

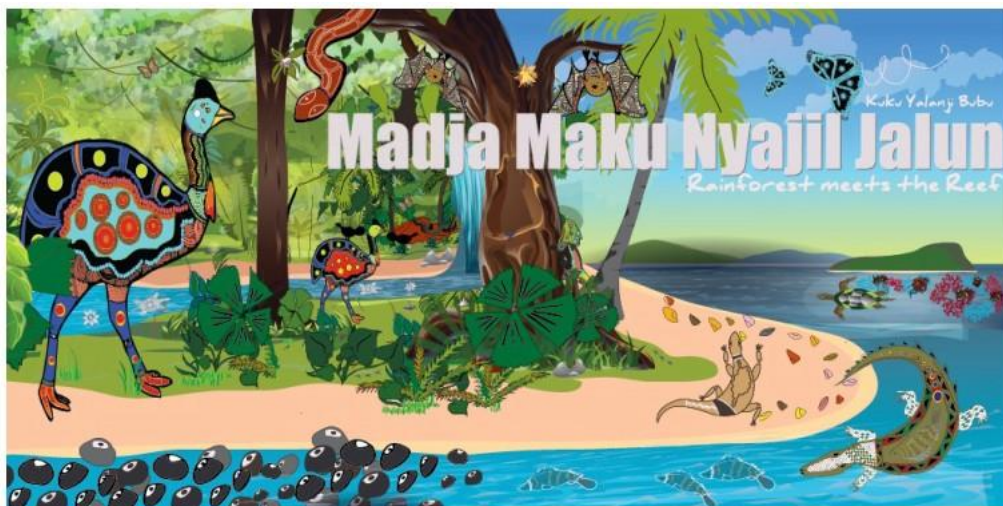


DOUGLAS SHIRE COUNCIL ANNUAL BUDGET

.....
2020 – 2021
.....

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 2021

	2020/21	2021/22	2022/23
	\$	\$	\$
Operating Revenue			
Rates and utility charges	36,123,565	37,670,057	38,973,169
Less: Pensioner remissions / Rebates	(475,188)	(490,869)	(507,068)
Less: Discounts	(146,313)	0	0
Net rates and utility charges	<u>35,502,064</u>	<u>37,179,188</u>	<u>38,466,101</u>
Fees and charges	5,330,088	6,121,350	6,323,354
Grants and subsidies	2,121,038	2,163,459	2,206,728
Interest received	525,060	525,060	525,060
Other operating revenue	1,117,156	1,119,027	1,119,027
TOTAL OPERATING REVENUE	<u>44,595,406</u>	<u>47,108,083</u>	<u>48,640,270</u>
Operating Expenses			
Employee benefits	16,333,228	16,692,559	17,059,795
Materials and services	18,708,087	19,161,840	19,592,982
Depreciation and amortisation	13,054,728	13,446,370	13,849,761
Finance costs	183,556	187,227	190,971
TOTAL OPERATING EXPENDITURE	<u>48,279,599</u>	<u>49,487,996</u>	<u>50,693,509</u>
Operating Surplus / (Deficit)	<u>(3,684,193)</u>	<u>(2,379,913)</u>	<u>(2,053,239)</u>
Capital Income			
Grants and subsidies	10,502,311	1,089,400	1,089,400
Contributions from developers	250,000	250,000	250,000
TOTAL CAPITAL INCOME	<u>10,752,311</u>	<u>1,339,400</u>	<u>1,339,400</u>
Net Result	<u>7,068,118</u>	<u>(1,040,513)</u>	<u>(713,839)</u>
TOTAL COMPREHENSIVE INCOME	<u>7,068,118</u>	<u>(1,040,513)</u>	<u>(713,839)</u>

