



LITCHFIELD  
COUNCIL



*Community effort is essential*

# Municipal Plan

2020-2021





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Mayor Maree Bredhauer

# Mayor's opening

## Responding to COVID-19

This is my fifth municipal plan as Mayor of Litchfield and it's certainly the most unique.

The Municipal Plan 2020-21 not only outlines our budgetary planning for the next financial year and beyond, it also factors in our response to the unprecedented challenges presented by the impacts of COVID-19.

This year's plan reflects our recently adopted Long Term Financial Plan (LTFP) 2020-21 to 2029-30, which was developed following significant community input. It includes a new Rating Policy, which introduces seven rating categories and a more transparent approach to how rates are calculated.

Council has unanimously supported the decision to increase rates in accordance with our LTFP, this was both difficult and disciplined. In recognition of the impacts of COVID-19 on our community, Council will provide a concession to all ratepayers to the value of the rate increase in 2020-21. As a result, no ratepayer will pay more in rates than they did in 2019-20.

To further support households and businesses affected by COVID-19, Council has reviewed its Rates Concession Policy. All ratepayers can now apply with a simple two-page application form and improved response times. Ratepayers can request to write off penalty interest, a deferral of rates, a freezing of penalty interest or a rates waiver.

Commercial ratepayers are also being supported through a three-month rates waiver and further payment deferral for three months. I would like to acknowledge and thank the NT Government's Local Government Special Community Assistance and Local Employment Program for the funding that enables Council to offer this support.

## Long-term financial sustainability

Council is continuing to evolve and mature, particularly in how we plan for the long-term future of our community.

The LTFP is based on a number of practical strategies, including constraining growth in operating costs, advocating strongly for grants from other levels of government, and improving our approach to asset management. It enables Council to use discretionary reserves to increase capital spending in the short term, while increasing rate income to fund sustainable longer-term capital spending.

Beyond recovering from COVID-19, Council is well positioned to continue to deliver the infrastructure and services that make Litchfield the best place to live in the Top End. Our key focus in 2020-21 remains on maintaining our \$323 million of assets and progressing critical new projects.

This year's budget includes funding to progress the Strategic Mango Roads Project. We will also continue to partner with the Top End Regional Organisation of Councils (TOPROC) to plan for a Regional Waste Management Facility with emergency waste capacity.

Importantly, Council is continuing to work with the Australian and NT Governments to deliver a fair outcome on private road maintenance, which has been a long-standing issue in our community.

Our longer-term financial planning enables us to take a broader and more sustainable approach to meeting the needs and expectations of our community.

## In appreciation

The 2020-21 Municipal Plan positions Council to provide strong and sustainable leadership in the region, and I sincerely thank Councillors, the CEO, Managers and all Council staff for their continued commitment to our community.

Social distancing requirements due to COVID-19 have impacted Council's ability to deliver services, and I thank our community members for their understanding and patience as we get through this difficult time together.

The next year will undoubtedly continue to present new challenges for us as a community. I'm confident we are well placed to face them together and respond in ways that are compassionate and responsible.

Mayor  
**Maree Bredhauer**



# Litchfield overview

## Litchfield Profile

POPULATION

**25,561**



Male - 51.8% Female - 48.2%

↓ Declined by 22 from the previous year  
ERP, 2019  
(Australian Bureau of Statistics 2016 Census data 2016)

Median weekly household income - \$2,109  
30% couples with children  
Median age - 37 years

## Our Economy

LOCAL JOBS

**17,543** NIEIR 2019

LOCAL BUSINESSES

**1,866** ABS 2018

EMPLOYED RESIDENTS

**14,959** NIEIR 2019

## Council Data

**8,227**   
RATEABLE ASSESSMENTS

**629** kms  
SEALED ROADS



**88.78** kms   
UNSEALED ROADS

CEMETERY **1**

**3** WASTE TRANSFER STATIONS 

**13.8** kms SHARED PATHS INC.   
7.3KM BIKE PATHS

 **2,979**  
REGISTERED DOGS

 RECREATION RESERVES **7**

**5**  PLAYGROUNDS

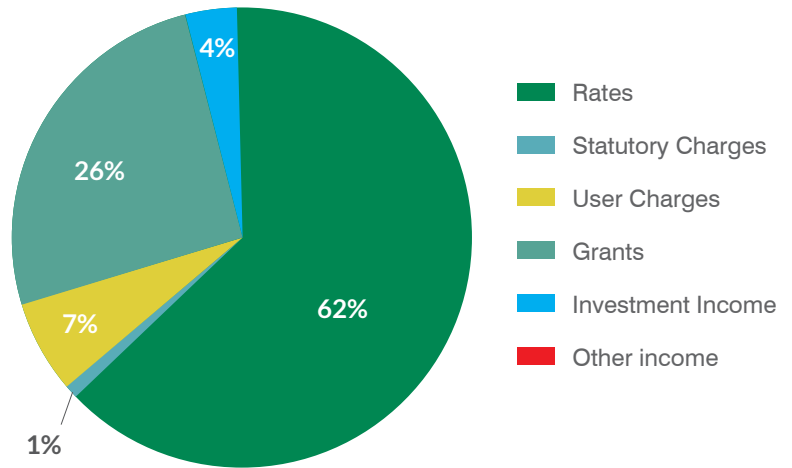


# Budget at a glance

Council is forecasting a balanced budget, achieved by drawing on funds from financial reserves. Overall, Council is continuing to keep operating expense constrained in line with the Long Term Financial Plan 2020-21 to 2029-30.

## Budgeted revenue

Rates continue to be the major source of funding for Council in 2020-21. The table and chart below shows all funding resources, including statutory and user charges, grants, investment income from term deposits and the sale of assets.



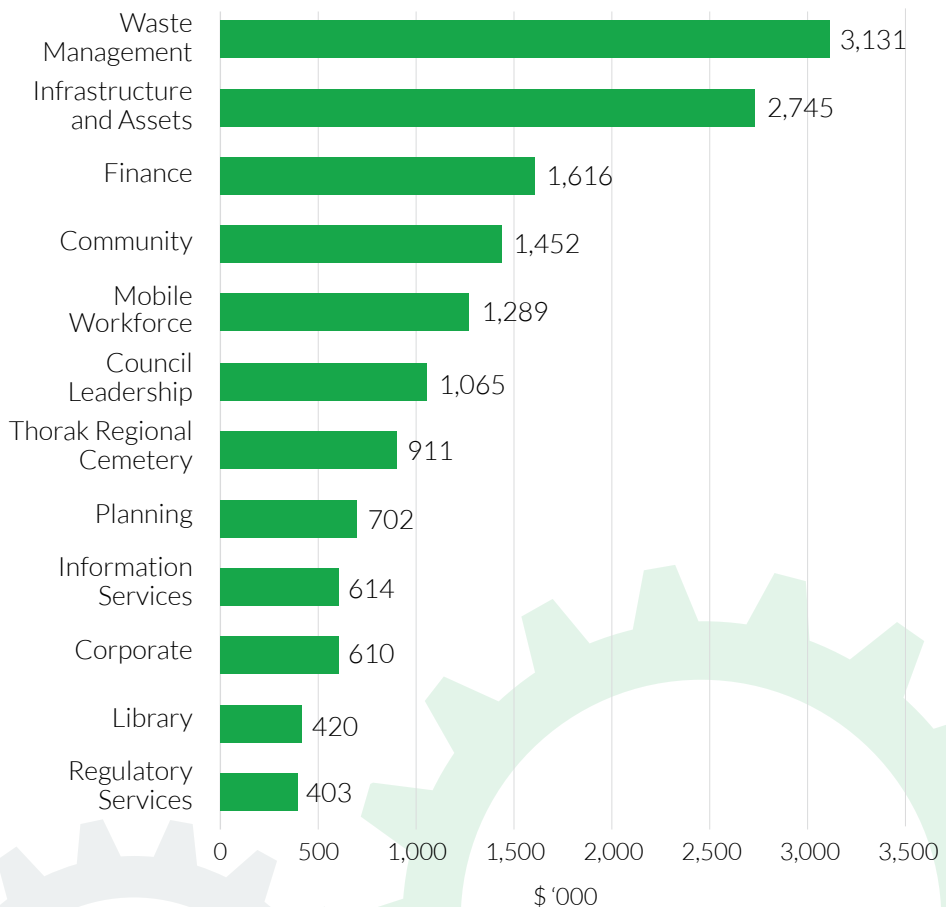
## Budgeted operating expenditure

Council has forecast its operating expenditure to decrease by 0.2%. This is in line with the LTFP 2020-21 to 2029-30.

