



# Municipal Plan

2018-2019

DRAFT

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## + Mayor's Opening

On behalf of the Council, it gives me great pleasure to welcome you to the Municipal Plan 2018-2019. The Municipal Plan includes the Annual Budget and Long-Term Financial Plan, as well as detailing the outcomes we will focus on during 2018-2019, what action we will take, when we will take it and how much we will invest. This plan is an important element of Council's overall planning framework, linking the scheduled activities and new initiatives to the Strategic Plan 2018-2022.

The Strategic Plan 2018-2022 was released earlier in this year and continues with the vision to ensure that *Litchfield is the Best Place to Live in the Top End*. This Plan is focused, informed by our Long-Term Financial Plan and defines three priorities and nine outcome areas for action, all backed by a well-run Council that engages the community and provides modern service delivery.

The Municipal Plan translates the community responses from the 2017 Annual Survey into clear goals. You told us that advocacy and community engagement were Council's most important roles. In 2018-2019, we will continue to seek regional solutions to ensure the viability of Thorak Regional Cemetery, as well securing an Emergency Waste Management Facility. We will represent your concerns as they come to light and work hard to ensure that we all continue to enjoy this great lifestyle.

In 2018-2019, the overall rate increase will be five percent. This equates to less than a dollar a week for most of our residents. The additional funds will enable us to fund the new initiatives contained in this Municipal Plan and cover general cost increases. In 2018-2019, we intend to revisit our rating strategy to explore whether the structure of our rating system is the best long-term. We will deeply engage with our community in the conversation on rates and hear from as many people as possible on rating options.



Mayor Maree Bredhauer

Asset management is a core role of Council and our assets, including buildings, land and roads, require a consistent program of maintenance and renewal.

In 2018-2019, the Road Maintenance Program and Road Capital Program will see us spending nearly \$7.75 million to maintain and renew our road assets, including carry-over projects. Just over \$800,000 of those works are externally funded through the National Roads to Recovery Fund.

In 2018-2019, Council will spend \$400,000 sealing one new road – Oxford Road, Berry Springs. Funding will come from our Financial Asset Reserve, Developer Contributions and residents with properties accessed via Oxford Road, contributing to the overall cost via a special rate.

Our seven Recreation Reserves will receive a combined total of \$826,000 in direct funding. In addition, Council will undertake tree maintenance services and conduct playground assessments at the Reserves at a cost of \$112,000. Tree risk management will be a strong focus in the next financial year, with Council commissioning a Tree Risk Management Plan costing \$30,000 to identify trees in our Recreation Reserves that pose a safety risk.

Thorak Regional Cemetery is a 26 hectare site providing burial, memorialisation and cremation services to the Top End. We remain concerned about the long-term financial viability of the Cemetery and the potential for financial burden in the future to our ratepayers. We are working together with the City of Darwin and City of Palmerston to set up a separate Ministerial Board to operate and manage the Cemetery.

Through our Community Grants Scheme, events support and other sponsorships, we are committing over \$122,000 in 2018-2019 to enrich community life in our municipality. Over the year, we will continue to work alongside community groups to encourage exciting opportunities for everyone in our community to connect, learn and grow.

Several new initiatives from our Waste Management Strategy will be funded as we increase the emphasis on recycling. We want to divert as much waste away from landfill as we can. Berry Springs Waste Transfer Station needs an immediate upgrade of facilities and

\$130,000 will be allocated to this project as well as further funding to improve all three Waste Transfer Stations to make it easier for you to recycle.

As a Council, it is critical that we support our local economy and one of the important ways we can influence this is through advocating for local businesses. Council is currently working with NT Farmers and our local mango industry on better connectivity to markets. We are seeking funding to address unsealed roads, as improved roads will enhance the quality and quantity of fruit produced and ensure that the fruit arrives at markets in top condition.

Our Council's Elected Members are committed to working with a sense of common purpose and are confident and optimistic about our capacity to make a difference during our term. We thank you for your interest in working together for Litchfield.

Mayor  
**Maree Bredhauer**

## Key Highlights of the 2018-2019 Annual Budget

- A balanced budget. \$20.5m quantum
- Net movement from our Financial Reserves of \$1.76million
- A rate increase of 5%
- Over \$2million for Infrastructure Maintenance.
- \$6.59million Capital Program
- A \$30,000 plan to proactively manage trees on Council's Recreation Reserves
- Implementing our new Waste Management Strategy
- \$826,000 to directly support our Recreation Reserves
- A Community Grants Scheme including events support totalling \$122,000

## + Chief Executive Officer's Message

In 2018-2019, we will continue to improve what and how we do things, constantly working to ensure that we have a well-run and sustainable council.

The 2018-2019 Annual Budget demonstrates a commitment to containing operating costs to fund a solid capital works program, comprising mainly of roads. New initiatives focus on improvements that will contribute to Council's long-term financial sustainability and ensure that we are structured to meet changing community needs.

We will continue to build the capability of our staff, ensuring that we have the range of skills and experience to serve our community well. Our one new position in 2018-2019 is a 12-month customer service trainee position to improve the service to our customers and provide an option for a career path within Council.

Partnerships with our neighbouring councils are an essential part of our future. We will continue to share resources and costs where possible and look for different ways to do things better.

This Municipal Plan includes Key Performance Indicators to enable robust progress reporting and ensure we remain on track. For the first time, our Annual Community Survey results will play a big part in measuring our performance for each program area. The Survey gives us great feedback about whether we are delivering the right services at the right level, and how we are performing in delivering those services, as perceived by you. With this understanding, we can continuously improve and innovate what we do.



Kaylene Conrick, Chief Executive Officer

A priority for Council is being accessible and engaging and enabling high levels of participation in Council's planning and decision-making processes. In 2018-2019, by implementing actions from Council's Community Engagement Strategy, we seek to provide genuine opportunities to engage in solving problems.

If you would like to know more about these opportunities, you can:

- Keep up to date with Council news by joining our Facebook page.
- Have your say about Council projects by logging on to [www.yoursay.litchfield.nt.gov.au](http://www.yoursay.litchfield.nt.gov.au) and registering.

It is a great privilege to work with Council, the community, our staff and others to achieve Council's vision. 2018-2019 will be a great year.

## + Public Consultation and Submission Review

Local governments in the Northern Territory are required to undertake their planning and reporting activities in accordance with the Local Government Act and Local Government (Administration) Regulations.

A draft Annual Plan is required to be prepared for public display and submission, prior to being adopted by Council. A 21-day public display and submission process must occur between 1 April and 31 July.

It is a requirement of the Local Government Act that the Municipal Plan be adopted by Council before 31 July each year.

The draft Municipal Plan 2018-2019 will be released by Council for public display following a Council Meeting on 18 April 2018, with the last day for submissions being 21 May 2018.

All submissions will be reviewed at a Special Council Meeting at the end of May. Once any changes have been incorporated, the Municipal Plan 2018-2019 will be adopted by Council, along with the Rates Declaration and the Annual Budget, at a Special Meeting before the end of July 2018.

### Accessing the draft Municipal Plan 2018-2019



#### Online

Go to [www.yoursay.litchfield.nt.gov.au](http://www.yoursay.litchfield.nt.gov.au), Council's new online engagement portal and follow the prompts,

OR

Download from [www.litchfield.nt.gov.au](http://www.litchfield.nt.gov.au)



#### Council Offices

Printed copies will be available from the Litchfield Council Office at 7 Bees Creek Road Freds Pass.

### Making a Submission

Council has an ongoing commitment to engage the community in setting Council's direction and we encourage you to make a submission in relation to the draft Municipal Plan 2018-2019 before 21 May 2018.



#### Online

Go to [www.yoursay.litchfield.nt.gov.au](http://www.yoursay.litchfield.nt.gov.au) Council's new online engagement portal and follow the prompts.



#### In Person

Litchfield Council Office, 7 Bees Creek Road, Freds Pass



#### By Mail

Attention: CEO Re: Municipal Plan 2018-2019 Submission  
Litchfield Council, PO Box 446, HUMPTY DOO NT 0836

# Council Overview

## Current Council's Elected Members

Councillors elected in August 2017 for a four-year term.



**Mayor**

**Maree Bredhauer**

Mobile: 0437 517 709

Email: [maree.bredhauer@litchfield.nt.gov.au](mailto:maree.bredhauer@litchfield.nt.gov.au)



**North Ward**

**Mathew Salter**

Mobile: 0408 093 838

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**Central Ward**

**Christine Simpson**

Mobile: 0417 805 302

Email: [christine.simpson@litchfield.nt.gov.au](mailto:christine.simpson@litchfield.nt.gov.au)



**East Ward**

**Kirsty Hunt**

Mobile: 0418 956 791

Email: [kirsty.hunt@litchfield.nt.gov.au](mailto:kirsty.hunt@litchfield.nt.gov.au)



**South Ward**

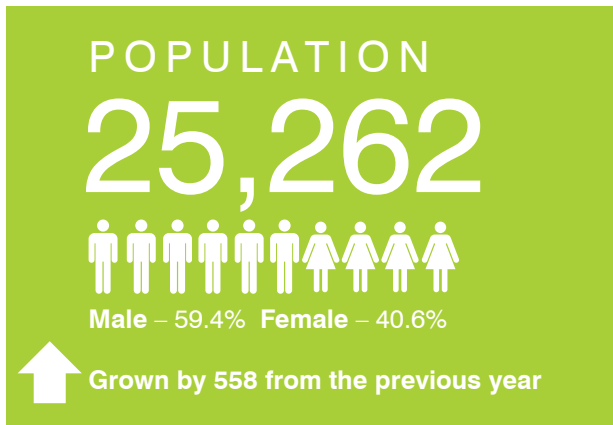
**Doug Barden**

Mobile: 0429 875 390

Email: [doug.barden@litchfield.nt.gov.au](mailto:doug.barden@litchfield.nt.gov.au)

## Litchfield Profile

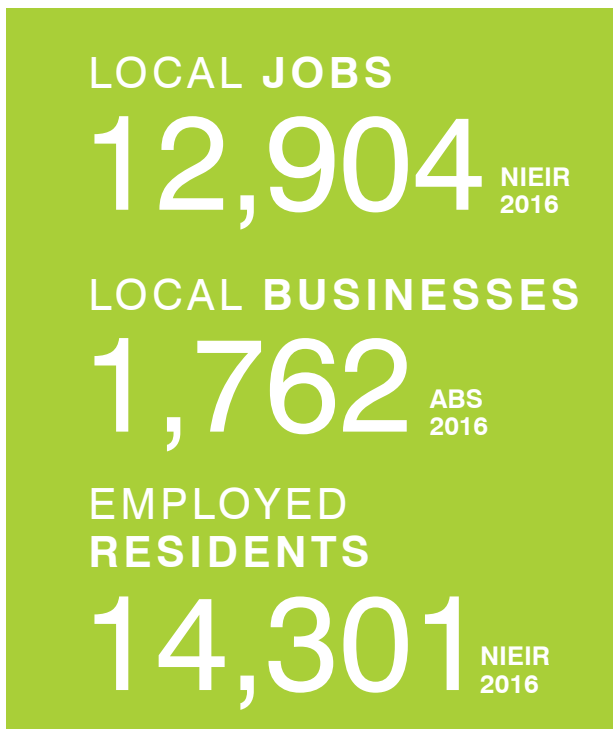
### Our Community



### Insight Australia's Regional Competitiveness Index for Litchfield Local Government Area (Regional Australia Institute)

This Index looks at data covering a range of factors identified as contributing positively or negatively to a region's competitiveness. Each is ranked against the 564 local government areas in Australia. The data is grouped according to elements of a competitive economy as detailed in the following table and an overall ranking for that group of data is calculated. The lower the rank out of 564, the better the performance.

### Our Economy



	Human Capital	200
	Labour Market Efficiency	158
	Demography	165
	Business Sophistication	247
	Institutional Foundations	370
	Economic Fundamentals	49
	Natural Resources	284
	Technological Readiness	191
	Infrastructure & Essential Services	346
	Innovation	167



## Council Data

**8,281**   
RATEABLE PROPERTIES

**624kms**   
SEALED ROADS

**100kms**   
UNSEALED ROADS

**SIGNS**  
**13,309**

**7**   
RECREATION RESERVES

**3**   
WASTE TRANSFER STATIONS

**2,781**   
REGISTERED DOGS<sup>\*1</sup>

**7.1kms**   
DEDICATED BICYCLE PATHS

**CEMETERY** **1**

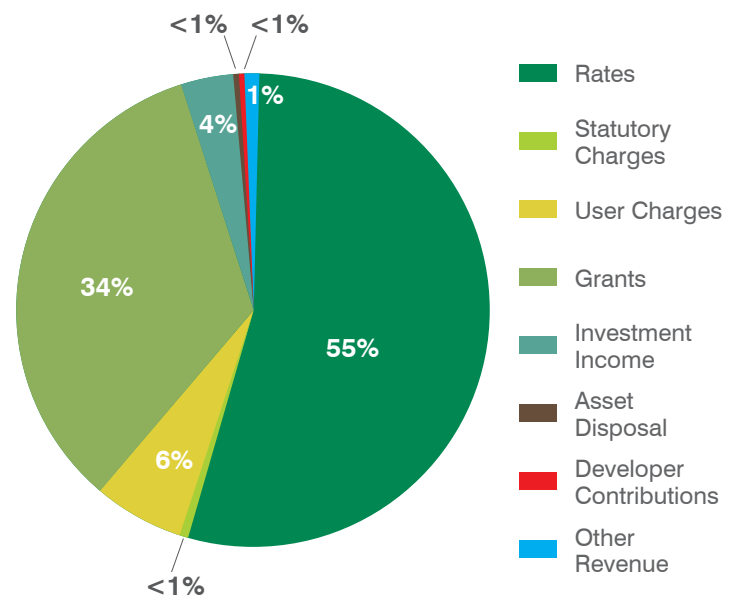
<sup>1</sup> Additionally 2,280 dogs have been deemed registered, yet not been issued a tag.

## Budget at a Glance

### Budgeted Revenue at a Glance

This chart shows a breakdown of our revenue. Rates are our major source of funding and what Council can most influence. Other sources of funds include operating and capital grants, mainly from federal and territory governments, as well as user charges, such as waste dumping fees and investment income from term deposits and the sale of assets.

