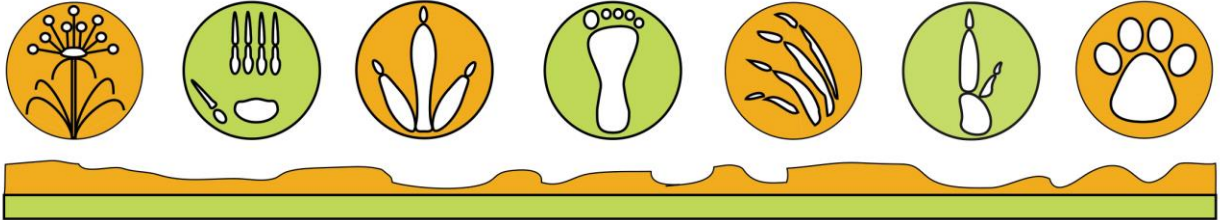


BARKLY REGIONAL COUNCIL



BARKLY REGIONAL COUNCIL

REGIONAL PLAN AND BUDGET

2015-2016

Contents

President’s message.....	4
1. Introduction and District Profile	5
2. Electoral Review – Change to the name of Yapakurlangu ward.....	5
3. Strategic Directions.....	6
4. Opportunities and Challenges.....	6
5. Council’s Delivery Plan	7
6. Council’s Objectives and Measures 2015-2016	8
7. Financial Plan	13
8. Capital Expenditure - Project Priorities for the Year	14
9. Grant Funding 2015 -16	14
10. Financial Sustainability/Financial Performance Measures	15
10.1 Operating Surplus Ratio	15
10.2 Asset Sustainability Ratio.....	16
10.3 Net Financial Liabilities and Net Financial Liabilities Ratio	16
10.4 Summary	17
11. Uniform Presentation of Council Finances	17
12. Elected Member allowances.....	18
13. Council Rates 2015-2016	19
14. Council’s Annual Budget 2015-16.....	22
14.1 Statutory Statements.....	22
14.2 Balance Sheet Statement.....	23
14.3 Cash Flow Statement	24
14.4 Statement of Equity	25
14.5 Council Budget 2015-2016 continued – Budget by Locality	26
15. Long-Term Financial Plan	30
16. Consultation.....	31
17. Council Contact.....	31
18. Supporting Documentation	31

OUR VISION

We strive to be a responsive, progressive, sustainable council which respects, listens and empowers the people to be strong

The Way We Will Work....

We make it happen!

We will be engaged and have regular opportunities to listen.

We will have strong policy and budgets to ensure our programs and services are progressive and sustainable.

Respect is shown in everything we do and we have acceptance of all cultures in the Barkly Region and their practices through a culturally competent Council.

We are a responsible Council.

We will be a responsive Council.

We want to empower local decision making.

We want to ensure that our services are sustainable and that our region has a standard consistent level of services.

We want to be able to sustain our environment – our communities, our physical places, our people and our organisational culture.

We will aggressively pursue additional funding from both levels of government to improve the standard of living of people across the region.

We need to be realistic, transparent and accountable.

President's message

Dear Residents of the Barkly,

I am pleased to present the Barkly Regional Council Plan for 2015/2016. The plan provides the Council and its residents and ratepayers with a broad vision for the future of the region and a roadmap for achieving the Council's vision.

As part of our annual process we re-confirmed our vision and regional goals again to ensure that our most recent legislative changes are taken into account. Our vision and mission continues to reflect our strong commitment and determination to engage with our community, listen to the people of the Barkly region and ensure that we can deliver and achieve mutual outcomes. As we plan for the year ahead we continue focusing on building stronger partnerships with our Local Authorities as a key mechanism to achieving both regional and economic development as well as community capacity and wellbeing.

Council continues making difficult decisions. Reductions in grants and rising cost in relation to remote delivery as well as an aging infrastructure all take their toll. As the sole provider of many community services council faces the issue whether sustainable delivery for some of these services under current funding levels can continue. Consequently, we have needed to adopt rate increases to ensure the Barkly community can retain existing service levels. In addition, Council has committed to implementing disciplined measures across all areas of its own expenditure, ensuring that we can operate as effectively as possible.

We are committed to supporting our regional economy and actively pursuing revenue streams to ensure that our local economy can continue to grow and be strong. I would like to acknowledge the work of my fellow Councillors who have had their term extended until 2017. They work tirelessly to progress and advocate for this region. We look forward to working with our Chief Executive Officer, Edwina Marks, and her hard working staff to again achieve our Goals and Vision for this year.

Yours sincerely,

Barb Shaw

1. Introduction and District Profile

The Barkly Regional Council is the second largest local government area in Australia, more than 42% larger than Victoria. While Victoria is considered the second most populous Australian state with a density of 2,431 persons per one hundred square km, the Barkly region contains just two people within a similar area. The main centre of Tennant Creek is located on the Stuart Highway, almost 1000km south of Darwin and 500km north of Alice Springs. Tennant Creek has an estimated population of 3,560 and includes the Community Living Areas of Kargaru, Tinkarli, Wuppa, Maria Maria, Village Camp and Munji-Marla, Ngalpa Ngalpa. The region includes the major communities of Ali Curung, Ampilatwatja, Arlparra, Elliott, Wutunugurra and Alpururulam. In addition to these communities there are various smaller communities, homelands and outstations, 49 pastoral properties, mining operations and commercial establishments. Regional Service Centres are located at Ali Curung, Arlparra, Alpururulam, Ampilatwatja, Elliott, Tennant Creek and Wutunugurra.