Waste management, and infrastructure and assets remain the main spending areas across the municipality. This investment enables Council to operate its three waste transfer stations for residents and commercial users and deliver quality roads across the community.

Since 2019-20, Council's budget also includes library services. Expenditure on library services in 2020-21 is budgeted at \$420,000, which is fully funded by a Northern Territory Government grant.

## Operating expenditure by program area (Total \$14,958,554)





# Elected Members

Council's current Mayor and Councillors were elected in August 2017 for a four-year term.



Mayor

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Central Ward

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East Ward

**Kirsty Sayers-Hunt**  
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South Ward

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# Litchfield Council's Planning and Reporting Framework



Council's Strategic Plan 2018-2022 is available on Council's website:  
[www.litchfield.nt.gov.au/council/council-plans-and-publications](http://www.litchfield.nt.gov.au/council/council-plans-and-publications)



# Strategic Focus 2020-21

Council will continue to advocate to the Northern Territory Government and Australian Government, in accordance with its Advocacy Strategy 2020-2022 and on behalf of the Litchfield community to ensure local infrastructure needs are met.

**Of particular focus in 2020-21 are the following two priority projects.**

## Freds Pass Sports and Recreation Reserve Funding

**Need:** The Freds Pass Sports and Recreation Reserve caters for 10,000 users a week with assets worth over \$5million.

**Description:** Consistent investment of \$5million per year over a four-year period into facility upgrades and new sporting facilities

Outcome: Improve ability for residents to participate in sport, including new facilities for popular sporting activities that are currently not presented, i.e. tennis, netball, basketball

**Australian and NT Government investment:** \$20m over four years

## Economic drive through improved library services

**Need:** The Taminmin Public library service due to space and access restrictions does not cater appropriately or adequately for all residents of Litchfield. And the economic downturn has caused significant loss for local traders.

**Description:** Short-term relocation (up to 10 years) of the public library service to Coolalinga commercial area through a commercial lease agreement funded by NT Government

**Outcome:** Increasing foot traffic for local traders, creating safe community space for youth in a high traffic risk area, developing a library service to Australian standard

**Australian and NT Government investment:** \$5m over ten years

## Additional projects that are important to Council:

### Community and Business Hub

The NT Government Litchfield Subregional Land Use Plan 2015 outlined the need for additional social infrastructure including a community centre. Strategic planning by the NT Government and Council has identified the need for many services and public spaces that can support local community groups, small businesses and service providers.

### Regional Waste Management

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

### Water Security Plan

Water drives the Territory's economy and must be managed for the benefit of all Territorians. To ensure Litchfield is the best place to live in the Top End with reliable supplies of water, the Litchfield municipality needs to be included into NT's water security plans.

### Mira Square Community Facilities

The Southport Progress Association (SPA) has been seeking land for a community gathering and meeting space for a number of years. Mira Square is a 3.24 hectare site zoned Community Purpose located in the centre of the Southport community. SPA has sought Council's assistance and support in acquiring and developing this community space.

### Private Roads Maintenance

Historic subdivision approvals have created parcels in the municipality that are accessed from private, rather than Council roads. This ownership discrepancy is often visible only on survey plans, with informal private roads being developed similar to Council roads.

### INPEX Sporting Facilities

Establishing the prior INPEX Workers Village, in particular, the aquatic and other sporting facilities, as community infrastructure operated by the NT Government.





## Adequacy of constitutional arrangements

In early 2020, Council undertook an electoral review in accordance with the requirements of Section 23 of the *Local Government Act 2008*.

### The review needed to:

- assess the constitutional arrangements currently in place
- determine whether those arrangements provided the most cost-effective elector representation for the local government area
- be undertaken at least once in the Council's term
- be completed by the end of July 2020 (as required by Council)

### Key issues considered included:

- the title of the principal member of Council (in other words Mayor or President)
- the number of elected members required to adequately represent the community and perform the roles and responsibilities of Council
- the title of the elected members
- the division of the council area into wards, or the abolition of wards
- the number and configuration of wards (if required)
- the level of representation/elector ratio within each future ward

The final review will be presented to the Minister for approval once public comments have been considered. If approved, any changes will be implemented for the August 2021 Local Government general elections.

## Possible changes to the regulatory and administrative framework

The Local Government Bill 2019 passed in the Northern Territory Parliament on 28 November 2019. The new *Local Government Act 2019* will commence on 1 July 2021, supported by new regulations.

Council is now reviewing policies and policy frameworks to ensure compliance with the new Act. Besides some transitional matters, these will need to be in place by 1 July 2021.

In 2019, the Northern Territory Government drafted a Burial and Cremation Bill to replace the *Cemeteries Act 1952*. The bill was withdrawn following public consultation. It may be re-introduced following the NT Election in August 2020, in which event Council will respond as necessary.

Council has welcomed the introduction of the *Independent Commissioner Against Corruption Act 2017*. While it has meant new administrative responsibilities for Council, the Act supports the organisation's vigilance against corruption.



# Service Delivery Plan

## Opportunities and challenges for service delivery

Council has the opportunity to continue to strengthen its relationship with neighbouring councils, the Northern Territory Government and the Australian Government through partnerships such as the Productive Mango Roads Project and library funding. This type of collaborative approach maximises opportunities for the Litchfield community.

Another key opportunity for Council over the next 12 months is to raise awareness of the importance of the local government general election August 2021 and improve voter turnout on polling day.

The broader challenges and opportunities for Council reflect many of the big issues facing local government across Australia. These include sourcing appropriate funding from the state and federal governments to maintain services, funding repair and upgrades to local roads, and providing equitable access to community services.

### The bigger picture

The Northern Territory Government Department of Trade, Business and Innovation<sup>1</sup> maintains a prediction of 6.3% growth in the economy for 2019-20 and 4.1% for 2020-21. Additionally, Northern Territory average weekly earnings increased by 1.8% with Darwin inflation for December 2019 at 0.5%

The Northern Territory Government's Strategic Directions 2017-21 outlines a series of goals and outcomes needed to meet its vision to create a vibrant and resilient economy for all Territorians by growing private investment and creating jobs. Litchfield has a role to play in that vision, particularly in terms of being able to grow local business capabilities through the Productive Mango Roads Project.

## Improving service delivery through working with others

Council continues to share services and partner with relevant organisations to strengthen Litchfield's profile and leverage better outcomes for residents.

Top End Regional Organisation of Councils (TOPROC)

- Current focus includes:
  - improving Council's role in land use planning
  - establishing a Regional Emergency and Waste Management Facility
  - sustainable governance arrangements for Thorak Regional Cemetery

<sup>1</sup> Northern Territory Economy Snapshot 6 March 2020, Northern Territory Government Department of Trade, Business and Innovation



Local Government Association of the Northern Territory (LGANT)

- Explores issues, develops policy positions and seeks collaboration opportunities.

Recreation reserve management

- Five of council’s reserves are managed by independent not-for-profit associations.
- Two are managed by Council advisory committees (Howard Park and Knuckey Lagoon).