### 2018-2019 Revenue by Source

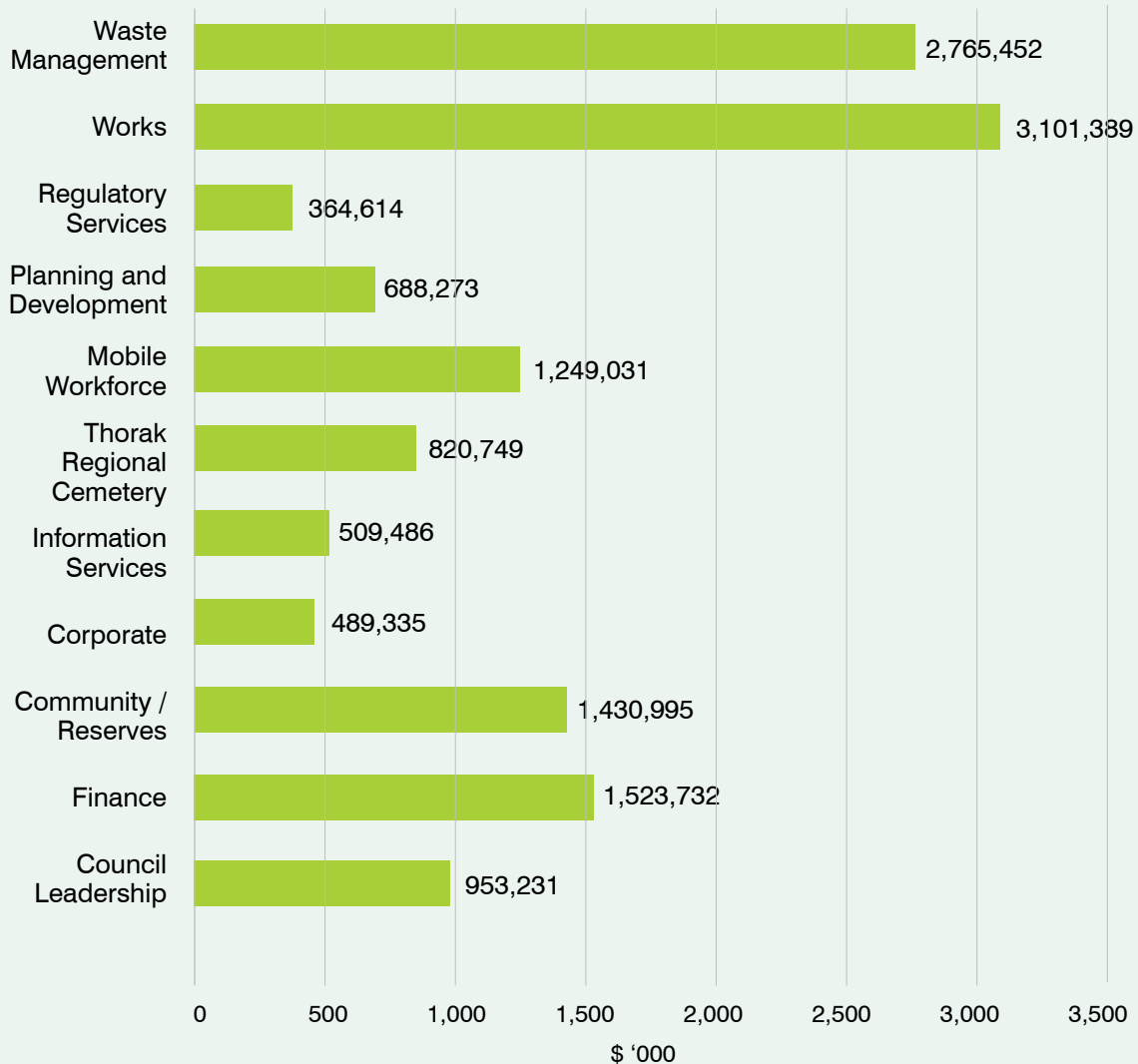


Source	\$	%
Rates	10,243,216	55
Statutory Charges	70,250	<1
User Charges	1,143,033	6
Grants	6,365,565	34
Investment Income	686,250	4
Asset Disposal	60,000	<1
Developer Contributions	60,353	<1
Other Revenue	96,181	1
<b>TOTAL</b>	<b>18,724,848</b>	<b>100</b>

### Budgeted Operating Expenditure at a Glance

Our Works department, managing the road network and infrastructure assets, followed by Council's Waste Management service, remain the main focus for Council's spending on services provided to residents. In 2018-2019, we have increased our focus on Community and Recreational Reserves whilst continuing to provide a high level of roadside maintenance and other services delivered through our Mobile Work Force.

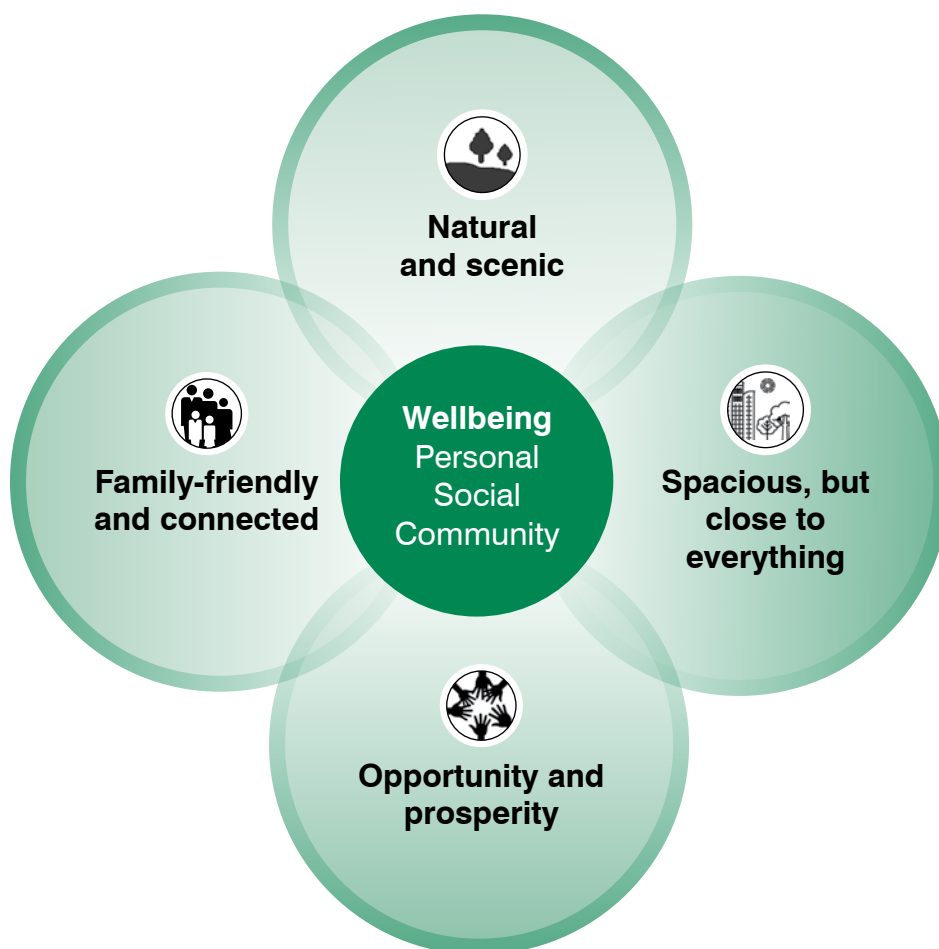
#### Operating Expenditure by Program Areas



# + Strategic Plan Summary

## Our Vision

Our vision is for a place where personal, social and community wellbeing stems from four unique attributes that are rarely, if ever, found together:



### Family-friendly and connected:

We are a community where it is easy to get to know people and be around them, where it is ideal for family living with plenty of activities, and where it is safe.

### Natural and scenic:

We have large blocks with attractive scenic outlooks, lots of native wildlife, and we take pride in our places being beautiful and clean.

### Spacious, but close to everything:

While we have plenty of space to grow, you can get around easily and everything you need is close by.

### Opportunity and prosperity:

We are one of the most productive parts of Australia, with almost full employment, strong industries and business, and it is never too far to travel to work.

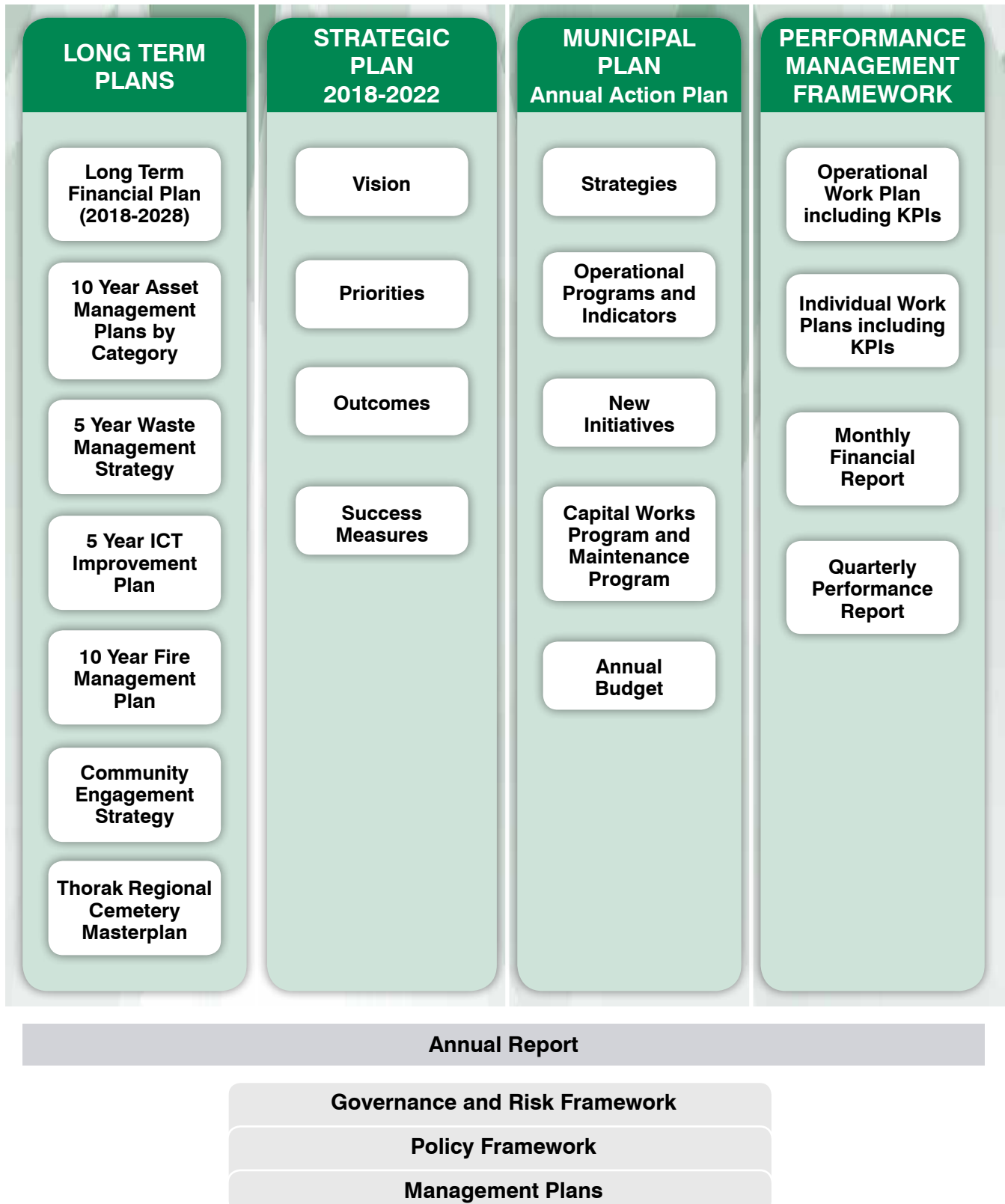
**The best place to live in the Top End.**

## Strategic Priorities and Outcomes

Our strategy comprises 3 priority areas, and within those, we will work on 9 outcomes that we know matter to our community. This is underpinned by actions taken to ensure a well-run Council. The table below shows this in summary form, while the following pages describe in detail what we will be doing towards each outcome.



## Litchfield Council’s Planning and Reporting Framework



# + Advocacy Overview – Strategic Focus for 2018-2019

There are many issues affecting our community and local industries that we would like to do something about.

Some issues are about the infrastructure or services that are needed to prosper. Without the assistance of other levels of government to fund and/or provide these, the burden would land wholly on Litchfield's ratepayers.

In these cases, advocacy for us is all about communicating what we need and why to the appropriate levels of government and seeking from them a commitment to action.

Other issues are about concerns we have where all the contributing factors and potential solutions need to be explored and developed with everyone involved, not just governments.

Drawing on the priorities in the Litchfield Council Strategic Plan 2018-2022, Council has decided to focus on four key projects during 2018-2019. For two of these projects, we are working with others to generate the best solutions.

## Productive Roads Project

Our roads play a significant role in our local economy. Ensuring local products can efficiently reach domestic and international markets in top condition relies on good roads.

Working with NT Farmers and the local mango industry, we have identified four unsealed roads (Horsnell, Kentish, Chibnall and Mocatto) that service key mango packing sheds. It is estimated that it will cost \$20 million to seal approximately 14 kilometres. Council will advocate for Federal and Territory funding to match Council funds to seal these roads.

## Regional Emergency Waste Facility

Working with all the TOPROC Councils, we are looking at a regional emergency waste management facility to enable efficient and effective recovery efforts.

## Thorak Regional Cemetery

During Council's last term, we identified that if nothing changes in the future, Litchfield ratepayers are likely to bear the brunt of the costs of delivering cemetery services for all in the Top End.

We will be working through TOPROC and collaboratively with the NT Government, City of Darwin and City of Palmerston to develop a new governance model and secure increased funding to ensure the viability of the cemetery.

## Aquatic Facility

In 2016-2017 we commissioned a study that identified a clear need for a 25 metre learn-to-swim facility south of Coolalinga /Fred's Pass. The next steps include seeking funding to undertake a full feasibility study, including developing a business case and to document a design brief.

We continue to work with the NT Government to progress this project.

A number of other issues for advocacy have been identified in Council's Strategic Plan 2018-2022 that Council will address on an ongoing basis. You can find out more in our Strategic Plan 2018-2019 on our website [www.litchfield.nt.gov.au](http://www.litchfield.nt.gov.au) under Council plans and publications.