The boundaries of the Barkly region extend eastwards from Tennant Creek to the Queensland border, incorporating some of the most important cattle grazing areas in the Northern Territory. Roughly the same size as the United Kingdom or New Zealand, the region consists largely of open grass plains and some of the world's largest cattle stations. It runs as far south as Barrow Creek, north above Elliott and westwards into the Tanami Desert.

2. Electoral Review – Change to the name of Yapakurlangu ward

The *Local Government Act* requires Council to undertake an electoral review, in consultation with its community and the NT Electoral Commissioner to determine whether the current arrangements provide the most effective possible elector representation for the Council area.

Community consultation on the review commenced on 13 February 2015. As a result of community input and noting the assessment criteria, Council formed the view that its present constitutional arrangements were appropriate. No changes were proposed in relation to the name and boundary of the Council, Ward boundaries, the Office of the Principal Member or to the number of elected members. However, it was decided to recommend to the Minister a change in the name of the Yapakurlangu Ward. Yapakurlangu is a Warlpiri word and does not reflect the language groups in the Ward. The new name proposed to the Minister is Kuwarrangu Ward.

At the Council meeting of 13 April 2015 it was resolved to forward the draft submission to the Minister of Local Government and Communities.

3. Strategic Directions

Council has developed a framework for future strategic management plans based on the following eight objectives.

1. We embrace cultural diversity and work respectfully
2. We will maximise regional development
3. We grow our own
4. We build and have meaningful partnerships
5. We support community wellbeing through standard and consistent service delivery
6. We are a strong regional leader in governance
7. We will be innovative and professional
8. We will stand up for Local Government and push back

4. Opportunities and Challenges

A number of significant factors have influenced the preparation of the Council's 2015-16 annual business plan. These include:

- Consumer Price Index/Local Government Prices Index increases on existing goods and services of 1.9% for the year (December quarter 2014).
- Enterprise Bargaining Agreement, which provides for wages and 3 % salary increases annually. This EBA will be renegotiated during 2015/16.
- Government funding going into a contraction phase meaning shorter funding cycles, the risk of falling cash reserves and revenues and the need for strong budgetary management and greater efficiencies in order to keep pace with service delivery costs.
- Federal policy environment of the Indigenous Advancement Strategy will mean more integrated service delivery across the region.
- The introduction of new changes for Work for the Dole with the potential to add additional regional human resource capacity.
- The NT Government's *Developing the North* agenda could see a return to growth within the region, more mining exploration as well as the potential construction of a Tennant Creek to Mt Isa gas pipeline.
- Requirements to maintain and improve infrastructure assets to acceptable standards.
- Continuation of Council's annual works program with a commitment to fund roads and footpath developments.
- Provision of sufficiently qualified experienced and trained staff to meet service delivery demands.
- Resourcing and implementing a range of other administrative systems and processes (e.g. records management system) to bring Council up to an acceptable standard and, where required, legislative compliance.
- Short term tenure in Arlparra and Ampilatwatja due to Central Land Council (CLC) Section 19 lease negotiations.

5. Council's Delivery Plan

The Barkly Regional Council manages approximately \$48 million worth of assets, has a turnover of \$24 million per year and employs approximately 231 staff. We provide a wide variety of services under the *Local Government Act* and other relevant legislation.

Core and Non-Core service delivery

Service	Tennant Creek	Ali Curung	Alpurrurulam	Ampilatwatja	Arlparra	Elliott	Wutunugurra
Maintenance & upgrading roads, parks, building, facilities, vehicles, plant equipment	x	x	x	x	x	x	x
Cemeteries	x	x	x	x	x	x	x
Waste Disposal	x	x	x	x	x	x	x
Fire Hazard	NTG	x	x	x	x	x	x
Fire Service	NTG					X (Marlinja)	
Animal Health		x	x	x	x	x	x
Library		x	x	x	x	x	x
Community media	Barkly Regional Arts	x	x	x	x	x	x
Outstations	T&J	N/A	N/A	No service	No service	x	No service
Children's services	TC Childcare	x	x	x	No service	x	x
Playgroup	N/a	x	No service	No service	No service	x	No service
Crèche	TC Childcare	x	No service	No service	No service	x	No service
School nutrition	TC Primary School	x	No service	x	No service	x	x
Aged Care & Disability	Frontier Services	x	x	x	x	x	x
Safe houses	TC Women's Refuge	x	No service	No service	No service	x	No service
Night Patrol	JCAC	x	x	x	x	x	x
Postal services	Australia Post					Midland	
Centrelink	Centrelink						

* x = no funded service available

6. Council's Objectives and Measures 2015-2016

Council Goals, Key Projects and Performance Indicators

The table below sets out non-financial performance measures for 2015 – 16 with measures linked to the *Barkly Regional Council Strategic Plan*.