Douglas Shire Council - Budgeted Statement of Financial Position

For the period ending 30 June 2021

	2020/21	2021/22	2022/23
	\$	\$	\$
Current Assets			
Cash assets and equivalents	16,542,875	15,992,875	15,742,875
Receivables	4,647,918	4,647,918	4,647,918
Inventory	97,728	97,728	97,728
	<u>21,288,521</u>	<u>20,738,521</u>	<u>20,488,521</u>
Non-Current Assets			
Property, plant and equipment	385,023,352	384,532,839	383,346,989
Intangibles	110,000	110,000	110,000
	<u>385,133,352</u>	<u>384,642,839</u>	<u>383,456,989</u>
TOTAL ASSETS	<u>406,421,873</u>	<u>405,381,360</u>	<u>403,945,510</u>
Current Liabilities			
Trade and other payables	5,821,683	5,821,683	5,821,683
Borrowings	0	0	0
Provisions	2,511,962	3,233,973	2,511,962
	<u>8,333,645</u>	<u>9,055,656</u>	<u>8,333,645</u>
Non-Current Liabilities			
Borrowings	0	0	0
Provisions	3,290,027	2,568,016	2,568,016
	<u>3,290,027</u>	<u>2,568,016</u>	<u>2,568,016</u>
TOTAL LIABILITIES	<u>11,623,672</u>	<u>11,623,672</u>	<u>10,901,661</u>
NET COMMUNITY ASSETS	<u>394,798,201</u>	<u>393,757,688</u>	<u>393,043,849</u>
Community Equity			
General reserves	4,902,917	4,352,917	4,102,917
Accumulated surplus / (deficit)	389,895,284	389,404,771	388,940,932
TOTAL COMMUNITY EQUITY	<u>394,798,201</u>	<u>393,757,688</u>	<u>393,043,849</u>

Douglas Shire Council - Budgeted Statement of Cash Flow

For the period ending 30 June 2021

	2020/21	2021/22	2022/23
	\$	\$	\$
Cash flows from operating activities			
Receipts			
Net rates and utility charges	35,502,064	37,179,188	38,466,101
Fees and charges	5,330,088	6,121,350	6,323,354
Grants, subsidies, contributions and donations	2,121,038	2,163,459	2,206,728
Interest received	525,060	525,060	525,060
Other operating revenue	1,117,156	1,119,027	1,119,027
	<u>44,595,406</u>	<u>47,108,083</u>	<u>48,640,270</u>
Payments			
Employee benefits	(16,333,228)	(16,692,559)	(17,059,795)
Materials and services	(18,708,087)	(19,161,840)	(19,592,982)
Finance costs	(183,556)	(187,227)	(190,971)
	<u>(35,224,871)</u>	<u>(36,041,626)</u>	<u>(36,843,748)</u>
Net cash inflow (outflow) from operating activities	<u>9,370,536</u>	<u>11,066,458</u>	<u>11,796,522</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	10,752,311	1,339,400	1,339,400
	<u>10,862,311</u>	<u>1,449,400</u>	<u>1,449,400</u>
Payments			
Payments for property, plant and equipment	(21,172,745)	(13,065,858)	(13,495,922)
Payments for intangible assets	0	0	0
	<u>(21,172,745)</u>	<u>(13,065,858)</u>	<u>(13,495,922)</u>
Net cash inflow (outflow) from investing activities	<u>(10,310,434)</u>	<u>(11,616,458)</u>	<u>(12,046,522)</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>(939,898)</u>	<u>(550,000)</u>	<u>(250,000)</u>
Cash and cash equivalents at the beginning of the financial year	17,482,773	16,542,875	15,992,875
Cash and cash equivalents at the end of the financial year	<u>16,542,875</u>	<u>15,992,875</u>	<u>15,742,875</u>

Douglas Shire Council - Budgeted Statement of Changes in Equity

For the period ending 30 June 2021

	2020/21	2021/22	2022/23
	\$	\$	\$
GENERAL RESERVES			
Balance as at 1 July	5,532,917	4,902,917	4,352,917
Transfers to and from reserves			
Transfers to reserves	250,000	400,000	400,000
Transfers from reserves	(880,000)	(950,000)	(650,000)
Total transfers to and from reserves	<u>(630,000)</u>	<u>(550,000)</u>	<u>(250,000)</u>
Balance as at 30 June	<u>4,902,917</u>	<u>4,352,917</u>	<u>4,102,917</u>
ACCUMULATED SURPLUS / (DEFICIT)			
Balance as at 1 July	382,197,166	389,895,284	389,404,771
Net result	7,068,118	(1,040,513)	(713,839)
Total comprehensive income for the year	<u>7,068,118</u>	<u>(1,040,513)</u>	<u>(713,839)</u>
Transfers to and from reserves			
Transfers to reserves	(250,000)	(400,000)	(400,000)
Transfers from reserves	880,000	950,000	650,000
Total transfers to and from reserves	<u>630,000</u>	<u>550,000</u>	<u>250,000</u>
Balance as at 30 June	<u>389,895,284</u>	<u>389,404,771</u>	<u>388,940,932</u>
TOTAL COMMUNITY EQUITY	<u>394,798,201</u>	<u>393,757,688</u>	<u>393,043,849</u>