## + Municipal Plan Compliance

### Complying with the *Local Government Act*

The *Local Government Act* (Part 3.2, Section 22) states that Litchfield Council must have a plan, called the Municipal Plan, that is adopted by Council before 31 July each year.

Final adoption of the plan follows a minimum of 21 days where the Draft Municipal Plan is made available for public comment and a further period where public submissions are reviewed and changes made to the plan, where appropriate.

The Municipal Plan must be accessible to all members of the public and contain a service delivery plan, indicators for measuring Council's performance and the Annual Budget. It must also refer to Council's Strategic Plan and Long-Term Financial Plan, and it must include assessments of the adequacy of current constitutional arrangements and any opportunities and challenges for delivering services within the Litchfield Municipality during the year.

The Municipal Plan must also highlight potential changes to the regulatory and administrative framework for delivering services in the municipality and must note any opportunities to improve the delivery of services through working with others.

Litchfield Council's Annual Budget is prepared in accordance with the *Local Government Act* (Part 10.5 Section 127) and must also be adopted prior to 31 July each year.

The Annual Budget outlines Council's objectives for the current financial year, how Council will achieve those objective, the indicators Council will use to assess progress on achieving those objectives, estimates of capital and operational revenue and expenditure, the allocations Council has budgeted to develop and maintain the different asset classes, how much Council will raise in rates, the rating structure, an assessment of the social and economic impact of that rating structure and the budget allocation for elected members' allowances.

### Adequacy of Constitutional Arrangements

As required by the provisions of Section 23 of the *Local Government Act*, the constitutional arrangements were reviewed in 2014 and presented to the Minister in March 2015 prior to the November 2015 Litchfield Council election. It was resolved that the composition and structure of Council should be retained.

Litchfield Council was exempt from a further review prior to the election of the current Council in August 2017, due to the shortness of Council's term. In preparation for the next Council election, a review will be conducted in the 2019-2020 financial year. This has been accounted for in Council's Long-Term Financial Plan.

## + Possible Changes to the Regulatory and Administrative Framework

The following have been identified as having the potential to influence or enhance Council's Regulatory and Administrative Framework:

- Continuing to refine the Risk Management Framework.
- Implications of proposed changes to the *NT Cemeteries Act*.
- Potential for implications from the Animal Protection Bill.
- Development of a Litchfield Amenity Protection By-Law.
- Adoption and implementation of the Meeting Procedures By-Law.
- Reviewing Council's rating policy with a view to fairness and equity for ratepayers.
- Implementing the recommendations of the procurement audit and the waste transfer stations WHS audit.
- Ongoing reviews of policies
- Formalising administrative procedures.



## + Service Delivery Plan

### Opportunities and Challenges for Service Delivery

In formulating the Strategic Plan 2018-2022, followed by the development of the Annual Budget for this Municipal Plan 2018-2019, Council assessed the following emerging challenges and opportunities.

#### Population Growth and its Impact

The Litchfield Municipality continues to experience population growth. In the last ten years it has grown by 55%, with an additional 8,878 new residents. Whilst the rate of growth slowed in 2016 and is forecast to be more moderate over the next 10 years, the Greater Darwin Land Use Plan estimates 500 dwellings will be needed in this area to accommodate the increase in population in the next five to ten years.

The key challenges and opportunities of growth for Litchfield are:

- Its multiple roles in functioning as Darwin's hinterland, supporting the rural lifestyle we all love where agricultural activity, the cultural heritage of the area and the natural environment remain in balance whilst enabling opportunities for urban growth in some areas such as Holtze.
- The importance of protecting and enhancing Litchfield's natural resources such as water, horticultural soils and resources used in construction.
- Enabling land uses that are of strategic importance to the Municipality such as defence, major industries, utilities and areas of environmental significance.

With population and housing growth, Council would usually attract more rates and charges income to manage increased demand and expansion of services. However, we are seeing a pattern of more residents but not the same proportion of more rateable properties.

More than one dwelling on allotments with fixed rates and waste charge continues to be a challenge for Council and is one of the factors driving the need to review the rating policy in the near future. The purpose of the review will be to ensure the rating system is structured in a fair and equitable way, whilst enabling a more sustainable financial position for Council in the long-term.

How the population is distributed across the age groupings also presents challenges and opportunities in meeting the increasing demand for services, with parents/homebuilders and children (0-17) the largest groupings. Council will continue to advocate for accessible library services and greater funding and support to meet recreational needs. Both a new library facility and aquatics facility have been identified in the NT Government's 10 Year Infrastructure Plan.

A further consideration is enabling people to age in place by ensuring there are adequate support services and greater residential options.

#### Maintaining and Renewing Assets

Closing the gap on maintaining and renewing infrastructure assets is a considerable challenge for the Litchfield Municipality. In the Long-Term Financial Plan, Council aims to use funding from Council's Asset Finance Reserve to progressively close this gap. Council also works with others in the local government sector, as well as groups such as NT Farmers, to advocate for more Federal Government and NT Government funding to enable the timely and strategic approach to asset management.

Unsealed roads are particularly challenging, given the commitment to ensure all-weather access to most properties and productive access for agribusiness. Council has 109 kilometres of unsealed roads to maintain, and over time, convert to sealed roads.

The Australian Local Government Association (ALGA) has called for a national focus on improving productivity through greater investment in infrastructure. They argue that unlocking local and regional productivity improvements through investment that improves access for freight vehicles and connectivity between local roads and national freight routes is critical for the nation. The association proposes the Federal Budget provide a \$200million program over 5 years to address first and last mile solutions.

In the bigger picture, the local government sector was successful in advocating for the indexation of Financial Assistance Grants to be restored in the 2017-2018 Federal Budget. The total grant pool currently changes annually in line with changes in the population and the Consumer Price Index. Litchfield Council's general purpose and local road assistance grant in 2017-2018 totalled \$3,027,805.

In their 2018-2019 Budget Submission, ALGA has asked the Australian Government to restore the quantum of the Financial Assistance Grants to a level equal to at least 1% of Commonwealth tax revenue (currently 0.57%) and to improve the safety and management of local roads by doubling Roads to Recovery funding. Other initiatives they propose include local community infrastructure, maintaining Natural Disaster Relief and Recovery funding and a digital program to improve connectivity, mapping and the like.

## Further Challenges and Opportunities

Whilst considerable progress has been made on reducing the rates and infringements arrears, there is still a need to pursue this vigorously. Monies not paid significantly impact Council's capacity to deliver the projects and services it promises in the planning process.

A new 5 year Waste Management Strategy will be implemented, working on five focus areas. The main objective of the strategy is *'Together, Council and the community will work to Reduce the amount of waste we generate, Reuse what we can and Recycle waste resources to reinvest back into the community, enhancing our municipality as "the best place to live in the Top End'.*

## The Northern Territory Economy

The Northern Territory Government's Economic Snapshot from March 2018 estimates that the Gross State Product will grow by 1.1% in 2017-2018 and forecasts growth of just 0.5% in 2018-2019. This is at odds with Deloitte Access Economics in their Economic Brief for December 2017, who estimate 1.7% in 2017-2018 and forecast 3.9% in 2018-2019. Deloitte Access Economics argue that whilst the outlook for future major project activity is subdued, exports are expected to be a key driver of growth with the Ichthys plant moving into the production and export phase.

In 2018-2019, population growth is expected to increase by 1.2%, employment growth is expected to be weak (0.8%), and average weekly earnings growth will be subdued (1.1%), according to Deloitte Access Economics.

## Improving Service Delivery through Working with Others

Litchfield Council is a member of the Top End Regional Organisation of Councils (TOPROC), providing a collective voice on Top End issues and a collaborative forum to strengthen local government in the Top End.

Council continues to work with TOPROC on improving the role of councils in land use planning, advocating for improved local Area Plans and Land Use Plans, the establishment of a Regional Emergency Waste Management Facility and the incorporation of Unincorporated Land, as well as a new governance model for Thorak Regional Cemetery.

Council is also part of the Regional Network that works with Regional Development Australia (RDA) Northern Territory to focus efforts on growing strong and confident regional economies that harness their competitive advantages and drive economic growth.

Council's membership of the Local Government Association Northern Territory (LGANT) includes participating in executive meetings, Mayors and CEO forums, reference groups and conferences to explore issues, develop policy positions and seek opportunities to collaborate.

Litchfield Council is a signatory to a Common Services Agreement between some Northern Territory and Tasmanian councils that provides external Local Government knowledge to support service delivery and improvements.

Council owns seven recreation reserves across the municipality that offer a broad range of recreational and leisure facilities. Five of the reserves are managed by community Committees of Management and the remaining two are managed by Advisory Committees through Council. All are supported by operational and maintenance funding from Council, as well as governance support.

The Palmerston and Rural Seniors hold an annual senior's festival each August, which includes a program of events over a fortnight designed to celebrate older people. Council, through a sponsorship agreement, partners with Palmerston and Rural Seniors to support this annual program.

In April 2018, Council has hosted an event for youth in the municipality, run by a renowned facilitator of youth strategies, to explore their issues and needs. The outcomes of that session will inform Council's next steps in partnership with schools and community groups.

## Staffing Plan

The staffing plan for 2018-2019 is to employ 55.27 full-time equivalent staff\* in three directorates. An extra position has been included to provide a 12-month customer service trainee opportunity. This position will assist with frontline customer service.

Whilst the number of people in full-time and part-time positions is relatively stable (the turnover rate is less than 6%), the actual headcount of employees varies from time to time due to the employment of outdoor staff for seasonal work and relief work.

In 2017-2018 a new Enterprise Agreement was negotiated, operating until 11 March 2020. Annual salary increases were set at a sustainable level of 2%.

Directorate	Budget				
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Office of the Chief Executive	1	2	3	4	4
Community and Corporate Services	20	19	18	17.3	18.3
Infrastructure and Operations	29.8	31.47	32.47	32.97	32.97
<b>Total full-time equivalent staff (FTE)*</b>	<b>50.8</b>	<b>52.47**</b>	<b>53.47</b>	<b>54.27</b>	<b>55.27</b>
<b>Total cost of staffing plan***</b>	<b>\$5,561,252</b>	<b>\$5,599,224</b>	<b>\$5,650,888</b>	<b>\$5,975,124</b>	<b>\$6,121,026 ****</b>

\* Full-time equivalent staff includes full-time and part-time staff and wet season staff working with the Mobile Work Force.

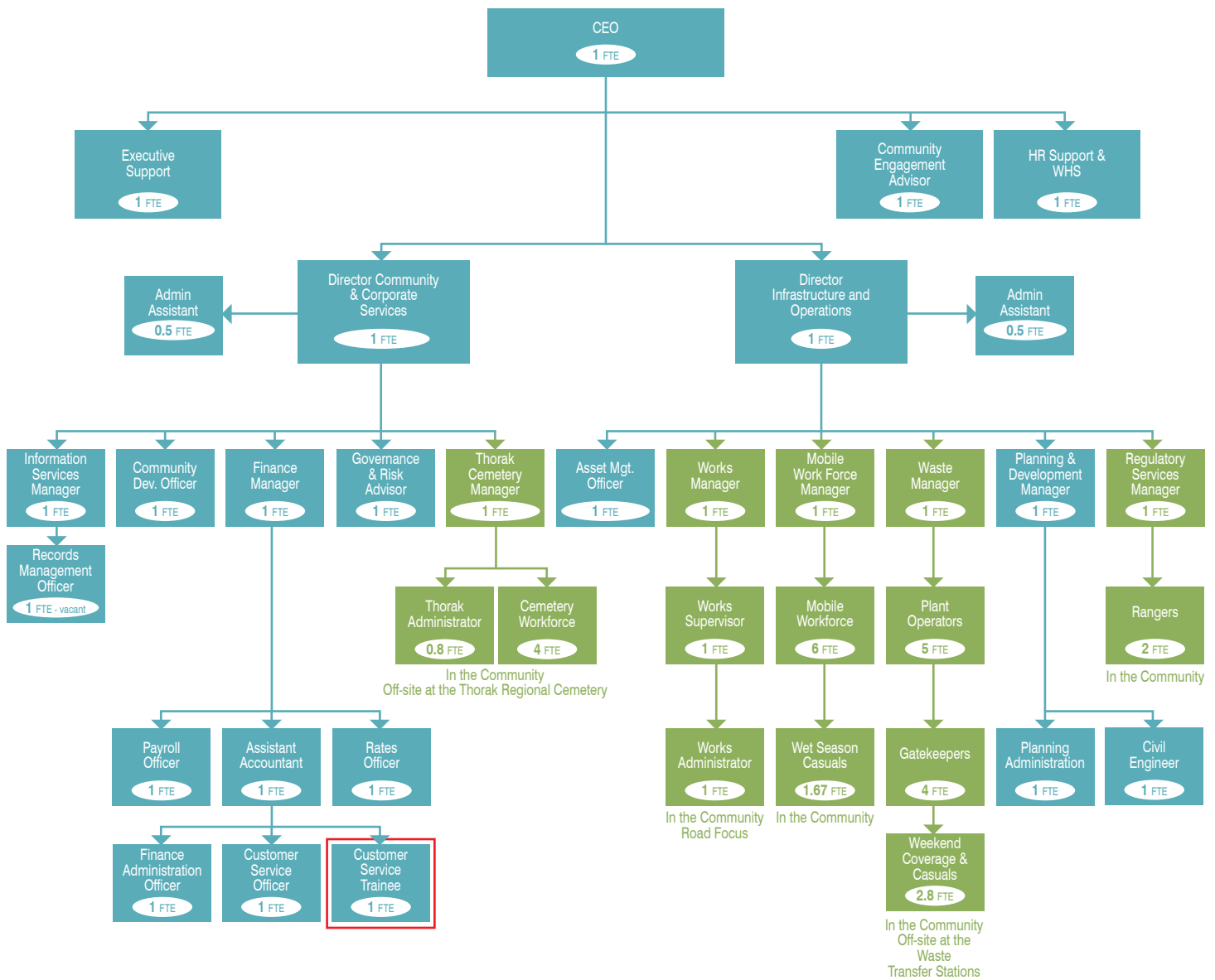
\*\* The staffing plan included in the Municipal Plan 2015-2016 stated there were 48.8 FTE staff. A subsequent organisational review found there were 52.47 FTE staff.