KEY PROJECTS AND PERFORMANCE INDICATORS

1.1 We embrace cultural diversity and work respectfully				
Outcome	Action	Responsibility	Time-frame	Target
We engage our cultural resources to mentor, improve respect and shared decision making	A cultural advisory committee is set up and supported	DPS	07/2016	1 Committee established Meets 4 times a year
We embrace and emphasise cultural diversity and work respectfully	A reconciliation action plan is developed	DPS	07/2016	1 RAP delivered
	We develop a cross cultural competency framework to ensure relevant skills are in place	DPS	07/2016	A framework is delivered as part of the RAP (1)
	We have our scaffold of support inside the organisation to enhance understanding and reduce cultural difference	DPS	07/2016	EEO plan delivered
	We develop protocols and treat people with courtesy and respect	DC/Gov Officer	07/2016	A set of protocols is developed for each remote community (6)
We strive for equity	We develop an EEO plan in conjunction with the cultural advisory committee	DPS	07/2016	EEO plan delivered
We lead the way on how our two worlds can work together	We promote how our two worlds can work together	PR	07/2016	Barkly Buzz (4)

2.1 We will maximise regional development

Outcome	Action	Responsibility	Time-frame	Target
We will aggressively pursue revenue and promote opportunities to ensure our region is strong	We will develop an economic development plan for the next 10 years	CEO/PR	07/2016	1 Strategy developed Monthly President's column (12)
	Maintain membership of the Regional Economic Development Committee	CEO and President	07/2016	Meetings attended quarterly (4)
	Maintain LGANT executive membership	President	07/2016	4 meetings attended
	Active lobbying for services and opportunities	CEO/President	07/216	4 meetings a year with PMC 4 meetings a year NTG
We will consider the social, economic and environmental aspects of what we do	Put measurements in place for QBL	CEO	07/2016	KPIs developed

3.1 We grow our own

Outcomes	Action	Responsibility	Time-frame	Target
We grow our own Our people, Our economy, Our communities	To develop a grow our own leadership program.	DPS	07/2016	Leadership program developed
	We promote the benefits of employing local people	PR	07/2016	Barkly Buzz (4) Website vacancies (100%)
	Preferred supplier program developed which incorporates local employment target	DO	07/2016	Preferred Contractor arrangements in place Promotion of these suppliers in Barkly Buzz (4) and website
	Our procurement supports local businesses wherever possible	DO	09/2015	Local weighting introduced into all tenders
	Training is open to local businesses	DPS	07/2016	4 joint training sessions are offered to the local business houses

4.1 We build and have meaningful partnerships				
	Action	Responsibility	Time-frame	Target
We identify our partners and lock in agreements that benefit the region	All MoU's are reviewed	CEO	12/2015	MoU report for all active and non-active MoU's submitted to Council (1)
	Our Local Authorities identify what needs to be done and have knowledge of what partnerships are in place	DC/GO	12/2015	Report to LA bimonthly (6)
Our MoU's are active and drive our values	Beneficial MoU's are renewed and reinforce grow our own	CEO	07/2016	(6)
	Staff actively broker partnerships and commit to them working on the ground	DC/DO/DPS	07/2016	Council report monthly
	Our internal systems are reviewed to support partnerships	DCS	07/2016	Corporate review conducted
	We feedback information on regional needs to other levels of government	DC/DO	07/2016	4 submissions per annum

5.1 We support community wellbeing through standard and consistent service delivery				
Outcome	Action	Responsibility	Time-frame	Target
There is quality of life for everyone in the Barkly	Service standards are set across all communities	All Executive	07/2016	Service levels set across all programs (100%)
	Delivery models are reviewed to provide consistent levels of service	DC and DO	07/2016	Municipal and community service delivery models are reviewed (100%)
	We consult with Local Authorities and set service levels	DC	07/2016	7 consultations held
	We report on service with Local Authorities	DC	07/2016	Bimonthly LA report
	We actively work together with Local Authorities on issues	DC	07/2016	Bimonthly LA action plan report (6)
	Asset management plans are reviewed	DO	07/2016	Transport, building and fleet asset management plans are reviewed (3)

