that are eligible for Rates Based Financial Assistance.

Description

Properties in this category must qualify for rate assistance under Council's Rates Based Financial Assistance Policy.

Identification (as determined by the CEO)

Properties in this category are recipients of rate assistance under Council's Rates Based Financial Assistance Policy.

**CATEGORY 14** (Shopping Centres with a secondary land use of Marina with a total area over 1.5ha.)

Description

All properties which are predominantly used or intended for use as a Shopping Centre and 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).

## 10.3 RURAL PRODUCTIVE

Description

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.

## 10.4 ALL OTHER LAND

Description

All land which is not otherwise categorized.

Identification (as determined by the CEO)

## 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;*
- (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; or*
  - (ii) *a lease under the Land Act;*
- (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 -*
  - (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;***

- (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.*

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## 2019/20 REVENUE GENERAL POLICY

### Intent

To set out the principles used by Council in 2019/20 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.

### Reference

#### Legislation:

*Local Government Act 2009*

*Local Government Regulation 2012*

### Provisions

#### 1. 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 simple and inexpensive to administer.
- Flexibility to take account of changes to the local economy.

Council will distribute the rates burden by use of differential rating categories with banding applied in relevant residential rating categories. Council will consider the lowest and highest rating outcomes for each differential category.

Council will separate categories for Strata Title Units and Flats. These categories will enable Council to make strategic decisions as to the appropriate level of revenue required from these two differential categories.

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.

#### 2. 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*).

### **3. 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*).

### **4. 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 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.

### **5. 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 2 above.

### **6. 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.

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

Manager Responsible for Review:

Chief Financial Officer

ORIGINALLY ADOPTED: 24/01/2014

CURRENT ADOPTION: 18/06/2019

DUE FOR REVISION: 30/06/2020