



LITCHFIELD  
COUNCIL



*Community effort is essential*

# Municipal Plan

2019-2020

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## Mayor's Opening

It is my pleasure to present our Municipal Plan 2019–20 in my fourth year as Mayor of Litchfield Council.

Over the next 12 months Council will continue to invest in community infrastructure, predominately roads, maintaining our focus on financial responsibility while delivering a program of services that will achieve the objectives of our Strategic Plan 2018 – 2022 and ultimately, ensure that the Litchfield municipality is the best place to live in the Top End.

While our municipality continues to grow as newcomers seek our rural amenity and lifestyle, our key focus is on maintaining our \$329 million of assets whilst advocating for external government funding for immediate, short- and long term projects that will benefit residents for the next 20 or more years. Our budget next year includes an operating surplus of \$1.4 million, which will go towards capital projects, road and infrastructure assets.

Our seven Recreation Reserves remain a key priority in our budget with \$1.1 million allocated to support community groups to continue their great work managing these sporting and recreational facilities. In addition to the \$3.5 million upgrade spending undertaken over the past few years at Freds Pass Sport and Recreation Reserve, another \$1.5 million external funding will be spent on the Reserve in 2019-20.

While rates remain Council's main source of revenue, Council forecasts that it will attract \$7.3 million in grant funding for community infrastructure projects for 2019–20.

Based on feedback and consultation with the community, including industry and businesses, Litchfield Council has prioritised three key projects over the next few years that require significant government investment. Council continues to advocate strongly for these important projects:

- \$21 million Mango Industry Strategic Roads Project to seal four key freight roads to improve the quality and volume of fruit for the local mango industry;



Mayor Maree Bredhauer

- \$10 million Aquatic Facility to build a 25-metre-long pool to provide community access to a swimming facility and ensure our children are safe; and
- \$7 million Community and Business Hub to establish a multi-purpose common facility and community hall with a modern library, space for art and cultural activities and visitors' services.

In 2019-20, Council will finalise its review of the rating system which has been in place since 1986. An important step in this process will be the release of a discussion paper, seeking your views on the fairest and most equitable rating regime overall. This Paper builds on the work undertaken in 2018-19 by a Council appointed Community Reference Group of community members with an independent chair.

As well as offering a wonderful rural lifestyle, I am pleased that the Litchfield municipality plays such an important role in the economic activity of the Top End. We are home to the new regional hospital, productive and emerging primary industries while building strong cohesive and creative communities.

I hope you enjoy reading our Plan for the next 12 months and I welcome your feedback.

Mayor  
**Maree Bredhauer**

## BUDGET OVERVIEW

Revenue from rates	<b>\$10.7 million</b>	5% increase to 2018/19 Budget
Infrastructure	<b>\$4.3 million</b>	Operation and Maintenance of roads, roadside and buildings
Roads capital projects	<b>\$3.79 million</b>	Replacement and upgrades
Community Recreation Reserves	<b>\$1.1 million</b>	Subsidies and operating cost for seven Recreation Reserves
Freds Pass Recreation Reserve	<b>\$1.5 million</b>	Infrastructure upgrades from \$2 million Northern Territory Government Grant received in 2018
Community Grants and Sponsorship	<b>\$92,000</b>	Sponsorship of events/groups and Community Grants Scheme
Development of New Plans	<b>\$155,000</b>	Including Masterplan for council land on 320 Arnhem Highway, Shared Path Plan, Community & Business Hub business and concept plan and Tourism Strategy
Salaries and Superannuation	<b>\$6.4 million</b>	An increase of 11% including new positions fully grant funded

# Public Consultation and Submission Review

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

A draft annual Municipal 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 was released by Council for public display following a Council meeting on 15 May, with the last day for submission being 6 June 2019.

All submissions were reviewed at Council Meetings on 26 June and 3 July 2019. The Municipal Plan 2019–20 was adopted by Council, along with the Rates Declaration and Annual Budget, at a Special Council Meeting on 10 July 2019.

## Accessing the 2019–20 Litchfield Council Municipal Plan



### Online

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

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.



### Email

[council@litchfield.nt.gov.au](mailto:council@litchfield.nt.gov.au)



### By Mail

Send a request to

Attention: CEO Re: Municipal Plan 2019–20

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**

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## Litchfield Profile

POPULATION

25,598



Male - 51.8% Female - 48.2%



Grown by 51 from the previous year  
ERP, 2018  
(Australian Bureau of Statistics 2016 Census data 2016)

Median age - 37 years

30% couples with children

Median weekly household income - \$2,109

## Our Economy

LOCAL JOBS

18,808 NIEIR 2017

LOCAL BUSINESSES

1,847 ABS 2017

EMPLOYED RESIDENTS

15,356 NIEIR 2018

## Council Data

8,261   
RATEABLE ASSESSMENTS

626.76kms   
SEALED ROADS

86.73kms   
UNSEALED ROADS

  
SIGNS  
13,661

 RECREATION RESERVES 7

3   
WASTE TRANSFER STATIONS

  
2,919  
REGISTERED DOGS

7.11kms   
SHARED PATHWAYS

5   
PLAYGROUNDS

  
CEMETERY 1

## Budget at a Glance

Council is forecasting a balanced budget through funding from financial reserves and the identified borrowing for the establishment of a Community and Business Hub. The 2019-20 plan includes \$6 million funding from government towards a \$7 million cost of building a Community and Business Hub. Council has included this project in its plan and budget to enable consultation with the community and advocacy for the external funding required for the project to go ahead.

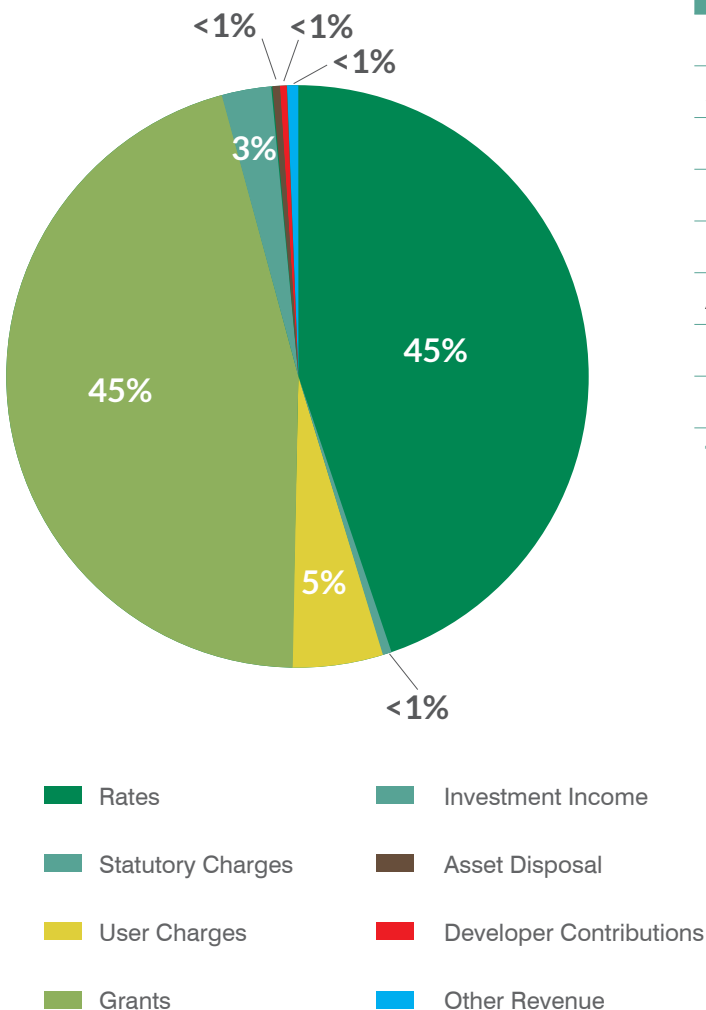
Overall Council is budgeting for a \$1.4 million operating profit, continuing to keep operating expense constrained in line with the Long Term Financial Plan. This profit will contribute to the significant cost of \$13 million for replacing and improving Council's infrastructure and community assets.

## Budgeted Revenue

Rates continue to be the major source of funding for the Council in 2019-20, however there is an overall increase in grants forecasted, which are mainly received from the Federal and Northern Territory governments. The inflated revenue in grants is due to the \$6 million one-off funding anticipated for the Community and Business Hub.

The chart below shows all funding resources, including user charges, such as commercial waste dumping fees and investment income from term deposits and the sale of assets.

**2019-20 Revenue by Source**



Source	\$	%
Rates	10,738,393	44.7
Statutory Charges	111,700	0.5
User Charges	1,208,128	5.0
Grants	10,959,159	45.6
Investment Income	694,451	2.9
Asset Disposal	100,000	0.4
Developer Contributions	140,000	0.6
Other Revenue	71,000	0.3
<b>TOTAL</b>	<b>24,022,831</b>	<b>100</b>



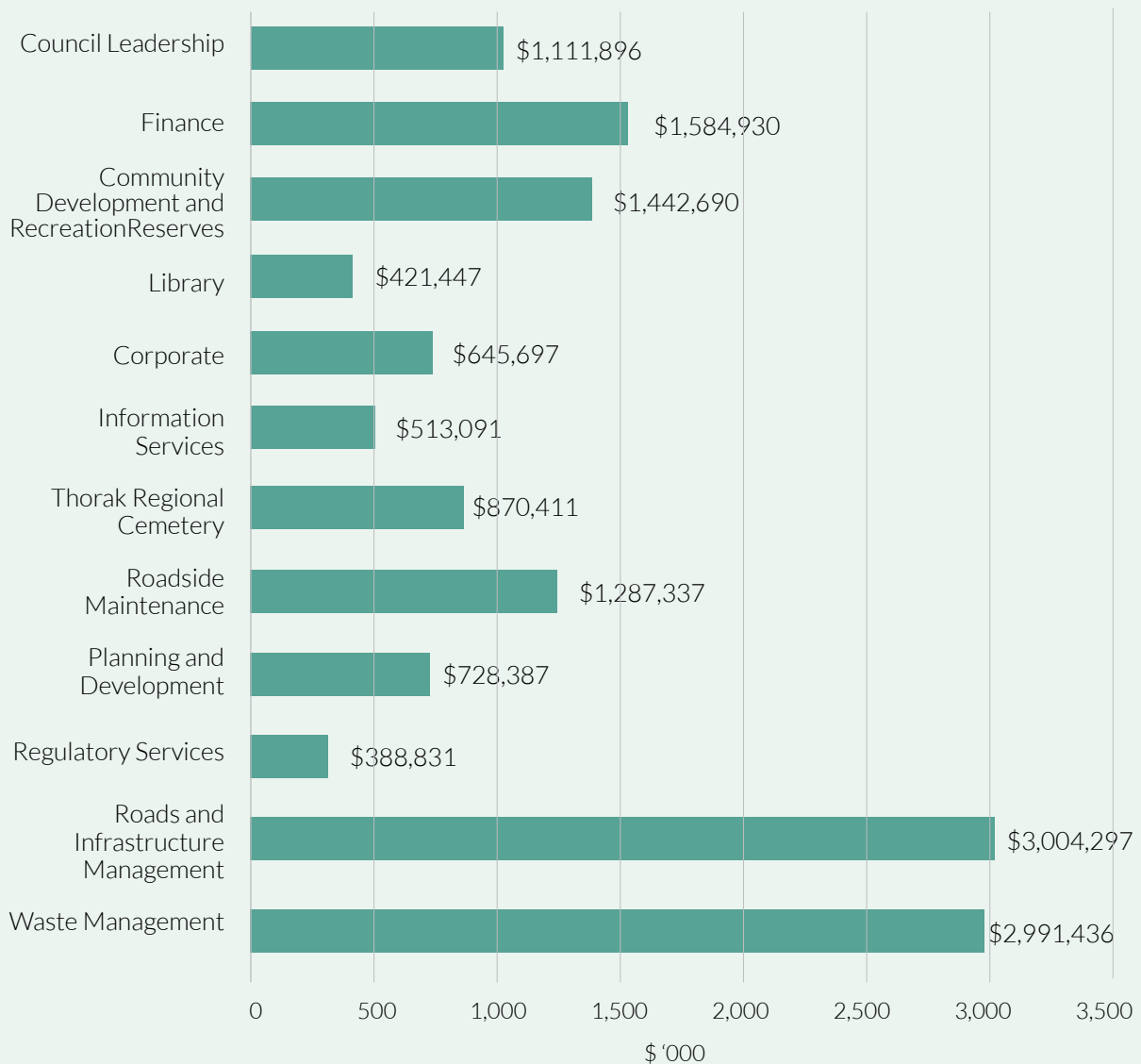
## Budgeted Operating Expenditure

Council has forecast its operating expenditure to increase by 6.8% over the 2019-20 Budget from 2018-19. This is in line with Council's Long Term Financial Plan excluding the addition of externally funded library services and one-off projects such as the Electoral Review.

The program areas of Waste Management and Infrastructure and Assets, servicing all roads and waste transfer stations within the Municipality, remain the main spending areas enabling Council to deliver a consistent service to our community.