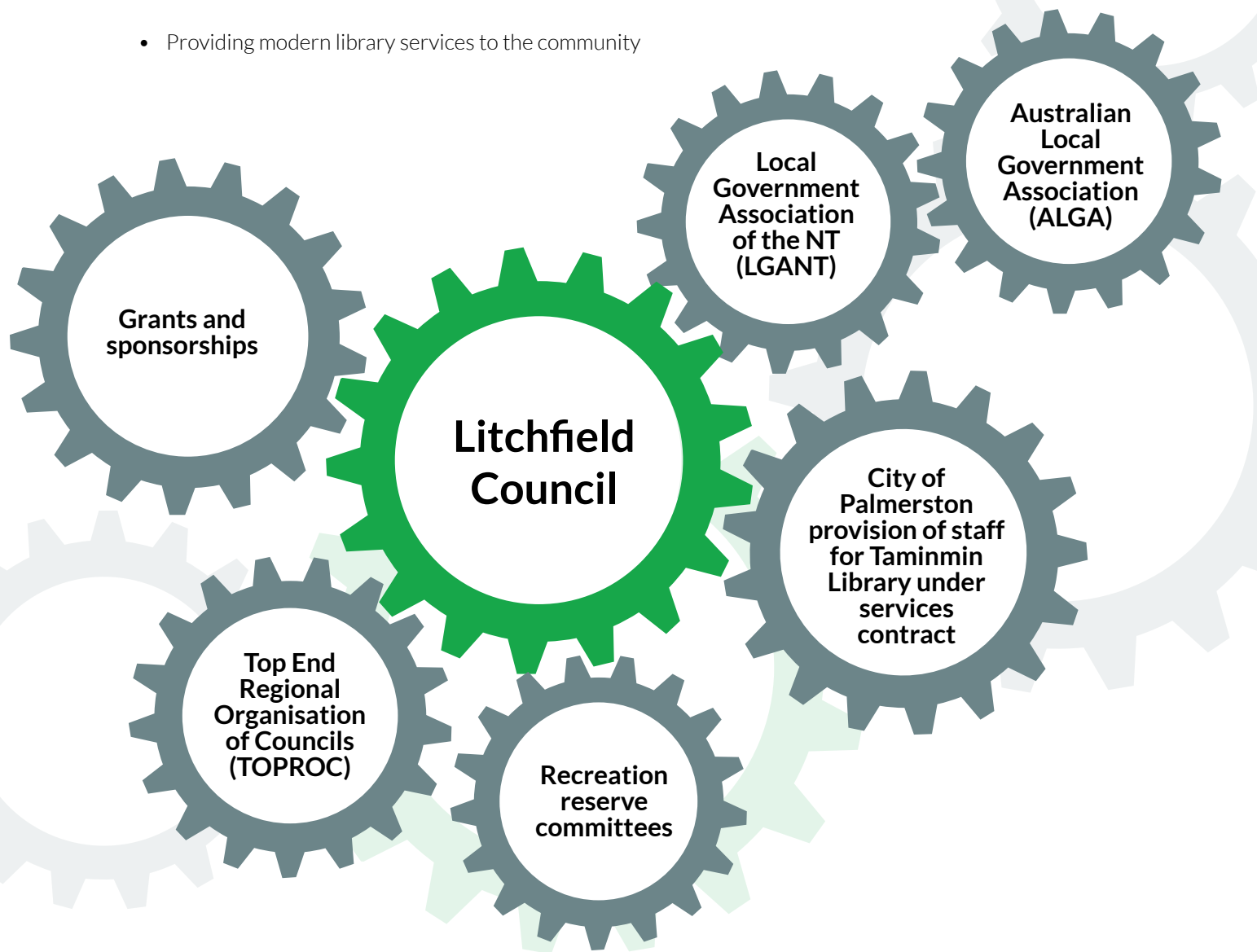
Funding community events

Each year, Council sponsors:

- Seniors Fortnight Festival in partnership with the Palmerston and Litchfield Seniors Association
- Fred’s Pass Rural Show
- Territory Natural Resource Management

Northern Territory Government and City of Palmerston

- Providing modern library services to the community





## Staffing plan

Under Council’s staffing plan for 2020-21, 58.3 full-time equivalent (FTE) staff will be employed at a cost of \$6,932,575. This is a decrease of 0.5 FTE from 2019-20 (58.8 FTE) following the completion of the Fred’s Pass Sport and Recreation Reserve Upgrade Project (which involved 0.5 FTE fully grant funded staff), The Taminmin Community Library remains fully funded by the Northern Territory Government.

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 expired on 11 March 2020, the Agreement set an annual salary staffing increment at 2% each year. This current Agreement will continue until the new Enterprise Agreement is finalised, for which negotiations began in the first quarter of 2020.

## Organisation chart



FTE Total: 58.3 Budget: \$6,932,575



# Program profiles

Office of the Chief Executive	
<b>Council Leadership</b>	Provides strategic leadership, good governance, advocacy and decision-making to achieve corporate outcomes.
<b>Corporate Communications</b>	Advises on and delivers community engagement activities, media management and corporate communications.
<b>Human Resources and Work Health Safety</b>	Manages the workplace health and safety system and a range of operational, advisory and strategic human resource services that meet statutory requirements and enables Council to attract, develop and retain great staff.
Infrastructure and Operations	
<b>Infrastructure and Assets</b>	Plans, delivers and manages Council's road network and other infrastructure to ensure the social, cultural and economic success of the Litchfield municipality.
<b>Mobile Workforce</b>	Provides 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.
<b>Planning and Development</b>	Reviews and provides comment on all regional plans, policies, development proposals, and planning applications relevant to the Litchfield municipality. Administers future Council assets, works permits, and proposals for road openings and closures.
<b>Regulatory Services</b>	Administers Council's Dog Management By-Laws. Promotes and supports responsible dog ownership through public education and initiatives. Provides information to help manage and control feral dogs. Manages abandoned vehicles.
<b>Thorak Regional Cemetery</b>	Operate the Thorak Regional Cemetery and Crematorium for the Top End efficiently and effectively in accordance with approved plans, the <i>Northern Territory Cemeteries Act 1952</i> , Cemeteries Regulations, Council policies and community expectations.
<b>Waste Management</b>	Provides an environmentally sustainable, safe and cost-effective waste management system through Council's waste transfer stations and recycling operations.
Community and Corporate Services	
<b>Community Development</b>	Supports and resources recreation reserves management committees to provide fit-for-purpose sport and recreational facilities. Develops inspection regimes and maintenance programs for playgrounds and trees on recreation reserves. Manages Council's Community Grants Scheme and supports community events and programs.
<b>Finance</b>	Provides financial services to help Council make informed decisions and allocate resources efficiently and effectively in the short and long term, while ensuring Council meets its objectives and all statutory and regulatory obligations. Provides timely and quality front counter customer services for residents and visitors and manages rates records in accordance with policy and legislative requirements.
<b>Governance and Risk</b>	Provides and supports best practice governance, statutory compliance, records and risk management for Council.
<b>Information Services</b>	Manages Council's information and communications systems to ensure alignment with business needs and excellent customer service.
<b>Library Services</b>	Provides public library services that promote lifelong learning, community connectedness and childhood development through collection development, program delivery and promotion of services.



## 2020-2021 Budget by program profile

Directorate	Program	Operational income	Less operational expense	Operational surplus (-deficit)	Capital income	Capital expense	Capital surplus
<b>Council Leadership</b>	Elected members, Office of the CEO and Community Engagement*	-	1,065,068	(1,065,068)	-	-	-
<b>Council Leadership Total</b>		-	1,065,068	(1,065,068)	-	-	-
<b>Community and Corporate Services</b>	Finance	9,047,699	1,615,906	7,431,794	-	-	-
	Community Corporate*	78,000	1,452,426	(1,374,426)	300,000	377,000	(77,000)
	Information Services	-	610,392	(610,392)	-	-	-
	Library	-	614,000	(614,000)	-	-	-
	Library	419,953	419,953	-	-	-	-
<b>Community and Corporate Services Total</b>		9,545,653	4,712,677	4,832,975	300,000	377,000	(77,000)
<b>Infrastructure and Operations</b>	Mobile Work Force	-	1,289,009	(1,289,009)	-	-	-
	Planning and Development	53,040	701,502	(648,462)	-	75,000	(75,000)
	Regulatory Services	125,400	402,716	(277,316)	-	60,000	(60,000)
	Thorak Regional Cemetery	928,483	911,137	17,346	-	80,000	(80,000)
	Infrastructure and Assets	2,924,174	2,745,312	178,862	1,520,525	5,743,518	(4,222,993)
	Waste Management	3,162,705	3,131,132	31,573	-	230,000	(230,000)
<b>Infrastructure and Operations Total</b>		7,193,802	9,180,808	(1,987,007)	1,520,525	6,188,518	(4,667,993)
<b>TOTAL result</b>		16,739,455	14,958,554	1,780,901	1,820,525	6,565,518	(4,744,993)

\*Corporate Program includes cost for Human Resources, WHS and Governance.



