

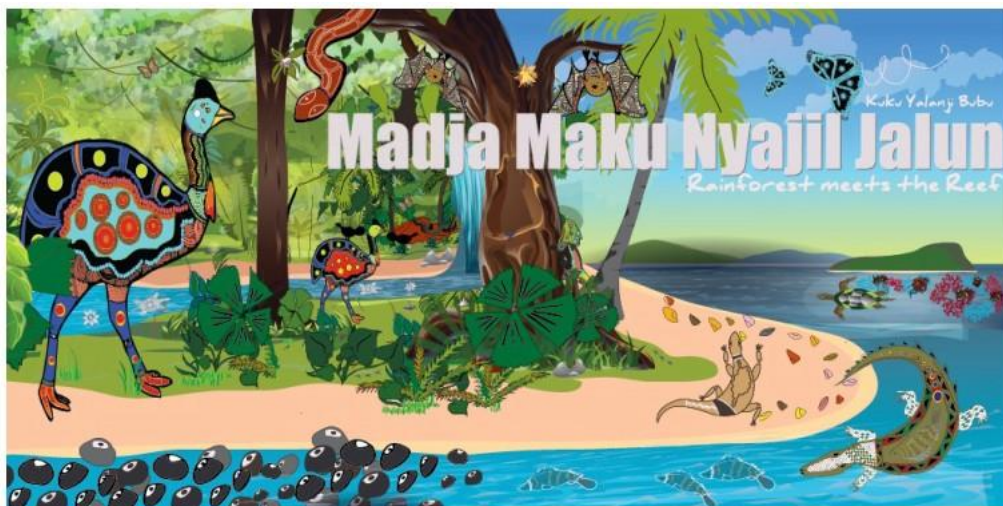


DOUGLAS SHIRE COUNCIL ANNUAL BUDGET

.....
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**"

Table of Contents

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

Douglas Shire Council - Budgeted Statement of Income and Expenditure

For the period ending 30 June 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
TOTAL OPERATING REVENUE	45,150,462	45,342,220	46,581,534
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
TOTAL OPERATING EXPENDITURE	44,971,130	45,326,998	46,406,410
Operating Surplus / (Deficit)	179,332	15,222	175,124
Capital Income			
Grants and subsidies	1,089,400	1,089,400	1,089,400
Contributions from developers	250,000	250,000	250,000
TOTAL CAPITAL INCOME	1,339,400	1,339,400	1,339,400
Net Result	1,518,732	1,354,622	1,514,524
TOTAL COMPREHENSIVE INCOME	1,518,732	1,354,622	1,514,524

Douglas Shire Council - Budgeted Statement of Financial Position

For the period ending 30 June 2020

	2019/20	2020/21	2021/22
	\$	\$	\$
Current Assets			
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>
Non-Current Assets			
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>
TOTAL ASSETS	<u>366,743,754</u>	<u>368,098,376</u>	<u>368,890,889</u>
Current Liabilities			
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>
Non-Current Liabilities			
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>
TOTAL LIABILITIES	<u>8,423,672</u>	<u>8,423,672</u>	<u>7,701,661</u>
NET COMMUNITY ASSETS	<u>358,320,082</u>	<u>359,674,704</u>	<u>361,189,228</u>
Community Equity			
General reserves	5,532,917	4,782,917	4,432,917
Accumulated surplus / (deficit)	352,787,166	354,891,788	356,756,312
TOTAL COMMUNITY EQUITY	<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
TOTAL OPERATING REVENUE	45,150,462	45,342,220	46,581,534	47,854,530	49,162,126	50,505,264	51,884,912	53,302,064	54,757,743	56,252,997
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
TOTAL OPERATING EXPENDITURE	44,971,130	45,326,998	46,406,410	47,353,275	48,482,682	49,639,814	50,825,372	52,040,075	53,284,662	54,559,889
Operating Surplus / (Deficit)	179,332	15,222	175,124	501,255	679,444	865,450	1,059,539	1,261,989	1,473,081	1,693,108
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
TOTAL CAPITAL INCOME	1,339,400	1,339,400	1,339,400	1,339,400	1,339,400	1,339,400	1,339,400	1,339,400	1,339,400	1,339,400
Net Result	1,518,732	1,354,622	1,514,524	1,840,655	2,018,844	2,204,850	2,398,939	2,601,389	2,812,481	3,032,508
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
Total sources of capital funding	15,434,955	15,209,350	15,346,532	15,711,135	16,113,812	16,582,806	17,118,622	17,721,779	18,292,817	18,882,287
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
Total application of capital funding	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
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
TOTAL COMMUNITY EQUITY	358,320,082	359,674,704	361,189,228	363,029,884	365,048,728	367,253,577	369,652,516	372,253,905	375,066,386	378,098,894

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										
Operating surplus ratio	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
Asset sustainability ratio	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
Net financial liabilities ratio	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 \$
<u>COMMUNITY DEVELOPMENT</u>		
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
		295,000
<u>ICT SERVICES</u>		
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
		393,955
<u>PROPERTY SERVICES</u>		
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
		530,000
<u>BUILDING FACILITIES</u>		
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
		795,000
<u>FLEET</u>		
Fleet Renewal Program	R	700,000
Ride On Mower	N	7,000
		707,000
<u>ENVIRONMENT & PLANNING</u>		
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
		245,000

Douglas Shire Council - Capital Works Program

For the period ending 30 June 2020

	New/ Renewal/ Upgrade (N/R/U)	2019/20 \$
<u>RESOURCE MANAGEMENT</u>		
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
		594,000
<u>PUBLIC SPACES</u>		
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
		2,925,000
<u>DISASTER MANAGEMENT</u>		
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
		440,000
<u>CIVIL WORKS</u>		
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
		5,603,000

Douglas Shire Council - Capital Works Program

For the period ending 30 June 2020

	New/ Renewal/ Upgrade (N/R/U)	2019/20 \$
<u>WASTEWATER</u>		
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
		933,000
<u>WATER QUALITY</u>		
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
		690,000
<u>WATER RETICULATION</u>		
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
		1,284,000
Total Capital Works		15,434,955