For the first time, in 2019-20 the budget includes library services with Council assuming responsibility for Taminmin Community Library in January 2019 under a funding agreement with Northern Territory Library. Expenditure on library services in 2019-20 is budgeted at \$421,447 which is fully funded by the Northern Territory Government.

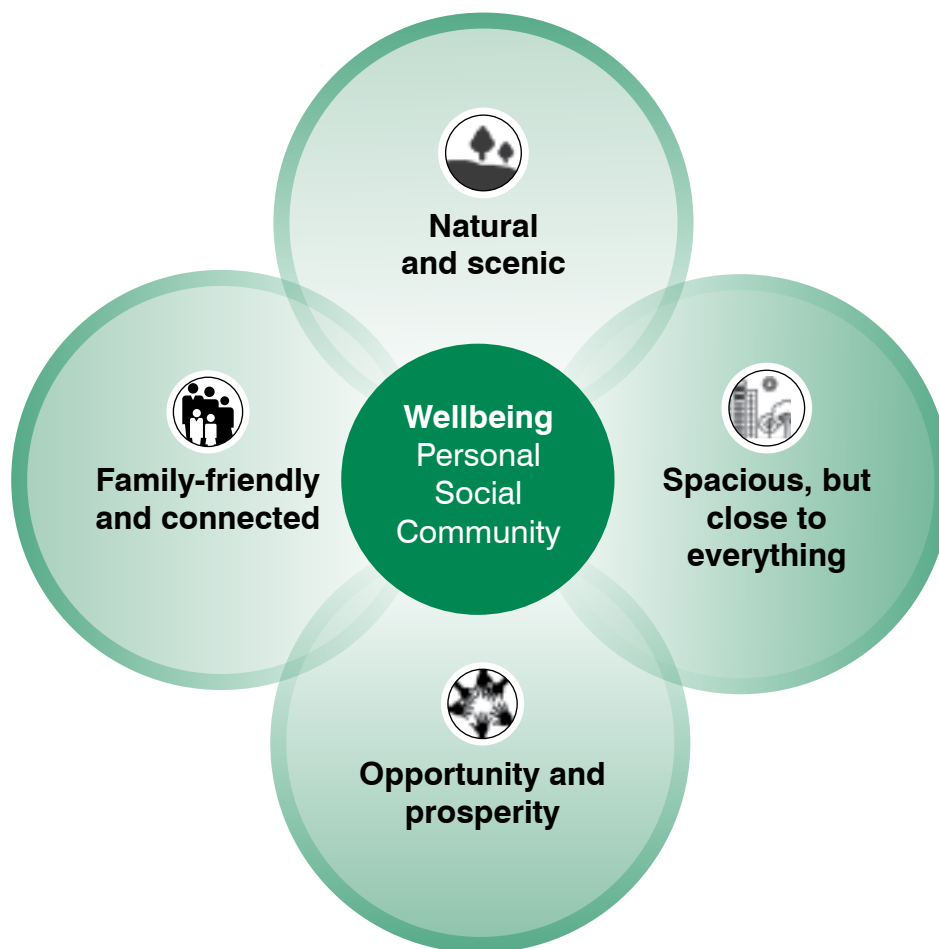
### Operating Expenditure by Program Areas



# 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.

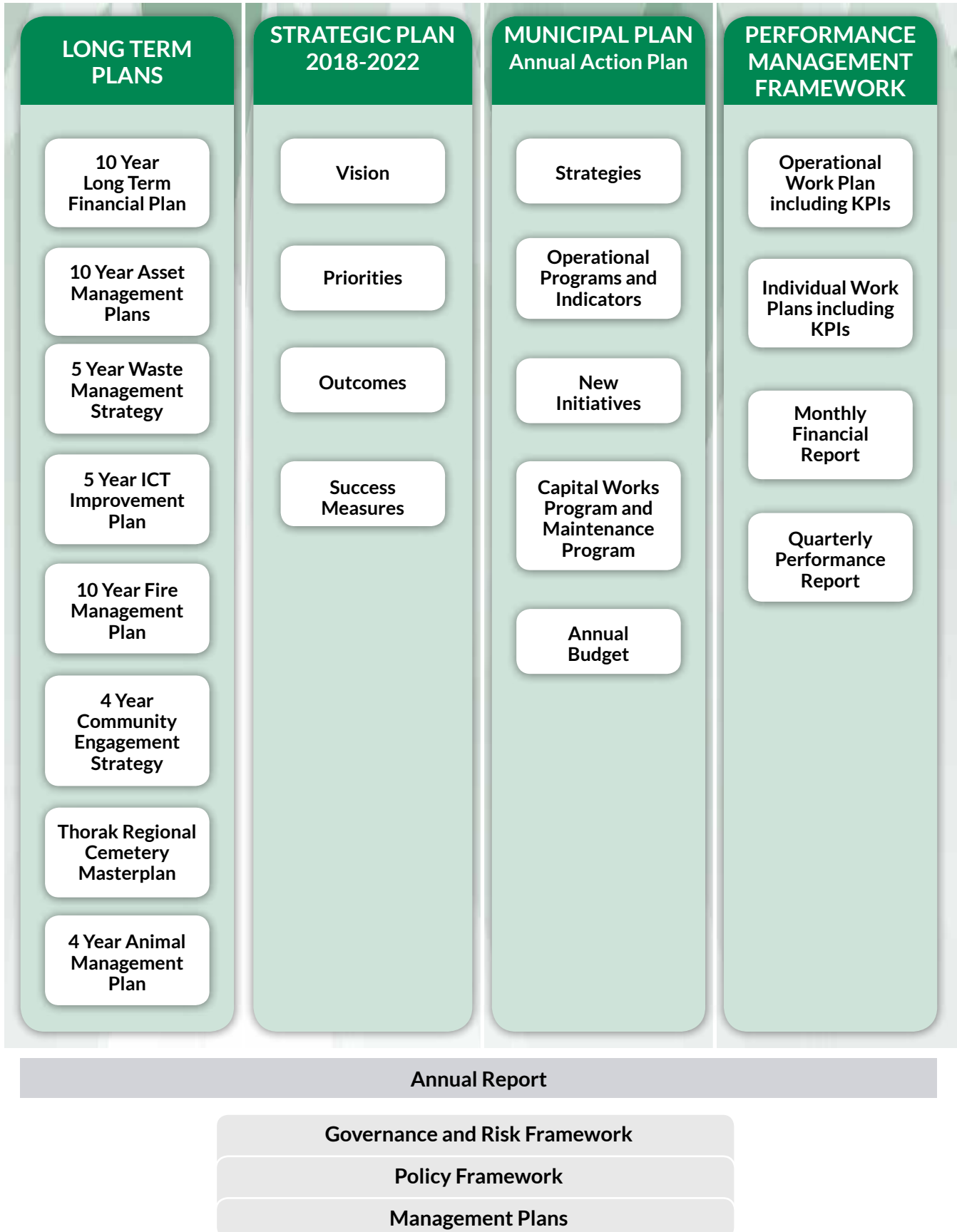
**The best place to live in the Top End.**

## 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 2019–20

**Litchfield Council will continue to advocate for increased support from the Federal and Northern Territory governments to meet the needs of Litchfield residents.**

Advocating for residents means seeking the appropriate level of support and funding from relevant governments for much needed community infrastructure and regional projects to improve our rural lifestyle and deliver on the vision of our Litchfield Council Strategic Plan 2018 – 2022.

In line with the Australian Local Government Association, Litchfield Council advocates on behalf of its residents for government policy initiatives including to:

- repair federal funding to local government;
- boost safety on local roads;
- support communities on their digital transformation journeys; and
- promote equitable access to community services.

## Community Infrastructure

Based on feedback from community and businesses and the priorities outlined in the Strategic Plan, Council is continuing to advocate to each level of government to make the following three strategic community infrastructure projects a reality:

### Litchfield Mango Industry Strategic Roads Project

The mango industry in Litchfield grows almost 24 % of Australia’s mangoes, and Council is seeking \$17 million from the Federal and Northern Territory governments to seal four key freight roads for the local mango industry.

The project will improve the quality and volume of the fruit by sealing 15.2 kilometres of roads in the Litchfield area to link key packing sheds and farms, including Chibnall Road, Mocatto Road, Horsnell Road and Kentish Road.

Council and the Mango Industry will commit \$3 million towards the total project cost of \$21 million.

### Litchfield Aquatic Facility

Despite experiencing temperatures usually a few degrees hotter during the day than its city counterparts, the Litchfield municipality has no pool facilities for its 25,598 residents.

An independent needs study commissioned by Council identified a 25-metre-long Learn to Swim aquatic facility is needed for residents south of Coolalinga. It showed that almost 11,500 rural residents did not live within a reasonable travel distance to a pool.

Council is working with both levels of government to secure the \$10 million needed to build a pool and supporting infrastructure.

## **Litchfield Community and Business Hub**

Litchfield Council is advocating to partner with the Northern Territory and Federal governments to establish a \$7 million Community and Business Hub to service the growing community.

The Northern Territory Government Litchfield Subregional Land Use Plan identified the need for additional community infrastructure, including a multi-purpose common facility and community hall with a modern library facility and spaces for art and cultural activities.

Council is seeking \$6 million external government funding and proposes to commit \$1 million to the project should the external funding eventuate.

## **Other strategic projects**

Council will continue to work on regional infrastructure and is prioritising three key advocacy projects in this Municipal Plan, including:

### **Regional Waste Management Facility**

Council is working with Top End councils as part of the Top End Regional Organisation of Councils (TOPROC) and the Northern Territory Government on the establishment of a Regional Waste Management Facility, including an emergency waste facility.

### **Mira Square Land Acquisition and Redevelopment**

Council continues to work with the Southport Progress Association to acquire 3.24 hectares of Crown land in the township of Southport for community purpose.

The project seeks to establish a modest community facility and community open space on Mira Square for community meetings and a play area for children.

### **Private Roads legacy**

Council has inherited a legacy issue with private roads.

Council will continue to work with the Northern Territory and Federal governments, whose road funding excludes private roads maintenance, to resolve this legacy issue fairly for property owners, ratepayers and the Council.

# Community and Business Hub - a \$7 million investment

## Major Project for 2019-20

Creating a new era for Litchfield with a multi-purpose facility for our community, business and visitors.

### **The case for a new facility**

Over the past 15 years the Litchfield municipality has grown by 55% and continues to be the highest growing area in the NT with a population of over 25,000. With this growth has come the need for updated and additional social and business infrastructure.

The Northern Territory Government Litchfield Subregional Land Use Plan 2015 also outlined the need for additional social infrastructure including a community centre.

Strategic planning by the Northern Territory Government and the Litchfield Council has identified the following needs:

- A community hall to support community gatherings and activities;
- A larger modern library facility;
- A central community hub that provides visitor services and showcases local services and products;
- A facility that supports small businesses and community organisations;
- Space for arts and cultural centre; and
- Spaces for health and related service providers.

### **Concept**

The facility concept is to provide a multi-purpose community facility, including a modern contemporary library, an airconditioned community hall, a visitor services area - as a gateway to the Litchfield produce region, cultural and local art exhibition space. The facility could also include rental accommodation for other service providers.

### **The building, the location**

Council is yet to develop concept plans, decide on what the facility would look like, where the facility would be located and what other services would share the facility.

The 2019-20 Council Budget allocates \$40,000 to undertake a feasibility study to determine the layout and location of a multi-purpose community facility for the long term plan.

### **Government Support**

Council's 2019-20 Budget forecasts Council attracting \$6 million government funding towards a total project cost of \$7 million.

Council proposes to borrow \$1 million in 2019-20, as its contribution to the project only if other levels of government funding is realised.

External Government funding will make up 85% of the total cost of the project.

# 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 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 highlight potential changes to the regulatory and administrative framework for delivering services in the municipality and 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 objectives;
- 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 2019-20 financial year. This has been accounted for in Council's Annual Budget.



## Possible Changes to the Regulatory and Administrative Framework

Council has worked with the Department of Local Government, Housing and Community Development to review the Draft Burial and Cremation Bill, which guides the management of Thorak Regional Cemetery. This piece of legislation has been developed over a long period of time and will have significant impact on the Thorak Regional Cemetery. Council has provided a submission on the draft Bill and highlighted the added administrative burden as well as the concern about introducing independent cemeteries that could impact on the already unsustainable financial situation of the cemetery.

Developing the Litchfield By-Laws for Meeting Procedures and Amenity Protection has been delayed and is a high priority for Council to progress in cooperation with the Department of Local Government, Housing and Community Development and Parliamentary Counsel.

In 2019–20, Council is continuing to review its Rating Policy to strengthen the fairness of the rating system. With the process of the Community Reference Group finalised, engagement will continue with the wider community before Council will adopt a reviewed Rating Policy in 2020–21.

Council continues to refine the Risk Management Framework, review Council and administrative policies, formalise administrative procedures and implement the recommendations of internal and external audits.

Council continues to be involved in consultation processes about reviewing the *Local Government Act* and related legislation.

# Service Delivery Plan

## Opportunities and Challenges for Service Delivery

There are a number of opportunities and challenges for Council to deliver services throughout the Litchfield municipality.

Litchfield's population is spread over a large geographic area covering 3,100 square kilometres, which means Council needs to work hard to get the voice of our community heard.