# Service delivery KPIs

## Council Leadership

Key outputs	Measures	Targets
<b>Powerful and effective advocacy</b>		
Advocacy Submissions to government	Community Survey: satisfaction with Council's advocacy efforts	>60%
Represent Council on legislation and other reforms	Community Survey: satisfaction with Council's strategic direction	>55%
<b>Good governance</b>		
Elected members training and development Elected member support Business Planning and Performance Reporting Framework Council meetings and activities Executive leadership Reputation management	Number of professional development sessions	>2 sessions
<b>Modern service delivery</b>		
Supporting local businesses	Hold three Litchfield Women in Business Network events each year	100%

## Corporate Communications

Key outputs	Measures	Targets
<b>Engaging our community</b>		
Community Engagement	Community Engagement Strategy actions: Year 3 complete	90%
Annual Community Survey	Community Survey: overall satisfaction	>60%
	Community Survey: community engagement satisfaction	>60%
Social media management	Increased interaction on Council's Facebook page – post engagement	>8000
<b>Modern service delivery</b>		
Media monitoring and management	Media response time	<24 hours



## Human Resources and Work Health and Safety

Key outputs	Measures	Targets
<b>Good governance</b>		
Human resources policies, procedures, checklists	Reviewed and compliant	Complete
An engaged and productive workforce	Staff turnover rate	<20%
	Staff survey satisfaction	>70%
<b>Modern service delivery</b>		
Workplace Health and Safety (WHS) Management System, including updated policies and procedures and WHS Manual	Policies, procedures and manual updated	Complete
	Workers' compensation claims	<3

## Planning and Development

Key outputs	Measures	Targets
<b>Powerful and effective advocacy</b>		
Submissions to the Northern Territory Government	Comments submitted on applications within required timeframe	>90%
Participation in NT planning working groups	Attendance at meetings	>75%
<b>Modern service delivery</b>		
Approval of plans, reports and construction documentation (Days are working days and start from when all information is provided and relevant fees paid.)	Plan reviews for building certification issued within 10 working days	>90%
	Plan and report reviews for development and subdivision issued within 15 working days	>90%
	Works Permits issued within five days	>90%
Subdivision approvals and handover processes	Delivered in accordance with standards	Achieved
Stage 2 320 Arnhem Highway Master Plan	Broader community consulted on potential development of Council's property	Completed





## Infrastructure and Assets

Key outputs	Measures	Targets
<b>Engaging our community</b>		
Capital Works Program	Affected residents and relevant stakeholders consulted prior to works starting	100%
Road Maintenance Program	Community Survey: satisfaction with local road maintenance	>65%
Drainage Maintenance Program	Community Survey: satisfaction with roadside drainage	>60%
<b>Modern service delivery</b>		
Capital Works Program	Programmed works completed within budget	>90%
Grant-funded projects	Five-year program developed – including Road Safety (Black Spot) and Roads to Recovery	Complete
Asset Management Plans	Building, drainage, driveway and fleet asset management plans, including 10-year replacement programs delivered	Complete
Road Maintenance Program	Potholes patched and repaired – customer requests	Reducing trend
	Gravel roads graded	> 2 times
Street lighting maintenance	Percentage of network outage from annual night-time audit	<5%
Productive Mango Roads Project	Horsnell Road, Mocatto Road, Chibnall Road	Complete
	Kentish Road	Commenced
Shared Path Plan	First year of program undertaken	Complete
Wet season and road network management	Emergency works response time	<48hours
Private Roads Policy Agreements	Draft agreements to address the Private Roads Policy developed	Complete
Climate Action Plan	Develop	Complete



## Mobile Workforce

### Key outputs

### Measures

### Targets

#### Engaging our community

Roadside maintenance	Community Survey: satisfaction with roadside maintenance	>60%
Weed management	Community Survey: satisfaction with weed management	>50%

#### Modern service delivery

Roadside maintenance	Volume of litter collected	Reducing trend
	Vegetation slashed and Council roads mowed	2 rounds
Weed management	Weeds managed on Council roads and land in accordance with Weed Management Plan	Complete
Bushfire management	Council firebreaks maintained	Complete
	Firebreaks widened in accordance with Fire Management Plan	Complete
	Hazard burns undertaken in consultation with other authorities	Complete
Road furniture maintenance	Signs and guideposts repaired within target timeframes	>90% <24 hours urgent 14 days standard
Weed Management Plan	Weed Management Plan developed, supported by community education	Complete



## Waste Management

Key outputs	Measures	Targets
<b>Engaging our community</b>		
Efficient operation of waste transfer stations	Community Survey: satisfaction with waste transfer stations	>80%
	Community Survey: satisfaction with waste recycling	>55%
Community Benefit Fund Income	Income raised through recycling activities including cash for containers	5% annual increase
Maximise diversion from landfill	Residential waste tonnage transferred to Shoal Bay	<7000 tonnes
	Commercial waste tonnage transferred to Shoal Bay	<1000 tonnes
Cyclone Season Preparation	Free residential green waste disposal in November	Complete
<b>Modern service delivery</b>		
Recycled materials	Sale of processed materials (mulch, crushed concrete)	>80% sold within six months of processing
	Volume of green and wood waste processed for resale	>3,500 cubic metres
	Volume of concrete crushed for resale	>500 cubic metres
Maximise diversion from landfill	Amount of total waste diverted from landfill	>35%
	Amount of total waste that is dry recyclables	>15%
	Quantity of scrap metal collected and recycled	>1000 tonnes
	Quantity of cash for containers collected and recycled	>50 tonnes
	Quantity of electronics collected for Techcollect	>40 tonnes
	Quantity of tyres, batteries and oil collected for recycling	>100 tonnes
Waste Strategy – Year 3	Landfill closure plans for Howard Springs and Berry Springs Waste Transfer Stations (extends to year 4) prepared	Commenced
	Waste education – litter collection campaign and ongoing education relating to waste and recycling delivered	Complete
	Business case for dry recyclables received at transfer stations prepared	Complete
	Amenity upgrades at transfer stations (continues year 4 and 5) undertaken	Commence
New Initiative – Berry Springs Waste Transfer Station Review	Berry Springs Waste Transfer Station licensing opportunities reviewed	Complete



## Regulatory Services

Key outputs	Measures	Targets
<b>Engaging our community</b>		
Regulatory Service	Community Survey: satisfaction with animal management	>50%
Responsible dog ownership	Number of registered dogs increased	>10%
	Number impounded dogs reclaimed by owner	>70%
	Number of registered dogs de-sexed	>70%
Animal Management Plan – Year 2	Attendance at community events	2+ events attended
	Dog Awareness Program delivered at schools and childcare	6+ visits
	Dogs Day Out event (or similar) delivered, targeting improved awareness, increase registration, general pet owner education	1 event
	Education marketing/education campaign delivered with neighbouring councils	Complete
<b>Modern service delivery</b>		
Regulatory service	Investigations completed within 14 working days	>90%
	Customer requests actioned in less than two working days	>90%
Abandoned vehicles (roadside)	Vehicles removed within seven days of being reported	100%
Animal Management Plan – Year 2	Dedicated dog management information provided on website and social media page	Complete
	Number of Desexing Vouchers redeemed	>60 vouchers
	Number of dogs microchipped through Council's low cost/free program)	>200 dogs microchipped
	Dog training supported and incentivised through Good Dog initiative	Complete
	Signage developed for use in community	Complete