6.1 We are a strong regional leader in governance				
Outcome	Action	Responsibility	Time-frame	Target
We have effective corporate and representative governance	Our Councillors have training and development opportunities	CEO/GO	07/2016	4 sessions per year Councillors (4)
	Council meetings are held and supported	CEO	07/2016	Min 6 meetings held each year
	Councillor portfolios are supported and have a regular profile	CEO	07/2016	Council meeting agenda (6)
We engage and empower local communities to make decisions and support them	Local Authority meetings are held and supported	DC/GO	07/2016	4 per year each LA (28)
	Delegations are reviewed during 2015/16	CEO/Council	07/2016	Review undertaken Report to Council (1)
We provide organisational support and flexible solutions to ensure that local decisions can be made	Governance training is undertaken for all LA members	DC/GO	07/2016	1 session per year each LA (7)
	We review Local Authority policy annually	DC/GO	07/2016	1 session per year each LA (7)
We plan and support policy and budgets to ensure we can be sustainable	LG Compliance review undertaken	CEO	10/2015	LG Compliance is met
	Audit committee monitor and review audit workplan	DCS	07/2016	Audit committee meetings (4)
	Annual plan and budgets endorsed by Council	CEO/DCS	07/2016	Regional plan and budgets adopted (1)
	Interim audit and audit conducted satisfactorily	DCS	07/2016	Interim audit conducted (1) Audit conducted (1)
We adopt a risk management approach to our business	A risk management framework is introduced	DCS	07/2016	Risk management framework adopted

7.1 We will be innovative and professional

Outcome	Action	Responsibility	Time-frame	Target
Council will pursue best practice and proactively collect evidence that support BRC to be strong.	All programs are evaluated	DC	07/2016	100%
We have agreed measurements which track our progress	KPIS are included in our regional plan	CEO	07/2016	Annual report
Continuous improvement is part of our culture	A continuous improvement committee is set up	DCS	09/2015	Committee set up
We provide quality information for council decision making	We provide a continuous improvement report to every council meeting	DCS	07/2016	Min 6
We understand the cost of delivering our services	We develop unit costing models for aged care and disability	DCS	07/2016	Unit costing developed for aged care and disability (1)

8.1 We will stand up for Local Government and push back

Outcome	Action	Responsibility	Time-frame	Target
We will aggressively pursue additional funding from both levels of government to improve the standard of living of people across the region	We will challenge funding cuts with agencies and proactively negotiate for revenue that covers all our costs	DCS/DC	07/2016	Funding agreement adjustments challenged (100%)
We advocate and lobby for increased support from other levels of government and others	We educate other levels of government about realistic delivery in person	DCS/DC	07/2016	4 submissions per year
	Develop community champions through our local authorities to assist us in our message and campaigns	DCS/DC	07/2016	Identify 7 champions
	We provide information to contractors to support quality community outcomes	DC	12/2015	Contractor information developed and circulated
	Risk is understood and reported to Council	DCS	07/2016	Min 6 reports to Council

7. Financial Plan

Local Government Act Requirements

The following information is provided in accordance of the *Local Government Act*.

Our Budget – Social and Economic Effects

Barkly Regional Council considers a range of statistical indicators such as the Consumer Price Index and the Northern Territory Local Government Index when it sets down the annual rates and charges. This year rates have increased by 5.1% and this reflects a number of cost base changes such as region wide leasing payments, Local Authority sitting fees, lack of indexation to Financial Assistance Grants and rising utility costs. In addition the lack of reserves means that Council needs to ensure there is enough income to provide adequate levels of services whilst balancing an aggressive stance on internal efficiencies to lessen impact on ratepayers.

The budget for a particular year must:

1.11 Outline

- (i) **The Council's objectives**
The objective for the 2015-16 financial year are to deliver services and programs as outlined in the Regional Plan 2015-16 articulated in Council Goals and priorities.
- (ii) **The measures the Council proposes to utilise towards achieving those objectives**
The Council will employ a Director of Corporate Services and Work Health Safety Manager to augment the resources required to ensure Council objectives are met. The Council also has regular monitoring of operations by Senior Executives in conjunction with performance reviews of programs and managers. Requirements as outline in funding agreements will also be monitored to ensure program objectives are achieved.
- (iii) **The indicators the Council intends to use as a means of assessing its efficiency in achieving its objectives**
The Council has formulated key projects and performance indicators as outlines in the plan for 2015-16.

1.12 Estimates of revenue and expenditure

- (i) **The Council's objectives**
The budget for 2015-16 is shown in the tables contained in this plan.

A deficit position of \$2.9M is being forecast for the 2015-16 financial year. The operating surplus/(deficit) measures the difference between operating revenue and expenses for the period. The total amount of the Council's intended deficit relates to depreciation, which measures the depletion of Council's physical asset base.

The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue and that it can fund the replacement of physical assets when required to continue to provide agreed service levels.

Council's revenue in 2015-16 includes \$3.2M proposed to be raised from general and other rates. This is based on an increase of 5.1%. There is little forecast growth expected for the region. Accordingly no increase to rates revenue has been factored in for growth.

Other sources of proposed revenue for the Council include user charges and fees; grants from Federal and Territory governments.

Council has reclassified \$292,000 of revenue received from non-government bodies, previously classified under Grants now classified as Contributions. \$508,000 of Client Contributions has been reclassified from User Chargers to Contributions. Further reclassifications include \$1.54M of service contract revenue and lease agreements have been reclassified under User Charges and Fees, previously classified under Other Revenue.

