



**AGENDA
OF THE
SPECIAL BUDGET MEETING**

**HELD IN THE BOARDROOM
DOOMADGEE ABORIGINAL SHIRE COUNCIL**

**275 Sharpe Street
Doomadgee Qld 4830**

**On Thursday 25TH July 2019
10:00am**

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CONTENTS:

1. OPENING.....	3
2. ATTENDANCE.....	3
3. DISCLOSURE OF MATERIAL PERSONAL INTEREST AND CONFLICT OF INTEREST	3
4. APOLOGIES / LEAVE OF ABSENCE.....	3
5. ACTING MAYOR'S BUDGET SUMMARY REPORT.....	3
6. CEO REPORT.....	4
7. FINANCE REPORT.....	5
8. CLOSURE OF MEETING.....	12

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1. OPENING

2. ATTENDANCE

Elected Members

Acting Mayor Jason Ned
Cr Dean Jupiter
Cr Scharrayne Foster
Cr Vernon Ned

Staff

Stephen Wilton – Chief Executive Officer
Garry Jeffries – Director of Engineering
Deborah Glyde – Director of Corporate Services
Peter van Heusden – Procurement Manager
Katie Roffe – Interim PA

3. DISCLOSURE OF MATERIAL PERSONAL INTEREST AND CONFLICT OF INTEREST

Material Personal Interest (MPI) Section 172 Local Government Act 2009

Involves the ability for you or an associate to *gain a material benefit or suffer a material loss as a result of a decision that is made*. It includes interests that arise from personal or family relationships. These interests must be disclosed prior to the item to be discussed and you must leave the room. A record will be recorded at the item and in the MPI Register. Associate being Councillor, spouse, parent, child, sibling, partner, employer etc.

Conflict of Interest (COI) Section 173 Local Government Act 2009

Exists whenever there is a *disparity between your personal interest (real or perceived conflict of interest) and the public interest*. e.g. office holder of a community group. These interests must be disclosed prior to the item to be discussed. A record will be recorded at the item and in the COI Register. The Councillor will then decide whether to stay or leave the meeting.

4. APOLOGIES / LEAVE OF ABSENCE

NIL

5. ACTING MAYOR'S BUDGET SUMMARY REPORT

ACTING MAYORS BUDGET MESSAGE

This budget for the 2019-2020 is reliant on funding for the operation of council. Council is only able to charge for services and not land rates therefore reducing the revenue generated from rates.

Council's capital works program for the 2019-2020 year is:

- \$835K 3 new staff houses funded by LGGSP with council contribution being 40%
- \$2.3 million 2 to build new community houses which will be done over years
- \$300k Renovate and upgrade sport and recreation complex funded by W4Q round 3
- \$1.1m Fitout and finish the new workshop funded by W4Q round 3
- \$130k Renovations to existing staff accommodation funded W4Q round 3
- \$2m New regional waste facility funded by ICCIP being stage 1 of the project
- \$300k Waste water upgrade funded by ICCIP
- \$500k Water treatment plant upgrade funded by ICCIP
- \$197k TIDS sealing Wooloongarang West Road
- \$700k plant replacement and GPS devices.

Where possible Council will be utilising our own workforce to complete the capital works program.

Cr Jason Ned
Acting Mayor

6. CEO REPORT

Agenda Reference:	6.01
Title:	Operational Plan

Executive Summary –. Operational Plan as per Budget for 2019/2020 financial year.

Resolution No. SM 1-25719

That Council adopt Operational Plan Structure to reflect the 2019/2020 Budget as presented.

Moved: Cr V Ned

Seconded: A/Mayor Cr J Ned

Carried

Agenda Reference:	6.02
Title:	Organisational Structure

Executive Summary –. Organisation Structure as per Budget for 2019/2020 financial year.

Resolution No.: SM 2-25719 SM2-25719

That Council adopt Organisational Structure to reflect the 2019/2020 Budget as presented.

Moved: Cr S Foster

Seconded: A/Mayor Cr. J Ned

Carried

JN

7. FINANCE REPORT

Agenda Reference: **7.01**
Title: **Budget Financial Statements**

Executive Summary – That in accordance with Section 169 of the *Local Government Regulation 2012*, the Council budget must contain certain statements which must be prepared on an accrual basis. The statutory statements include all budget allocation for the financial period, including:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Cash Flows
- Statement of Changes in Equity

Resolution No.: SM 3-25719

That Council adopt the Budget Financial Statements, as presented, representing the Original Budget for the year end 30 June 2020, 30 June 2021 and 30 June 2022, which have been prepared on an accrual basis.