## Community Development

Key outputs	Measures	Targets
<b>Engaging our community</b>		
Council partnership and support grants	Number of partnerships supported	10
Servicing community needs at reserves	Funding provided to community reserves	Funding agreements established
Management software for Council's assets on recreation reserves	Software and training provided to recreation reserve management committees	Completed
<b>Good governance</b>		
Grant applications	Grants received by Council acquitted within agreed timeframes	100%
Governance and support for Council's seven recreation reserves	Community Survey: satisfaction with recreation reserves	>65
<b>Modern service delivery</b>		
Annual Community Grants Program initiatives	Number of community events and programs supported	10
Represent and advocate for the needs of young people in Litchfield	Participation in Palmerston and Rural Youth Services meetings	Maintain an active membership
Australia Day Event	Community participation	>300
Playground Inspection Program	Playgrounds on Council-owned land audited	100%
Tree Management Plan	Audits undertaken in line with plan	100%
Annual Art Exhibition	Level of community participation	>55 entries
Recreation Reserve Master Plan	10-year strategic plan for recreation reserves developed	Completed



## Finance

Key outputs	Measures	Targets
<b>Good governance</b>		
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
	Liquidity ratio	1:1
	Asset sustainability ratio	>60%
	Current ratio	>1
	Debt service ratio	>1
Long term rating strategy	Own-source revenue ratio increased, to lower Council's dependency on government grants and other funding sources	>60%
Investments	Compliance with policy and statutory requirements, reported monthly	100%

### Modern service delivery

Rates and accounts receivable collection	Volume of rates and annual charges outstanding	<15%
Front counter customer service	Community Survey – satisfaction in customer service	>60%

## Information Technology

Key outputs	Measures	Targets
<b>Modern service delivery</b>		
Information and communications technology (ICT) managed service contract management	Percentage of Service Desk requests closed	90%
Corporate Enterprise Solution (CES) software	CES updated with the latest version (patch) available nationally	No more than 1 Patch behind latest version
Information and Communications Technology Improvement Plan	Annual actions completed	100%
Geographical Information System (GIS)	Age of GIS imagery of populated areas	<1 year
	Age of NTG downloaded data	<1 week



## Governance and Risk

Key outputs	Measures	Targets
<b>Good governance</b>		
Local Government Act 2008 compliance	Compliance with legislative requirements of the Department of Local Government, Housing and Community Development Compliance Checklist	100%
Policy framework	Council policies reviewed before due date	>90%
<b>Modern service delivery</b>		
Elected members support	Complaints upheld Breaches of the code of conduct by elected members	0
Risk Management Audit Committee	Number of Risk Management Audit Committee (RMAC) meetings held	4
Records management review and improvements	Volume of records held in storage reduced	By 10%
Annual Internal Audit Plan	Internal audits conducted in line with RMAC recommendations	100%

## Library Services

Key outputs	Measures	Targets
<b>Engaging our community</b>		
Visitors to the library	Weekly door count	>400
Promotion of services	Interaction with Library Facebook page	650 likes of Facebook page
<b>Good governance</b>		
Shared Service Governance Framework	Governance framework developed	Completed
<b>Modern service delivery</b>		
Collection improvements	Number of Annual loans	>15,800
	Age of collection: % of collection published in the past five years	>40%
Program delivery	Program participation each year	>3200
Library events	Events delivered	>3



## Thorak Regional Cemetery

Key outputs	Measures	Targets
<b>Good governance</b>		
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%
<b>Modern service delivery</b>		
Professional and cost-effective cremation and burial services	Increased income from cremation services	>10%
Awareness of cemetery profile and public awareness of Thorak services	Information leaflets distributed	Complete
	Fred's Pass Show Display	Complete
	Community Survey satisfaction rating	>60%
Variety of memorial spaces for ash interments	Sales of memorial trees, rocks, plots and columbarium niches increased	>10%
Chapel hire and amenities	Income from chapel hires increased	>10%
Efficient maintenance of grounds and open spaces, including improved mowing, planting, weeding and irrigation regimes	Mowing regime reduced	<25%
	Irrigation time reduced	<20%





# 2020-2021 Annual Budget

## Annual budget summary

	Budget 2019-20	Budget 2020-21
Operational revenue	16,438,088	16,739,455
Capital revenue	7,584,743	1,820,525
<b>Total revenue</b>	<b>24,022,831</b>	<b>18,559,980</b>
Operating expenditure	14,990,450	14,958,554
Capital expenditure	13,037,000	6,565,518
<b>Total expenditure</b>	<b>28,027,450</b>	<b>21,524,072</b>
Net transfers from reserves	4,004,619	2,964,092
Balance surplus/deficit	-	-

### Operating revenue increase 1.8%

Council's operational revenue is forecast to increase by 1.8%. This marginal increase reflects the standard increases in User Charges. Whilst there is a rate increase for Rural Residential properties by 7.1% and Commercial properties by 4.5% compared to 2019-2020, for the financial year 2020-2021 these increases are funded from Council's Cash Reserves. Resulting in no Ratepayer paying more in rates than they did in 2019-20.

### Capital revenue decrease 76%

In 2019-20, Council's capital revenue budget included \$6m of expected grant funding for the establishment of the Community and Business Hub. This is not budgeted in 2020-21, which is reflected in the significant decrease in capital revenue.

### Operational expenditure decrease 0.2%

In line with the Long Term Financial Plan, Council has budgeted for constrained growth in operation costs. This is reflected as a minor reduction in 2020-21 operating expenses, whilst balancing ongoing cost increases through wages and salaries and contractor costs.

### Capital expenditure decrease 49.6%

The 2020-21 budget includes a funding contribution of \$2.6m by Council to the Northern Territory Government for the Productive Mango Roads Project. Council had anticipated spending \$6m in grant funding last year on the Community and Business Hub, however, Council was unsuccessful in securing the funding. This is reflected in the overall capital expenditure decrease from last year.

### Reserve transfers decrease by 15%

Council will draw down \$2.2m from the Asset Reserve to fund the capital program and to fund the increases in Rates as concession related to the impact of COVID-19. While overall transfers from reserves have decreased compared to 2019-20, there has been an increase of \$1m of additional transfers to fund Council's contribution to the Productive Mango Roads Project compared to the Long Term Financial Plan.

In line with the Long Term Financial Plan, Council continues to use financial reserves to fund infrastructure capital works and seek grant funding for major projects. Council will borrow funds for capital projects where needed, as this allows the cost of major projects to be shared by future generations, who will also benefit from the investment.



# Rating strategy

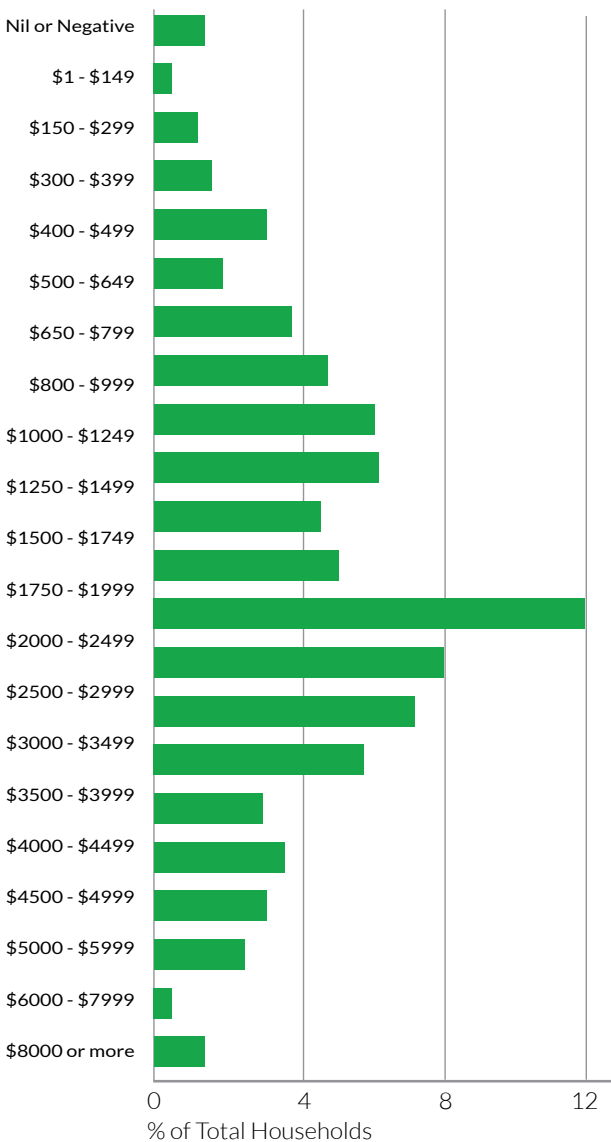
## Social and economic impact statement of rating strategy

Council has been guided by its Long Term Financial Plan, Strategic Plan and Litchfield’s demographic and economic data when setting rates and charges for the 2020–21 financial year.