8. Capital Expenditure - Project Priorities for the Year

Project	\$	\$	Comment
Buildings:			
North Camp Basketball Courts - Elliott	25,000		Replacement
Swimming Pool Complex – Tennant Creek	2,013,391		Renewal
Total Land and Buildings		2,038,391	
Plant and Equipment			
Troope Carrier - Elliott	58,626		New
CCTV/Alarm at Swimming Centre – Tennant Creek	20,175		New
Total Plant and Equipment		78,801	
Total Capital Expenditure		2,117,192	

9. Grant Funding 2015 -16

Council is in receipt of grants from the Commonwealth and Northern Territory Governments. These are consolidated in the graphs below. Council relies on 91% of its revenue from grants.

Commonwealth Government Grant Funding	Amount \$,000
Indigenous Advancement Strategy (Prime Minister Cabinet)	4,071
Aged and Community Care (DSS)	686
NT Job Packages – HACC (Dept. Health and Ageing)	707
Emergency Relief (NTG)	13
Out of School Hours Care (Dept. of Education)	412
Creche (Dept. of Education)	90
Swimming Pool Renewal (Regional Development Australia)	1,860
Other Specific Purpose Grants (NTG)	89
Total Commonwealth Government Grant Funding	7,928

Northern Territory Government Grants

NT Government Grant Funding	Amount \$,000
Operational Funding (Grants Commission)	3,567
General Purpose (Grants Commission)	1,740
Financial Assistance Roads (Grants Commission)	275
Homelands - Municipal Essential Services and Housing Maintenance (DCS)	1,935
Indigenous Jobs Development	900
NT Job packages – Homelands	162
Active Remote Communities (NTG)	204
Safe Houses (Dept. Children and Families)	348
Library (NTG)	180
Indigenous Environmental Health (Dept. of Health)	75
Local Authority Allocation (NTG/DLG)	474
Other Specific Purpose Grants (NTG – DLG/DCS)	78
NT Government Grant Funding	9,938

10. Financial Sustainability/Financial Performance Measures

Council is committed to ensuring its long term financial sustainability. In 2015-16, Council intends to review its long-term Financial Plan, Infrastructure and Asset Management Plan and to review its Strategic Plan ensuring it is aware of those issues that may threaten its future financial sustainability. Refer to Appendix E for the current Long-Term Financial Plan.

Council's financial sustainability is dependent on ensuring that, on average over time, its expenses are at least matched by its revenue. In addition, capital expenditure on existing infrastructure and other assets should be optimised (in accordance with the review of the Infrastructure and Asset Management Plan so as to minimise whole-of-life-cycle costs of assets).

Section 127 of the Northern Territory *Local Government Act* requires Councils to include within their budget document "the measures the council proposes to take, during the financial year, towards achieving [its] objectives; and the indicators the council intends to use as a means of assessing its efficiency in achieving its objectives." To assist Council in determining whether it is achieving its objective of long term financial sustainability, the following financial ratios have been applied to the budget. They are based upon those developed and legislated in South Australian local government councils.

10.1 Operating Surplus Ratio

Operating Surplus Ratio expresses the operating surplus (deficit) as a percentage of general and other rates. The Council's budgeted Operating Surplus/(Deficit) Ratio is adversely high when compared to an ideal ratio of 0 to 10%. This highlights the Council's current unsustainable financial position due the items listed in the previous section.

ACTUAL 2013/2014	FORECAST 2014/2015	BUDGET 2015/2016
(168%)	(142%)	(32%)

10.2 Asset Sustainability Ratio

The Asset Sustainability Ratio indicates whether the Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out. The ratio is calculated by measuring capital expenditure on renewal and replacement of assets relative to its level of depreciation. A ratio of 100% reflects that the council is maintaining its asset base. Council is aiming to attain a result of 73% for the year ending 30 June 2016 with the intention of reviewing its asset management plans in the financial year.

ACTUAL 2013/2014	FORECAST 2014/2015	BUDGET 2015/2016
20%	12%	73%

Due to current deficits there is no capital allocation for 2015/16 unless appropriate grants can be sourced. We have calculated this ratio as no advice is to hand.

10.3 Net Financial Liabilities and Net Financial Liabilities Ratio

Net financial liabilities is a comprehensive measure of the indebtedness of the Council as it includes items such as employee long-service leave entitlements and other amounts payable as well as taking account of the level of Council's available cash and investments. Specifically, Net Financial Liabilities equals total liabilities less financial assets, where financial assets for this purpose includes cash, cash equivalents, trade and other receivables, and other financial assets, but excludes equity held in Council businesses, inventories and land held for resale.

The following table sets out estimates as at 30 June 2016:

	Estimated 30/6/16 \$,000
Gross borrowings	0
Less: Cash and investments	1,017
Equals: Net debt	(1,017)
Add: Trade and other payables	291
Add: Provisions for employee entitlements	1,328
Less: Trade and other receivables	1,154
Equals: Net financial liabilities	(552)
Net Financial Liabilities Ratio	(2.3%)

The negative result indicates that Council is in a net financial assets position. The local government sector wide results for this financial indicator usually fall between 0% and 100%.