\*\*\* In line with accounting best practice, the total cost of the staffing plan includes all employee costs – salaries and on-costs, superannuation, workers compensation insurance, fringe benefit tax and staff training and development.

\*\*\*\* Cost of Customer Service Trainee not included due to limited tenure and shown in New Initiatives.

Employee Costs	Budget	
	2017-2018	2018-2019
Salaries	5,174,390	5,295,290
Superannuation	519,188	541,736
Workers Compensation Insurance	101,546	105,000
Fringe Benefit Tax	24,300	24,300
Other Employee Costs	155,700	154,700
<b>TOTAL</b>	<b>5,975,124</b>	<b>6,121,026</b>

## Staffing Plan 2018-2019 - Organisation Chart
















<span style="border: 1px solid red; display: inline-block; width: 15px; height: 10px;"></span>	New Position	
<span style="background-color: #8ebf4d; display: inline-block; width: 15px; height: 10px;"></span>	External staff	33.27
<span style="background-color: #2e8b99; display: inline-block; width: 15px; height: 10px;"></span>	Office staff	22
	<b>Total</b>	<b>55.27</b>

## 2018-2019 Budget by Program Profile

Directorate	Program	Income	Less Expense	Operating Surplus (-Deficit)	Capital Income	Capital Expense	FTE
<b>Council Leadership</b>	Elected Members, Office of the CEO and Community Engagement*	-	953,231	(953,231)	-	-	3.00
<b>Council Leadership Total</b>		<b>-</b>	<b>953,231</b>	<b>(953,231)</b>	<b>-</b>	<b>-</b>	<b>3.00</b>
<b>Community and Corporate Services</b>	Finance	8,472,205	1,523,732	6,948,473	-	-	9.50
	Community	82,000	1,430,995	(1,348,995)	81,181	411,181	1.00
	Corporate*	-	489,335	(489,335)	-	-	2.00
	Information Services	-	509,486	(509,486)	-	-	1.00
	Thorak Regional Cemetery	777,447	820,749	(43,302)	-	17,530	5.80
<b>Community and Corporate Services Total</b>		<b>9,331,652</b>	<b>4,774,297</b>	<b>4,557,355</b>	<b>81,181</b>	<b>428,711</b>	<b>19.30</b>
<b>Infrastructure and Operations</b>	Mobile Workforce	-	1,249,031	(1,249,031)	60,000	188,000	8.67
	Planning and Development	51,836	688,273	(636,437)	60,353	-	4.50
	Regulatory Services	70,750	364,614	(293,864)	-	-	3.00
	Works	2,583,776	3,101,389	(517,613)	3,436,877	5,767,345	4.00
	Waste Management	3,048,423	2,765,452	282,971	-	204,677	12.80
<b>Infrastructure and Operations Total</b>		<b>5,754,785</b>	<b>8,168,759</b>	<b>(2,413,974)</b>	<b>3,557,230</b>	<b>6,160,022</b>	<b>32.97</b>
<b>TOTAL Result</b>		<b>15,086,437</b>	<b>13,896,287</b>	<b>1,190,150</b>	<b>3,638,411</b>	<b>6,588,733</b>	<b>55.27</b>

\*The variance in FTE between Council Leadership and Corporate reflects the Human Resources Advisor accounted for under Corporate for budget comparison. However, the position reports directly to the Chief Executive Officer.

# Program Profiles

<b>COUNCIL LEADERSHIP</b>			
<b>Directorate – Office of the Chief Executive</b>			
Responsible Officer	Chief Executive Officer		
Number of FTEs	3		
<b>2018-2019 Budget</b>			
Operational Revenue	\$0	Capital Revenue	\$0
Operational Expenditure	\$953,231	Capital Expenditure	\$0
Net Operating Cost	\$953,231	Net Capital Cost	\$0
<b>Program Description</b>			
Provide strategic leadership, good governance, community engagement, advocacy and decision-making to achieve corporate outcomes.			
<b>Strategic Priorities and Outcomes</b>			
 Roads and transport	 Waste and cleanliness	 Community and Economic Prosperity	
 Culture and social life	 Recreation	 Development and open space	
 Animals and wildlife	 Natural environment	 Water and drainage	
 Powerful and effective advocacy	 Engaging our community	 Good governance	 Modern service delivery

<b>Key Outputs</b>	<b>Measures</b>	<b>Targets</b>
Advocacy Submissions to Government	Community Survey – Satisfaction with Council’s role in Advocacy	>60%
NT Legislation and other Reviews	Community Survey – Strategic Direction	>50%
Community Engagement Strategy	Actions Year 1	Done
Community Survey	Survey Complete Overall satisfaction Importance of Council’s roles – community engagement	Done >65% >90%
Social Media Management New Residents Information Kit	Unique engagement clicks on Facebook posts	>500
Elected Members training and development Business Planning and Performance Reporting Framework Council meetings and activities Executive Leadership	Number of Professional Development Sessions Outstanding Actions from plans	>2 sessions < 20%
Media Monitoring and Management Reputation Management Elected Member Support Change Management and Innovation <i>New Initiatives</i> <i>Online Demographic Information Packages</i> <i>Aquatic Facility feasibility study</i>	Media Response Time	<24 hours

## HUMAN RESOURCES and WORK HEALTH & SAFETY

### Directorate – Office of the Chief Executive

Responsible Officer: HR & WHS Advisor

Number of FTEs: 1

### Program Description

Responsible for managing the WHS system and a range of operational, advisory and strategic human resource services that meet statutory requirements and enable Council to attract, develop and retain great staff.

### Strategic Priorities and Outcomes



Good governance



Modern service delivery

Key Outputs	Measures	Targets
Reward and Recognition Program	Implemented	Oct 18
HR Policies, Procedures, Checklists	Reviewed, developed and compliant	Dec 18
	Staff turnover rate	<20%
	Staff Survey satisfaction	>70%
Corporate training and development framework including induction.	Developed	Oct 18
Work Health and Safety Management System	Lost Time Injuries	<3
	Workers Compensation Claims	<3



## PLANNING & DEVELOPMENT

### Directorate – Infrastructure and Operations

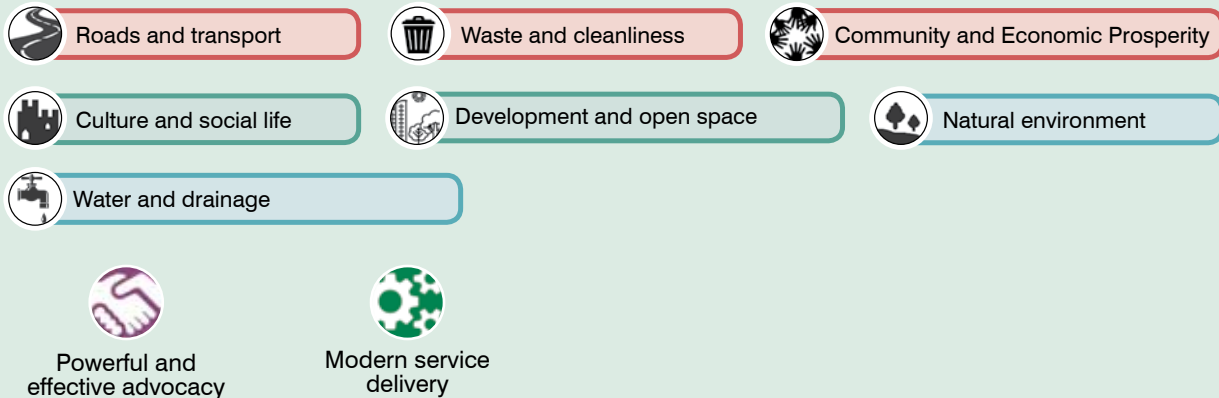
Responsible Officer	Planning and Development Manager		
Number of FTEs	4.5		
<b>2018-2019 Budget</b>			
Operational Revenue	\$51,836	Capital Revenue	\$60,353
Operational Expenditure	\$688,273	Capital Expenditure	\$0
Net Operating Cost	\$636,437	Net Capital Cost	\$60,353

#### Program Description

Review and provide comment on all regional plans, policies, development proposals and planning applications relevant to Litchfield Municipality, guided by Northern Territory and Council plans, policies and consideration of the amenity of residents.

Approve design and construction documentation, undertake onsite inspections and provide approvals for future Council assets in new developments and subdivisions.

#### Strategic Priorities and Outcomes



Key Outputs	Measures	Targets
Submissions to the NT Government Participation in NT planning working groups	Comments submitted on applications within required time frame	>95%
	Community Survey – Satisfaction with new development – set baseline	TBD
Approval of plans, reports and construction documentation	Plan approvals issued within 10 days	>90%
	Work Within a Road Reserve Permits associated with Development Permits issued within 5 days	>95%
Procedures / Checklists Developer Contribution Plans Inspections	Complete	Sep 18

## INFRASTRUCTURE AND WORKS

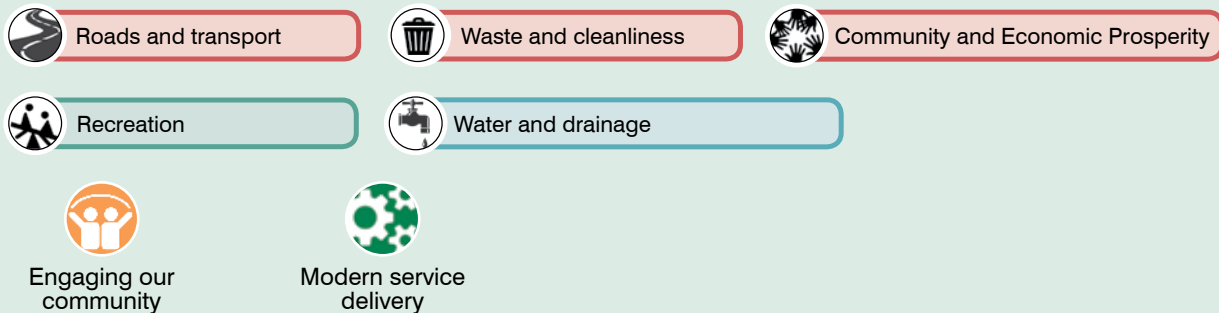
### Directorate – Infrastructure and Operations

Responsible Officer	Road Network Manager		
Number of FTEs	4		
<b>2018-2019 Budget</b>			
Operational Revenue	\$2,583,776	Capital Revenue	\$3,436,877
Operational Expenditure	\$3,101,389	Capital Expenditure	\$5,767,345
Net Operating Cost	\$517,613	Net Capital Cost	\$2,330,468

### Program Description

Plan, provide and manage Council's road network and other infrastructure to ensure the social, cultural and economic success of the Litchfield Municipality.

### Strategic Priorities and Outcomes



Key Outputs	Measures	Targets
Process for informing community about road closures.	Developed	Dec 18
Capital Works Program	Completed on time and in budget Asset renewal funding ratio	>80% ≥1:1
Asset Management Policy and Plans	Developed	
Asset Inspection/Maintenance Program	Programs Developed	Oct 18
Productive Roads Project	Completed on time and in budget	Complete
Road Renewals, Upgrades and Maintenance Programs	Community Survey – Satisfaction with maintenance of local roads	>60%
Property Maintenance Program	Completed on time and in budget	>90%
Drainage Upgrades and Maintenance Program	Completed on time and in budget Community Survey – Satisfaction with roadside drainage	>90% >60%
Wet season road network management	Emergency works response time	<48hours
Grant applications	Developed	Jun 19

## MOBILE WORK FORCE (MWF)

### Directorate – Infrastructure and Operations

Responsible Officer	MWF Manager		
Number of FTEs	8.67		
<b>2018-2019 Budget</b>			
Operational Revenue	\$0	Capital Revenue	\$60,000
Operational Expenditure	\$1,249,031	Capital Expenditure	\$188,000
Net Operating Cost	\$1,249,031	Net Capital Cost	\$128,000

### Program Description

Provide an effective and efficient maintenance service for Council's road verges, drainage easements, signs, reserves, excised lands, areas surrounding waste transfer stations and Council buildings using well maintained plant and equipment.

### Strategic Priorities and Outcomes



Waste and cleanliness



Development and open space



Natural environment



Animals and wildlife



Modern service delivery

Key Outputs	Measures	Targets
Road Network, Road Reserve and Fire Break (Council land) slashing before July fire bans	Vegetation slashing and mowing of 900kms of road network (7,200kms per round) Fire breaks and road reserves slashing of 1000kms	2 rounds >75%
Install and maintain signs and guide posts	Replace non-compliant signs in the signage program to Australian standards	100%
Plant and equipment servicing schedule	Reduce lost time due to plant & equipment breakdown Plant serviced within 3 days of service due date	<20hours 100%
Weed Management Plan Update	Complete	Aug 18
Weed spraying of road furniture and classified weeds, including Gamba Grass, on Council road verges and excised lands	Weed spraying 900km road verges and 1000km excised lands Community Survey – Satisfaction with weed management	150,000lt >50%
Road verge litter collection	Community Survey – Satisfaction with roadside maintenance	>50%
Tree pruning and removal General maintenance		

## WASTE MANAGEMENT

### Directorate – Infrastructure and Operations

Responsible Officer	Waste Manager		
Number of FTEs	12.8		
<b>2018-2019 Budget</b>			
Operational Revenue	\$3,048,423	Capital Revenue	\$0
Operational Expenditure	\$2,765,452	Capital Expenditure	\$204,677
Net Operating Cost	\$282,971	Net Capital Cost	\$204,677

### Program Description

Implementing an environmentally sustainable, safe and cost-effective waste management system through Council's waste transfer stations and recycling operations.