Council’s goal is to ensure there are enough funds to maintain and renew assets to meet increasing demand for community infrastructure and services. As part of this process, Council considers the financial capacity of its ratepayers. A variety of data sources have been used some of which are provided below.

- <http://profile.id.com.au/rda-northern-territory>
- <http://profile.id.com.au/litchfield>
- <http://economy.id.com.au/rda-northern-territory>

### Litchfield Weekly Household Income



Australian Bureau of Statistics, Census of Population and Housing 2016. Compiled by profile.id

### Litchfield Household Data

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

Australian Bureau of Statistics, Census of Population and Housing 2016. Compiled by profile.id

### Index of Relative Socio-economic Disadvantage

AREA	2016 Index	Percentile
City of Darwin LGA	1,041.0	71
Litchfield Council LGA	1,040.0	70
City of Palmerston LGA	1,027.0	62
Alice Springs Town Council LGA	1,007.0	49
Australia	1,001.9	46
Katherine Town Council LGA	991.0	40

Australian Bureau of Statistics, Census of Population and Housing 2016. Compiled by profile.id



## Principles of the revised Rating Policy FIN02

The revised policy applies the principles of administrative simplicity, policy consistency and equity.

A flat rate remains for Urban Residential, Rural Residential and horticultural/agricultural rateable properties. In 2020-21, Urban Residential rates (for Coolalinga only) will decrease by 25.7% and Rural Residential rates will increase by 7% (\$1.36/wk). This impact is in direct response to the community feedback received through the Rating Policy Review project. As a response to the public health emergency caused by COVID-19, Council will grant a rates concession to all rateable properties excluding the gas plant rating category. This means whilst rates are increased, ratepayers are not paying more than they have paid in 2019-20.

As allowed for in the *Local Government Act*, Council will use the unimproved capital value (UCV) to calculate rates for the commercial and gas plant rating categories in 2020-21. The UCV of land is set by the NT Valuer General. (Rates for mining tenements and pastoral leases are set by the relevant Northern Territory Government minister.)

### Rate revenue

	Budget \$ 2018-19	Budget \$ 2019-20	Budget \$** 2020-21	NET Budget \$*** 2020-21
Rural Residential rate	6,121,269	6,471,711	6,686,966	6,329,425
Urban Residential rate	291,600	296,460	214,011	214,011
Horticulture/agriculture*	-	-	193,125	183,309
Commercial and industrial rates	647,881	680,275	793,928	679,211
Gas plant/pastoral lease/mining tenements	168,747	178,521	280,286	280,286
Special Rate	118,696	8,842	297,024	297,024
<b>TOTAL</b>	<b>7,348,193</b>	<b>7,635,809</b>	<b>8,465,340</b>	<b>7,983,266</b>

\*new rating category introduced in 2020 to revised Rating Policy FIN02

\*\* Total Rate Revenue for 2020-21 levied

\*\*\* Total Rate Revenue for 2020-21 after application of rate concession funded from reserve

Residential rate and waste charge	2018-19	2019-20	2020-21	2020-21 Payable (\$)	2020-21 (\$) Rate Increase Funded from Cash Reserves	
<b>Urban Residential</b> (Coolalinga Location only)	<b>Rate</b>	\$1,215	\$1,215	\$903	\$903	-
	<b>Waste</b>	\$359	\$369	\$369	\$369	-
<b>Rural and Urban Residential</b> (Not Coolalinga Location)	<b>Rate</b>	\$803	\$843	\$903	\$843	60
	<b>Waste</b>	\$359	\$369	\$369	\$369	-

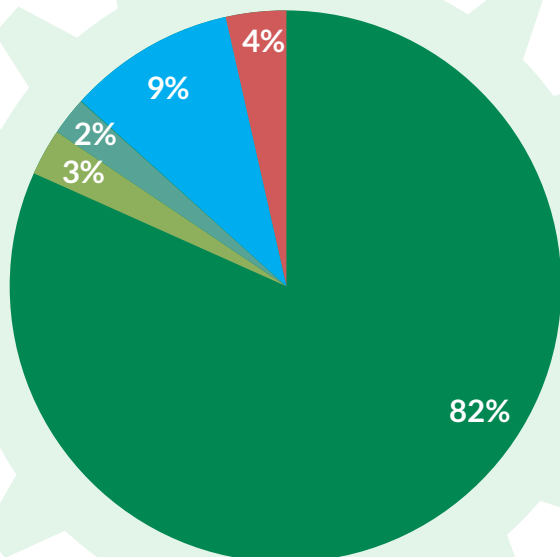
Rate increases for Rural Residential and Commercial properties for the financial year of 2020-21 will be funded from Council's Cash Reserves.

Rates for Urban Residential for 2020-21 have decreased by \$312. There are no increases in Waste Charges for Rural Residential and Urban Residential properties for the 2020-21 rateable year.



## Rating structure

Rating category (in line with Policy FIN02)	Planning zones	No. of properties	Rate 2019-2020	Rate 2020-2021
<b>Fixed rates</b>				
Rural Residential	R; RR; RL; WM; CN; SL14; SL18; FD	7597	\$843	\$903
Urban Residential	SD; MD; MR; SL11	237	\$1,215	\$903
Horticulture and Agriculture	H; A	203	-	\$903
<b>Valuation-based</b>				
Commercial and Industrial	C; CP; CV; DV; GI; LI; OR; PS; RW; SC; SL1; SL2; SL3; SL4; SL5; SL6; SL7; SL8; SL9; SL10; SL12; SL13; SL15; SL17; SL23	295	0.2529544% Min charge \$1,545	0.2643374% Min charge \$1,615
Gas Plant	MZ	3	0.466913%	0.933826%
Mining Tenements	As set by the Minister	68	0.3475% Min charge \$890.96	0.3475% Min charge \$890.96
Pastoral Lease	As set by the Minister	4	0.0306% Min charge \$376.45	0.0306% Min charge \$376.45
<b>Charge</b>				
Waste Charge		7945	\$369	\$369
<b>Special Rate</b>				
Productive Roads	Chibnall Road, Mocatto Road, Horsnell Road and Kentish Road	64	\$4,421	\$4,641



### Rates 2020-2021

- Rural Residential
- Urban Residential
- Horticulture and Agriculture
- Commercial and Industrial
- Gas Plant / Pastoral Lease / Mining Tenements



## Sponsorship, grants and operating subsidies

The Community Grants Scheme was launched in 2017 in line with the Grants, Donations and Sponsorship Policy (FIN07). The scheme provides a framework for delivering grant funding to the community with clear links to achieving the Strategic Plan 2018-2022 outcomes and Council's vision to be the best place to live in the Top End. The funding supports community groups and organisations to run events, facilities and programs that provide opportunities to connect and to enrich life in local communities. The Scheme is 100% funded through money made from recycling of bottles, cans and batteries collected at Council's Waste Transfer Stations.



### Recreation reserves funding support

Council has seven recreation reserves across the municipality. Of those, it supports five by providing operational funding to independent associations to maintain facilities and provide a range of activities. The other two recreation reserves are directly managed under a budget set by Council.