Douglas Shire Council - Long Term Financial Forecast
For the period ending 30 June 2021

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue										
Rates and utility charges	35,502,064	37,179,188	38,466,101	39,795,482	41,168,733	42,587,301	44,052,682	45,566,421	47,130,113	48,745,406
Fees and charges	5,330,088	6,121,350	6,323,354	6,532,025	6,747,582	6,970,252	7,200,270	7,437,879	7,683,329	7,936,879
Grants and subsidies	2,121,038	2,163,459	2,206,728	2,250,862	2,295,880	2,341,797	2,388,633	2,436,406	2,485,134	2,534,837
Interest received	525,060	525,060	525,060	525,060	525,060	525,060	525,060	525,060	525,060	525,060
Other operating revenue	1,117,156	1,119,027	1,119,027	1,119,027	1,119,027	1,119,027	1,119,027	1,119,027	1,119,027	1,119,027
TOTAL OPERATING REVENUE	44,595,406	47,108,083	48,640,270	50,222,457	51,856,282	53,543,438	55,285,673	57,084,793	58,942,663	60,861,209
Operating Expenses										
Employee benefits	16,333,228	16,692,559	17,059,795	17,435,111	17,818,683	18,210,694	18,611,329	19,020,778	19,439,236	19,866,899
Materials and services	18,708,087	19,161,840	19,592,982	20,033,824	20,484,585	20,945,488	21,416,761	21,898,639	22,391,358	22,895,163
Depreciation and amortisation	13,054,728	13,446,370	13,849,761	14,265,254	14,693,212	15,134,008	15,588,028	16,055,669	16,537,339	17,033,459
Finance costs	183,556	187,227	190,971	194,791	198,686	202,660	206,713	210,848	215,065	219,366
TOTAL OPERATING EXPENDITURE	48,279,599	49,487,996	50,693,509	51,928,979	53,195,166	54,492,850	55,822,832	57,185,934	58,582,997	60,014,888
Operating Surplus / (Deficit)	(3,684,193)	(2,379,913)	(2,053,239)	(1,706,522)	(1,338,884)	(949,412)	(537,159)	(101,141)	359,666	846,322
Capital Income										
Grants and subsidies	10,502,311	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	10,752,311	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	7,068,118	(1,040,513)	(713,839)	(367,122)	516	389,988	802,241	1,238,259	1,699,066	2,185,722
Sources of capital funding										
Funded depreciation	9,370,536	10,916,458	11,646,522	12,408,732	13,204,328	14,034,596	14,900,869	15,804,528	16,537,339	17,033,459
Constrained works reserve	880,000	800,000	500,000	300,000	250,000	200,000	200,000	200,000	200,000	200,000
Daintree ferry reserve	0	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Public art reserve	0	0	0	0	0	0	0	0	0	0
Proceeds from sale of assets	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Capital grants	10,502,311	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
Council source funding	309,898	0	0	0	0	0	0	0	0	0
General revenue	0	0	0	0	0	0	0	0	104,833	348,161
Total sources of capital funding	21,172,745	13,065,858	13,495,922	14,058,132	14,803,728	15,583,996	16,450,269	17,353,928	18,191,572	18,931,020
Application of capital funding										
Capital Works expenditure	21,172,745	13,065,858	13,495,922	14,058,132	14,803,728	15,583,996	16,450,269	17,353,928	18,191,572	18,931,020
Total application of capital funding	21,172,745	13,065,858	13,495,922	14,058,132	14,803,728	15,583,996	16,450,269	17,353,928	18,191,572	18,931,020
COMMUNITY ASSETS										
Total Assets	406,421,873	405,381,360	403,945,510	403,578,388	403,578,904	403,110,718	403,912,959	405,151,218	406,850,283	409,036,005
Total Liabilities	11,623,672	11,623,672	10,901,661	10,901,661	10,901,661	10,043,488	10,043,488	10,043,488	10,043,488	10,043,488
TOTAL COMMUNITY EQUITY	394,798,201	393,757,688	393,043,849	392,676,727	392,677,243	393,067,230	393,869,471	395,107,730	396,806,795	398,992,517