Moved: A/Mayor Cr. J Ned

Seconded: Cr. D Jupiter

Carried

Agenda Reference: **7.02**
Title: **Long Term Financial Forecast**

Executive Summary –. That in accordance with Section 169(2) of the *Local Government Regulation 2012*, a Local government is required to develop and adopt a Long Term Financial Forecast.

Resolution No.: SM 4-25719

That Council adopt the Ten Year Financial Forecast to June 2029 as presented.

Moved: A/Mayor Cr. J Ned

Seconded: Cr. D Jupiter

Carried

Agenda Reference: **7.03**
Title: **Measures of Financial Sustainability**

Executive Summary –. That in accordance with Section 169(4) of the *Local Government Regulation 2012*, the Council budget must contain each of the relevant measures of financial sustainability for the current financial year and the next 9 years.

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Doomadgee Aboriginal Shire Council – Special Meeting Agenda 25th July 2019

Measures of Financial Sustainability & Required Disclosure										
Reported Change in Rates And Utility Charges										
	30/6/19	30/6/20	\$ Increase	% Increase						
Budgeted Gross Rate and Utility Charges Revenue	\$622,829	\$749,805	\$126,976	20.4%						
Forecast										
	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29
Operating Surplus Ratio - Target Benchmark between 0% and 10%										
(Net Operating Surplus / Total Operating Revenue) (%)	(12.9)%	(30.6)%	(29.5)%	(28.5)%	(27.5)%	(26.5)%	(25.6)%	(24.7)%	(23.9)%	(23.1)%
Net Financial Asset / Liability Ratio - Target Benchmark not greater than 60%										
((Total Liabilities - Current Assets) / Total Operating Revenue) (%)	(70.6)%	(79.2)%	(79.1)%	(80.1)%	(79.1)%	(78.4)%	(77.1)%	(77.2)%	(78.3)%	(78.4)%
Asset Sustainability Ratio - Target Benchmark greater than 90%										
(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense) (%)	76.9%	69.2%	80.8%	71.2%	76.9%	75.0%	67.3%	76.9%	67.3%	70.2%

Resolution No.: SM 5-25719

That Council adopt the information provided in the measures of Financial Sustainability.

Moved: Cr. V Ned

Seconded: Cr. S Foster

Carried

Agenda Reference: **7.04**

Title: **Revenue Policy**

Executive Summary – That in accordance with Section 191 of the *Local Government Regulation 2012*, the Local government must prepare and adopt a Revenue Policy for each financial year.

Resolution No.: SM 6-25719

That Council adopt the Revenue Policy, as presented.

Moved: A/Mayor Cr. J Ned

Seconded: Cr. S Foster

Carried

Agenda Reference: **7.05**

Title: **Revenue Statement**

Executive Summary – That in accordance with the budget requirements contained in Section 169(2) of the *Local Government Regulation 2012*, Council budget for the financial year must include a Revenue Statement prepared in accordance with S172 of the same regulation.

Resolution No.: SM 7-25719

That Council adopt the Revenue Statement, as presented.

Moved: A/Mayor Cr. J Ned
Seconded: Cr. S Foster
Carried

Revenue Statement 2019/20

This Revenue Statement is based on the principles set out in Council's Revenue Policy and has been formulated in accordance with Section 172 of the *Local Government Regulation 2012* and Section 104 (5)(a)(iv) of the *Local Government Act 2009*

General Principle

As Council is unable to levy rates on properties in the Doomadgee Aboriginal Local Government area all references to "rates and charges" in this policy shall mean the provision of utility charges only. Doomadgee Aboriginal Shire Council Revenue will be raised from the following sources:- Utility charges, accommodation charges, other fees, grants & subsidies, administrative services (photocopying etc.), interest, recoverable works (private & Main Roads Department), business operations, subsidies and donations.

Rates and Charges

The general principle adopted by Council in determining rates and charges for this financial year, shall be that wherever possible, charges will relate directly to the services provided. Services include water supply, sewerage and garbage collection. Whilst Council attempts to implement a policy of full cost recovery of services wherever possible, given the small population base within the Shire full cost recovery may not always be possible.

General Rates

Council is unable to levy general rates based on the unimproved capital value of land as it controls all land in the Shire under the provisions of the Aboriginal Land Lease.

Waste management utility charges

Resolution No.: SM 8-25719

Pursuant to section 94 of the Local Government Act 2009 and section 99 of the Local Government Regulation 2012, Council make and levy waste management utility charges, for the supply of waste management services by the Council, as follows:

Garbage Collection

The Doomadgee Aboriginal Shire Council levies a Garbage Service Charge on occupied premises (domestic and commercial) on a unit basis. The rates in 2019/20 are: -

Per House	\$1,141.00
Per Duplex	\$2,284.00
Commercial	\$3,915.00
Replacement Wheelie Bin	\$ 109.00

1 unit of cleansing per annum will be charged for a weekly collection of one 240 litre wheelie bin. If a property has more than one 240 litre wheelie bin charges will be made for additional collection from domestic or commercial properties.