### Strategic Priorities and Outcomes



Waste and cleanliness



Natural environment



Engaging our community



Modern service delivery

Key Outputs	Measures	Targets
Work with industry re commercial waste	Waste tonnage transferred to Shoal Bay	<10,000 tonnes
Community Action Group established		
Safe operation of waste transfer stations	Community Survey – Satisfaction with waste transfer stations	>80%
	Cost per tonne of waste throughput – establish baseline Yr 1	\$TBD
Resale of recycled materials (mulch, crushed concrete, cash for cans, batteries)	Community Survey – Satisfaction with waste recycling	>55%
Procedures / Checklists		
Tender for Waste Transportation	Amount of total waste that is recycled	>30%
Commercial Waste Charge enforced	Amount of total waste that is dry recyclables	>15%
Free green waste disposal month	Amount of green waste received that is on-sold as mulch	>80%
Established service levels		
Waste audits <i>New Initiative – Year 1 Waste Strategy</i>	Complete	Oct 18

## REGULATORY SERVICES

### Directorate – Infrastructure and Operations

Responsible Officer: Regulatory Services Manager

Number of FTEs: 3

#### 2018-2019 Budget

Operational Revenue	\$70,750	Capital Revenue	\$0
Operational Expenditure	\$364,614	Capital Expenditure	\$0
Net Operating Cost	\$293,864	Net Capital Cost	\$0

#### Program Description

Administer Council’s Dog Management By-Laws; promote responsible dog ownership through public education and initiatives, assist with the management and control of feral dogs and address abandoned vehicles.

#### Strategic Priorities and Outcomes



Animals and wildlife





Engaging our community



Modern service delivery

Key Outputs	Measures	Targets
Educate the community about responsible dog ownership.	Education program delivered to primary schools	>1
	Dogs registered increased by	>10%
	Registered dogs are de-sexed	>45%
Administer and enforce Dog Management By-Laws	Community Survey – Satisfaction with animal management	>50%
Animal Management Plan	Documented	Complete
Record and investigate customer requests	Customer requests actioned in <2 days	100%
Monitor the feral dog population. Provide a microchipping program	Investigations completed within 14 days	>90%
Remove vehicles abandoned on roadsides.		

<b>FINANCE</b>			
<b>Directorate – Community and Corporate Services</b>			
Responsible Officer	Finance Manager		
Number of FTEs	9.5		
<b>2018-2019 Budget</b>			
Operational Revenue	\$8,472,205	Capital Revenue	\$0
Operational Expenditure	\$1,523,732	Capital Expenditure	\$0
Net Operating Cost	\$6,948,473	Net Capital Cost	\$0
<p><b>Program Description</b> Provide financial services to assist Council in making informed decisions and allocating resources efficiently and effectively in the short and Long-Term whilst ensuring Council meets all its statutory and regulatory obligations. Provide the first point of contact for residents and visitors and manage rates records in accordance with policy and legislative requirements.</p>			
<p><b>Strategic Priorities and Outcomes</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>Good governance</p> </div> <div style="text-align: center;">  <p>Modern service delivery</p> </div> </div>			

<b>Key Outputs</b>	<b>Measures</b>	<b>Targets</b>
Annual Budget/ Annual Report Municipal Plan	Compliance with management, statutory and regulatory budgeting and reporting	100%
Monthly and annual financial reporting, including audit	Unqualified audit	Complete
Long-Term Financial Plan	Liquidity ratio Asset sustainability ratio Current Ratio Debt Service Ratio	>1:1 >60% >1 >1
Long-Term rating strategy	Rates coverage ratio-lowering Council's dependency on government grants and other funding sources	>50%
Review the Customer Request Management System	Completed	Oct 18
Rates and accounts receivable collection	Current years rates outstanding as at 30 June 2019	<15%
Front counter customer service	Community Survey –satisfaction in customer service	>60%
Accounts payable and payroll Capture of incoming mail in Council's record management system		
<i>New Initiative – Customer Service Trainee</i>		


## INFORMATION SERVICES

### Directorate – Community and Corporate Services


Responsible Officer	Information Services Manager		
Number of FTEs	1		
<b>2018-2019 Budget</b>			
Operational Revenue	\$0	Capital Revenue	\$0
Operational Expenditure	\$509,486	Capital Expenditure	\$0
Net Operating Cost	\$509,486	Net Capital Cost	\$0

**Program Description**  
Manage Council’s information and communications systems to ensure alignment with business needs and excellent customer service.


**Strategic Priorities and Outcomes**




Roads and transport



Waste and cleanliness



Development and open space



Modern service delivery

Key Outputs	Measures	Targets
Contract management of Council’s Information and Communications Technology (ICT) service	Percentage of Service Desk requests closed against open requests during a period	90%
Information and Communications Technology investment program.		
Deliver, maintain and support Corporate Enterprise Solution software to ensure Council operates effectively (eg the Customer Request Management system (CRM) and an Asset Management system)	CRM workflows for service delivery developed – usage increasing	>5%
Effective and integrated electronic document and records management system (EDRMS)	Responsible Officers record corporate documents in EDRMS in line with policy Incoming mail processed and recorded in system	90% <1 day
Implementation of the Information and Communications Technology Improvement Plan	Annual Actions Complete	>90%
Manage Council’s Geographical Information System (GIS)	Age of GIS Imagery of populated areas	<5 years
<p><i>New Initiatives - Aerial photography for Council's Geographical Information System. New Geographical Information System. Information and Communications Technology Improvement Plan – UPS for servers and Vmware Sphere.</i></p>		

## COMMUNITY SERVICES & COMMUNITY DEVELOPMENT

### Directorate – Community and Corporate Services

Responsible Officer	Director of Community and Corporate Services		
Number of FTEs	1		
<b>2018-2019 Budget</b>			
Operational Revenue	\$82,000	Capital Revenue	\$81,181
Operational Expenditure	\$1,430,995	Capital Expenditure	\$411,181
Net Operating Cost	\$1,348,995	Net Capital Cost	\$330,000

#### Program Description

Support and resource Recreation Reserves committees of management to provide fit for purpose sport and recreational facilities. Develop inspection regimes and maintenance programs for playgrounds and tree maintenance on Recreation Reserves and manage Council's Community Grants Scheme and support community events and programs.

#### Strategic Priorities and Outcomes



Key Outputs	Measures	Targets
Council partnership and support grants	Use of community halls is increasing	>8hrs week
Community events and programs	Calendar produced	Complete
Grant applications	Grants received by Council acquitted within agreed timeframes	100%
Community Procedures and Checklists	Developed	Sep 18
Annual Community Grants Program Community initiatives program	Number of Community events and programs supported	8
Governance and support for the operations of Council's seven Recreation Reserves	Community Survey – Satisfaction with Recreation Reserves	>65
Australia Day Event	Community Participation	>300
Playground Inspection Program	Develop and Implement	Sep 18
<i>New Initiative - Tree Risk Management Plan</i>	Documented	Complete



## GOVERNANCE & RISK

### Directorate – Community and Corporate Services

Responsible Officer: Governance & Risk Advisor

Number of FTEs: 1

#### 2018-2019 Budget (includes HR&WHS)

Operational Revenue	\$0	Capital Revenue	\$0
Operational Expenditure	\$489,335	Capital Expenditure	\$0
Net Operating Cost	\$489,335	Net Capital Cost	\$0

#### Program Description

Provide and supports best practice governance, statutory compliance and risk management for Council.

#### Strategic Priorities and Outcomes



Good governance



Modern service delivery

Key Outputs	Measures	Targets
Maintain the Governance and Risk Management Framework, including risk register, and the Policy Framework	Compliance with legislative requirements as per Department of Local Government (DOLG) Compliance Checklist	100%
Amenity Protection By-Law	Develop	Jun 19
Risk Management Audit Committee support	Risk Management Audit Committee Meetings	4
Coordinate records management review and improvements	Fit for purpose business classification for records in place and monitored.	Complete
Assist with policy development	Annual Policy Review Program	100%
Implement Annual Internal Audit Plan	Internal Audits conducted	3
Advisory support to Leadership Group Meetings		

## THORAK REGIONAL CEMETERY

### Directorate – Community and Corporate Services

Responsible Officer Thorak Manager

Number of FTEs 5.8

### 2018-2019 Budget

Operational Revenue	\$777,447	Capital Revenue	\$0
Operational Expenditure	\$820,749	Capital Expenditure	\$17,530
Net Operating Cost	\$43,302	Net Capital Cost	\$17,530

### Program Description

Operate the Thorak Regional Cemetery and Crematorium for the Top End efficiently and effectively in accordance with approved plans and the Northern Territory Cemeteries Act, Regulations and Council policies.

### Strategic Priorities and Outcomes



Community and Economic Prosperity



Good governance



Modern service delivery

Key Outputs	Measures	Targets
Servicing community needs and regulatory obligations re cemetery records	Compliance with legislative requirements.	100%
Monthly Reporting to the Thorak Board	Achievement of operational budget	100%
Burials including pre-burial site preparation Cremations including processing cremated remains Memorial spaces for ash interments	Community Survey Importance of Thorak Satisfaction with Thorak	>60% >65%
Chapel hire and amenities	Chapel use	>50% capacity
Maintenance of grounds and open spaces, including mowing, planting and irrigation systems	Memorial Inspection	Annual
Maintenance of cemetery plant and equipment Basic upkeep of buildings including cemetery house	Staff efficiency increases	> TBD hours
Sales of cemetery products	Sales Growth	>10%

## + 2018-2019 Annual Budget Summary

Council is projecting a net operating surplus of \$4.3 million in 2018-2019. This will be used to fund the Capital Works Program, along with additional funds drawn from the Financial Reserves. Excluding the projects carried forward from 2017-2018, this is \$135,172 above what was proposed in Council's Long-Term Financial Plan and will go towards sealing Oxford Road (\$400,000 in total).

	Budget 2017-2018	Budget 2018-2019	Variance %
Operational Revenue	14,657,838.00	15,086,437	2.92%
Capital Revenue	2,353,786.00	3,638,411	54.58%
<b>Total Revenue</b>	<b>17,011,624.00</b>	<b>18,724,848</b>	<b>10.07%</b>
Operating Expenditure	13,761,773.00	13,896,287	0.98%
Capital Expenditure	4,171,230.00	6,588,733	57.96%
<b>Total Expenditure</b>	<b>17,933,003.00</b>	<b>20,485,020</b>	<b>14.23%</b>
Net Transfers from Reserves	921,380.00	1,760,172	91.04%
Balance Surplus/Deficit	-	-	

### Operating Revenue 2.92%

- 5% Increase in Rates and growth in rateable properties.
- Road Sealing Special Rate for sealing of William Road and Carveth Road in 2017-2018 and Oxford Road in 2018-2019.
- Increase in Dog Registrations income.
- Decrease in expected subdivisions because of the current economic climate.

### Capital Revenue 54.58%

- Decrease in annual Roads to Recovery funding – total value of the 5-year program \$7,929,143 nearing completion.
- Reduction expected in Developer Contribution fees due to economic downturn.
- Freds Pass Road and Finn Road NT Government Capital Grants works carried over from 2017-2018 financial year.

### Operating Expenses 0.98%

- 2% annual staffing increase as per Enterprise Agreement.
- Increase in utilities charges.
- Removal of election cost due to non-election year.
- Developer Contributions Plan Review carried forward from 2017-2018.

### Capital Expenditure 57.96%

- \$1.4 million carried forward from 2017-2018 for the upgrade of Finn Road.
- \$1.1 million carried forward from 2017-2018 for the upgrade of Freds Pass Road.

## Infrastructure Maintenance

Council has an extensive network of infrastructure assets with a current value of \$261 million. Maintaining these assets in good order requires substantial expenditure each year. The 2018-2019 Budget provides just over \$2million for infrastructure maintenance (including \$53,000 for Council office maintenance). Expenditures for new, renewals and upgrades of assets are found in the Capital Works Program.

### Infrastructure Maintenance Program

	Actual \$ 2015-2016	Actual \$ 2016-2017	Budget \$ 2017-2018	Budget \$ 2018-2019
<b>Road Maintenance Program:</b>				
Kerbing	8,160	42,738	30,000	40,000
Maintenance Grading	135,393	124,211	205,000	195,000
Patching	210,240	207,733	100,000	140,000
Pavements Rehabilitation	605,274	251,259	230,000	180,000
Shoulders	522,258	200,942	200,000	250,000
Signage	146,187	121,462	60,000	85,000
Road Culverts	48,234	108,515	30,000	30,000
Road Table Drains	218,763	370,915	250,000	250,000
Driveway Access	57,624	37,995	105,000	100,000
Driveway Culverts	139,972	220,831	200,000	200,000
Safety Barriers	7,762	15,225	50,000	50,000
Stormwater Drains	96,624	0	90,000	60,000
Stabilisation	1,924	4,582	30,000	20,000
Guide Posts	50,490	49,990	56,000	74,000
Floodways/Causeways	25,996	62,164	60,000	60,000
Line Marking	321,809	150,626	160,000	110,000
Sweeping	16,739	13,640	50,000	40,000
Road and Drainage	-	-	200,000	100,000
Council Office Maintenance Program	39,661	60,900	53,000	53,000
<b>TOTAL</b>	<b>2,653,110</b>	<b>2,043,728</b>	<b>2,159,000</b>	<b>2,037,000</b>

## New Initiatives – Operating Budget

The following new initiatives to be undertaken in the 2018-2019 financial year total \$170,000. New initiatives are included in the annual operating budgets to ensure Council continuously improves how it delivers services. All initiatives contribute to achieving Council's strategic priorities.

Further initiatives, totalling \$6,500, are actions from the Waste Management Strategy that will be funded directly from related financial reserves.

Initiative	Amount \$	Description
Online Demographic and Economic Information Products	12,000	This annual subscription will provide on-line demographic and economic information tools to assist Council and to satisfy community and business information needs.
Aerial Photography for Geographical Information System(GIS)	30,000	The imagery contained in our Geographic Information System (GIS) needs to be updated to ensure we have access to the most appropriate imagery to assess and/or capture information. It is proposed to update Council's photography over 3 years.
New GIS for Council	20,000	Council's GIS is due to expire and will be unsupported from June 2019. We will assess the options available that will allow a smooth transition to a new system to ensure consistent service delivery.
ICT Plan – UPS for Servers	5,000	The IT servers on-site require UPS (battery back-up) to ensure consistent and constant running servers and minimise interruptions to operations due to power outages.
ICT Plan – Vmware Sphere	8,000	This is the license for the foundation of Council's server configuration that hosts all the virtual servers that facilitate all our online services.
Trainee Customer Service Officer	15,000	This provides a full-time job opportunity for a young resident to train in frontline customer service and administration and will allow improvements to customer service delivery.
Tree Risk Management Plan	30,000	The Tree Risk Management Plan will provide a proactive and systematic approach to inspecting trees on Council-owned land.
Aquatic Feasibility Study	50,000	Full detailed design and business case for an aquatic facility - Stage 2 of the Aquatic Study project. Total cost is estimated at \$100,000 to be supported by \$50,000 external funding.
<b>TOTAL</b>	<b>\$170,000</b>	
<b>Funded from Financial Reserves</b>		
Waste Transfer Stations Signage	6,500	Waste Management Strategy recommendation to reflect the greater emphasis on recycling education for the transfer stations.
<b>TOTAL</b>	<b>\$6,500</b>	

## Rating Strategy

### Social and Economic Impact Statement of Rating Strategy

In setting the 2018-2019 financial year's rates and charges, Council has been guided by its Long-Term Financial Plan, Strategic Plan and Litchfield's demographic and economic data.