Douglas Shire Council - Measures of Financial Sustainability

For the period ending 30 June 2021

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	%	%	%	%	%	%	%	%	%	%

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%	(8.26)	(5.05)	(4.22)	(3.40)	(2.58)	(1.77)	(.97)	(.18)	0.61	1.39
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	Greater than 90%	90.55	96.39	91.50	94.51	91.58	93.40	94.66	95.87	97.35	98.36
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	Not greater than 60%	(21.67)	(19.35)	(19.71)	(18.99)	(18.39)	(19.51)	(18.98)	(18.47)	(18.15)	(18.23)

Douglas Shire Council - Budgeted Sources and Application of Capital Funding

For the period ending 30 June 2021

	2020/21	2021/22	2022/23
	\$	\$	\$
Sources of capital funding			
Funded depreciation	9,370,536	10,916,458	11,646,522
* Constrained works reserve	880,000	800,000	500,000
Daintree ferry reserve	0	150,000	150,000
Public art reserve	0	0	0
Proceeds from sale of assets	110,000	110,000	110,000
Capital grants	10,502,311	1,089,400	1,089,400
Council source funding	309,898	0	0
General revenue	0	0	0
Total sources of capital funding	21,172,745	13,065,858	13,495,922
Application of capital funding			
Capital Works expenditure	21,172,745	13,065,858	13,495,922
Total application of capital funding	21,172,745	13,065,858	13,495,922
* Application of funds from Constrained works reserve			
Road / Transport Network	231,000		
Public Spaces	84,000		
Water	285,000		
Wastewater	280,000		
	<u>880,000</u>		

Douglas Shire Council - Budgeted Movement in Reserves

For the period ending 30 June 2021

	2020/21	2021/22	2022/23
	\$	\$	\$
RESERVES			
Constrained works reserve			
Balance as at 1 July	1,532,917	902,917	352,917
Transfers to reserve	250,000	250,000	250,000
Transfers from reserve	(880,000)	(800,000)	(500,000)
Balance as at 30 June	<u>902,917</u>	<u>352,917</u>	<u>102,917</u>
Daintree ferry reserve			
Balance as at 1 July	4,000,000	4,000,000	4,000,000
Transfers to reserve	0	150,000	150,000
Transfers from reserve	0	(150,000)	(150,000)
Balance as at 30 June	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,000,000</u>
Public art reserve			
Balance as at 1 July	0	0	0
Transfers to reserve	0	0	0
Transfers from reserve	0	0	0
Balance as at 30 June	<u>0</u>	<u>0</u>	<u>0</u>

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

For the period ending 30 June 2021

	2019/20	2020/21	Change	Change
	\$	\$	\$	%
Rates and utility charges	35,291,228	36,123,565	832,337	2.4%

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 2021

	New/ Renewal/ Upgrade (N/R/U)	2020/21 \$
<u>Community Development</u>		
Sports Master Plan Implementation for Port Douglas and Mossman	R	200,000
Placemaking Public Arts Installations Program	R	10,000
		210,000
<u>ICT Services</u>		
Mossman Computer Room Equipment Refresh Stage 2	R	340,359
Mossman Computer Room Upgrades	U	24,771
Whyanbeel Network Replacement	R	69,392
Video Streaming Room Setup	U	15,000
MM Wireless Network Refresh	R	81,037
Desk Phone System - Call Recording	N	23,000
		553,559
<u>Property Services</u>		
Mossman Caravan Park and Pool Upgrades	R/U	220,000
Purchase Road Reserve to Accommodate Reef Bank	N	100,000
Port Douglas Carpark Complex - Business Case	U	30,000
Mossman Pool - Disability Upgrades	U	120,000
Disability Chair Lift Replacement - Mossman Pool	R	7,500
Flagstaff Hill Communications Tower Replacement	R	100,000
		577,500
<u>Building Facilities</u>		
Mossman Depot - Roof Replacement Stage 3	R	60,000
Sugar Wharf - Toilet Renewal	R	400,000
Sugar Wharf - Concrete Jetty	R	60,000
		520,000
<u>Fleet</u>		
Fleet Renewal Program	R	225,000
		225,000
<u>Environment & Planning</u>		
Refurbish Pile Moorings at Port Douglas Boat Harbour	R	45,000
		45,000
<u>Resource Management</u>		
Killaloe Well Part Replacements	R	16,000
Renew Security Fencing at Killaloe & Newell Transfer Station	R	25,000
Newell Beach Transfer Station - Water Line	R	13,000
Killaloe Dangerous Goods & Hazardous Waste Storage Bay	U	12,000
Killaloe Transfer Station Amenities & Crib Room	R	95,000
Cow Bay Transfer Station Phone Line	R	10,000
Killaloe - Interim Capping	R	110,000
Environmental Infrastructure Newell Landfill	R	130,000
Sanitary Depot Final Capping	R	173,000
		584,000