10.4 Summary

The above ratios indicate that the proposed annual business plan and the associated budget that underpins it, is financially sustainable over the following 12 months. Council's Asset Sustainability Ratio has been trending downward over the last five years. As sources of revenue shrink it does not have the funds available to replace them, therefore, consuming assets at a quicker rate than it is replacing them.

Long term this means that the Council's assets are deteriorating and will need to be replaced in the future. Over the next twelve months the Council is committed to reviewing its asset management plans and putting in place strategies to ensure the future viability of the organisation.

11. Uniform Presentation of Council Finances

The Uniform Presentation of Council Finances together with the Key Financial Indicators provides a summary of Council's finances at the strategic level.

The Summary of Financial Position report highlights the operating surplus/(deficit) measure which is considered the most critical indicator of a Council's financial performance.

The result of this report, is the movement in Net Financial Liabilities (Net Lending/Borrowing) for the year based on Council's planned capital and operating budgets for that year.

Achieving a zero result on the net lending/(borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's income (with income including amounts received specifically for new/upgraded assets).

UNIFORM PRESENTATION OF FINANCES	Forecast 2015	Budget 2016
	\$,000	\$,000
Operating Revenue	25,709	23,755
less Operating Expense	(30,148)	(24,789)
Operating Surplus/(Deficit) before Capital Amounts	(4,439)	(1,034)
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	391	2,117
less Depreciation, Amortisation and Impairment	(3,355)	(2,894)
less Proceeds from Sale of Replaced Assets	0	0
	(2,964)	(777)
Net Lending/ (Borrowing) for Financial year	(1,475)	(257)

12. Elected Member allowances

Elected Council Members	Tennant Creek	Ali Curung	Alpurrurulam	Ampilatwatja	Arlparra	Elliott	Wutungurra	Total
Councillors Base Allowance	\$145,103	\$42,714	\$13,086	\$13,086		\$29,628		\$243,617
Councillors Electoral Allowance	\$43,095	\$14,366	\$4,789	\$4,789		\$9,577		\$76,616
Councillors Extra Meeting Allowance	\$34,897	\$26,172	\$8,724	\$8,724		\$17,449		\$95,966
Councillors Professional Development	\$21,813	\$10,907	\$3,636	\$3,636		\$7,271		\$47,263
Councillors Travel Allowance	\$7,600	\$7,600	\$7,600	\$7,600		\$7,600		\$38,000

Local Authorities	Tennant Creek	Ali Curung	Alpurrurulam	Ampilatwatja	Arlparra	Elliott	Wutungurra	Total
Local Authority Allowance	\$7,519	\$7,519	\$7,519	\$7,519	\$7,519	\$7,519	\$7,519	\$52,633
	Chairperson - \$161.70 Ordinary Member - \$121.28							

Council has budgeted for maximum capacity of 1 Chair and 9 Ordinary Local Authority Members for 6 meetings per year.

Council has budgeted a total of \$554,095 to cover Elected Member allowances and incidental meeting expenditures.

13. Council Rates 2015-2016

Rate Revenue

Council's budget for 2015-16 contains rate revenues of \$2.484m and Waste Collection Charges of \$0.759m. This represents a 5% increase in total rates raised compared to 2014-15.

Basis of Rates

- For allotments in the towns of Tennant Creek and Elliot is a valuation-based charge where the basis of assessed value is the unimproved capital value (UCV);
- For land held under pastoral lease and land occupied under a mining tenement is a valuation based charge subject to a specified minimum charge where the basis of assessed value is unimproved capital value (UCV); and
- For allotments in other parts of the Council area, is a fixed charge.
- Pursuant to Section 148(3) of the Act, Council adopts:
- Differential valuation-based rates for the township of Tennant Creek fixed for different zones;
- Differential valuation-based rates for the township of Elliot fixed for different classes of allotments; and
- Differential fixed charge for other allotments within the Council area fixed for different classes of allotments.

Conditionally Ratable Land

Pursuant to section 142 of the Act, Land held under the pastoral lease and land occupied under a mining tenement is rated as per the proposal approved by the Minister for Local Government.

Differential Rates Schedule

Allotments in the Town of Tennant Creek	
Percentage	Zone
3.19	SD (Single Dwelling)
1.31	RL (Rural Living)
3.01	MD (Multiple Dwelling)
7.99	CL (Community Living)
1.43	MR (Medium Density Residential)
5.78	C (Commercial)
6.33	TC (Tourist Commercial)
5.42	SC (Service Commercial)
4.02	CP (Community Purpose)
2.75	OR (Organised Recreation)

Allotments in the Town of Tennant Creek	
Percentage	Zone
12.22	LI (Light Industrial)
12.17	GI (General Industry)
0.62	UF (Urban Farm Land)

Allotments in the Town of Elliott	
Percentage	Description
0.96	Allotments used principally for commercial or business purposes
0.88	All other allotments not included above

Allotments in the Town of Newcastle Waters	
Fixed Charge	Description
\$891.83	Allotments used principally for commercial or business purposes
\$197.42	All other allotments not included above

Allotments in Community & surrounding Living Areas of Ali Curung, Alpurrurulam, Ampilatwatja, Imangara & Wutunugurra	
Fixed Charge	Description
\$1061.01	Allotments used principally for commercial or business purposes
\$896.58	All other allotments not included above