The Northern Territory economy grew by 1.7% to \$26.2 billion in 2017–18, which is down from a 2.7% growth in 2016–17 and was the lowest growth rate out of all of Australia's states and territories. At the same time the Northern Territory experienced a decline in private investment, following the completion of the Ichthys LNG project, which has been a key economic driver.

The Northern Territory's population has declined by 0.2%, with 3,920 people leaving the Territory to move interstate – the highest annual net interstate loss of people from the Northern Territory in more than 30 years.

Bucking the trend, the Litchfield municipality had an increase of 51 people to its total population to reach 25,598 people in 2018 according to the Australian Bureau of Statistics. Litchfield Council is working to fill the gaps in social infrastructure for our growing number of residents, such as a new aquatic facility and multi-purpose community meeting areas.

Across Australia, the priorities for local governments remain aligned with many of the big issues the same for Litchfield Council.

Sourcing appropriate funding from the Federal Government to maintain our services, funding repair and upgrades to local roads and giving people equal access to community services are the big strategic challenges faced by Litchfield Council.

At a local level, our challenges include managing the Top End's only open cemetery – Thorak Regional Cemetery

– and responding to the concerns from residents about animal management and controlling weeds on Council owned land.

## Improving Service Delivery through Working with Others

Council continues to share services and partner with relevant organisations to strengthen our profile and leverage better results for people living in our municipality.

Council is a member of the Top End Regional Organisation of Councils (TOPROC) that provides a collective voice on issues and strengthen local government in the Top End.

Ongoing projects involving TOPROC include improving Council's role in land use planning, establishing a Regional Emergency and Waste Management Facility and a more sustainable governance for the Thorak Regional Cemetery.

As a member of the Local Government Association Northern Territory (LGANT), Council participates in executive meetings, mayoral and chief executive officer forums, reference groups and conferences to explore issues, develop policy positions and seek opportunities to collaborate.

Council owns seven recreation reserves across the municipality, with a range of sport, recreational and leisure facilities. Five of these reserves are managed by community committees of management whilst two (Howard Park and Knuckey Lagoon) are managed by advisory committees to Council. All seven reserves are supported with operational and maintenance funding from Council.

Each year Council sponsors an annual senior's festival in August partnering with the Palmerston and Litchfield Seniors to celebrate older Territorians living in our community. Council also sponsors the Freds Pass Rural Show each year with significant funding ensuring this important two-day community event showing the best of Litchfield, continues to grow and prosper.

## Staffing Plan

The staffing plan for 2019–20 employs 58.8 full-time equivalent (FTE) staff at a cost of \$6,474,835. This is an increase of 5.3 FTE from 2018-19 (53.5 FTE) due to library staff (3.6 FTE) and Freds Pass Sport and Recreation Reserve Upgrade Project (0.5 FTE), both fully funded by external Northern Territory Government funding. An additional 1.2 FTE includes a 12-month position (1 FTE) to provide a customer service trainee and 0.2 FTE through staffing structure review.

The following table outlines the funding sources of Council’s salaries, showing that a reduction of 4.7% of salaries being funded from rates income in 2019-20. Out of the increase in salaries of \$638,000 compared to the 2018-19, \$377,000 are funded through grants income.

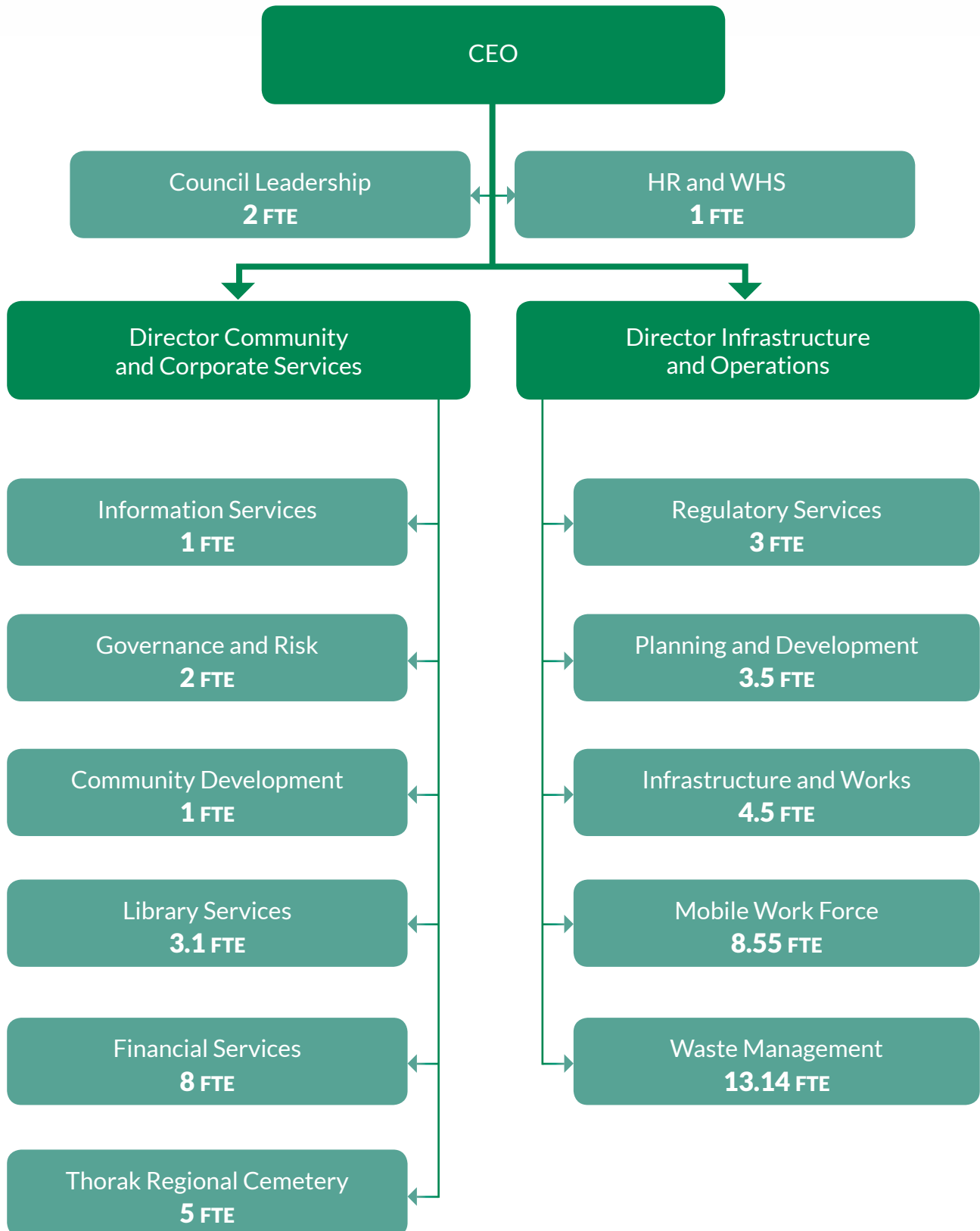
Salaries funding	2018–19	2019–20	Variance
<b>TOTAL Salaries and Superannuation</b>	<b>\$5,837,026</b>	<b>\$6,474,835</b>	<b>+10.9%</b>
Funded from:			
Waste Charge	21.5%	21.6%	0.1%
Grants Income	0%	5.8%	5.8%
Rates Income	70.2%	65.5%	(4.7%)
Thorak Cemetery Income	8.3%	7.1%	(1.2%)

While the number of people in full-time and part-time positions is relatively stable, the actual number of employees varies from time to time due to the employment of outdoor staff for seasonal and relief work.

Council’s Enterprise Agreement 2017 will operate until 11 March 2020 and sets an annual salary staffing increment at 2% each year.

Employee Costs	2018–19	2019–20
	Budget (\$)	Budget (\$)
Salaries	5,295,290	5,916,024
Superannuation	541,736	567,202
Workers Compensation Insurance	105,000	108,040
Fringe Benefit Tax	24,300	26,300
Other Employee Costs	154,700	143,922
<b>TOTAL</b>	<b>6,121,026</b>	<b>6,761,488</b>

# Staffing Plan 2019–20 - Organisation Chart



**Staff Total 58.8** | FTE Direct Service provision 40.29 | FTE and Corporate/Support 18.51 FTE

## 2019–20 Budget by Program Profile

Directorate	Program	Income (\$)	Less** Expense (\$)	Surplus (-Deficit) (\$)	Capital Income (\$)	Capital Expense (\$)	FTE
<b>Council Leadership</b>	Elected members, Office of the CEO and Community engagement*	30,000	1,111,896	(1,081,896)	-	-	3.0
<b>Council Leadership Total</b>		30,000	1,111,896	(1,081,896)	-	-	3.0
<b>Community and Corporate Services</b>	Finance and Customer Service	9,045,441	1,584,930	7,460,511	-	-	9.0
	Community	74,000	1,442,690	(1,368,690)	6,000,000	8,500,000	1.0
	Library	421,447	421,447	-	-	-	3.1
	Thorak Regional Cemetery	876,580	870,411	6,169	-	-	5.0
	Corporate*	-	645,697	(645,697)	-	-	3.0
	Information Services	-	513,091	(513,091)	-	-	1.0
<b>Community and Corporate Services Total</b>		10,417,468	5,478,266	4,939,202	6,000,000	8,500,000	22.1
<b>Infrastructure and Operations</b>	Mobile Workforce	-	1,287,337	(1,287,337)	35,000	175,000	8.6
	Planning and Development	61,748	728,387	(666,639)	140,000	-	4.5
	Regulatory Services	112,700	388,831	(276,131)	15,000	45,000	3.0
	Infrastructure and Assets	2,637,492	3,004,297	(366,805)	1,344,743	3,792,000	4.5
	Waste Management	3,178,680	2,991,436	187,244	50,000	525,000	13.1
<b>Infrastructure and Operations Total</b>		5,990,620	8,400,288	(2,409,668)	1,584,743	4,537,000	33.7
<b>TOTAL Result</b>		<b>16,438,088</b>	<b>14,990,450</b>	<b>1,447,638</b>	<b>7,584,743</b>	<b>13,037,000</b>	<b>58.8</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.

\*\* Operating expense excluding depreciation.

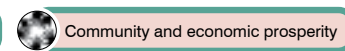
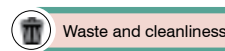
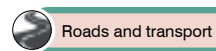
## COUNCIL LEADERSHIP

<b>Directorate</b>	Office of the Chief Executive		
<b>Responsible Officer</b>	Chief Executive Officer		
<b>Number of FTEs</b>	3		
<b>2019-20 Budget</b>			
<b>Operational Revenue</b>	\$30,000	<b>Capital Revenue</b>	\$0
<b>Operational Expenditure</b>	\$1,111,896	<b>Capital Expenditure</b>	\$0
<b>Net Operating Cost</b>	\$1,081,896	<b>Net Capital Cost</b>	\$0

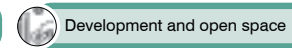
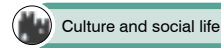
### Program Description

Provide strategic leadership, good governance, community engagement, advocacy and decision-making to achieve corporate outcomes.

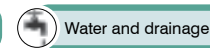
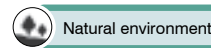
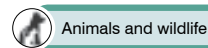
### Everything you need



### A great place to live



### A beautiful and safe natural environment



Well-Run Council	Key Outputs	Measures	Targets
<p>Powerful and effective advocacy</p>	Advocacy	Community Survey – satisfaction with Council’s Advocacy	>50%
	Submissions to Government		
<p>Engaging our community</p>	Represent Council on Legislation and other reforms.	Community Survey – satisfaction with Council’s Strategic Direction	>55%
	Community Engagement	Actions Year 2 completed	90%
	Annual Community Survey	Community Survey – overall satisfaction	>70%
	Social Media Management	Community Survey – community engagement	>50%
<p>Good governance</p>		Unique engagement clicks on Facebook posts	>1000
	Elected members training and development	Number of Professional Development Sessions	>2 sessions
	Elected Member Support		
	Business Planning and Performance Reporting Framework		
	Council meetings and activities		
	Executive Leadership		
	Reputation Management		
<p>Modern service delivery</p>	Media Monitoring and Management	Media Response Time	<24 hours
	Change Management and Innovation		
	Supporting local businesses	Hold three Litchfield Women in Business Network Events per annum	100%

### New Initiatives

1. Refurbishment and Audio/Video Upgrade of Council Chambers – \$40,000
2. Redevelopment of Council’s website – \$45,000
3. Develop a Tourism Strategy (50% grant funded) – \$30,000

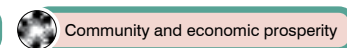
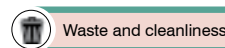
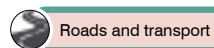
## HUMAN RESOURCES and WORK HEALTH & SAFETY

<b>Directorate</b>	Office of the Chief Executive		
<b>Responsible Officer</b>	HR & WHS Advisor		
<b>Number of FTEs</b>	1		
<b>2019–20 Budget</b>	Included in Budget Governance and Risk		
<b>Operational Revenue</b>	-	<b>Capital Revenue</b>	-
<b>Operational Expenditure</b>	-	<b>Capital Expenditure</b>	-
<b>Net Operating Cost</b>	-	<b>Net Capital Cost</b>	-

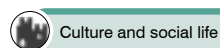
### Program Description

Responsible for managing the work health and safety (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.

