

# Annual Budget Assumptions

## Income:

- Rates income is to increase on average 4.8% (same increase as the last financial year).
- Waste Management Levy is to increase on average 4.8%.
- Council's Fees and Charges have been increased by CPI (All Groups Darwin March 2023 Annual Change Index, which was 6.2%), unless otherwise stated.
- Operating Grants and Subsidies are forecast as remaining constant.
- Interest income is forecast as remaining strong. However, this will be reviewed regularly and may need to be adjusted based on our actual cash flow.

## Expenditure:

- There is an increase in employee expenses due to the Enterprise Bargaining Agreement (EBA), 3% increment rises and resource allocations for the planned activities.
- Materials and contracts expenses are forecast to increase in 2023/24, mainly due to high inflation, rising costs of doing business and the planned activities.
- All elected members will be paid 100% as per the Northern Territory of Australia Remuneration Tribunal's *Determination of Allowances for Members of Local Government Councils*.
- Council Committee Allowances and Expenses have been provided for.
- Depreciation charges are based on modelling undertaken in the NAMS Plus Module data.
- Finance Costs relating to the rehabilitation of Katherine Waste Management Landfill have been provided for.
- Capital Expenditure is based on the NAMS Plus Module data and estimates.

Government grants are currently forecast to account for 15% of overall council revenue. This is expected to increase with further grant applications during the financial year.

Currently rates and waste charges represent 57% of council income.

## ANNUAL BUDGET INCOME AND EXPENDITURE (2023-2024)

	Annual Budget \$
<b>OPERATING INCOME</b>	
Rates	8,756,737
Waste Charges	1,439,006
Fees and Charges	2,297,644
Operating Grants and Subsidies	2,221,500
Interest / Investment Income	450,000
Commercial and Other Income	85,425
<b>TOTAL OPERATING INCOME</b>	<b>15,250,312</b>
<b>OPERATING EXPENDITURE</b>	
Employee Expenses	6,292,582
Materials and Contracts (including Asset Protection)	7,409,822
Elected Member Allowances	238,000
Elected Member Expenses	60,208
Council Committee Allowances	24,000
Council Committee Expenses	6,000
Depreciation, Amortisation and Impairment	3,477,522
Finance Costs - Landfill Rehabilitation Provision (WMF)	140,806
Interest Expenses	-
Other Expenses	-
<b>TOTAL OPERATING EXPENDITURE</b>	<b>17,648,940</b>
<b>BUDGETED OPERATING SURPLUS / DEFICIT</b>	<b>(2,398,628)</b>

## ANNUAL BUDGET OPERATING POSITION (2023-2024)

	Annual Budget \$
<b>BUDGETED OPERATING SURPLUS / DEFICIT</b>	<b>(2,398,628)</b>
<b>Remove NON-CASH ITEMS</b>	
Less Non-Cash Income	-
Add Back Non-Cash Expenses	3,618,328
<b>TOTAL NON-CASH ITEMS</b>	<b>3,618,328</b>
<b>Less ADDITIONAL OUTFLOWS</b>	
Capital Expenditure	2,219,600
Borrowing Repayments (Principal Only)	-
Transfers to Reserves	-
Other Outflows	-
<b>TOTAL ADDITIONAL OUTFLOWS</b>	<b>2,219,600</b>
<b>Add ADDITIONAL INFLOWS</b>	
Capital Grants Income	1,000,000
Prior Year Carry Forward Tied Funding	-
Other Inflow of Funds	-
Transfers from Reserves	-
<b>TOTAL ADDITIONAL INFLOWS</b>	<b>1,000,000</b>
<b>NET BUDGETED OPERATING POSITION</b>	<b>100</b>

## LONG-TERM FINANCIAL PLAN

LONG-TERM FINANCIAL PLAN	Budget 2023/2024 \$	Estimate 2024/2025 \$	Estimate 2025/2026 \$	Estimate 2026/2027 \$
<b>OPERATING INCOME</b>				
Rates	8,756,737	9,177,060	9,617,559	10,079,202
Waste Charges	1,439,006	1,508,078	1,580,466	1,656,328
Fees and Charges	2,297,644	2,373,466	2,451,790	2,532,699
Operating Grants and Subsidies	2,221,500	2,232,608	2,243,771	2,254,989
Interest / Investment Income	450,000	450,000	450,000	450,000
Commercial and Other Income	85,425	85,852	86,281	86,713
<b>TOTAL OPERATING INCOME</b>	<b>15,250,312</b>	<b>15,827,064</b>	<b>16,429,868</b>	<b>17,059,932</b>
<b>OPERATING EXPENDITURE</b>				
Employee Expenses	6,292,582	6,670,137	7,070,345	7,494,566
Materials and Contracts (including Asset Protection)	7,409,822	7,654,346	7,906,939	8,167,868
Elected Member Allowances	238,000	240,380	242,784	245,212
Elected Member Expenses	60,208	60,810	61,418	62,032
Council Committee Allowances	24,000	24,240	24,482	24,727
Council Committee Expenses	6,000	6,060	6,121	6,182
Depreciation, Amortisation and Impairment	3,477,522	3,477,522	3,477,522	3,477,522
Finance Costs - Landfill Rehabilitation Provision (WMF)	140,806	406,116	335,713	132,349
Interest Expenses	-	-	-	-
Other Expenses	-	-	-	-
<b>TOTAL OPERATING EXPENDITURE</b>	<b>17,648,940</b>	<b>18,539,611</b>	<b>19,125,325</b>	<b>19,610,459</b>
<b>BUDGETED OPERATING SURPLUS / DEFICIT</b>	<b>(2,398,628)</b>	<b>(2,712,547)</b>	<b>(2,695,457)</b>	<b>(2,550,527)</b>