When there is more than one structure or land capable of separate occupation a charge will be made for each structure.

Charges for the collection of industrial and bulk waste will be based on type of waste, volume and frequency of collection. Charges will be determined on a cost recovery basis as required.

The proceeds from the charges will be utilised in funding the costs incurred in the operation of the service.

Council recognises the fact that the township of Doomadgee requires a contribution towards the costly operations of a small garbage removal operation, and this contribution is made from general funds.

Moved: A/Mayor Cr. J Ned

Seconded: Cr. S Foster

Carried

Sewerage utility charges

Resolution No.: SM 9-25719

Pursuant to section 94 of the Local Government Act 2009 and section 99 of the Local Government Regulation 2012, Council make and levy sewerage utility charges, for the supply of sewerage services by the Council, as follows:

The Doomadgee Aboriginal Shire Council levies a sewerage charge on each property (domestic and commercial), that Council has or is able to provide with sewerage services.

The 2019/20 charges are: -

Per House	\$1,305.00
Per Duplex	\$2,609.00
Commercial	\$2,309.00
Sewerage Connection Charge – 1st pedestal	\$2,066.00
Sewerage Connection Charge – Each additional pedestal	\$ 990.00
Sewer & Grease Trap Pump Outs	\$ 256.00

Residential house blocks shall be charged per connection to the sewerage scheme.

Commercial properties are charged based on a comparison to a standard house block, dependent on its size, use and impact on these services.

The proceeds from the charges will be utilised in funding the costs incurred in the operation of the service. Council recognises the fact that the township of Doomadgee requires a contribution towards the costly operations of a small sewerage scheme and this contribution is made from general funds.

Moved: A/Mayor Cr. J Ned

Seconded: Cr. S Foster

Carried

Water utility charges

Resolution No.: SM 10-25719

(a) Pursuant to section 94 of the Local Government Act 2009 and section 99 of the Local Government Regulation 2012, Council make and levy water utility charges, for the supply of water services by the Council, as follows:

The Doomadgee Aboriginal Shire Council levies a water charge on each rate-able property (domestic and commercial), that Council has or is able to provide with a water connection.

The 2019/20 rates are:

Water Service Charge	\$1,740.00
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The following is a schedule of water charges for users in the Doomadgee Aboriginal Shire Council: -

User	Units	Charge
Dwelling House	1	\$ 1,740.00
Dwelling duplex	2	\$ 3,480.00

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Commercial Business	3	\$ 5,220.00
Police Station	3	\$ 5,220.00
Ambulance Station	3	\$ 5,220.00
Hospital	6	\$10,441.00
PCYC Sports Hall	3	\$ 5,220.00
Courthouse	3	\$ 5,220.00
Ergon Energy Station	3	\$ 5,220.00
School (excluding residence)	19	\$33,062.00
Telstra Substation	3	\$ 5,220.00
Justice Group	3	\$ 5,220.00
Day Care Centre	4	\$ 6,960.00
QBuild	15	\$26,101.00
Aged Care	14	\$24,362.00
Womens Crisis Centre	3	\$ 5,220.00
Church exempt		

Residential house blocks shall be charged per connection to the water supply scheme. When there is more than one structure or separate unit capable of separate occupation a charge will be made for each structure or unit.

Commercial properties are charged based on a comparison to a standard house block, dependent on its size, use and impact on these services.

The proceeds from the charges will be utilised in funding the costs incurred in the operation of the service.

Council recognises the fact that the township of Doomadgee requires a contribution towards the costly operations of a small water supply, and this contribution is made from general funds.

Moved: A/Mayor Cr. J Ned

Seconded: Cr. S Foster

Carried

Commercial charges and regulatory fees

Commercial charges are reviewed annually and are fixed by resolution of the Council. These charges are subject to the provisions of the Commonwealth Government's Goods and Services Tax.

Section 97 of the Local Government Act 2009 provides that a local government may, by local law or resolution, fix a regulatory fee. The Doomadgee Aboriginal Shire Council fixes the regulatory fees by resolution and they are identified as such in Council's Fees and Charges Schedule and have been determined with reference to the relevant legislation and where applicable recover the cost of providing the service or facility.

The proceeds of a regulatory fee are used to provide the particular service or facility, to which the fee relates, to the community.