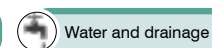
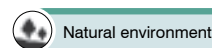
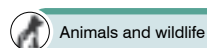
### Everything you need



### A great place to live



### A beautiful and safe natural environment



Well-Run Council	Key Outputs	Measures	Targets
<p>Good governance</p>	Human Resources (HR) Policies, Procedures, Checklists	Reviewed and compliant	Dec 2019
	An engaged and productive workforce	Staff turnover rate Staff Survey satisfaction	<20% >70%
	Negotiation of new Enterprise Agreement	Successful negotiation and submission to Fair Work	Before March 2020
<p>Modern service delivery</p>	WHS Management System, including updated policies and procedures and WHS Manual	Policies, procedures and Manual	Before Dec 2019
		Workers Compensation Claims	<3

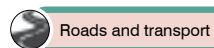
## PLANNING and DEVELOPMENT

<b>Directorate</b>	Infrastructure and Operations		
<b>Responsible Officer</b>	Planning and Development Manager		
<b>Number of FTEs</b>	4.5		
<b>2019–20 Budget</b>			
<b>Operational Revenue</b>	\$61,748	<b>Capital Revenue</b>	\$140,000
<b>Operational Expenditure</b>	\$728,387	<b>Capital Expenditure</b>	\$0
<b>Net Operating Cost</b>	\$666,639	<b>Net Capital Income</b>	\$140,000

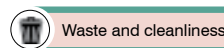
### Program Description

Review and provide comment on all regional plans, policies, development proposals and planning applications relevant to the Litchfield municipality. Administer future Council assets, works permits and proposals for opening and closing of roads.

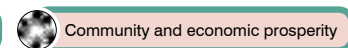
### Everything you need



Roads and transport

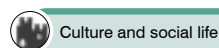


Waste and cleanliness



Community and economic prosperity

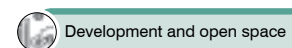
### A great place to live



Culture and social life

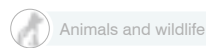


Recreation

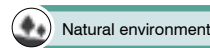


Development and open space

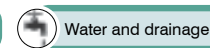
### A beautiful and safe natural environment





Animals and wildlife



Natural environment



Water and drainage

Well-Run Council	Key Outputs	Measures	Targets
 Powerful and effective advocacy	Submissions to the NT Government	Comments submitted on applications within required time frame	>95%
	Participation in NT planning working groups	Attendance at meetings	>75%
 Modern service delivery	Approval of plans, reports and construction documentation	Plan approvals issued within 10 days	>90%
		Works Permits issued within 5 days	>95%
	Subdivision approvals and handover processes	In accordance with Standards	Achieved

### New Initiatives

1. 320 Arnhem Highway Master Plan – \$30,000
2. Shared Path Plan – \$25,000



## INFRASTRUCTURE and ASSETS

**Directorate** Infrastructure and Operations

**Responsible Officer** Manager Infrastructure and Assets

**Number of FTEs** 4.5

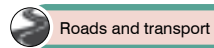
### 2019–20 Budget

<b>Operational Revenue</b>	\$2,637,492	<b>Capital Revenue</b>	\$1,344,743
<b>Operational Expenditure</b>	\$3,004,297	<b>Capital Expenditure</b>	\$3,792,000
<b>Net Operating Cost</b>	\$366,805	<b>Net Capital Cost</b>	\$2,447,257

### 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.

### Everything you need



Roads and transport

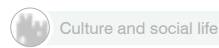


Waste and cleanliness



Community and economic prosperity

### A great place to live



Culture and social life

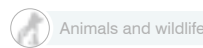


Recreation



Development and open space

### A beautiful and safe natural environment




Animals and wildlife



Natural environment



Water and drainage

Well-Run Council	Key Outputs	Measures	Targets
 Modern service delivery	Capital Works Program	Programmed works completed within budget	>90%
	Asset Management Plans	Complete asset management plans, including 10 year replacement programs	Complete
	Street Lighting Program	Commence replacement program of street lights with LED	
	Asset Management Policy and Plans	Asset Sustainability ratio	>60%
	Road Maintenance Programs	Community Survey – Satisfaction with maintenance of local roads	>60%
	Drainage Maintenance Program	Community Survey – Satisfaction with roadside drainage	>60%
	Wet season road network management	Emergency works response time	<48hours
	Develop road reporting process for temporary closed roads	Jun 2020	



## MOBILE WORKFORCE (MWF)

**Directorate** Infrastructure and Operations

**Responsible Officer** MWF Manager

**Number of FTEs** 8.6

### 2019–20 Budget

<b>Operational Revenue</b>	\$0	<b>Capital Revenue</b>	\$35,000
<b>Operational Expenditure</b>	\$1,287,337	<b>Capital Expenditure</b>	\$175,000
<b>Net Operating Cost</b>	\$1,287,337	<b>Net Capital Cost</b>	\$140,000

### Program Description

Provide an effective and efficient maintenance service, including weed and bushfire management for Council's road verges, drainage easements, signs, reserves, excised lands and Council facilities.

### Everything you need



Roads and transport



Waste and cleanliness



Community and economic prosperity

### A great place to live



Culture and social life



Recreation



Development and open space

### A beautiful and safe natural environment



Animals and wildlife



Natural environment



Water and drainage

Well-Run Council	Key Outputs	Measures	Targets	
<p>Modern service delivery</p>	Road Network, Road Reserve and Fire Break (Council land) slashing before July fire bans	Vegetation slashing and mowing of 915 roads totalling 723 kilometres. Total distance travelled = 8676 kms	2 rounds	
	Excised land management	Complete firebreaks and weed management in accordance with plans	Complete	
	Install and maintain signs and guide posts	Signs repaired within target timeframes	Urgent – 24 hours  Non-urgent – 15 days	
	Maintain roadside amenity, including vegetation, furniture and litter collection	Community Survey – satisfaction with roadside maintenance	>50%	
		Spraying of road furniture on all Council roads	1 round	
	Spraying of weeds, in accordance with Weed Management Plan	Community Survey – satisfaction with weed management	>50%	
	Bushfire management plan activities, including;			
	Maintain firebreaks	1000km	Compliant	
	Hazard reduction burning	As required, in consultation with other authorities five locations	Compliant	
	Widen firebreaks	As required, in consultation with other authorities five locations	Complete	

### New Initiatives

1. Mobile Work Force Service Review – \$30,000

# WASTE MANAGEMENT

<b>Directorate</b>	Infrastructure and Operations		
<b>Responsible Officer</b>	Waste Manager		
<b>Number of FTEs</b>	13.1		
<b>2019-20 Budget</b>			
<b>Operational Revenue</b>	\$3,178,680	<b>Capital Revenue</b>	\$50,000
<b>Operational Expenditure</b>	\$2,991,436	<b>Capital Expenditure</b>	\$525,000
<b>Net Operating Surplus</b>	\$187,244	<b>Net Capital Cost</b>	\$475,000

## Program Description

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

### Everything you need

Roads and transport
 Waste and cleanliness
 Community and economic prosperity

### A great place to live

Culture and social life
 Recreation
 Development and open space

### A beautiful and safe natural environment

Animals and wildlife
 Natural environment
 Water and drainage

Well-Run Council	Key Outputs	Measures	Targets
Engaging our community	Maximise recycling opportunities for residential waste to promote diversion	Waste tonnage transferred to Shoal Bay	<8,000 tonnes residential
	Educate commercial businesses through the transfer stations about opportunities to minimise waste and commercial charges	Waste tonnage transferred to Shoal Bay	<1,000 tonnes commercial
Modern service delivery	Efficient operation of waste transfer stations	Community Survey – satisfaction with waste transfer stations	>80%
		Cost per tonne of waste throughput	\$TBD
	Resale of recycled materials (mulch, crushed concrete, cash for cans, batteries)	Community Survey – satisfaction with waste recycling	>55%
		Community benefit fund income raised through recycling activities	5% annual increase
		Sale of processed materials (mulch, crushed concrete)	>80% sold within 6 months of processing
Maximise diversion from landfill	Amount of total waste that is recycled	>30%	
	Amount of total waste that is dry recyclables	>15%	
	Explore incentives and education to boost recycling and food waste management*	Jan 2020	
Cyclone Season Preparation	Free residential green waste disposal in Nov*	Nov 2019	
Emergency Preparedness	Prepare disaster Waste Plans*	Nov 2019	

## New Initiatives

1. Prepare Disaster Waste Plans – \$20,000
2. Explore incentives and education to boost recycling and food waste – \$20,000
3. Environmental Management Plan for Berry Springs Waste Transfer Station – \$10,000

\*Waste Strategy Year 2

## REGULATORY SERVICES

<b>Directorate</b>	Infrastructure and Operations		
<b>Responsible Officer</b>	Ranger Supervisor		
<b>Number of FTEs</b>	3		
<b>2019–20 Budget</b>			
<b>Operational Revenue</b>	\$112,700	<b>Capital Revenue</b>	\$15,000
<b>Operational Expenditure</b>	\$388,831	<b>Capital Expenditure</b>	\$45,000
<b>Net Operating Cost</b>	\$276,131	<b>Net Capital Cost</b>	\$30,000

### Program Description

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

### Everything you need



Roads and transport



Waste and cleanliness



Community and economic prosperity

### A great place to live



Culture and social life



Recreation



Development and open space

### A beautiful and safe natural environment







Animals and wildlife



Natural environment



Water and drainage



Well-Run Council	Key Outputs	Measures	Targets	
 Engaging our community	Educate the community about responsible dog ownership	Education program delivered to primary schools	>2	
		Increase in number of registered dogs	>10%	
		Impounded dogs reclaimed by owner	>70%	
 Modern service delivery	Support responsible dog ownership	Develop baseline measure for satisfaction of service provided	To be developed	
		Registered dogs are de-sexed	>65%	
		Administer and enforce Dog Management By-Laws	Community Survey – satisfaction with animal management	>50%
 Modern service delivery	Animal Management Plan	Implemented	Complete	
		Record and investigate customer requests	Customer requests actioned in <2 days	100%
			Investigations completed within 14 days	>90%
 Modern service delivery	Remove vehicles abandoned on roadsides	Vehicles removed within 7 days	>90%	

## FINANCE

<b>Directorate</b>	Community and Corporate Services		
<b>Responsible Officer</b>	Finance Manager		
<b>Number of FTEs</b>	9		
<b>2019-20 Budget</b>			
<b>Operational Revenue</b>	\$9,045,441	<b>Capital Revenue</b>	\$0
<b>Operational Expenditure</b>	\$1,584,930	<b>Capital Expenditure</b>	\$0
<b>Net Operating Surplus</b>	\$7,460,511	<b>Net Capital Cost</b>	\$0

### Program Description

Provide financial services to assist Council to make informed decisions and allocate resources efficiently and effectively in the short and Long Term, while ensuring Council meets its objectives and all its statutory and regulatory obligations. Provide timely and quality front counter customer services for residents and visitors and manage rates records in accordance with policy and legislative requirements.

Well-Run Council	Key Outputs	Measures	Targets	
 Good governance	Annual Budget/ Annual Report Municipal Plan	Compliance with management, statutory and regulatory budgeting and reporting	100%	
	Monthly and annual financial reporting, including annual audit and forecasting	Unqualified audit	Complete	
	Long Term Financial Plan		Liquidity ratio	>1:1
			Asset sustainability ratio	>60%
			Current Ratio	>1
			Debt Service Ratio	>1
	Long Term rating strategy	Own source revenue ratio-lowering Council's dependency on government grants and other funding sources	>60%	
Review the Customer Request Management System	Completed	Dec 2019		
Investments comply with policy and statutory requirements and are reported monthly	Completed	100%		
 Modern service delivery	Rates and accounts receivable collection	Current Years' rates outstanding as at 30 June 2020	<15%	
		Prior Years' Rates outstanding as at 30 June 2020	<\$1m	
	Front counter customer service	Community Survey - satisfaction in customer service	>60%	
	Accounts payable and payroll			

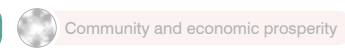
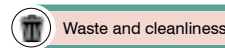
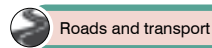
## INFORMATION SERVICES

<b>Directorate</b>	Community and Corporate Services		
<b>Responsible Officer</b>	Information Services Manager		
<b>Number of FTEs</b>	1		
<b>2019–20 Budget</b>			
<b>Operational Revenue</b>	\$0	<b>Capital Revenue</b>	\$0
<b>Operational Expenditure</b>	\$513,091	<b>Capital Expenditure</b>	\$0
<b>Net Operating Cost</b>	\$513,091	<b>Net Capital Cost</b>	\$0

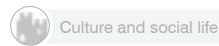
### Program Description

Manage Council's information and communications systems to ensure alignment with business needs and excellent customer service.