The Long-Term Financial Plan (updated on an annual basis) proposes an annual increase in general rates of 5% for the next 10 years to secure Council's financial sustainability. This means ensuring there are enough funds for maintaining and renewing Council's assets and for satisfying an increasing demand for a greater range of services, infrastructure and advocacy that has been driven by population growth.

Council has considered the financial capacity of ratepayers and their sensitivity to increases, how best to balance the costs of the present and future benefits and the concept of user-pays for charges. Council believes that despite the current dampened economic climate in the Northern Territory, the extent of the rate rise (on average less than \$1 a week) will have a low impact on residents, even for relatively low-income households.

The following data informed Council's decision.

**Litchfield Weekly Household Income** – ABS Census Data 2016 compiled by profile.id



**Litchfield Household Data** - ABS Census Data 2016 compiled by profile.id

Median weekly household income	<b>\$2,109</b>
Housing fully owned	<b>27.3%</b>
Households with a mortgage	<b>40%</b>
Median weekly mortgage repayment	<b>\$578</b>
Households Renting	<b>17%</b>
Median weekly rent	<b>\$401</b>

In 2018-2019, 55% of Council's income will be raised through rates. Council will also draw on its financial reserves, though in the long-term, as noted in the Long-Term Financial Plan, Council is mindful this is not sustainable and has flagged the need to review its rating policy.

The current rating policy has three categories, each with a different basis for charging, as follows:

- Residential rural – a fixed rate per property.
- Residential urban (Coolalinga) – a fixed rate per property.
- Other (includes commercial and industrial) – a valuation-based rate per property with a minimum charge set.

Council has opted to increase rates by 5% for rural residential properties and commercial/industrial properties. The residential urban (Coolalinga) rate remains the same for the second year running.

Residential Rate + Waste Charge		2017-2018	2018-2019	Variance
<b>Coolalinga</b>	Rate	\$1,215	\$1,215	\$0
	Waste	\$349	\$359	\$10
<b>General Residential</b>	Rate	\$765	\$803	\$38
	Waste	\$349	\$359	\$10

**Rural Residential (excluding Coolalinga) and Commercial / Industrial Rates % Increases Over Time**

2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
4.2	6	3.5	5	5.5	5	5

**Gas Plant – Rates Over Time**

2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
2,510	28,008	28,986	30,435	33,554	44,795	52,411

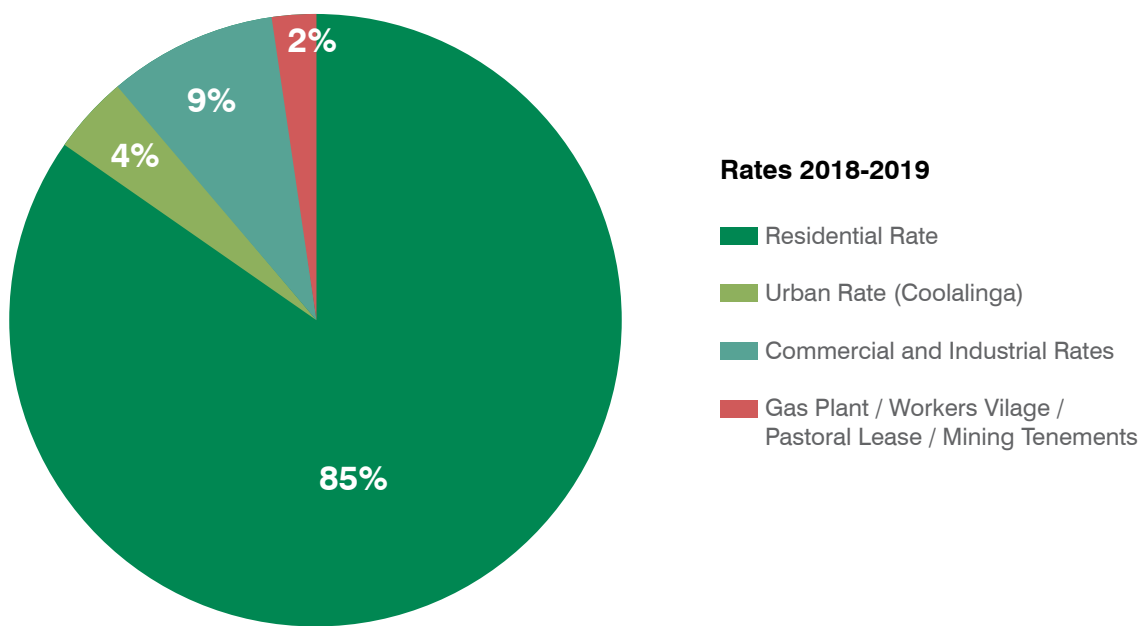
**Workers Village – Rates Over Time**

2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
2,485	25,153	24,483*	25,707	28,278	37,751	44,169

\*Reduction in UCV mid-year

**Rate Revenue**

	Budget \$ 2016-2017	Budget \$ 2017-2018	Budget \$ 2018-2019
<b>Residential Rate</b>	5,486,454.00	5,890,585.00	6,121,269.00
<b>Urban Rate (Coolalinga)</b>	285,610.00	289,170.00	291,600.00
<b>Commercial &amp; Industrial Rates</b>	535,711.64	614,483.44	647,881.00
<b>Gas Plant / Workers Village / Pastoral Lease / Mining Tenements</b>	33,554.25	159,118.27	168,747.00
<b>TOTAL</b>	<b>6,341,329.89</b>	<b>6,953,356.71</b>	<b>7,229,497.00</b>



With residential rates being 85% of the income generated through rates on property, a review of the rating strategy is important to ensure the rates 'burden' is distributed equitably.



## Rating Structure

Planning Zone	Code*	No. of properties	Rate 2017-2018	Rate 2018-2019
<b>Fixed Rates</b>				
Allotments of residential land other than Coolalinga	SD; R; RR; MD; MR; HR; SU; CP; RD; U; CL; HT; PS; CN; OR	7623	765.00	803.00
Allotments of residential land comprising of the suburb of Coolalinga	SD; R; RR; RL; MD; MR; HR	240	1,215.00	1,215.00
Mining Tenements	As approved by the Minister	83	871.68	871.68
Pastoral Lease	As approved by the Minister	2	368.31	368.31
<b>Valuation Based (UCV)</b>				
Allotments of commercial/industrial land	CB; FD; TC; C; SC; CV; GI; DV; LI;	265	0.189871% Min. Charge \$1,395	0.200372% Min. Charge \$1,471
Gas Plant (Hundred 045 Lot 01860, Hundred 045 Lot 01872, Hundred 000 Lot 07002)	MZ	3	0.251661%	0.294443%
Workers Village (Hundred 055 Lot 06128)	MZ	1	0.503348%	0.588917%
<b>Charge</b>				
Waste Charge		7897	\$349.00	\$359.00
<b>Special Rate</b>				
Area A Road (William Road)	RR	11	N/A	\$4,010.00
Area B Road (Carveth Road)	RR	6	N/A	\$4,010.00
Area C Road (Oxford Road)	RR	12	N/A	\$4,210.50

\*Refer to the NT Planning Scheme

The Waste Charge in 2018-2019 will be \$359 per allotment, an increase of \$10.

Where Council seals a road, a contribution from property owners is charged as a special rate to defray costs. In 2018-2019 Council will apply a special rate to properties on William Road and Carveth Road for sealing these roads in 2017-2018 and on Oxford Road to seal this road during the 2018-2019 financial year.

## Sponsorships, Grants and Operating Subsidies

The Community Grants Scheme was launched in 2017 following the development of Council's Grants, Donations and Sponsorship Policy (FIN07) and subsequent guidelines for the Scheme. The Scheme provides a framework for delivering grant funding to the community with clear links to achieving the Strategic Plan 2018-2022 outcomes and our vision to be the best place to live in the Top End. The funding supports community groups and organisations to run events, facilities and programs that provide opportunities to connect and to enrich life in local communities.

### Recreation Reserves Funding Support

Council externally funds and supports five recreation reserves on Council land across the municipality through providing operational funding to enable each Reserve Committee to maintain facilities and support a range of activities. Two of Council's reserves are directly managed and funded by Council.

	2017-2018	2018-2019 Total funding	Paid directly to Recreation Reserve Management Committees	Tree Maintenance	Annual Assessment Playground
<b>Operating Contributions to Recreation Reserves</b>					
Freds Pass Reserve	\$648,788	\$685,500	\$625,000	\$60,000	\$500
McMinns Reserve	\$17,255	\$25,000	\$15,000	\$10,000	\$ -
Humpty Doo Village Green	\$86,275	\$103,500	\$83,000	\$20,000	\$500
Berry Springs Reserve	\$58,160	\$65,500	\$55,000	\$10,000	\$500
Livingstone Reserve	\$51,765	\$58,500	\$48,000	\$10,000	\$500
<b>TOTAL</b>	<b>\$862,243</b>	<b>\$938,000</b>	<b>\$826,000</b>	<b>\$110,000</b>	<b>\$2,000</b>
<b>New Initiatives for Recreation Reserves</b>					
Tree Risk Management Plan		\$30,000	\$ -	\$30,000	\$ -

	2017-2018 \$	2018-2019 \$	Description
<b>Grants / Donations</b>			
Freds Pass Show Sponsorship	40,000	40,000	Funds to assist the running of the Freds Pass Show
Palmerston & Rural Seniors Group	5,000	5,000	Grant to support the seniors' festival within the Litchfield Community
Library Heritage Collection	4,000	4,000	Funding to support the preservation of community heritage at Taminmin College
Library Support NTL	6,000	0	Funding no longer required
Southport Mira Square	5,000	5,000	Funds to support the development of community facilities on Mira Square
NT Natural Resource Management Awards	2,500	2,500	Grant to support the NT Natural Resource Management Awards
Community Initiatives	7,500	7,500	Up to 15 Community initiatives at \$500
Annual Community Grants	30,000	33,000	Annual grants up to \$5,000
Other Donations	2,000	0	
<b>TOTAL</b>	<b>102,000</b>	<b>97,000</b>	
<b>Community Support / Community Events</b>			
Women in Business Network	10,000	6,000	Council Sponsored Network
Queen's Baton Relay	10,000	0	One-off Community Event in 2018
Australia Day Community Event	7,000	7,000	Annual Community Event
NT Youth Week Event	500	1000	Annual Community Event
Anzac Day Activities	1,000	1,000	Commemorative Services
Freds Pass Annual Show Stall	10,000	10,000	Community Engagement at major event
Other Community Support	1,000	0	
<b>TOTAL</b>	<b>39,500</b>	<b>25,000</b>	

## Elected Members Allowances

In accordance with Section 71(3) of the Local Government Act, the elected members' allowances are set annually by Council. The allowances for the 2018-2019 financial year are as follows:

Elected Members Allowances for 2018-2019	Amount \$		
	Mayor	Deputy Mayor	Councillor
Annual Base Allowance	73,125.37	27,039.81	13,151.83
Annual Electoral Allowance	19,247.18	4,812.67	4,812.67
Extra Meeting Allowance	-	-	8,767.88
Professional Development Allowance	3,653.68	3,653.68	3,653.68
<b>Total Maximum Claimable</b>	<b>96,026.23</b>	<b>35,506.16</b>	<b>30,386.06</b>
2017-2018 Elected Members Allowance Totals	96,026.23	35,506.16	30,386.06
Variance	-	-	-

### Annual Base Allowance

This allowance covers those activities required of an elected member in the performance of their role as an elected representative and includes, but is not limited to:

- Agenda study and meeting preparation.
- Attendance at regular Council and committee meetings.
- Attendance at social functions as a Council representative.
- Constituency responsibilities.
- Council representation outside Litchfield Municipality, including delegations interstate and overseas, unless such representation has been approved as an Extra Meeting.

### Annual Electoral Allowance

This allowance is provided to assist elected members with electoral matters and can be used at the discretion of individual elected members.

### Extra Meeting Allowance

This allowance is available in accordance with Council's Elected Member Benefit and Support Policy (EM05). The amount claimable is determined by Council resolution and cannot exceed the maximum set by the Minister as detailed above.

### Professional Development Allowance

This allowance is available in accordance with Council's Elected Member Benefit and Support Policy (EM05) and enables elected members to attend appropriate and relevant conferences or training courses to build their professional capacity to fulfil their role on Council.

# 2018-2019 Annual Budget in detail

## Analysis of the Operating Budget

### Operating Revenue

Overall, operating income for the 2018-2019 financial year will increase by \$428,599 (2.9%) compared to the 2017-2018 budget. The table below identifies the changes in Operating Revenue by Directorate.

### Operating Revenue by Directorate

Directorate	Department	Budget 2017-2018 (\$)	Budget 2018-2019 (\$)	Variance in \$ Increase / (Decrease)
<b>Council Leadership</b>	Elected Members, Office of the CEO and Community Engagement	-	-	-
<b>Community and Corporate Services</b>	Finance	8,174,865	8,472,205	297,340
	Community	79,500	82,000	2,500
	Corporate	-	-	-
	Information Services	27,500	-	(27,500)
	Thorak Regional Cemetery	725,125	777,447	52,322
<b>Infrastructure and Operations</b>	Mobile Work Force	-	-	-
	Planning and Development	162,430	51,836	(110,594)
	Regulatory Services	34,000	70,750	36,750
	Works	2,467,580	2,583,776	116,196
	Waste Management	2,986,838	3,048,423	61,585
<b>TOTAL</b>		<b>14,657,838</b>	<b>15,086,437</b>	<b>428,599</b>

The main increase in income will be generated through the 5% increase in rural residential and commercial/ industrial rates (displayed in the Finance Department), as well as an increase in Federal Assistance Grants for Roads Maintenance of \$77,200 shown in the Works Department. The Waste Management Department is budgeted to generate \$61,585 more income with the waste charge in 2018-2019.