LONG-TERM FINANCIAL PLAN	Budget 2023/2024 \$	Estimate 2024/2025 \$	Estimate 2025/2026 \$	Estimate 2026/2027 \$
<b>BUDGETED OPERATING SURPLUS / DEFICIT</b>	<b>(2,398,628)</b>	<b>(2,712,547)</b>	<b>(2,695,457)</b>	<b>(2,550,527)</b>
<b>Remove NON-CASH ITEMS</b>				
<i>Less</i> Non-Cash Income				
<i>Add Back</i> Non-Cash Expenses	3,618,328	3,883,638	3,813,235	3,609,872
<b>TOTAL NON-CASH ITEMS</b>	<b>3,618,328</b>	<b>3,883,638</b>	<b>3,813,235</b>	<b>3,609,872</b>
<b>Less ADDITIONAL OUTFLOWS</b>				
Capital Expenditure	2,219,600	1,918,600	1,885,518	2,390,408
Borrowing Repayments (Principal Only)	-	-	-	-
Transfers to Reserves	-	252,091	232,060	-
Other Outflows				
<b>TOTAL ADDITIONAL OUTFLOWS</b>	<b>2,219,600</b>	<b>2,170,691</b>	<b>2,117,578</b>	<b>2,390,408</b>
<b>Add ADDITIONAL INFLOWS</b>				
Capital Grants Income	1,000,000	1,000,000	1,000,000	1,000,000
Prior Year Carry Forward Tied Funding				
Other Inflow of Funds				
Transfers from Reserves		-		331,363
<b>TOTAL ADDITIONAL INFLOWS</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,331,363</b>
<b>NET BUDGETED OPERATING POSITION</b>	<b>100</b>	<b>400</b>	<b>200</b>	<b>300</b>

# STATEMENT OF FINANCIAL POSITION

	Budget 2023/2024 \$	Estimate 2024/2025 \$	Estimate 2025/2026 \$	Estimate 2026/2027 \$
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalent	17,530,844	18,206,000	18,003,172	18,130,160
Receivables	1,690,753	1,371,540	1,689,879	1,361,062
Inventories	10,588	11,012	11,452	11,910
<b>Total Current Assets</b>	<b>19,232,184</b>	<b>19,588,552</b>	<b>19,704,503</b>	<b>19,503,132</b>
<b>NON-CURRENT ASSETS</b>				
Property Plant and Equipment	88,662,560	87,103,637	85,511,633	84,424,518
Other Non-Current Assets	9,608,154	9,608,154	9,608,154	9,608,154
<b>Total Non-Current Assets</b>	<b>98,270,714</b>	<b>96,711,791</b>	<b>95,119,787</b>	<b>94,032,672</b>
<b>TOTAL ASSETS</b>	<b>117,502,898</b>	<b>116,300,344</b>	<b>114,824,290</b>	<b>113,535,805</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Payables	2,398,732	2,499,182	2,379,430	2,505,662
Provisions	621,813	624,922	628,046	631,186
<b>Total Current Liabilities</b>	<b>3,020,544</b>	<b>3,124,104</b>	<b>3,007,476</b>	<b>3,136,848</b>
<b>NON-CURRENT LIABILITIES</b>				
Employee Entitlements (including costs)	63,381	63,698	64,017	64,337
Landfill Rehabilitation Provision (WMF)	7,327,461	7,733,577	8,069,290	8,201,639
<b>Total Non-Current Liabilities</b>	<b>7,390,842</b>	<b>7,797,275</b>	<b>8,133,306</b>	<b>8,265,976</b>
<b>TOTAL LIABILITIES</b>	<b>10,411,386</b>	<b>10,921,379</b>	<b>11,140,782</b>	<b>11,402,824</b>
<b>NET ASSETS</b>	<b>107,091,512</b>	<b>105,378,965</b>	<b>103,683,508</b>	<b>102,132,981</b>
<b>EQUITY</b>				
Accumulated Surplus	24,853,949	22,889,311	20,961,793	19,742,630
Asset Revaluation Reserves	75,549,402	75,549,402	75,549,402	75,549,402
Other Reserves	6,688,162	6,940,253	7,172,313	6,840,950
<b>TOTAL COUNCIL EQUITY</b>	<b>107,091,512</b>	<b>105,378,965</b>	<b>103,683,508</b>	<b>102,132,981</b>