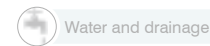
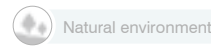
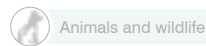
### Everything you need




### A great place to live



### A beautiful and safe natural environment



Well-Run Council	Key Outputs	Measures	Targets
 <p>Modern service delivery</p>	Contract management of Council's information and communications technology (ICT) managed service.	Percentage of Service Desk requests closed against open requests during a period.	90%
	Deliver, maintain and support Corporate Enterprise Solution (CES) software to ensure Council operates effectively.	Ensure CES is updated with the latest version (patch), available nationally.	No more than 1 Patch behind latest version.
	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. Age of NTG Downloaded Data.	<5 years <1 week




## COMMUNITY DEVELOPMENT

<b>Directorate</b>	Community and Corporate Services		
<b>Responsible Officer</b>	Director Community and Corporate Services		
<b>Number of FTEs</b>	1		
<b>2019–20 Budget</b>			
<b>Operational Revenue</b>	\$74,000	<b>Capital Revenue</b>	\$6,000,000
<b>Operational Expenditure</b>	\$1,442,690	<b>Capital Expenditure</b>	\$8,500,000
<b>Net Operating Cost</b>	\$1,368,690	<b>Net Capital Cost</b>	\$2,500,000

### 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. Manage Council's Community Grants Scheme and support community events and programs.

### Everything you need




 Roads and transport
  Waste and cleanliness
  Community and economic prosperity

### A great place to live

 Culture and social life
  Recreation
  Development and open space

### A beautiful and safe natural environment

 Animals and wildlife
  Natural environment
  Water and drainage

Well-Run Council	Key Outputs	Measures	Targets
 Engaging our community	Council partnership and support grants	Number of partnerships supported	10
	Servicing community needs at reserves	Funding provided to community reserves	Funding Agreements established
 Good governance	Grant applications	Grants received by Council acquitted within agreed timeframes	100%
 Modern service delivery	Annual Community Grants Program	Number of community events and programs supported	10
	Community initiatives program		
	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	Playgrounds on Council owned land audited	100%
	Tree Management Plan	Implement and documented	100%

### New Initiatives

1. Community and Business Hub Business and Concept Plan – \$40,000
2. Annual Art Exhibition – \$10,000

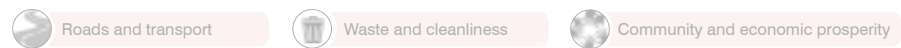
## LIBRARY SERVICES

<b>Directorate</b>	Community and Corporate Services		
<b>Responsible Officer</b>	Director Community and Corporate Services		
<b>Number of FTEs</b>	3.1		
<b>2019-20 Budget</b>			
<b>Operational Revenue</b>	\$421,447	<b>Capital Revenue</b>	-
<b>Operational Expenditure</b>	\$421,447	<b>Capital Expenditure</b>	-
<b>Net Operating Cost</b>	-	<b>Net Capital Cost</b>	-

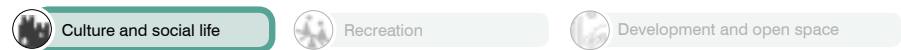
### Program Description

Provision of public library services promoting lifelong learning, community connectiveness and childhood development through collection development, program delivery and promotion of services.

### Everything you need






### A great place to live



### A beautiful and safe natural environment



Well-Run Council	Key Outputs	Measures	Targets
 Engaging our community	Visitors to the library	Weekly door count	Increase by 20%
	Promotion of services	Interaction with Library Facebook page	500 likes of Facebook page
	Review of Programs and Services	Review of programs with users Feedback process for users	100% established
 Good governance	Shared Service Governance Framework	Developed	100%
 Modern service delivery	Collection Improvements	Annual loans	Increase by 20%
		Age of Collection	Decrease % of collection older than 10 years by 20%
	Programs delivery	Additional regular programs	2
	Library events	Additional one-off events	3




## GOVERNANCE and RISK

<b>Directorate</b>	Community and Corporate Services		
<b>Responsible Officer</b>	Governance and Risk Advisor		
<b>Number of FTEs</b>	2		
<b>2019-20 Budget</b>			
<b>Operational Revenue</b>	\$0	<b>Capital Revenue</b>	\$0
<b>Operational Expenditure</b>	\$645,697	<b>Capital Expenditure</b>	\$0
<b>Net Operating Cost</b>	\$645,697	<b>Net Capital Cost</b>	\$0

### Program Description

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

Well-Run Council	Key Outputs	Measures	Targets
 Good governance	Maintain the Governance and Risk Management Framework, including risk register	Compliance with legislative requirements as per Department of Local Government, Housing and Community Development Compliance Checklist	100%
	Maintain Policy Framework		100%
	Meeting Procedure By-Law		June 2020
 Modern service delivery	Elected members support	Complaints upheld -breaches of the code of conduct by elected members	0
	Risk Management Audit Committee support	Risk Management Audit Committee Meetings	4
	Coordinate records management review and improvements	Records held in storage reduced	By 10%
	Assist with policy development	Annual Policy Review Program	10 Policies reviewed
	Implement Annual Internal Audit Plan	Internal Audits conducted	3

# THORAK REGIONAL CEMETERY

Directorate	Community and Corporate Services		
Responsible Officer	Thorak Manager		
Number of FTEs	5		
<b>2019–20 Budget</b>			
Operational Revenue	\$876,580	Capital Revenue	\$0
Operational Expenditure	\$870,411	Capital Expenditure	\$0
Net Operating Surplus	\$6,169	Net Capital Cost	\$0

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

## Everything you need

Roads and transport
 Waste and cleanliness
 Community and economic prosperity

## A great place to live

Culture and social life
 Recreation
 Development and open space

## A beautiful and safe natural environment

Animals and wildlife
 Natural environment
 Water and drainage

Well-Run Council	Key Outputs	Measures	Targets
Good governance	Servicing community needs and regulatory obligations by keeping cemetery records and maintaining rights of burial	Compliance with legislative requirements	100%
	Monthly reporting to the Thorak Cemetery Board	Achievement of operational budget	100%
Modern service delivery	Cremations including a pick-up service from the local hospitals.	Community Survey	>60%
	Memorial spaces for ash interments, including family trees, rocks, Niche Walls and a columbarium	Importance of Thorak	
	Chapel hire and amenities	Satisfaction with Thorak	>65%
	Maintenance of grounds and open spaces, including mowing, planting, weeding and irrigation	Memorial Inspections Chapel use	>25% hire
	Maintenance of cemetery plant and equipment	Service Level defined	
	Basic upkeep of buildings including cemetery house	Efficient service schedules	
	Sale of cemetery products	Sales Growth	>10%

### New Initiatives

1. Relocation of External Generator – \$25,000
2. Revamping Front Entrance to Thorak Cemetery – \$10,000
3. Upgrade Visual System in Thorak Chapel – \$6,000

# 2019–20 Annual Budget Summary

Overall Council is forecasting a \$1.3 million operating surplus (excluding depreciation) in 2019–20 to contribute towards funding the Council’s capital works program. Besides the two major community infrastructure projects Community and Business Hub (\$7 million) and Freds Pass Sport and Recreation Reserve upgrades (\$1.5 million), the capital works program includes sealing unsealed roads and pavement rehabilitation for Council’s current sealed roads.

## **Operating Revenue increase 9.0%**

Council’s operational revenue is forecast to increase by 9.0 %, which is due to a 5 % increase in rates income, \$421,447 ongoing operational grant for library services, an increase in dog registrations and an expected increase in development administration fees.

## **Operational Expenditure increase 6.8%**

Operational expenditure has been forecast to increase by 6.8%, which includes \$421,447 for library services, a 2% annual staffing wage increase in line with the enterprise agreement and one-off projects to the value of \$200,000.

The new initiatives funded from rates are \$250,000, in line with Council’s Long Term Plan plus an additional \$91,000 funded from the waste and Thorak Regional Cemetery reserves. The initiatives include projects of facility improvements, future planning and improved service delivery (all initiatives listed separately in this document).

## **Capital income increase 108.5%**

The large increase in capital income for 2019–20 includes \$6 million in anticipated funding for the Community and Business Hub and an increase in expected developer contributions for future development in the Council area. There is continued Roads to Recovery funding from the Federal Government for road improvements and \$398,000 budgeted to be received from Black Spot funding for the Girraween Road and Hillier Road intersection.

## **Capital Expenditure increase 97.9%**

Capital expenditure includes \$7 million for a Community and Business Hub, dependent on external grant funding. Other capital expenditure includes \$1.5 million grant funded for the Freds Pass Sport and Recreation Reserve upgrade and \$3.79 million for roads and infrastructure upgrades and renewals.

In line with Council’s Long Term Financial Plan, Council continues to use financial reserves to fund capital works on infrastructure, as well as grant funds received in prior years.

For the first time, Council is proposing to fund a large capital project through borrowing. The Community and Business Hub is to be funded through \$6 million of government funding and \$1 million through a Council loan. Council believes that borrowing allows for the cost of this project to be funded through future generations with these receiving the benefit of the service.

## Annual Budget – Summary

	Budget 2018-19 (\$)	Budget 2019-20 (\$)	% Variance
Operating Income	15,086,437	16,438,088	9.0%
Less (Operating Expense) * excluding depreciation	13,719,787	14,649,450	6.8%
Less (New Initiatives)	176,500	341,000	
<b>Operating Profit (loss)</b>	<b>1,190,150</b>	<b>1,447,638</b>	<b>21.6%</b>
Capital Income	3,638,411	7,584,743	108.5%
Less (Capital Expense)	6,588,733	13,037,000	97.9%
<b>Capital Profit (Loss)</b>	<b>(2,950,322)</b>	<b>(5,452,257)</b>	<b>84.8%</b>
Financial Reserve Movements	1,760,172	3,004,619	
Balance Sheet - Loan		1,000,000	
<b>TOTAL Profit (Loss)</b>	<b>0</b>	<b>0</b>	

# Infrastructure Maintenance

Council continues to focus on maintaining its current road and community infrastructure assets, with its extensive network of assets valued at \$496 million replacement value.

A total of \$1.85 million is provided for infrastructure maintenance in Council’s 2019–20 budget, including \$58,000 for Council office maintenance. Expenditures for new, renewals and upgrades of assets are detailed in the Capital Works Program.

## Infrastructure Maintenance Program

	Actual \$ 2016-17	Actual \$ 2017-18	Budget \$ 2018-19	Budget \$ 2019-20
<b>Road Maintenance Program:</b>				
Kerbing	42,738	26,837	40,000	40,000
Maintenance Grading	124,211	89,465	195,000	180,000
Patching	207,733	264,012	140,000	120,000
Pavements Rehabilitation	251,259	329,198	180,000	250,000
Shoulders	200,942	168,988	250,000	200,000
Signage	121,462	89,883	85,000	65,000
Road Culverts	108,515	89,109	30,000	100,000
Road Table Drains	370,915	307,340	250,000	300,000
Driveway Access	37,995	20,690	100,000	50,000
Driveway Culverts	220,831	58,263	200,000	100,000
Safety Barriers	15,225	24,555	50,000	40,000
Stormwater Drains	0	604	60,000	50,000
Stabilisation	4,582	0	20,000	0
Guide Posts	49,990	49,891	74,000	50,000
Floodways/Causeways	62,164	57,522	60,000	60,000
Line Marking	150,626	153,549	110,000	180,000
Sweeping	13,640	4,431	40,000	20,000
Road and Drainage	-	22,545	100,000	0
Council Office Maintenance Program	60,900	48,293	53,000	53,000
<b>TOTAL</b>	<b>2,043,728</b>	<b>1,805,175</b>	<b>2,037,000</b>	<b>1,858,000</b>

## New Initiatives – Operating Budget

Council has allocated a total of \$341,000 for new initiatives in the 2019–20 financial year in line with the Long Term Financial Plan with \$250,000 funded through rates income.

Council includes new initiatives in the annual operating budget to ensure Council continuously improves service delivery. All initiatives contribute to achieving Council’s strategic priorities outlined in the Strategic Plan 2018 – 2022.