	2019-20	Total funding 2020-21	Paid directly to recreation reserve management committees	Tree maintenance	Annual Assessment Playground
<b>Berry Springs Recreation Reserve</b>	\$66,315	\$67,429	\$56,829	\$10,000	\$600
<b>Freds Pass Sport and Recreation Reserve</b>	\$693,725	\$706,388	\$645,788	\$60,000	\$600
<b>Humpty Doo Village Green</b>	\$104,679	\$106,361	\$85,761	\$20,000	\$600
<b>Livingston Recreation Reserve</b>	\$59,224	\$60,196	\$49,596	\$10,000	\$600
<b>McMinns Recreation Reserve</b>	\$25,195	\$25,499	\$15,499	\$10,000	-
<b>Howard Park Recreation Reserve</b>	\$115,000	\$124,000	\$114,000	\$10,000	-
<b>Knuckey Lagoon Recreation Reserve</b>	\$34,000	\$35,000	\$25,000	\$10,000	-
<b>TOTAL</b>	<b>\$1,128,139</b>	<b>\$1,154,873*</b>	<b>\$992,473</b>	<b>\$130,000</b>	<b>\$2,400</b>

\* includes \$30,000 for building certification works

### Grants and donations

Grants/donations	2019-20	2020-21	Description
<b>TOTAL</b>	<b>\$92,000</b>	<b>\$92,872</b>	Litchfield Collection, Freds Pass Rural Show support, Community Grants Scheme (Annual Community Grants, Community Initiative Grants and Youth Development Grants) and Sponsorships (Territory NRM, Palmerston and Litchfield Seniors)
<b>Community support/ community events</b>			
<b>TOTAL</b>	<b>\$35,000</b>	<b>\$37,345</b>	ANZAC Day, Australia Day, Council presence at Freds Pass Show, Litchfield Art Exhibition, Litchfield Women in Business Network, Youth Week.



## Elected members allowances

In accordance with Section 71(3) of the *Local Government Act*, elected members' allowances are set annually by Council, guided by a Ministerial Guideline setting maximum allowances payable.

Elected members allowances for 2020-21		Amount \$		
Allowance type	Mayor	Deputy Mayor	Councillor	
Annual base allowance	\$75,116.61	\$27,776.12	\$13,509.96	
Annual electoral allowance	\$19,771.29	\$4,943.73	\$4,943.73	
Extra meeting allowance	-	-	\$9,006.64	
Professional development allowance	\$3,753.17	\$3,753.17	\$3,753.17	
<b>Total maximum claimable</b>	<b>\$98,641.07</b>	<b>\$36,473.02</b>	<b>\$31,213.50</b>	
2019-20 elected members allowance totals	\$98,150.33	\$36,291.56	\$31,058.21	
Variance (%)	0.5%	0.5%	0.5%	

## Analysis of the operating budget

### Operating revenue

Overall, operating revenue for the 2020-21 financial year is forecast to increase by \$301,367 (1.8%) compared to the 2019-20 budget. The table below identifies the changes in operating revenue by directorate.

Rates have been calculated through a combination of fixed rates and rates based on unimproved capital value. Rural residential rates are budgeted to increase by 7.1%, of which 1.3% is a direct result of Council's new Rating Policy (FIN02). Urban residential rates (for Coolalinga only) are budgeted to decrease by 25.7%, and commercial and industrial rates are budgeted to increase by 4.5%.

The decrease in urban rates is due to a change in Council's Rating Policy, following extensive community consultation. Council listened to the feedback and revised the policy to reflect community expectation that all residential properties be treated equally.

The waste charge is budgeted to remain the same as 2019-2020.



## Operating revenue by department

Directorate	Department	2019-20 \$	2020-21 \$	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	9,045,441	9,047,699	2,258
	Community	74,000	78,000	4,000
	Library	421,447	419,953	(1,494)
	Corporate	-	-	-
	Information Services	-	-	-
<b>Infrastructure and Operations</b>	Mobile Work Force	-	-	-
	Planning and Development	61,748	53,040	(8,708)
	Regulatory Services	112,700	125,400	12,700
	Thorak Regional Cemetery	876,580	928,483	51,903
	Infrastructure and Assets	2,637,492	2,924,174	286,682
	Waste Management	3,178,680	3,162,705	71,420
<b>TOTAL</b>		<b>16,438,088</b>	<b>16,739,455</b>	<b>388,762</b>

## Operating expenses by department

Operating expenses have decreased by \$31,879 (0.2%) compared to the 2019-20 budget. This year's operating expenses include new initiatives worth \$217,000, of which \$212,000 are funded from rates and \$5,000 are funded from the Waste Reserve. Major new initiatives include developing plans for weed management, recreation reserves and climate action.

Directorate	Department	2019-20 \$	2020-21 \$	Variance in \$ Increase/ (decrease)
<b>Council Leadership</b>	Elected Members, Office of the CEO, and Community Engagement	1,111,896	1,065,068	(46,828)
<b>Community and Corporate Services</b>	Finance	1,584,930	1,615,906	30,976
	Community	1,442,690	1,452,426	9,736
	Library	421,447	419,953	(1,494)
	Corporate	645,697	610,392	(35,305)
	Information Services	513,091	614,000	100,909
<b>Infrastructure and Operations</b>	Mobile Work Force	1,287,337	1,289,009	1,672
	Planning and Development	728,387	701,502	(26,885)
	Regulatory Services	388,831	402,716	13,885
	Thorak Regional Cemetery	870,411	911,137	40,726
	Infrastructure and Assets	3,004,297	2,745,312	(258,985)
	Waste Management	2,991,436	3,131,132	139,696
<b>TOTAL</b>		<b>14,990,450</b>	<b>14,958,554</b>	<b>(31,896)</b>



# Analysis of the capital budget

Capital works improve or replace existing assets or create new assets for Council.

Due to limited income from rates, Council is heavily reliant on grant funding and funds drawn from the Asset Reserve to fund capital works. Each year, as part of the Long Term Financial Plan, Council transfers funds from the Asset Reserve to deliver the road infrastructure renewals.

The 2020-21 capital budget is \$6.6 million. In 2020-21 Council expects to draw down \$2.1 million from the Asset Reserve to partly fund the capital works program.

## Capital expenditure by department

DIRECTORATE Department	PROGRAMS	COSTS (\$)
<b>INFRASTRUCTURE AND OPERATIONS</b>		
Infrastructure and Assets	Council administration building renewal	20,000
	Drainage renewal and upgrade	560,000
	Driveway surface and culvert renewal	40,000
	Vehicle replacement	280,000
	Shared Path Program	100,000
	Pathway renewal	80,000
	Kerb renewal and upgrade	10,000
	Street lighting replacement	10,000
	Gravel surface renewal	300,000
	Pavement renewal	485,000
	Road seal renewal	945,000
	Productive Roads - Mango Road	2,450,000
	Road safety upgrades	463,518
	Waste Management	Waste transfer station renewal
Waste Strategy Actions		10,000
Waste vehicle replacement		170,000
Planning and Development	Mira Square development	75,000
Thorak Cemetery	Thorak Cemetery asset renewal	20,000
	Thorak Cemetery vehicle replacement	60,000
Regulatory Services	Dog pound upgrade	60,000
<b>COMMUNITY AND CORPORATE SERVICES</b>		
Community	Reserve building renewal and compliance	365,000
	Reserve playground renewal	12,000
<b>Grand total</b>		<b>6,565,518</b>





## Budgeted statement of comprehensive income

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

In 2020-21, Council will manage a total income of more than \$16.7 million, including grant funding.