# STATEMENT OF CASH FLOW

	Budget 2023/2024 \$	Estimate 2024/2025 \$	Estimate 2025/2026 \$	Estimate 2026/2027 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>RECEIPTS</b>				
Rates	8,494,035	9,452,372	9,329,032	10,381,578
Waste Charges	1,510,956	1,432,674	1,659,489	1,573,512
Operating Grants, Subsidies & Contributions	2,221,500	2,232,608	2,243,771	2,254,989
Fees & Charges	2,182,761	2,492,139	2,329,201	2,659,334
Interest Earnings	463,500	454,500	459,000	436,500
Other Revenue	89,696	81,560	90,595	82,377
<b>Sub-total</b>	<b>14,962,449</b>	<b>16,145,853</b>	<b>16,111,089</b>	<b>17,388,291</b>
<b>PAYMENTS</b>				
Employee Costs	(6,607,211)	(6,336,630)	(7,423,862)	(7,119,838)
Materials & Contracts	(7,187,527)	(7,883,976)	(7,669,731)	(8,412,904)
Elected Members Allowances & Expenses	(298,208)	(301,190)	(304,202)	(307,244)
Council Committee Allowances & Expenses	(30,000)	(30,300)	(30,603)	(30,909)
<b>Sub-total</b>	<b>(14,122,946)</b>	<b>(14,552,096)</b>	<b>(15,428,399)</b>	<b>(15,870,895)</b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>839,503</b>	<b>1,593,756</b>	<b>682,690</b>	<b>1,517,396</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>RECEIPTS:</b>				
Amounts Specifically for New or Upgraded Assets	1,000,000	1,000,000	1,000,000	1,000,000
Sale of Replaced Assets	-	-	-	-
<b>PAYMENTS:</b>				
Expenditure on Renewal/Replacement of Asset	(2,219,600)	(1,918,600)	(1,885,518)	(2,390,408)
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(1,219,600)</b>	<b>(918,600)</b>	<b>(885,518)</b>	<b>(1,390,408)</b>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>(380,097)</b>	<b>675,156</b>	<b>(202,828)</b>	<b>126,988</b>
Cash & Cash Equivalents at Beginning of Period	<b>17,910,941</b>	<b>17,530,844</b>	<b>18,206,000</b>	<b>18,003,172</b>
<b>Cash &amp; Cash Equivalents at End of Period</b>	<b>17,530,844</b>	<b>18,206,000</b>	<b>18,003,172</b>	<b>18,130,160</b>

## CAPITAL EXPENDITURE AND FUNDING BUDGET

CAPITAL EXPENDITURE	Budget	Estimate	Estimate	Estimate	Estimate
	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	\$	\$	\$	\$	\$
Buildings & Other Structures	511,825	1,337,890	1,156,310	864,220	878,560
Improvements	93,500	177,300	240,596	993,100	110,900
Plant & Equipment	1,144,125	195,560	343,803	153,588	307,550
Furniture, Fittings & Equipment	70,150	207,850	20,809	17,115	96,360
Infrastructure - Footpaths & Cycleways	-	-	124,000	355,000	-
Infrastructure - Roads	400,000	-	-	-	-
Infrastructure - Kerbing	-	-	-	-	-
Infrastructure - Other	-	-	-	7,385	-
Infrastructure - Stormwater & Drainage	-	-	-	-	-
Infrastructure - Street Lighting	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>2,219,600</b>	<b>1,918,600</b>	<b>1,885,518</b>	<b>2,390,408</b>	<b>1,393,370</b>
<b>TOTAL CAPITAL EXPENDITURE FUNDED BY:</b>	-	-	-	-	-
Operating Income (amount allocated to fund capital)	1,219,600	918,600	885,518	1,390,408	393,370
Capital Grants	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Transfers from Cash Reserves (by council resolution)	-	-	-	-	-
Borrowings	-	-	-	-	-
Sale of Assets (including trade-ins)	-	-	-	-	-
Other Funding	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE FUNDING</b>	<b>2,219,600</b>	<b>1,918,600</b>	<b>1,885,518</b>	<b>2,390,408</b>	<b>1,393,370</b>