Initiative	Amount \$	Description
Tourism Strategy	30,000	Develop a Tourism Strategy – Total cost is estimated at \$60,000 to be support by a \$30,000 Northern Territory Government grant.
Shared Path Plan	25,000	Review existing pathway network into and throughout the Municipality to identify future connections to improve pedestrian and cyclist transport links.
320 Arnhem Highway Master Plan – Stage 1	30,000	Develop a Master Plan for Council land at 320 Arnhem Highway, including consideration of community infrastructure and economic opportunities.
Chamber Refurbishment	10,000	Minor refurbish Council Chambers to address work health and safety issues and save costs in hiring furniture.
New Website Development	45,000	Redevelop Council’s website to increase user satisfaction and enable more services to be completed online. This action comes from Council’s Community Engagement Strategy
Mobile Workforce Review	30,000	Review the efficiency and effectiveness of Mobile Workforce, including understanding current levels of service and projected growth.
Litchfield Annual Art Exhibition	10,000	Annual event to showcase community art.
Council Chambers Audio / Video Upgrade	30,000	Replace aged Audio/Video setup in the Council Chambers. This action comes from Council’s ICT Improvement Plan.
Community and Business Hub Strategic Business and Concept Plan	40,000	Development of a business and concept plan for a Community and Business Hub.
<b>TOTAL</b>	<b>\$250,000</b>	

<i>Funded from Financial Reserves; Thorak Regional Cemetery and Waste Management Financial Reserve</i>		
Thorak Regional Cemetery - upgrade Visual System in Thorak Cemetery chapel	6,000	Improving service delivery for customers.
Thorak Regional Cemetery - relocation of External Generator	25,000	Relocating the existing generator to ensure that entire site, including the office, has power at all times, especially for emergency situations.
Thorak Regional Cemetery - maintenance work to Cemetery Gate Entry	10,000	Painting and maintenance of gates as well as replanting after Cyclone Marcus damage.
Waste Management - prepare Disaster Waste Plan	20,000	Preparation of plans for all sites for disaster management to improve site preparedness.
Waste Management - explore incentives and education to boost recycling and food waste management.	20,000	Prepare and start education strategy, including incentive program and food waste management program to maximise recycling and divert waste from landfill.
Waste Management - Environmental Management Plan for Berry Springs Waste Transfer Station	10,000	Develop an environmental management plan for Berry Springs Waste Transfer Station.
<b>TOTAL</b>	<b>\$91,000</b>	

# Rating Strategy

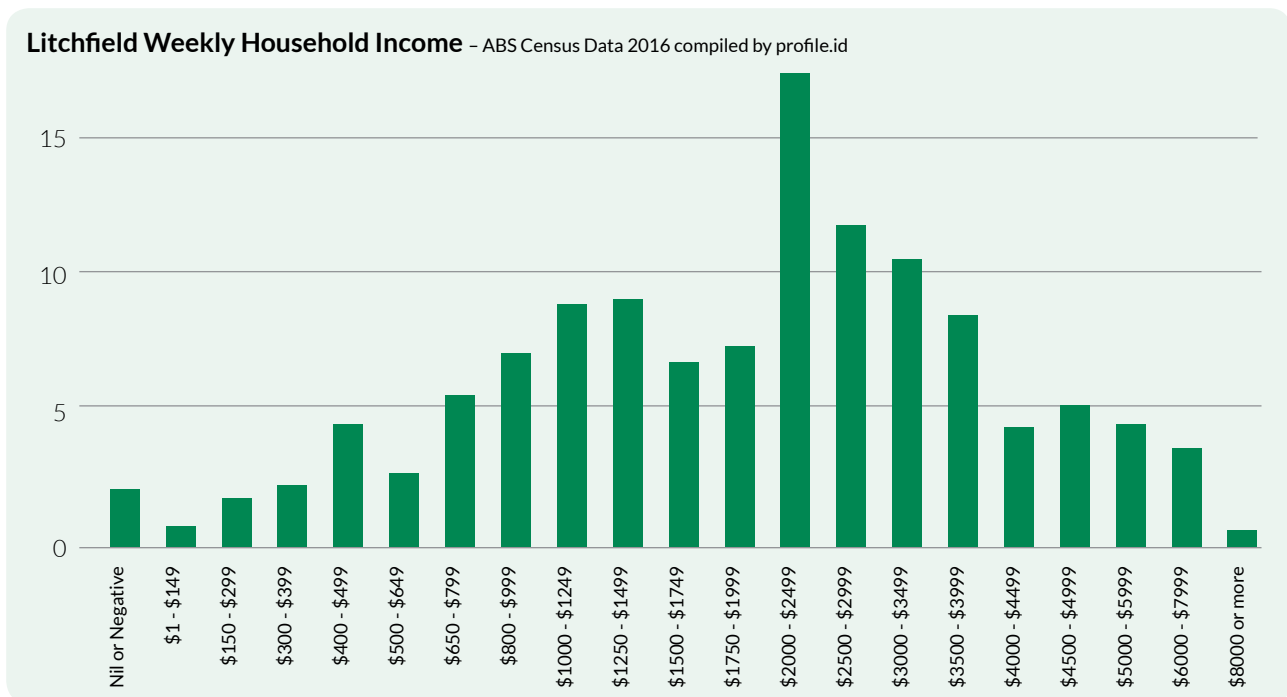
## Social and Economic Impact Statement of Rating Strategy

Council continues to be guided by its Long Term Financial Plan, Strategic Plan and Litchfield’s demographic and economic data when setting rates and charges for the 2019–20 financial year.

Council’s goal is to ensure there are enough funds to maintain and renew Council’s assets to meet increasing demand for community infrastructure and services in line with population growth. As part of this process, Council considers the financial capacity of its ratepayers and believes that the 5% rate rise, which is less than \$1 a week, will not significantly impact residents, even in relatively low-income households. For the third year in a row Council is not increasing the fixed rate for Coolalinga residential properties, that are above the fixed rate of other residential properties within the Municipality.

The Rating Policy is currently under review with a Community Reference Group (CRG) appointed to assist Council by making recommendations to Council on what it should consider in reviewing its rating system. After Council receives recommendations from the CRG, Council will develop a position/discussion paper for public consultation. Council will then consider all feedback before deciding on its rating policy in early 2020.

The following data informed Council’s decision.



### Litchfield Household Data

- ABS Census Data 2016 compiled by profile.id

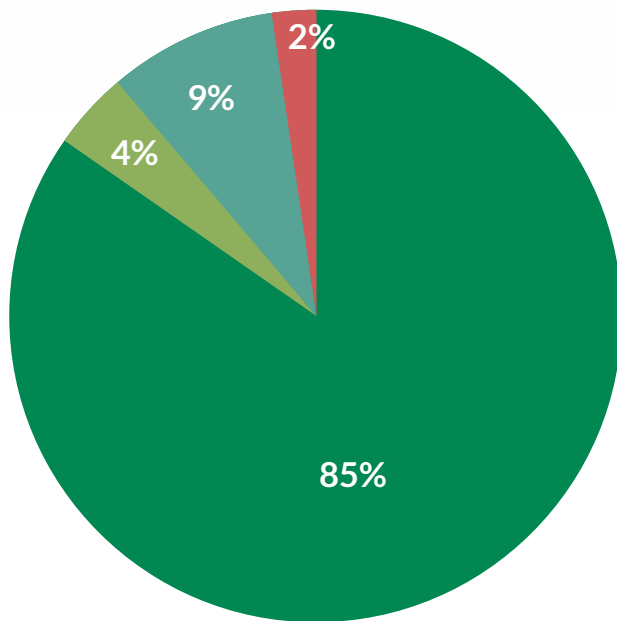
Median weekly household income	\$2,109
Households with a mortgage	40%
Median weekly mortgage repayment	\$578
Households Renting	17%
Median weekly rent	\$401

In 2019–20 Council forecasts that it will raise \$7,626,967 in rating revenue equating to 45% of Council’s total income of which 85% will be raised from residential rates.

There are three rating categories in Council’s rating policy that each have a different basis for charging, and include:

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

## Rate Revenue



### Rates 2019-2020

- Residential Rate
- Urban Rate (Coolalinga)
- Commercial and Industrial Rates
- Gas Plant / Workers Village / Pastoral Lease / Mining Tenements

	Budget \$ 2017-18	Budget \$ 2018-19	Budget \$ 2019-20
<b>Residential Rate</b>	5,890,585	6,121,269	6,471,711
<b>Urban Rate (Coolalinga)</b>	289,170	291,600	296,460
<b>Commercial and Industrial Rates</b>	614,483	647,881	680,275
<b>Gas Plant / Workers Village / Pastoral Lease / Mining Tenements</b>	159,118	168,747	178,521
<b>TOTAL</b>	<b>6,953,356</b>	<b>7,229,497</b>	<b>7,626,967</b>

Residential Urban (Coolalinga) fixed rate will not increase in 2019-20, remaining at \$1,215 for the third year in a row.

The residential rural fixed rate will increase by \$40 per property in 2019-20, a 5% increase.

The Waste Charge will increase by \$10 per rateable property. The table below outlines the total rates and charges applicable to each rating category:

### Residential Rate and Waste Charge

		2017-18	2018-19	2019-20	Variance
<b>Residential Urban - Coolalinga</b>	Rate	\$1,215	\$1,215	\$1,215	\$0
	Waste	\$349	\$359	\$369	\$10
<b>Residential Rural</b>	Rate	\$765	\$803	\$843	\$40
	Waste	\$349	\$359	\$369	\$10



2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Rural Residential (excluding Coolalinga) and Commercial / Industrial Rates % Increases Over Time</b>							
4.2	6	3.5	5	5.5	5	5	5
<b>Gas Plant – Rates Over Time</b>							
\$2,510	\$28,008	\$28,986	\$30,435	\$33,554	\$44,795	\$52,411	\$104,822
<b>Workers Village – Rates Over Time</b>							
\$2,485	\$25,153	\$24,483*	\$25,707	\$28,278	\$37,751	\$44,169	\$0

\*Reduction in UCV mid-year

## Rates Structure

Planning Zone	Code*	No. of properties	Rate 2018-19	Rate 2019-20
<b>Fixed Rates</b>				
Allotments of Residential Land (Except Coolalinga)	SD; R; RR; MD; MR; HR; SU; CP; RD; U; CL; HT; PS; CN; OR	7677	\$803	\$843
Allotments of Residential Land (Coolalinga)	SD; R; RR; RL; MD; MR; HR	244	\$1,215	\$1,215
<b>Valuation Based</b>				
Allotments of Commercial / Industrial Land	CB; FD; TC; C; SC; CV; GI; DV; LI	265	0.200372% Min. Charge \$1,471	0.2529544% Min. Charge \$1,545
Gas Plant	MZ	3	0.294443%	0.466913%
Workers Village	MZ	0	0.588917%	0%
Mining Tenements	As set by the Minister	70	0.3434% Min. Charge \$880.40	0.3475% Min Charge \$890.96
Pastoral Lease	As set by the Minister	0	0.0299% Min. Charge \$371.99	0.0306% Min Charge \$376.45
<b>Charge</b>				
Waste Charge		7973	\$359	\$369
<b>Special Rate</b>				
Area A Road (Whitstone Road)	RR	2	\$4,210.50	\$4,421.00

In addition to the 5% increase in rates in 2019-20, Council increased the waste charge by 3%, which equates to \$10.

A special rate for the sealing of Whitstone Road will be levied on two properties, which is able to be paid over two years.

## Sponsorship, Grants and Operating Subsidies

Council's Community Grants Scheme was launched in 2017 following the development of Council's Grants, Donations and Sponsorship Policy (FIN07). The Scheme provides a framework for delivering grant funding to the community and links to 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 enrich life in our community.

### Recreation Reserves Funding Support

Council supports seven recreation reserves on Council land in the municipality by providing operational funding to enable each Recreation Reserve Committee to maintain facilities and support a range of activities.

Operating Contributions to Recreation Reserves					
	Budget 2018-19	Total funding 2019-20	Paid directly to Recreation Reserve Community Management Committees 2019-20	Tree Maintenance 2019-20	Annual Playground Assessment 2019-20
<b>Freds Pass Reserve</b>	\$685,500	\$693,725	\$633,125	\$60,000	\$600
<b>McMinns Reserve</b>	\$25,000	\$25,195	\$15,195	\$10,000	-
<b>Humpty Doo Village Green</b>	\$103,500	\$104,679	\$84,079	\$20,000	\$600
<b>Berry Springs Reserve</b>	\$65,500	\$66,315	\$55,715	\$10,000	\$600
<b>Livingstone Reserve</b>	\$58,500	\$59,224	\$48,625	\$10,000	\$600
Recreation Reserves managed in-house by Council					
	Budget 2018-19	Total Budget 2019-20	Operations and Maintenance 2019-20	Tree Maintenance 2019-20	Playground Assessment 2019-20
<b>Howard Park Reserve</b>	\$114,400	\$115,000	\$104,400	\$10,000	\$600
<b>Knuckey Lagoon Reserve</b>	\$34,000	\$34,000	\$24,000	\$10,000	-
<b>Building certification works (all Recreation Reserves)</b>	-	\$30,000	-	-	-
<b>TOTAL</b>	<b>\$1,086,400</b>	<b>\$1,128,139</b>	<b>\$965,139</b>	<b>\$130,000</b>	<b>\$3,000</b>

## Grants and Donations

Grants / Donations	2018-19	2019-20	Description
Freds Pass Annual 2-day Show	\$40,000	\$40,000	Funding to assist the Freds Pass Show
Palmerston and Litchfield Seniors Association	\$5,000	\$5,000	Sponsorship to support the seniors' festival within the Litchfield community
Litchfield Collection	\$4,000	\$4,000	Funding to support the preservation of the Litchfield Collection at the Taminmin Community Library
Southport Mira Square	\$5,000	\$0	Funds to support the development of community facilities on Mira Square
NT Natural Resource Management Awards	\$2,500	\$2,500	Sponsorship to support the Northern Territory Natural Resource Management Conference and Awards
Community initiatives	\$7,500	\$7,500	Up to 15 community initiatives at \$500 provided throughout the year
Annual Community Grants	\$33,000	\$33,000	Annual grants of up to \$5,000 for community groups - fully funded through cans and batteries recycling
<b>TOTAL</b>	<b>\$97,000</b>	<b>\$92,000</b>	

Community Support / Community Events	2018-19	2019-20	Description
Litchfield Women in Business Network (LWIBN)	\$6,000	\$6,000	Council established Network - 3 events held annually plus monthly network catch-up meeting
Litchfield Annual Art Exhibition	\$0	\$10,000	Commenced as an inaugural event as part of LWIBN celebration of International Women's Day in 2019. In 2019-2020 this event will be staged annual as a community art exhibition.
Australia Day Community Event	\$7,000	\$7,000	Annual community event
NT Youth Week Event	\$1,000	\$1,000	Annual community event
Anzac Day	\$1,000	\$1,000	Commemorative services
Freds Pass Annual Show Council Stall	\$10,000	\$10,000	Community engagement at major event
<b>TOTAL</b>	<b>\$25,000</b>	<b>\$35,000</b>	

## Elected Members' Allowances

In accordance with Section 71(3) of the *Local Government Act*, the elected members' allowances are set annually by ministerial guidelines. The allowances for the 2019–20 financial year are as follows:

Elected Members Allowances for 2019–20	Amount \$		
	Mayor	Deputy Mayor	Councillor
<b>Annual Base Allowance</b>	74,742.90	27,637.93	13,442.75
<b>Annual Electoral Allowance</b>	19,672.93	4,919.13	4,919.13
<b>Extra Meeting Allowance</b>	-	-	8,961.83
<b>Professional Development Allowance</b>	3,734.50	3,734.50	3,734.50
<b>Total Maximum Claimable</b>	98,150.33	36,291.56	31,058.21
<b>2018–19 Elected Members Allowance Totals</b>	96,026.23	35,506.16	30,386.06
<b>Variance</b>	2.2%	2.2%	2.2%

### Annual Base Allowance

This allowance covers the activities required of an elected member to perform 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; and
- Council representation outside the 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.