Allotments in Council area (Excluding those comprised in other parts of this schedule)	
Fixed Charge	Description
\$1061.01	Allotments used principally for commercial or business purposes
\$896.58	All other allotments not included above

Conditionally Ratable Land (Approved rating proposal 2013/14 pursuant to sec 142 Local Government Act)		
Percentage	Description	Min Rate
0.03	Land held under pastoral lease	\$366.48
0.34	Land occupied under a mining tenement	\$867.34

Charges

Pursuant to Section 157 of the Act, Council imposes charges in respect of the garbage collection service for Tennant Creek, Elliott, Newcastle Waters, and allotments in the communities and surrounding living areas of Ali Curung, Alpurrurulam, Ampilatwatja, Imangara and Wutunugurra.

(a) **Each allotment in Tennant Creek, Elliott and Newcastle Waters:** Where a waste collection service is provided using a 240 litre capacity receptacle, or where Council is willing and able to provide:

- each weekly kerbside service \$314.00 per annum
- each additional weekly kerbside service \$314.00 per annum

(b) **Each allotment in the communities and surrounding living areas of Ali Curung, Alpurrurulam, Ampilatwatja, Imangara and Wutunugurra:** Where a waste collection service is provided using a 240 litre capacity receptacle, or where Council is willing and able to provide:

- each weekly kerbside service \$814.95 per annum
- each additional weekly kerbside service \$407.48 per annum

Rates Concessions

Consideration will be given to granting a rate concession (that is, a reduced or deferred payment) in instances of financial hardship, to correct anomalies in the rating system or where there is some public benefit.

14. Council's Annual Budget 2015-16

14.1 Statutory Statements

Statement of Comprehensive Income

STATEMENT OF COMPREHENSIVE INCOME	Forecast 2015	Budget 2016	Variance
	\$,000	\$,000	\$,000
INCOME			
Rates and Annual Charges	3,121	3,243	122
User Charges and Fees	848	1,803	955
Interest	20	0	(20)
Contributions	23	515	492
Grants	18,147	16,006	(2,141)
Other Revenue	3,551	329	(3,222)
Profit on Disposal of Assets	0	0	0
Total Operating Income	25,710	21,895	(3,815)
EXPENDITURE			
Employee Costs	15,675	13,683	(1,992)
Materials and Services	8,062	6,998	(1,064)
Depreciation, Amortisation and	3,355	2,894	(461)
Other Expenses	3,056	1,214	(1,842)
Total Operating Expenditure	30,148	24,789	(5,359)
NET SURPLUS / (DEFICIT) Before Capital Grants	(4,438)	(2,984)	1,544
Capital Grants	0	1,860	1,860
NET SURPLUS/(DEFICIT) Transferred to Equity Statement	(4,438)	(1,034)	3,404

14.2 Balance Sheet Statement

BALANCE SHEET	Forecast 2015	Budget 2016	Variance
	\$,000	\$,000	\$,000
ASSETS			
CURRENT ASSETS			
Cash	1,275	1,017	(258)
Trade & Other Receivables	1,155	1,155	0
Other Current Assets	160	160	0
Total Current Assets	2,590	2,332	(258)
NON-CURRENT ASSETS			
Property, Plant & Equipment	35,918	35,142	(776)
Total Non-Current Assets	35,918	35,142	(776)
TOTAL ASSETS	38,508	37,474	(1,034)
LIABILITIES			
CURRENT LIABILITIES			
Trade & Other Payables	291	291	0
Unexpended Grants	0	0	0
Employment Entitlements	1,328	1,328	0
Total Current Liabilities	1,619	1,619	0
NON-CURRENT LIABILITIES			
Long Term Borrowings	0	0	0
Long Term Provisions	0	0	0
Total Non-Current Liabilities	0	0	0
TOTAL LIABILITIES	1,619	1,619	0
NET ASSETS	36,889	35,855	(1,034)
EQUITY			
Accumulated Surplus	6,719	5,685	1,034
Asset Revaluation Reserve	30,170	30,170	0
TOTAL EQUITY	36,889	35,855	(1,034)

14.3 Cash Flow Statement

STATEMENT OF CASH FLOWS	Forecast 2015	Budget 2016
	\$,000	\$,000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Grants and Contributions	14,585	18,381
Other Revenue	7,520	5,374
Payments		
Employee Costs	(15,675)	(13,684)
Materials and Contracts	(11,313)	(8,212)
Net Cash provided by (or used in) Operating Activities	(4,883)	1,859
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Grants specifically for new or upgraded assets	0	0
Sale of replaced Assets	0	0
Interest received	19	0
Payments		
Expenditure on renewal/replaced assets	(391)	(2,117)
Expenditure on new/upgraded assets	0	0
Loans made to community groups	0	0
Net cash provided by (used in) Investing Activities	(372)	(2,117)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts		
Proceeds from Borrowings	0	0
Payments		
Repayment of Borrowings	0	0
Net Cash Provided by (Used in) Financing Activities	0	0
Net Increase / Decrease in Cash	(5,255)	(258)
Cash and Cash Equivalents at start of reporting period	6,530	1,275
Cash & Cash Equivalents at the end of the reporting period	1,275	1,017