	Actual \$ 2018-19	Budget \$ 2019-20	Budget \$ 2020-21
<b>Income</b>			
Rates	10,431,217	10,738,393	11,050,208
Statutory charges	155,368	111,700	125,000
User charges	1,612,219	1,208,128	1,245,123
Grants subsidies and contributions – NT recurrent	257,782	442,046	408,552
Grants subsidies and contributions – Cwlth recurrent	4,684,321	3,172,370	3,172,370
Grants subsidies and contributions – Cwlth capital	-	946,743	-
Grants subsidies and contributions – other	-	140,000	-
Investment income	815,990	694,451	668,201
Reimbursements	22,198	-	-
Other income	136,571	71,000	70,000
<b>Total income</b>	<b>18,115,666</b>	<b>17,524,831</b>	<b>16,739,454</b>
<b>Expenses</b>			
Employee costs	6,646,145	6,761,488	6,932,575
Materials, contracts and other expenses	7,637,181	8,231,962	8,025,979
Depreciation, amortisation and impairment	12,921,357	11,557,620	11,744,243
<b>Total expenses</b>	<b>27,204,683</b>	<b>26,551,070</b>	<b>26,702,796</b>
<b>Operating deficit</b>	<b>(9,089,017)</b>	<b>(9,026,239)</b>	<b>(9,963,342)</b>
Net gain (loss) on disposal or revaluation of assets	(103,011)	-	-
Amounts received specifically for new or upgraded assets	4,064,461	6,398,000	1,820,525
Physical resources received free of charge	1,010,687	-	-
<b>Net deficit</b>	<b>(4,116,880)</b>	<b>(2,628,239)</b>	<b>(8,142,817)</b>



# Budgeted statement of financial position

This statement provides an estimate of the assets Council will own and the liabilities Council will have as at 30 June 2021.

	Actual \$'000's 2018-19	Budget \$'000's (based on 2019-20 actuals) 2019-20	Budget \$'000's 2020-21
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	2,306	2,348	3,025
Trade and other receivables	3,328	3,234	3,248
Other financial assets	21,371	18,571	15,071
<b>Total current assets</b>	<b>27,004</b>	<b>24,153</b>	<b>21,344</b>
<b>Non-current assets</b>			
Infrastructure, property, plant and equipment	309,112	310,591	305,412
Other non-current assets	3,739	-	-
<b>Total non-current assets</b>	<b>312,851</b>	<b>310,591</b>	<b>305,412</b>
<b>Total assets</b>	<b>339,855</b>	<b>334,744</b>	<b>326,756</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	2,652	2,805	3,613
Provisions	576	576	593
<b>Total current liabilities</b>	<b>3,229</b>	<b>3,382</b>	<b>4,206</b>
<b>Non-current liabilities</b>			
Bank loan	-	996	-
Provisions	474	474	487
<b>Total non-current liabilities</b>	<b>474</b>	<b>1,470</b>	<b>487</b>
<b>Total liabilities</b>	<b>3,702</b>	<b>4,851</b>	<b>4,693</b>
<b>NET ASSETS</b>	<b>336,153</b>	<b>329,893</b>	<b>322,063</b>
<b>Equity</b>			
Accumulated surplus	17,012	13,261	9,064
Asset Revaluation Reserve	295,860	295,860	295,860
Other reserves	23,281	20,771	17,139
<b>TOTAL EQUITY</b>	<b>336,153</b>	<b>329,893</b>	<b>322,063</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 2018-19	Budget \$'000's (based on 2019-20 actuals) 2019-20	Budget \$'000's 2020-21
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Rates - general and other	10,228	10,846	11,050
Fees and other charges	1,923	1,307	1,356
Investment receipts	783	614	607
Grants used for operating purposes	4,433	4,701	3,581
Other operating receipts	351	70	69
<b>Payments</b>			
Employee costs	(6,059)	(6,761)	(6,932)
Contractual services and materials	(8,434)	(7,888)	(7,809)
Other operating payments	(92)	(3)	-
<b>Net cash provided by operating activities</b>	<b>3,132</b>	<b>2,886</b>	<b>1,922</b>
<b>Cash flows from investing activities</b>			
<b>Receipts</b>			
Amounts specifically for new or upgraded assets	4,064	6,398	1,821
Sale of surplus assets	59	-	-
Net disposal of investment securities	-	2,800	3,500
<b>Payments</b>			
Expenditure on renewal/replacement of assets	(6,381)	(13,037)	(6,565)
Net disposal of investment securities	(784)	-	-
<b>Net cash used in investing activities</b>	<b>(3,042)</b>	<b>(3,839)</b>	<b>(1,244)</b>
<b>Cash flows from financing activities</b>			
<b>Receipts</b>			
Proceeds from borrowing		1,000	-
<b>Payments</b>			
Repayment of borrowings		(4)	-
<b>Net cash used in financing activities</b>		<b>996</b>	<b>-</b>
<b>Net Increase in cash held</b>	<b>90</b>	<b>43</b>	<b>678</b>
Cash and cash equivalents at beginning of period	2,215	2,306	2,348
Cash and cash equivalents at end of period	2,306	2,348	3,026



## Budgeted statement of reserves

This statement provides a summary of Council's financial reserve balances from the forecast at 30 June 2020 to year-end of the 2020-21 financial year, including any transfers to and from each financial reserve

Council's financial reserves exist 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 renewal and improvement of infrastructure assets. Council's Financial Reserves Policy (FIN04) describes Council's intentions in using those funds. Furthermore FIN04 does not allow for unrestricted reserves.

In 2020-21 Council will draw:

- \$403,500 Developer Contribution Reserve funds
- \$2.2m from the Asset Reserve to renew infrastructure assets
- \$198,000 from the Waste Management Reserve for works at waste transfer stations

	Balance at 1 July 2020	Transfer TO	Transfer FROM	Net movement	Balance at 30 June 2021
<b>Externally restricted reserves</b>					
<b>Developer Contribution Reserve</b>	406,052	-	(403,500)	(403,500)	2,552
<b>Unexpended grants and contributions</b>	3,831,520	-	-	-	3,831,520
<b>Internally restricted asset-related reserves</b>					
<b>Asset Reserve</b>	10,072,629	3,252,508	(5,552,018)	(2,299,511)	7,773,118
<b>Internally restricted - other reserves</b>					
<b>Waste Management Reserve</b>	4,296,158	31,573	(230,000)	(198,427)	4,097,731
<b>Election Reserve</b>	100,000	-	-	-	100,000
<b>Disaster Recovery Reserve</b>	500,000	-	-	-	500,000
<b>Strategic Initiatives Reserve</b>	500,000	-	-	-	500,000
<b>Cemetery Reserve</b>	396,661	17,346	(80,000)	(62,654)	334,007
<b>TOTAL</b>	<b>20,103,020</b>	<b>3,301,427</b>	<b>(6,220,518)</b>	<b>(2,919,092)</b>	<b>17,183,928</b>



# Long Term Financial Plan

## Long Term Financial Plan assumptions

Council adopted a new Long Term Financial Plan in 2019. The Litchfield Council Long Term Financial Plan 2020/21 to 2030/31 is designed to ensure Council’s financial sustainability continues to improve over the next 10 years by supporting sound financial decision-making.

Sustainability means the community has well-maintained facilities and infrastructure and receives good quality services at an affordable level of property rates both now and into the future.

Council currently has strong cash reserves and no debt, which provides a good foundation in the short term. In the long term, however, Council faces several challenges including:

- operating deficits due to depreciation
- dependency of external funding due to insufficient own-source revenue
- inadequate funding for capital expenditure to maintain the existing asset base.

These challenges are not easily resolved and can only be addressed through a long-term, disciplined approach to the allocation of financial resources.

The Long Term Financial Plan is based on the following strategies:

- constrain growth in operating costs
- advocate strongly for grants from other levels of government
- improve the approach to asset management
- use discretionary reserves to increase capital spend in the short term
- increase rate income to fund sustainable capital spend.

The combination of these strategies will improve the sustainability of Litchfield gradually over time with the key objective of increasing the level of capital expenditure, which is currently inadequate.

ITEM	INCREMENT (Annual)
<b>INCOME</b>	
General rates	5.0%
Waste charge	3.0%
Statutory charges	2.0%
User charges	5.0%
Grants, subsidies and contributions	1.0%
<b>EXPENSES</b>	
Employee costs	2.9%
Elected member expense	2.5%
Election expenses	10% growth every four years
Energy	2.0%
Insurance	2.0%
Other expenses	1.5%

Litchfield Council Long Term Financial Plan 2020/21 to 2030/31 can be found at:  
<https://www.litchfield.nt.gov.au/council/council-plans-and-publications>