# 2019–20 Annual Budget in Detail

## Analysis of the Operating Budget

### Operating Revenue

Overall, operating income for the 2019–20 financial year is forecast to increase by \$1.4 million (9.0%) compared to the 2018–19 budget. The table below identifies the changes in operating revenue by directorate.

A 5% increase in rural residential and commercial/industrial rates will be the main rise in operating income for Council in 2019–20. Other factors include an increase in Federal Assistance Grants (FAG’s) for road maintenance and general funding and a \$30,000 funding grant to recoup the cost of a \$60,000 tourism strategy in the Council Leadership department.

The \$421,000 in grant funding for the library services contributes to the increase in operating income, as well as a forecast 12% increase in Thorak Regional Cemetery fees for burial and cremation ceremonies and \$130,000 raised through a 3% increase purpose in the waste charges.

### Operating Revenue by Department

Directorate	Department	2018–19 (\$)	2019–20 (\$)	Variance in \$ Increase / (Decrease)
<b>Council Leadership</b>	Elected members, Office of the CEO and community engagement	-	30,000	30,000
<b>Community and Corporate Services</b>	Finance	8,472,205	9,045,441	573,236
	Community	82,000	74,000	(8,000)
	Library	-	421,447	421,447
	Thorak Regional Cemetery	777,447	876,580	99,133
	Corporate	-	-	-
	Information Services	-	-	-
<b>Infrastructure and Operations</b>	Mobile Workforce	-	-	-
	Planning and Development	51,836	61,748	9,912
	Infrastructure and Assets	2,583,776	2,637,492	53,716
	Waste Management	3,048,423	3,178,680	130,257
	Regulatory Services	70,750	112,700	41,950
<b>TOTAL</b>		<b>15,086,437</b>	<b>16,438,088</b>	<b>1,351,651</b>

## Operating Expenses by Department

The overall increase of 6.8% in operational expenses compared to the 2018-19 Budget, is detailed in below table by directorate.

The increase in expenditure under Council Leadership, is linked to an increase in Councillor allowances, actions under Council's Community Engagement Strategy and development of a Tourism Strategy. The addition of library services increased operational expenditures by \$421,447, this increase is completely funded by the Northern Territory Government. The directorate of Community and Corporate Services increased expenditure to focus on Council's Risk Management and will undertake the Electoral Review for Council, in accordance with requirements of the *Local Government Act*.

New initiatives funded from rates are \$250,000 in line with Council's Long Term Plan, plus an additional \$91,000 funded from the waste and Thorak Regional Cemetery financial reserves. These initiatives include facility improvements, future planning and improved service delivery (see all initiatives listed separately in this document). The increase in expenditure in Waste Management is linked to the one-off cost in preparing environmental and disaster management plans for Waste Transfer Stations.

Directorate	Department	2018-19 (\$)*	2019-20 (\$)*	Variance in \$ Increase / (Decrease)
<b>Council Leadership</b>	Elected members, Office of the CEO and community engagement	953,231	1,111,896	158,665
<b>Community and Corporate Services</b>	Finance	1,523,732	1,584,930	61,198
	Community	1,430,995	1,442,690	11,695
	Library	-	421,447	421,447
	Thorak Regional Cemetery	820,749	870,411	49,662
	Corporate	489,335	645,697	156,362
	Information Services	509,486	513,091	3,605
<b>Infrastructure and Operations</b>	Mobile Workforce	1,249,031	1,287,337	38,306
	Planning and Development	688,273	728,387	40,114
	Infrastructure and Assets	3,101,389	3,004,297	(97,092)
	Waste Management	2,765,452	2,991,436	225,984
	Regulatory Services	364,614	388,831	24,217
<b>TOTAL</b>		<b>13,896,287</b>	<b>14,990,450</b>	<b>1,094,163</b>

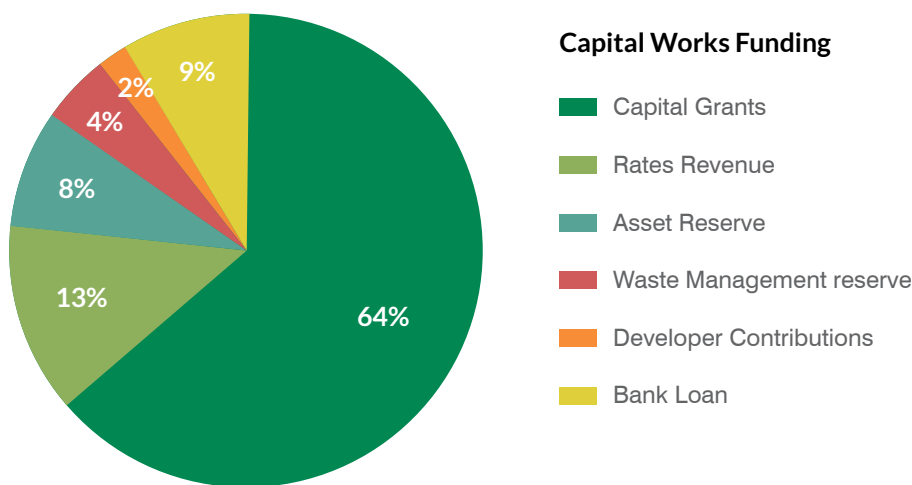
\* Operating Expenses excluding Depreciation.

## Analysis of the Capital Budget

Capital works are works that improve or replace an existing asset or create a new asset for Council.

To undertake capital works, Council relies heavily on grant funding and funds drawn from Council’s financial Asset Reserve. In 2019-20, Council will transfer \$929,000 from the Asset Reserve to fund asset works in an effort to close its infrastructure gap - the gap between what Council spends on its assets each year and the amount Council’s depreciation figure suggests should be spent on assets each year.

### Source of Funding for Capital Works 2019–20



In 2019–20 capital works funding includes \$7.3 million of anticipated grant funding. Council’s operating surplus of \$1.5 million goes towards funding capital works.

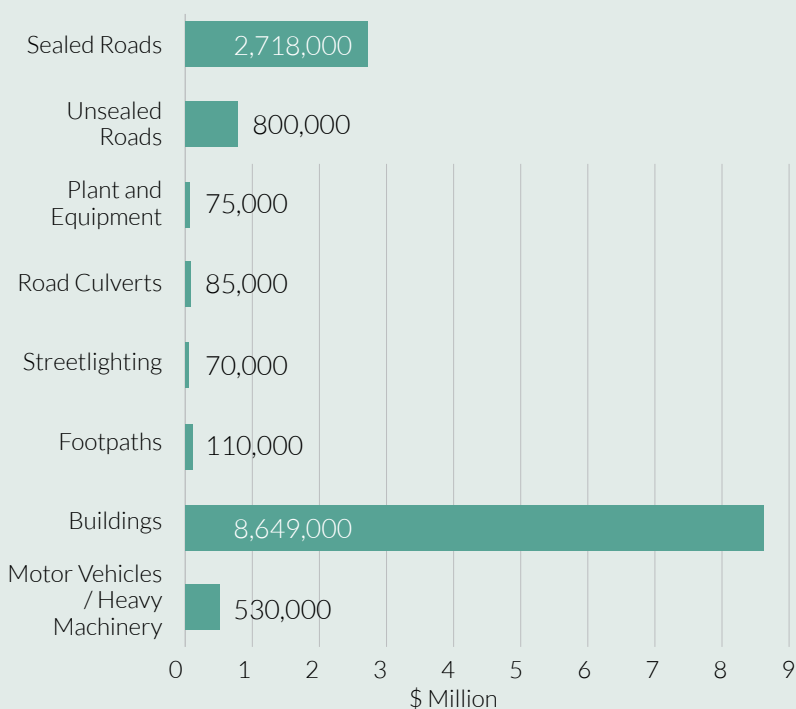
A total of \$929,000 will be transferred from the Asset Reserve for capital works and \$525,000 will be used from the waste management reserve to fund all the capital purchases included in the 2019-20 waste management budget. A further \$233,000 will be sourced from the developer contribution financial reserve to seal Whitstone Road.

## Capital Revenue by Department

External grants remain the main source of capital income. These grants are linked to specific projects and outcomes. Budgeted income, such as \$6 million for the Community and Business Hub is not guaranteed income with project commencement and undertaking fully dependent on Council receiving the funding. The decrease in income in the Infrastructure and Operations directorate is linked to non-recurrent grants received in the prior year.

Directorate	Departments	2018-19 (\$)	2019-20 (\$)	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	6,000,000	5,918,819
	Thorak Regional Cemetery	-	-	-
	Corporate	-	-	-
	Information Services	-	-	-
<b>Infrastructure and Operations</b>	Mobile Workforce	60,000	35,000	(25,000)
	Planning and Development	60,353	140,000	79,647
	Infrastructure and Assets	3,436,877	1,344,743	(2,092,134)
	Waste Management	-	50,000	50,000
	Regulatory Services	-	15,000	15,000
<b>TOTAL</b>		<b>3,638,411</b>	<b>7,584,743</b>	<b>3,946,332</b>

## Capital Expenditure on Assets



Capital expenditure is budgeted to increase by 97.9% in 2019-20. This expenditure is mainly attributed to the inclusion of the Community and Business Hub project and to a lesser extent, the Freds Pass Sport and Recreation Upgrade project.

The \$7 million Community and Business Hub project combines the need for a community hall with a modern library facility and includes spaces for arts and cultural pursuits.

The Freds Pass Sports and Recreation Reserve infrastructure upgrade is a fully funded project by the NT Government with \$2 million provided to Council in 2017-18. In 2019-20, \$1.5 million is expected to be spent to complete the project after \$500,000 was spent in 2018-19.



## Capital Expenditure by Directorate and Department

DIRECTORATE Department	PROJECTS	COSTS (\$)
<b>INFRASTRUCTURE AND OPERATIONS</b>		
Infrastructure and Assets	Resealing of roads	900,000
	Re-sheeting of unsealed roads	400,000
	Whitewood Road footpath renewal (3-year program)	110,000
	LED street lighting (4-year replacement program)	60,000
	Smart controls for LED lighting (4-year program)	10,000
	Whitstone Road sealing	400,000
	Hillier Road – guard rail	85,000
	Shoulder widening of various roads	300,000
	Stevens Road pavement upgrade	500,000
	Black Spot – Girraween and Hillier Road (subject to Black Spot funding)	398,000
	Whitewood Road pavement rehabilitation	320,000
	Pioneer Drive / Norm Lane intersection upgrade	300,000
Council office - automatic doors assisting with all access	9,000	
<b>TOTAL</b>		<b>3,792,000</b>
Mobile Workforce	Tractor with slasher replacement	140,000
	Mower replacement	35,000
<b>TOTAL</b>		<b>175,000</b>
Regulatory Services	Motor vehicle replacement	45,000
<b>TOTAL</b>		<b>45,000</b>
Waste Management	Motor vehicle replacement	45,000
	Howard Springs and Berry Springs safety improvements	140,000
	Waste compactor bin	40,000
	Loader replacement	300,000
<b>TOTAL</b>		<b>525,000</b>
<b>COMMUNITY AND CORPORATE SERVICES</b>		
Community	Freds Pass Sport and Recreation Reserve infrastructure upgrade (Carried forward from 2017-18)	1,500,000
	Community and Business Hub	7,000,000
<b>TOTAL</b>		<b>8,500,000</b>
		<b>13,037,000</b>

## Road Reseal Program

The table below outlines road resealing works to be undertaken on Council's roads in 2019–20.