## PLANNED MAJOR CAPITAL WORKS BUDGET

Class of Assets	By Major Capital Project	Actuals	Budget	Estimate	Estimate	Estimate	Estimate	Total Planned	Expected
		2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	Expenditure	Project Completion Date
		\$	\$	\$	\$	\$	\$	\$	
Buildings & Other Structures	Estimate Capex towards Building & Other Structures (Various)	-	280,250	-	-	-	-	280,250	30/06/2024
Plant & Equipment	Caterpillar 963K Waste Handler Track Loader - TK6	-	600,000	-	-	-	-	600,000	30/06/2024
Infrastructure - Roads	Estimate Capex towards Roads	-	400,000	-	-	-	-	400,000	30/06/2024
Buildings & Other Structures	Civic Centre: Mechanical	-	-	742,000	-	-	-	742,000	30/06/2025
Buildings & Other Structures	Civic Centre: Flooring Finishes	-	-	185,500	-	-	-	185,500	30/06/2025
Buildings & Other Structures	Buntine Pavilion - Roofing	-	-	157,500	-	-	-	157,500	30/06/2025
Furniture, Fittings & Equipment	Internal Displays	-	-	165,000	-	-	-	165,000	30/06/2025
Plant & Equipment	New Hook Truck for Dump	-	-	-	249,150	-	-	249,150	30/06/2026
Buildings & Other Structures	Airport - Charter Air Hangar Roofing	-	-	-	-	162,400	-	162,400	30/06/2027
Buildings & Other Structures	Airport Workshop/Carport/Store - Roofing	-	-	-	-	-	156,600	156,600	30/06/2028
Buildings & Other Structures	Automatic toilet	-	-	-	-	-	165,000	165,000	30/06/2028
	<b>TOTAL</b>	-	<b>1,280,250</b>	<b>1,250,000</b>	<b>249,150</b>	<b>162,400</b>	<b>321,600</b>	<b>3,263,400</b>	

## PROPOSED CAPITAL PROJECTS

Name	Co-funding amount	Council funding	Total Project Cost	Co Funding Source
Sports Ground Fencing Renewal	\$160,220	\$0	\$160,220	NTG
Katherine Civil Airport Taxiway and RPT Apron Upgrade	TBD	TBD	TBD	TBD
Katherine Aquatic Centre Upgrade	\$10,300,000	TBD	\$>10,300,000	AUSTRALIAN GOVT & NTG
Civic Office Upgrade	TBD	\$1,200,000	\$>1,200,000	TBD
Indoor Multipurpose Sports Stadium	TBD	TBD	TBD	TBD
Big River Region AFL Precinct	TBD	TBD	TBD	TBD
River Trail Rehabilitation	\$1,000,000	TBD	\$>1,000,000	AUSTRALIAN GOVT.
Lindsay Street Car Park Upgrade	\$190,000	TBD	\$190,000	NTG
Giles Street Solar Lighting Community Safety Upgrade	\$120,000	TBD	\$120,000	NTG
Economic Development Bio Security Truck Wash - Feasibility Study	TBD	TBD	TBD	TBD
Economic Development Bio Security Truck Wash - Plan Development	TBD	TBD	TBD	TBD
Bi-Centennial Linear Pathway Stage 1	TBD	TBD	TBD	TBD
3 Chilled Water Drinking Fountains (CBD)	TBD	TBD	TBD	LENLEASE

## ASSUMPTIONS

	Budget 2023/2024	Estimate 2024/2025	Estimate 2025/2026	Estimate 2026/2027
<b>INCOME: REVENUES FROM ORDINARY ACTIVITIES</b>				
Rates	4.8%	4.8%	4.8%	4.8%
Waste Charges	4.8%	4.8%	4.8%	4.8%
Operating Grants, Subsidies & Contributions	0.0%	0.5%	0.5%	0.5%
Non-operating Grants, Subsidies, Contbns	0.0%	0.0%	0.0%	0.0%
Fees & Charges	6.2%	3.3%	3.3%	3.3%
Interest Earnings	0.0%	0.0%	0.0%	0.0%
Other Revenue	0.5%	0.5%	0.5%	0.5%
<b>EXPENDITURE: EXPENSES FROM ORDINARY ACTIVITIES</b>				
Employee Costs	8.9%	6.0%	6.0%	6.0%
Materials & Contracts	8.8%	3.3%	3.3%	3.3%
Elected Member Allowances & Expenses	10.9%	1.0%	1.0%	1.0%
Depreciation on Non-current Assets (see below)				
Interest Expense (based on estimated borrowings)				
Council Committee Allowances and Expenses	0.0%	1.0%	1.0%	1.0%
Other Expenditure	0.0%	1.0%	1.0%	1.0%
<b>CAPITAL ASSETS</b>				
Average Depreciation - Buildings	2%	2%	2%	2%
Average Depreciation - Other	8%	8%	8%	8%
Average Depreciation - Infrastructure Roads	2%	2%	2%	2%
Average Depreciation - Infrastructure Other	2%	2%	2%	2%