Interest

Resolution No.: SM 11-25719

Pursuant to section 133 of the Local Government Regulation 2012, compound interest on daily rests at the rate of eleven percent (11%) per annum is to be charged on all overdue rates or charges.

Moved: A/Mayor Cr. J Ned

Seconded: Cr. S Foster

Carried

Levy and payment

Resolution No.: SM 12-25719

(a) Pursuant to section 107 of the Local Government Regulation 2012 Council's rates and charges be levied:
 for the full year 1 July 2019 to 30 June 2020

(b) Pursuant to section 118 of the Local Government Regulation 2012, that Council's rates and charges be paid within 30 days of the date of the issue of the rate notice.

(c) Remission requests, or rate deferral requests, will be assessed on a case by case basis.

(d) Council will allow property owners who are unable to pay their rates by the due date to enter into an arrangement to make regular payments according to an agreed schedule, with no recovery action being taken while the arrangement is being maintained.

(d) Council accepts payments in advance by lump sum or by instalments. Interest is not payable on any credit balances held.

Moved: A/Mayor Cr. J Ned

Seconded: Cr. S Foster

Carried

STATEMENT OF ESTIMATED FINANCIAL POSITION

Resolution No.: SM 13-25719

Pursuant to section 205 of the Local Government Regulation 2012, the statement of the financial operations and financial position of the Council in respect of the previous financial year ("the Statement of Estimated Financial Position") be received and its contents noted.

Moved: A/Mayor Cr. J Ned

Seconded: Cr. S Foster

Carried

OTHER MATTERS CONCERNING RATES AND CHARGES

Collection of outstanding charges

Council requires payment of charges within the specified period and it is Council's policy to pursue the collection of outstanding charges diligently but with due concern for the financial hardship faced by some members of the community.

To this end Council has established administration processes that allow for the payments of rates and charges by instalment and for the selection of various options (including legal action) for the recovery of debt.

Limitation on increases in rates and charges

Council does not intend making a resolution to implement rate capping or limiting the increase in rates and charges.

OPERATING CAPABILITY

The change in operating capability of the local government is disclosed in the Statement of Income and Expenditure. It reflects the change in total wealth of the Council. The operating capability of Council is to be maintained through the adoption of this Revenue Statement and 2019/2020 Budget.

FUNDING OF DEPRECIATION AND OTHER NON-CURRENT ASSETS

Council considers that current ratepayers should pay for the services they are receiving and that future ratepayers should not have to pay for what has previously been consumed. Council elects to ensure where possible, that operating revenues each year cover total operating expenses, including depreciation.

However, Council may elect not to fund depreciation expenses in circumstances where the respective assets will not be replaced or external funding sources other than loans will be obtained to fund their replacement.

If insufficient funds are available, the Council may recover the shortfall in the next year's budget allocation or resolve to unfund that portion of the depreciation expense. Such a resolution will include the proposed steps that will be taken to correct the shortfall in depreciation funding.

Agenda Reference: **7.06**
Title: **Rates and Charges – As a percentage of Last Period**

Executive Summary – That in accordance with Section 169(6) of the *Local Government Regulation 2012*, the budget must include the total value of the change, expressed as a percentage, in the utility charges levied for the financial year compared with the utility charges levied in the previous budget.

Summary of Increases	2018/2019
Garbage Collection	2.0%
Cleansing Charges	2.0%
Water Charges	2.0%
Sewerage Charges	2.0%

Resolution No.: SM 14-25719
That Council note the schedule of percentage increases of utility charges as set out above.

Moved: A/Mayor Cr. J Ned
Seconded: Cr. S Foster
Carried

Agenda Reference: **7.07**
Title: **Cost Recoveries - Fees and Charges**

Executive Summary – That in accordance with Section 97 of the *Local Government Act, 2009*, Council may fix a cost recovery fee under a Local Law or Resolution. There are a number of fees and charges that Council charges and the attached schedule provide a listing of the cost recovery fees and the commercial fees and charges.

Resolution No.: SM 15-25719
That Council adopt the attached schedule of Cost Recovery and Commercial Fees and Charges for the 2019-2020 Financial year as presented.

Moved: A/Mayor Cr. J Ned
Seconded: Cr. V Ned
Carried

Agenda Reference: **7.08**
Title: **Capital Works Budget**

Executive Summary – Capital Works Budget for the 2019-2020 Financial Year

Resolution No.: SM 16-25719
That Council adopt the attached Capital Works Budget for the 2019-2020 Financial year as presented.

Moved: A/Mayor Cr. J Ned

JN

Seconded: Cr. S Foster
Carried

8. CLOSURE OF MEETING

The Meeting closed 12.00



Jason Ned
Acting Mayor
Doomadgee Aboriginal Shire Council