Road name	Length (m)
Hunter Road	500
Freds Pass Road	815
Beaumont Road	60
Lauder Road	650
Lillkirk Road	212
Meerwah Road	220
Leonino Road	150
Lorikeet Court	255
McKinlay Road	222
Daniel Circuit	3,500
Girraween Road	670
Macleod Road	1,620
Carambola Road	1,060
Linane Road	620
Forest Drive	1,270
Barker Road	1,780
<b>TOTAL</b>	<b>13,604</b>

Ward	Number of Roads	Length
South	5	2.915 km
North	1	0.670 km
East	6	5.059 km
Central	4	4.960 km

# 2019–20 Annual Budget Reporting

The following section provides financial information on Council’s projected performance in 2019–20. 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).

	Budget 2019–20	Budget 2018–19	Actual 2017–18	Actual 2016–17
<b>Current Ratio</b>	9.0:1	9.0:1	7.01:1	6.96:1
<b>Debt Service Ratio</b>	6.06%	0%	0%	0%
<b>Rate Coverage Percentage</b>	44.83%	39.95%	39.81%	28.30%
<b>Rates and Annual Charges Outstanding Percentage</b>	<15%	<15%	20.61%	22.52%
<b>Own Source Revenue Coverage Ratio</b>	>60%	>60%	54.9%	40.73%
<b>Asset Sustainability Ratio</b>	>60%	>60%	44.8%	29.74%

## 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 2019–20, Council will manage a total income of more than \$17.5 million, which includes all grant funding. Most of this income is as a result of rate revenue and the Community and Business Hub project.

Council's largest expenditure is employee costs, which accounts for 45% of the budget and includes the superannuation, workers compensation, fringe benefit tax, training and development and insurances.

Council assets were re-valued on 30 June 2018, in line with requirements under the *Local Government Act*. The revaluation examined the useful lives of assets and provided a more accurate depreciation figure to required guide spending to maintain and replace Council's assets. The revaluation resulted in a decrease depreciation.

	Actual 2017–18 (\$)	Budget 2018–19 (\$)	Budget 2019–20 (\$)
<b>Income</b>			
Rates	9,811,439	10,243,216	10,738,393
Statutory Charges	64,359	70,250	111,700
User Charges	1,175,109	1,143,033	1,208,128
Grants Subsidies and Contributions – NT Recurrent	16,321	-	442,046
Grants Subsidies and Contributions – NT Capital	724,394	-	-
Grants Subsidies and Contributions – Australian Government Recurrent	3,073,489	2,939,688	3,172,370
Grants Subsidies and Contributions – Australian Government Capital	1,729,433	-	946,743
Grants Subsidies and Contributions – Other	160,291	79,353	140,000
Investment Income	758,200	686,250	694,451
Reimbursements	60,224	-	-
Other Income	150,389	60,000	71,000
<b>Total Income</b>	<b>17,723,648</b>	<b>15,221,790</b>	<b>17,524,831</b>
<b>Expenses</b>			
Employee Costs	5,737,007	6,121,026	6,761,488
Materials, Contracts and Other Expenses	7,875,804	7,775,261	8,231,962
Depreciation, Amortisation and Impairment	16,615,287	16,749,678	11,557,620
<b>Total Expenses</b>	<b>30,228,098</b>	<b>30,645,965</b>	<b>26,551,070</b>
<b>Operating Deficit</b>	<b>(12,504,450)</b>	<b>(15,424,175)</b>	<b>(9,026,239)</b>
Net gain (loss) on disposal or revaluation of assets	(14,626)	-	-
Amounts received specifically for new or upgraded assets	2,127,544	3,503,058	6,398,000
Physical resources received free of charge	1,351,911	-	-
<b>Net Deficit</b>	<b>(9,039,621)</b>	<b>(11,921,117)</b>	<b>(2,628,239)</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 2020.

	Actual \$'000's 2017-18	Budget \$'000's 2018-19 <small>based on 2017-18 Actuals</small>	Budget \$'000's 2019-20
<b>Current Assets</b>			
Cash and Cash Equivalents	2,215	2,240	2,283
Trade and Other Receivables	2,179	1,379	1,284
Other Financial Assets	20,587	19,601	16,801
<b>Total Current Assets</b>	<b>24,981</b>	<b>23,220</b>	<b>20,369</b>
<b>Non-Current Assets</b>			
Infrastructure, Property, Plant and Equipment	315,501	305,340	306,819
Other Non-Current Assets	3,042	750	0
<b>Total Non-Current Assets</b>	<b>318,543</b>	<b>306,090</b>	<b>306,819</b>
<b>Total Assets</b>	<b>343,524</b>	<b>329,310</b>	<b>327,188</b>
<b>Current Liabilities</b>			
Trade and Other Payables	2,245	2,683	2,836
Provisions	621	621	621
<b>Total Current Liabilities</b>	<b>2,866</b>	<b>3,304</b>	<b>3,457</b>
<b>Non-Current Liabilities</b>			
Bank Loan	0	0	996
Provisions	388	388	388
<b>Total Non-Current Liabilities</b>	<b>388</b>	<b>388</b>	<b>1,384</b>
<b>Total Liabilities</b>	<b>3,254</b>	<b>3,692</b>	<b>4,841</b>
<b>NET ASSETS</b>	<b>340,270</b>	<b>325,618</b>	<b>322,347</b>
<b>Equity</b>			
Accumulated Surplus	22,734	9,843	9,576
Asset Revaluation Reserves	295,859	295,859	295,859
Other Reserves	21,677	19,916	16,912
<b>TOTAL EQUITY</b>	<b>340,270</b>	<b>325,618</b>	<b>322,347</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 \$'000's 2017-18	Budget \$'000's 2018-19 based on 2017-18 Actuals	Budget \$'000's 2019-20
<b>Cash Flows from Operating Activities</b>			
<b>Receipts</b>			
Rates - general and other	10,067	11,043	10,846
Fees and other charges	1,390	1,213	1,307
Investment receipts	751	686	614
Grants utilised for operating purposes	6,132	6,522	4,701
Other operating receipts	211	60	70
<b>Payments</b>			
Employee costs	(5,774)	(6,121)	(6,761)
Contractual services and materials	(7,657)	(7,775)	(7,888)
Other operating payments	(81)	0	0
<b>Net Cash provided by Operating Activities</b>	<b>5,039</b>	<b>5,628</b>	<b>2,886</b>
<b>Cash Flows from Investing Activities</b>			
<b>Receipts</b>			
Amounts specifically for new or upgraded assets	2,127	0	6,398
Sale of surplus assets	20	0	0
Net disposal of investment securities	0	986	2,800
<b>Payments</b>			
Expenditure on renewal/replacement of assets	(5,889)	(6,589)	(13,037)
Net disposal of investment securities	(1,012)	0	
<b>Net Cash used in Investing Activities</b>	<b>(4,754)</b>	<b>(5,603)</b>	<b>(3,839)</b>
<b>Cash Flows from Financing Activities</b>			
<b>Receipts</b>			
Proceeds from borrowings	0	0	1,000
<b>Payments</b>			
Repayment of borrowings	0	0	(4)
<b>Net Cash used in Financing Activities</b>	<b>0</b>	<b>0</b>	<b>996</b>
<b>Net Increase in cash held</b>	<b>285</b>	<b>25</b>	<b>43</b>
Cash and cash equivalents at beginning of period	1,930	2,215	2,240
Cash and cash equivalents at end of period	2,215	2,240	2,283

## Budgeted Statement of Reserves

### Financial Reserves

This statement provides a summary of Council's financial reserve balances from the forecast balance as at 30 June 2019 to year end 2019-20, 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 million 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 funds from each financial reserve.

In 2019-20 Council will draw funds from:

- the Developer Contribution Reserve towards the cost of sealing Whitestone Road;
- \$1.5 million from Unexpended Grants to finalise upgrade at Freds Pass Reserve;
- \$984,000 from Asset reserves towards the renewal of infrastructure assets;
- \$288,000 from Waste Management Reserve for works at the Waste Transfer Stations;
- \$50,000 from the Election Reserve to undertake the legislatively required Electoral Review; and
- \$95,000 from the Strategic Initiatives Reserve for future planning of Council.

The anticipated operations at Thorak Regional Cemetery will see a profit of \$6k being transferred into the Cemetery financial reserve in 2019-20.

	Balance at 1 July 2019 (\$)	Transfer TO (\$)	Transfer FROM (\$)	Net Movement (\$)	Balance at 30 June 2020 (\$)
<b>Externally Restricted Reserves</b>					
<b>Developer Contribution Reserve</b>	702,559	140,000	(233,724)	(93,724)	608,835
<b>Unexpended Grants and Contributions</b>	4,183,119	-	(1,500,000)	(1,500,000)	2,683,119*
<b>Internally Restricted Asset Related Reserves</b>					
<b>Asset Reserve</b>	9,608,825**	-	(984,308)	(984,308)	8,624,517
<b>Internally Restricted Other Reserves</b>					
<b>Waste Management Reserve</b>	4,234,769	287,244	(575,000)	(287,756)	3,947,013
<b>Election Reserve</b>	100,000	-	(50,000)	(50,000)	50,000
<b>Disaster Recovery Reserve</b>	500,000	-	-	-	500,000
<b>Strategic Initiatives Reserve</b>	410,000	-	(95,000)	(95,000)	315,000
<b>Cemetery Reserve</b>	176,754	6,169	-	6,169	182,923
<b>TOTAL</b>	<b>19,916,026</b>	<b>433,413</b>	<b>(3,438,032)</b>	<b>(3,004,619)</b>	<b>16,911,407</b>

\*Council forecasted to spend the balance of \$2,683,119 of external grants in 2018/19 financial year. This has not been recognised in the 2018/19 budget. This reserve is forecasted to have a zero balance by the end of 2019/20.

# Long Term Financial Plan

## Long Term Financial Plan Assumptions

The Litchfield Council's 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 2019–20 to the year ended 2023–24.

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 (Annual)
<b>INCOME</b>	
Rates Income	5.0% plus \$25,000 growth in rateable properties
Waste Charge	3.0% plus \$10,000 growth in chargeable properties
Statutory Charges	2.0%
User Charges	5.0%
Grants, Subsidies and Contributions	1.0%
<b>EXPENSES</b>	
Employee Costs	2.9%
Elected Member Expenses	2.5%
Election Expenses	10% every four years
Energy	2.0%
Insurance	2.0%
Other expenses	1.5%



## Long Term Financial Plan 2019 – 2024

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; and
- increasing rate income.

2019 Budget \$'000's	2020 Budget \$'000's	2021 Forecast \$'000's	2022 Forecast \$'000's	2023 Forecast \$'000's	2024 Forecast \$'000's
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**Income from Continuing Operations**

<b>Revenue</b>						
<b>Rates &amp; annual charges</b>	<b>10,243</b>	<b>10,739</b>	<b>11,249</b>	<b>11,776</b>	<b>12,328</b>	<b>12,907</b>
Rates	7,230	7,798	8,211	8,646	9,105	9,587
Waste	3,013	2,941	3,038	3,129	3,223	3,320
Statutory Charges	70	112	114	115	115	115
User charges & fees	1,143	1,208	1,268	1,332	1,398	1,468
Interest & investment revenue	686	694	535	517	502	498
Other revenues	60	71	72	74	75	77
Grants & contributions for operating purposes	3,020	4,701	4,748	4,795	4,843	4,892
<b>TOTAL INCOME FROM CONTINUING OPERATIONS</b>	<b>15,222</b>	<b>17,525</b>	<b>18,006</b>	<b>18,623</b>	<b>19,273</b>	<b>19,964</b>

**Expenses from Continuing Operations**

Employee benefits & costs	6,121	6,761	6,957	7,159	7,366	7,580
Borrowing costs	-	3	40	38	36	34
Materials, contracts and other expenses	7,775	7,888	8,006	8,263	8,248	8,372
New Initiatives		341	200	200	200	200
Depreciation, amortisation & Impairment	16,750	11,558	11,744	11,903	12,062	12,208
<b>TOTAL EXPENSES FROM CONTINUING OPERATIONS</b>	<b>30,646</b>	<b>26,551</b>	<b>26,948</b>	<b>27,562</b>	<b>27,913</b>	<b>28,394</b>

<b>OPERATING RESULT FOR THE YEAR</b>	<b>(15,424)</b>	<b>(9,026)</b>	<b>(8,942)</b>	<b>(8,939)</b>	<b>(8,640)</b>	<b>(8,430)</b>
OPERATING RESULT FOR THE YEAR excluding Depreciation	1,326	2,528	2,753	2,913	3,368	3,722
Changes in Revaluation Surplus - I,P,P & E	-	-	-	-	-	-
Asset Disposal & Fair Value Adjustments	-	100	-	-	-	-
Amounts received specifically for new or upgraded assets	3,503	6,398	7,398	7,398	6,398	398
Physical resources received free of charge	-	-	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME / (LOSS)</b>	<b>(11,921)</b>	<b>(2,528)</b>	<b>(1,544)</b>	<b>(1,541)</b>	<b>(2,242)</b>	<b>(8,032)</b>





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