The increase of 7% at the Thorak Regional Cemetery is mainly due to anticipated interment rights sales and an increase in fees set by the Council acting as the Thorak Regional Cemetery Board.

Whilst certain departments had an increase in budget, other departments are projecting a decline in income in 2018-2019. The main decrease in income is \$110,594 in the Planning and Development Department, which is mainly due to the economic downturn resulting in fewer subdivisions being developed. This causes a reduction in Developer Contributions Fees collected by Council.

In previous years, Information Services received a small amount of income from work performed for the City of Palmerston. No additional income is expected in the Information Services Department, as the support is no longer required.

## Operating Expenses

Operating Expenses are budgeted to increase by 0.98% in 2018-2019. Considering annual increments of contracts and the 2% Enterprise Agreement increases in salaries, this demonstrates that efficiencies have been made across areas and a responsible 2018-2019 budget. The table below identifies the changes in Operating Expenses by Department.

### Operating Expenses by Department

Directorate	Department	Budget 2017-2018 (\$)	Budget 2018-2019 (\$)	Variance in \$ Increase / (Decrease)
<b>Council Leadership</b>	Elected Members, Office of the CEO and Community Engagement	1,071,161	953,231	(117,930)
<b>Community and Corporate Services</b>	Finance	1,522,941	1,523,732	791
	Community	1,285,840	1,430,995	145,155
	Corporate	466,900	489,335	22,435
	Information Services	469,156	509,486	40,330
	Thorak Regional Cemetery	791,655	820,749	29,094
<b>Infrastructure and Operations</b>	Mobile Work Force	1,226,644	1,249,031	22,387
	Planning and Development	609,494	688,273	78,779
	Regulatory Services	376,940	364,614	(12,326)
	Works	3,112,938	3,101,389	(11,549)
	Waste Management	2,828,104	2,765,452	(62,652)
<b>TOTAL</b>		<b>13,761,773</b>	<b>13,896,287</b>	<b>134,514</b>

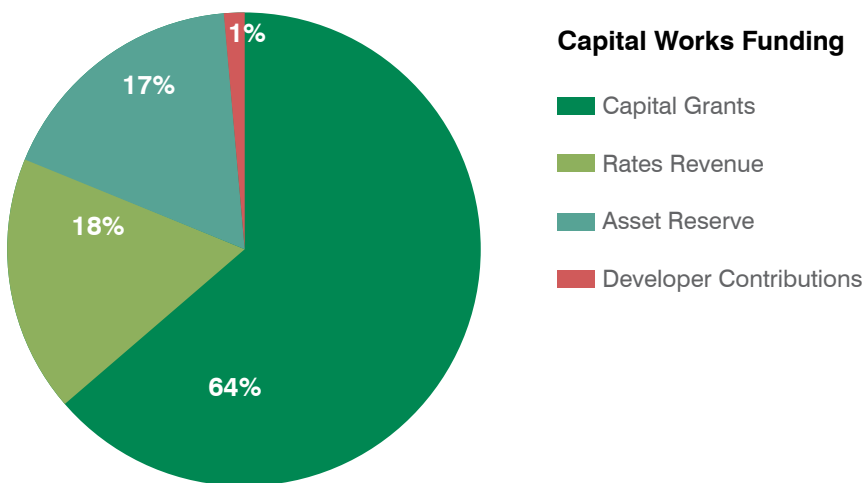
Overall the main reason for the total increase in Operating Expenses is the increase in investment in the Community Services Department with more funds being allocated towards the maintenance of Recreation Reserves and the availability of Community Grants.

The increases in expenses for the departments- Information Services and Planning and Development are due to New Initiatives planned for the 2018-2019 year (eg completion of the revised Developer Contributions Plan and improvements to the GIS system).

## Analysis of the Capital Budget

Capital works are works that improve or replace an existing asset or create a new asset for Council. Due to the restricted Rates Income, Council is heavily reliant on grant funding and funds drawn from the Asset Reserve. In addition to the commitment of Council's Long-Term Financial Plan of transferring \$1million each year from the Asset Reserve to fund the road infrastructure gap, the 2018-2019 Budget intends to draw an additional \$147,884 (13% more) from the Asset Reserve to seal Oxford Road.

### Source of Funding for Capital Works 2018-2019

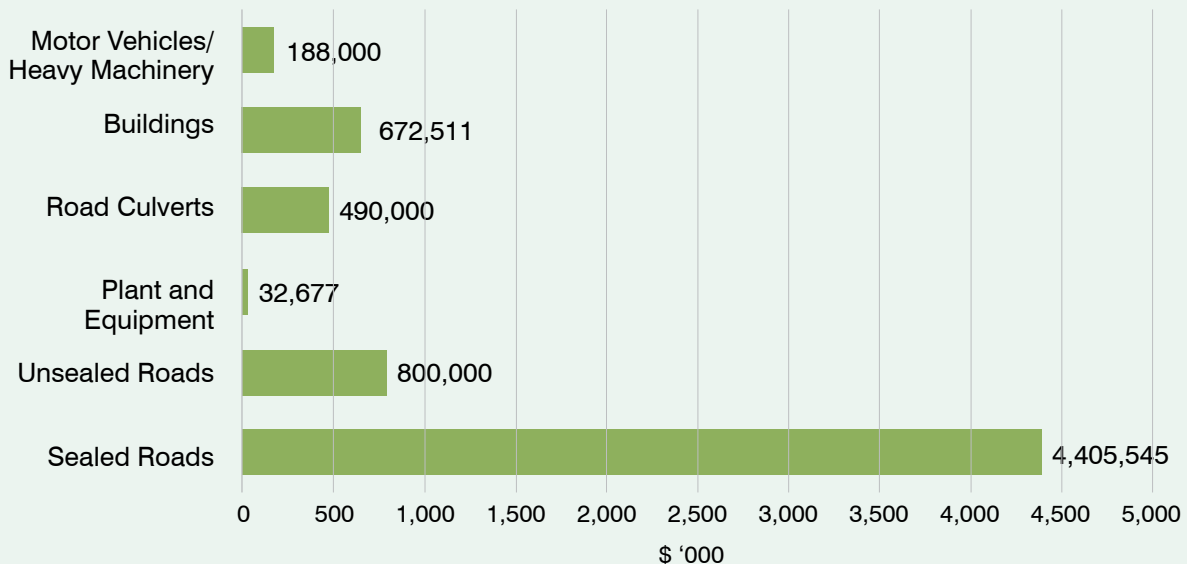


Overall, Capital Revenue is expected to increase by \$1,284,625 in 2018-2019. The increase is not a real increase in funds. We are to receive progress payments of \$2,220,500 in the 2018-2019 financial year from successful grants awarded in the 2017-2018 year for capital projects. This is offset by a decrease in developer contributions from a reduction in the number of subdivisions.

### Capital Revenue by Directorate

Directorate	Department	Budget 2017-2018 (\$)	Budget 2018-2019 (\$)	Variance in \$ Increase / (Decrease)
<b>Council Leadership</b>	Elected Members, Office of the CEO and Community Engagement	-	-	
<b>Community and Corporate Services</b>	Finance	-	-	
	Community	-	81,181	81,181
	Corporate	-	-	
	Information Services	-	-	
	Thorak Regional Cemetery	-	-	
<b>Infrastructure and Operations</b>	Mobile Work Force	30,000	60,000	30,000
	Planning and Development	763,409	60,353	(703,056)
	Regulatory Services	-	-	
	Works	1,547,377	3,436,877	1,889,500
	Waste Management	13,000	-	(13,000)
<b>TOTAL</b>		<b>2,353,786</b>	<b>3,638,411</b>	<b>1,284,625</b>

### Capital Expenditure on Assets



Capital Expenditure is predicted to increase by 57.6% in 2018-2019. This increase is directly attributed to the commencement or completion of projects previously intended to be undertaken in 2017-2018 financial year.

The projects to be carried forward from previous years include:

- Freds Pass Sport and Recreation Reserve Upgrade - \$3,000,000 invested by the NT Government's Department of Sport & Recreation for Stage 1 of the Freds Pass Reserve Management Plan. In 2018-2019, \$300,000 is expected to be carried forward to the next year to complete the project.
- Freds Pass Road Upgrade – This project is funded by the NT Government Department of Transport Improving Strategic Local Roads Infrastructure Program. The project has been delayed due to the need to redesign the road. This will continue in the 2018-2019 financial year, with funding of \$720,500 yet to be received and \$1,070,500 to be expended.
- Finn Road Upgrade – This project is fully funded with \$1,500,000 funding by NTG Department of Infrastructure, Planning and Logistics. The project will be carried forward to the 2018-2019 financial year with the tender expected to be awarded in June 2018. This project will improve drainage and extend existing culvert structures to meet the Clear Zone standard.
- Mobile Work Force Shed – Funding of \$225,000 provided by the NT Government's Department of Housing and Community Development has been set aside in unexpended grants awaiting further analysis on the locality, design and approval of the construction of the Mobile Work Force Shed.



## Capital Expenditure by Department

DIRECTORATE Department	PROJECTS	COSTS(\$)
<b>INFRASTRUCTURE AND OPERATIONS</b>		
<b>Works</b>	Resealing of roads	1,000,045
	Freds Pass Road Drainage Upgrade - Beaumont to Strangways Roads (BlackSpot Funding – awaiting approval)	478,000
	Re-sheeting of roads (Renewal)	400,000
	Purchase of 3 Armadillo Traffic Counters	18,000
	Purchase and installation of safety rails along Leonino Road	90,000
	Purchase and installation of safety rails along Hicks Road	90,000
	Carruth Road Line-marking (Girraween Primary School or NTG 50% funding awaiting approval)	30,000
	Installation of Culverts on Pioneer Drive/Beddington Road Intersection	200,000
	Installation of Culverts along Beddington Road	110,000
	Pavement repairs and strengthening along Whitewood Road	427,000
	Oxford Road Sealing	400,000
	Freds Pass Road Upgrade (Carried forward from 2017/18)	1,070,500
	Finn Road Upgrade (Carried forward from 2017/18)	1,400,000
	Irrigation system	6,800
	Footpaths	36,000
	Council building - Meeting Room	11,000
<b>TOTAL</b>		<b>5,767,345</b>
<b>Mobile Work Force</b>	Tractor with loader replacement	150,000
	Mower replacement	38,000
<b>TOTAL</b>		<b>188,000</b>
<b>Waste Management</b>	Vibrating Plate Compactor to suit Caterpillar Backhoe	14,677
	Shade Structure at Howard Springs WTS	60,000
	Gatehouse at Berry Springs WTS	30,000
	Mains power connection / Water Tank Berry Springs WTS	100,000
<b>TOTAL</b>		<b>204,677</b>

DIRECTORATE Department	PROJECTS	COSTS(\$)
<b>COMMUNITY AND CORPORATE SERVICES</b>		
<b>Community</b>	Howard Park Recreation Reserve - Recondition existing playground and shade structure (Special Purpose Grant Funding – Round 2 awaiting approval)	81,181
	Howard Park Recreation Reserve - Kitchen replacements for both buildings	30,000
	Freds Pass Sport and Recreation Reserve Infrastructure Upgrade (Carried forward from 2017/18)	300,000
<b>TOTAL</b>		<b>411,181</b>
<b>Thorak</b>	Resealing of Bitumen - Office Carpark and Workshop	10,000
	Inspect existing bores x 3	7,530
<b>TOTAL</b>		<b>17,530</b>
		<b>6,588,733</b>

The table below outlines resealing works to be undertaken on Council's roads in 2018-2019:

### Road Reseal Program

Road name	Length (m)
Kareela Drive	940
Donaldo Court	195
Schimer Court	200
Draper Road	440
Yates Road	330
Mira Road South	450
Farrar Road	700
Secrett Road	1620
Holly Road	300
Notta Road	350
Jervois Road	750
Fisher Road	490
Strawberry Road	700
Bridgemaury Crescent	1725
Acacia Road	1745
Bruce Court	440
Marian Road	370
Jeffries Road	1570
Collard Road	365
Edelsten Road	900
Redgum Drive	1420
Emanuel Road	375
Sittella Road	1000
<b>TOTAL</b>	<b>17,375m</b>

### Sources of funding for the 2018-2019 Reseal Program

Developer Contributions Reserve	\$31,945
National Roads to Recovery Fund	\$723,377
Asset Reserve	\$244,723
<b>TOTAL COST of Reseal</b>	<b>\$1,000,045</b>

Ward	Number of Roads	Length
South	4 Roads	2.59km
North	5 Roads	3.85km
East	9 Roads	8.24km
Central	4 Roads	2.39km

## + 2018-2019 Annual Budget reporting

This section provides financial information on Council's projected performance in 2018-2019. In preparing the budget, a conservative approach has been taken in incorporating all the known factors and making prudent assumptions for forecasting.

### Financial Indicators

The financial indicators identified below are parameters set to measure the long-term financial sustainability of Litchfield Council.

#### Summary of Ratios

<b>Current Ratio</b>	Measures the effectiveness of Council's ability to pay its debts as they fall due. (Current Assets less Externally Restricted Assets over Current Liabilities).
<b>Debt Service Ratio</b>	Measures Council's zero debt obligation (Net Debt Service Cost over Operating Revenue).
<b>Rate Coverage Percentage</b>	Measures Council's rates sourced income against total income. This excludes Charges. (Rate Revenue over Total Revenue).
<b>Rates and Annual Charges Outstanding</b>	Measures the effectiveness in recovering Council's debts owed. (Rates and Charges outstanding over Rates and Charges Collectible).
<b>Own Source Revenue Coverage Ratio</b>	Measures the reliance of Council on external funding. (Own Source Revenue over Operating Expenditure).
<b>Asset Sustainability Ratio</b>	Measures the extent to which Council is renewing its assets. (Replacement and Renewal of Assets over Depreciation Expense).

	Actual 2015-2016	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
Current Ratio	8.8:1	6.96:1	8.5:1	10.10:1
Debt Service Ratio	0%	0%	0%	0%
Rate Coverage Percentage	39.27%	28.30%	36.12%	39.56%
Rates & Annual Charges Outstanding Percentage	28.41%	22.52%	23.47%	<15%
Own Source Revenue Coverage Ratio	40.09%	40.73%	40.90%	>60%
Asset Sustainability Ratio	34.29%	29.74%	25.32%	>60%

## Budgeted Statement of Comprehensive Income

This statement provides a detailed summary of all Council's income and operating expenses, including depreciation. The Operating Deficit illustrates Council's overall financial performance and inability to fund the consumption of assets.