Douglas Shire Council - Capital Works Program

For the period ending 30 June 2021

	New/ Renewal/ Upgrade (N/R/U)	2020/21 \$
Public Spaces		
Parks Renewal Program	R	750,000
Macrossan Street Landscape Improvements	R	50,000
Grant Street, Port Douglas - Design	U	50,000
		850,000
Civil Works		
Tara Hills Road Culvert, Mossman	R	400,000
Alchera Drive, Mossman	N	50,000
Macrossan Street Roadworks	R	250,000
Road Reseal Program	R	600,000
Sealed Road Pavement Rehabilitation Program	R	240,000
Junction Bridge Pedestrian Bridge	N	800,000
Warner Street, Port Douglas	R	350,000
Noah Creek Bridge	R	815,000
Murphy St Landslip	U	415,000
Zig Zag/ Cape Tribulation Bloomfield Rd Upgrades	U	6,791,686
Gravel Road Renewal Program	R	500,000
Kerb and Channel Program	R	150,000
Footpath & Road Lighting Program	R	200,000
Cooya Intersection	U	180,000
Footpath Renewal Program	R	150,000
Mossman - Newell Footpath Design	N	150,000
Warner's Bridge Renewal	R	80,000
Mossman Streetscape Improvement Program	U	50,000
Anich's Bridge Renewal	R	80,000
		12,251,686
Wastewater		
Manhole Raise & Reseal Program	R	80,000
Manhole Condition Assessment - Refurb Program	R	200,000
MWWTP Class A Recycled Water Upgrade & Commission	U	100,000
Sluice Valve Renewals Program	R	60,000
Pump Renewals Program	R	80,000
Flow Meters to Pump Stations - High Infiltration Areas Only	R	30,000
PDWWTP UV Disinfection	R	250,000
Auto-samplers	R	11,000
PDWWTP Aerators and Diffusers	R	540,000
RTU & Switchboard renewal	R	320,000
Mobile generator replacement	R	50,000
MWWTP Ex-Clarifier Refurb	R	45,000
		1,766,000
Water Quality		
Security and Disaster Response Strengthening Program	U	100,000
Valve Pits Safety Improvements	N	30,000
Chemical WHS WTP Works	R	50,000
Process Control Renewal Program	R	30,000
Pump Overhaul Program	R	30,000
UF Cartridge Renewals Program	R	250,000
MWTP Raw Water Line Repairs	R	150,000
Mossman Res Refurbishment	R	50,000
RTU & Switchboard Renewals for Water Quality	R	200,000
MWTP Chlorine Project	R	450,000
		1,340,000

Douglas Shire Council - Capital Works Program

For the period ending 30 June 2021

	New/ Renewal/ Upgrade (N/R/U)	2020/21 \$
<u>Water Reticulation</u>		
Reservoir Access Renewals	R	30,000
Water Network Service Renewals Program	R	750,000
Smart Water Meter Program	R/U	800,000
Water Main Renewal Program	R	200,000
Additional Water Extraction Site - Design	N	150,000
Raw Surface Water Impoundment Reservoir	N	20,000
De Meio Bore Pump	R	50,000
		2,000,000
<u>Drainage</u>		
Drainage Renewal Program	R	250,000
		250,000
Total Capital Works		21,172,745