In 2018-2019, we will manage a total income of over \$18million (including capital grants and contributions). Most of this income will come from rates and capital grants.

Council's largest expenses are employee costs (44%) and contractors (30%).

	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
<b>Income</b>			
Rates	9,812,902	9,697,195	10,243,216
Statutory Charges	36,922	33,500	70,250
User Charges	1,096,342	1,217,955	1,143,033
Grants Subsidies & Contributions – NT Recurrent	136,105	-	-
Grants Subsidies & Contributions – NT Capital	250,000	-	2,301,681
Grants Subsidies & Contributions – Cwlth Recurrent	4,459,048	2,939,688	2,939,688
Grants Subsidies & Contributions – Cwlth Capital	2,778,780	1,547,377	1,201,377
Grants Subsidies & Contributions – Other	245,234	807,909	79,353
Investment Income	812,587	725,000	686,250
Reimbursements	15,217	-	-
Other Income	140,916	43,000	60,000
<b>Total Income</b>	<b>19,784,053</b>	<b>17,011,624</b>	<b>18,724,848</b>
<b>Expenses</b>			
Employee Costs	5,562,439	5,975,124	6,121,026
Materials, Contracts & Other Expenses	7,467,712	7,788,149	7,775,261
Depreciation, Amortization & Impairment	16,749,678	16,749,678	16,749,678
<b>Total Expenses</b>	<b>29,779,829</b>	<b>30,512,951</b>	<b>30,645,965</b>
<b>Operating Deficit</b>	<b>(9,995,776)</b>	<b>(13,501,327)</b>	<b>(11,921,117)</b>
Net gain (loss) on disposal or revaluation of assets	28,396	-	-
Amounts received specifically for new or upgraded assets	245,000	-	-
Physical resources received free of charge	887,075	-	-
<b>Net Deficit</b>	<b>(8,835,305)</b>	<b>(13,501,327)</b>	<b>(11,921,117)</b>

## Budgeted Statement of Financial Position

This Statement provides our best estimate of the assets Council will own and the liabilities Council will have as at the period ended 30 June 2019.

	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	1,930,063	1,007,184	1,032,184
Trade & Other Receivables	2,486,043	1,900,000	1,900,000
Other Financial Assets	19,574,537	19,574,537	18,589,365
<b>Total Current Assets</b>	<b>23,990,643</b>	<b>22,481,721</b>	<b>21,521,549</b>
<b>Non-Current Assets</b>			
Infrastructure, Property, Plant & Equipment	271,163,166	260,729,177	251,318,232
Other Non-Current Assets	2,144,459	750,000	750,000
<b>Total Non-Current Assets</b>	<b>273,307,625</b>	<b>261,479,177</b>	<b>252,068,232</b>
<b>Total Assets</b>	<b>297,298,268</b>	<b>283,960,898</b>	<b>273,589,781</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	1,573,163	1,500,000	1,500,000
Provisions	720,061	495,000	495,000
<b>Total Current Liabilities</b>	<b>2,293,224</b>	<b>1,995,000</b>	<b>1,995,000</b>
<b>Non-Current Liabilities</b>			
Provisions	339,745	295,000	295,000
<b>Total Non-Current Liabilities</b>	<b>339,745</b>	<b>295,000</b>	<b>295,000</b>
<b>Total Liabilities</b>	<b>2,632,969</b>	<b>2,290,000</b>	<b>2,290,000</b>
<b>NET ASSETS</b>	<b>294,665,299</b>	<b>281,670,898</b>	<b>271,299,781</b>
<b>Equity</b>			
Accumulated Surplus	37,198,032	21,395,132	12,784,187
Asset Revaluation Reserves	243,311,730	243,311,730	243,311,730
Other Reserves	14,155,537	16,964,036	15,203,864
<b>TOTAL EQUITY</b>	<b>294,665,299</b>	<b>281,670,898</b>	<b>271,299,781</b>

## Budgeted Statement of Cash Flow

This statement provides a summary of the flow of cash and insight into where Council receives and spends its cash.

	Actual 2016-2017	Budget 2017-2018	Budget 2018-2019
<b>Cash Flows from Operating Activities</b>			
<b>Receipts</b>			
Rates - general & other	9,689,096	9,697,195	11,043,216
Fees & other charges	1,361,838	1,251,455	1,213,283
Investment receipts	806,120	725,000	686,250
Grants utilised for operating purposes	8,459,355	5,294,974	6,522,099
Other operating receipts	2,570,503	43,000	60,000
<b>Payments</b>			
Employee costs	(5,378,080)	(5,975,124)	(6,121,026)
Contractual services & materials	(8,259,709)	(7,788,149)	(7,775,261)
<b>Other operating payments</b>	<b>(2,794,225)</b>	-	-
<b>Net Cash provided by Operating Activities</b>	<b>6,454,898</b>	<b>3,248,351</b>	<b>5,628,561</b>
<b>Cash Flows from Investing Activities</b>			
<b>Receipts</b>			
Amounts specifically for new or upgraded assets	245,000	-	-
Sale of surplus assets	179,924	-	-
Net disposal of investment securities	194,687	-	985,172
<b>Payments</b>			
Expenditure on renewal/replacement of assets	(6,417,656)	(4,171,230)	(6,588,733)
Net disposal of investment securities	-	-	-
<b>Net Cash used in Investing Activities</b>	<b>(5,798,045)</b>	<b>(4,171,230)</b>	<b>(5,603,561)</b>
<b>Net Change in Cash Held</b>	<b>656,853</b>	<b>(922,879)</b>	<b>25,000</b>
Cash & cash equivalents at beginning of period	1,273,210	1,930,063	1,007,184
Cash & cash equivalents at end of period	1,930,063	1,007,184	1,032,184

## Budgeted Statement of Reserves

### Financial Reserves

This statement provides a summary of Council's Financial Reserves balances from the forecast balance as per 30 June 2018 to year end of the 2018-2019 financial year, including any transfers to and from each Financial Reserve.

The purpose of Council's Financial Reserves is to ensure sufficient funds are set aside for specific purposes as they arise. Council's Long-Term Financial Plan draws \$1,000,000 from Financial Reserves each year to fund the ongoing maintenance and renewal of Council's infrastructure assets. Council's Financial Reserves Policy (FIN04) describes Council's intentions in using those funds.

	Balance at 1 July 2018	Transfer TO	Transfer FROM	Net Movement	Balance at 30 June 2019
<b>Externally Restricted Reserves</b>					
Developer Contribution Reserve	1,157,477	60,353	(80,882)	(20,529)	1,136,948
Unexpended Grants and Contributions	790,000	-	(565,000)	(565,000)	225,000
<b>Internally Restricted Asset Related Reserves</b>					
Asset Reserve	9,884,258	-	(1,102,105)	(1,102,105)	8,782,153
<b>Internally Restricted Other Reserves</b>					
Waste Management Reserve	3,928,572	289,471	(211,177)	78,294	4,006,866
Election Reserve	100,000	-	-	-	100,000
Disaster Recovery Reserve	500,000	-	-	-	500,000
Strategic Initiatives Reserve	435,691	-	(90,000)	(90,000)	345,691
Cemetery Reserve	168,038	-	(60,832)	(60,832)	107,206
<b>TOTAL</b>	<b>16,964,036</b>	<b>349,824</b>	<b>(2,109,996)</b>	<b>(1,760,172)</b>	<b>15,203,864</b>

# Long-Term Financial Plan

## Long-Term Financial Plan Assumptions

*This Litchfield Council Long-Term Financial Plan is prepared in accordance with Section 126 of the Local Government Act. The Long-Term Financial Plan details the expected activities over the duration of the plan from the year ended 2018-2019 to the year ended 2022-2023.*

A long-term financial plan is an important element of Council's planning effort to ensure a sustainable future. It ensures good practice in managing Council's assets, including roads and drainage infrastructure. It also provides Council with a tool to assess the impact of financial decisions into the future.

The Long-Term Financial Plan continues to rely on Financial Reserves to fund Capital Expenditure. This highlights Council advocating to gain access to the maximum possible of available grant funding to improve existing assets or construct new assets, including its road infrastructure and buildings and Recreation Reserves, some of which are managed by committees. It also illustrates the need to operate more efficiently and source other income across all service delivery sectors.

ITEM	INCREMENT 2018-2019 to 2020-2021	INCREMENT 2021-2022 to 2022-2023
<b>INCOME</b>		
General Rates	5.0% + \$25,000 growth	5.0% + \$25,000 growth
Waste Charge	3.0% + \$10,000 growth	3.0% + \$10,000 growth
Statutory Charges	0.0%	0.0%
User Charges	5.0%	5.0%
Grants, Subsidies and Contributions	1.5%	1.5%
Investment Income	-3.0%	-3.0%
Other Income	Thorak Cemetery Assistance	Thorak Cemetery Assistance
<b>EXPENSES</b>		
Total Employee Costs	2.1 – 2.7%	2.4%
Auditor Fees	1.0%	1.0%
Elected Member Expense	2.0%	2.0%
Election Expenses	10% growth every 3 years	10% growth every 3 years
Cemetery Operations	1.5%	2.0%
Contractors	1.5%	2.0%
Energy	2.0%	2.5%
Insurance	2.0%	2.5%
Maintenance	1.5%	2.0%
Legal Expenses	0.0%	0.0%
Donations and Community Services	1.5%	2.0%
Computer / IT Costs	1.5%	2.0%
Parts, Accessories and Consumables	1.5%	2.0%
Professional Services	1.5%	2.0%
Sundry Expenses	1.5%	2.0%
New Initiatives	0.0%	0.0%



## + Long-Term Financial Plan 2018-2023

Each year Council reviews the Long-Term Financial Plan as part of developing the Municipal Plan. The key objective is financial sustainability in the medium to long-term, while making progress on Council's strategic priorities, as per the Strategic Plan 2018-2022.

Underlying strategies to improve long-term sustainability include:

- Exploring opportunities to increase income from sources other than rates.
- Advocating for project support and funding.
- Improving asset management.
- Using discretionary reserves for capital expenditure in the short term.
- Constraining growth in operating costs.
- Increasing rate income.

	Budget 2018-2019	Plan 2019-2020	Plan 2020-2021	Plan 2021-2022	Plan 2022-2023
<b>INCOME</b>					
Rates					
General Rates	7,289,497	7,653,972	8,036,671	8,438,505	8,860,430
Waste Charge	2,835,023	2,920,074	3,007,676	3,097,906	3,190,843
Road Levy	118,696	-	-	-	-
Statutory Charges	70,250	70,250	70,250	70,250	70,250
User Charges	1,143,033	1,200,185	1,260,194	1,323,204	1,389,364
Grants, Subsidies and Contributions	6,044,099	3,878,923	3,937,107	3,996,164	4,056,106
Investment Income	686,250	665,663	645,693	626,322	607,532
Reimbursements	-	-	-	-	-
Other Income	60,000	70,000	70,000	70,000	70,000
<b>TOTAL Income</b>	<b>18,246,848</b>	<b>16,459,067</b>	<b>17,027,591</b>	<b>17,622,351</b>	<b>18,244,525</b>

	Budget 2018-2019	Plan 2019-2020	Plan 2020-2021	Plan 2021-2022	Plan 2022-2023
<b>EXPENSE</b>					
Employee Costs					
Salaries	5,280,290	5,422,858	5,558,429	5,691,831	5,828,435
Superannuation	541,736	556,363	570,272	583,959	597,974
Workers Compensation Insurance	105,000	107,100	109,242	111,973	114,772
Fringe Benefit Tax	24,300	24,786	25,282	25,889	26,510
Other Employee Costs	154,700	157,794	160,950	164,813	168,769
Auditors Fees	36,600	36,966	37,336	37,709	38,086
Bad Debts	-	-	-	-	-
Elected Member	241,311	252,032	257,073	262,214	267,458
Election Costs	-	-	-	150,381	-
Cemetery Expenses	300,200	304,703	309,274	315,459	321,768
Contractors	4,155,620	4,217,954	4,281,223	4,366,847	4,454,184
Energy	235,200	239,904	244,702	250,820	257,091
Insurance	190,500	194,310	198,196	203,151	208,230
Maintenance	647,500	657,213	667,071	680,412	694,020
Legal Expenses	145,000	70,000	70,000	70,000	70,000
Donations	117,250	123,069	124,915	127,413	129,961
Computer/IT costs	303,025	307,570	312,184	318,428	324,797
Parts, Accessories & Consumables	261,000	271,005	275,070	280,571	286,182
Professional Fees	576,870	494,173	501,586	511,618	521,850
Sundry	403,685	407,710	413,826	422,103	430,545
New Initiatives	176,500	200,000	200,000	200,000	200,000
Depreciation	16,749,678	16,749,678	16,749,678	16,749,678	16,749,678
<b>TOTAL EXPENSES</b>	<b>30,645,965</b>	<b>30,795,188</b>	<b>31,066,309</b>	<b>31,525,269</b>	<b>31,690,310</b>
<b>UNDERLYING OPERATING RESULT</b>	<b>(12,399,117)</b>	<b>(14,336,121)</b>	<b>(14,038,718)</b>	<b>(13,902,918)</b>	<b>(13,445,785)</b>
One-off Capital Grants	478,000	600,000	600,000	600,000	600,000
<b>Operating Deficit</b>	<b>(11,921,117)</b>	<b>(13,736,121)</b>	<b>(13,438,718)</b>	<b>(13,302,918)</b>	<b>(12,845,785)</b>
Operating Surplus/(Deficit) less Depreciation	4,828,561	3,013,557	3,310,960	3,446,760	3,903,893
<b>Capital Spend</b>					
Operating	4,350,561	2,413,557	2,710,960	2,846,760	3,303,893
Capital Grants	478,000	600,000	600,000	600,000	600,000
Reserve	1,760,172	1,000,000	1,000,000	1,000,000	-
Funds Available for Renewal and Replacement of Assets	6,588,733	4,013,557	4,310,960	4,446,760	3,903,893
Financial Reserve Prediction	15,203,864	14,203,864	13,203,864	12,203,864	12,203,864