14.4 Statement of Equity

STATEMENT OF EQUITY	Forecast 2015	Budget 2016
	\$,000	\$,000
ACCUMULATED SURPLUS		
Balance at end of previous reporting period	11,157	6,719
Net Result for Year	(4,438)	(1,034)
Transfer from Reserves	0	0
Transfer to Other Reserves	0	0
Balance at end of period	6,719	5,685
ASSET REVALUATION RESERVE		
Balance at end of previous reporting period	30,170	30,170
Gain on Revaluation of Property Plant & Equipment	0	0
Balance at end of period	30,170	30,170
OTHER RESERVES		
Balance at end of previous reporting period	0	0
Transfers from Accumulated Surplus	0	0
Transfers to Accumulated Surplus	0	0
Balance at end of period	0	0
TOTAL EQUITY AT END OF REPORTING PERIOD	36,889	35,855

14.5 Council Budget 2015-2016 continued – Budget by Locality

Account Description	Regional	Ali Curung	Alpurrurulam	Ampilatwatja	Arlparra	Canteen Creek	Elliott	Iman-gara	Mung-karta	Tara	Tennant Creek	Wutunu-gurra	Grand Total
Income													
Client Fees - Centrelink		-54,296	-56,827	-97,930	-85,128		-139,589	-10,974		-20,773		-42,151	-507,669
Dog Registration Fees	-10,000												-10,000
Donations and Contributions		-92,000	-100,000	-50,000	-50,000						-7,000		-299,000
FBT Recoupment	-37,000												-37,000
Grants Cmwth Operating - Other	-4,848,133	-354,656	-120,362	-158,582	-209,355		-288,167						-5,979,254
Grants NT Operating - Other	-6,923,074	-234,937	-71,350	-290,093	-1,228,816		-762,101				-223,315	-151,378	-9,885,062
Hire Fees		-8,500		-20,000	-8,300		-17,640				-23,600	-5,000	-83,040
Other User Charges	-123,788												-123,788
Rates - Other	-2,483,967												-2,483,967
Rent - Staff Housing	-160,000												-160,000
Sales - Other											-27,500		-27,500
Service Contract Income	-556,876	-93,199	-191,560	-58,122	-72,761		-161,851				-237,529		-1,371,898
Waste Collection Charge	-759,304												-759,304
Income Total	-15,902,141	-837,587	-540,098	-674,726	-1,654,359		-1,369,349	-10,974		-20,773	-518,945	-198,529	-21,727,481
Expense													
Accommodation - O/Night Shortstay	85,400	2,525	2,525	1,525	2,525		2,525	125		125		1,125	98,400
Advertising	32,880										3,000		35,880
Auditor Fees	44,000												44,000
Bank Fees	11,400												11,400
Chemicals	20,000										12,000		32,000
Conference Fees	30,000												30,000
Consultants - Legal	80,000												80,000
Consultants - Other	297,200												297,200

Account Description	Regional	Ali Curung	Alpurrurulam	Ampilatwatja	Arparra	Canteen Creek	Elliott	Iman-gara	Mung-karta	Tara	Tennant Creek	Wutunu-gurra	Grand Total
Contractors - Catering	4,800	1,610	1,610	1,610			1,610				1,610		12,851
Contractors - Maintenance	494,465			8,429	140,542		54,410						697,846
Contractors - Managed & Support Services	515,736												515,736
Contractors - Other	156,571												156,571
Contractors - Printing	16,000												16,000
Contractors - Security	22,712												22,712
Contractors - Vet Services	12,000												12,000
Depreciation - Other	2,893,913												2,893,913
EM Allowances - Base		51,504	21,876	21,162	5,934		38,418				150,323	7,362	296,579
EM Allowances - Electoral		14,366	4,789	4,789			9,577				43,095		76,616
EM Allowances - Extra		26,173	8,724	8,724			17,449				34,897		95,967
EM Allowances - PD		10,907	3,636	3,636			7,271				21,813		47,262
EM Allowances - Travel		1,833	1,833	1,833	833		1,833				1,000	833	10,000
Food Supplies	12,900	89,706	87,606	87,606	87,606		92,174	81,504		81,504	25,711	81,504	727,819
Fuel and Lubricants	450,000												450,000
Grants, Donations and Sponsorship	30,000										1,000		31,000
Hire Fees			-26,000										-26,000
Hire of Equipment	8,000												8,000
Hire of Plant	65,000												65,000
Insurance	362,424												362,424
Internet Services	195,291												195,291
Lease Rental	546,826												546,826
Meals	54,400	5,475	4,625	4,625	4,625		5,675	625		625		2,625	83,300
Memberships and Subscriptions	49,507												49,507
Minor Equipment	77,785												77,785
Other Materials	93,990	109,588	88,689	79,470	112,265		70,592	1,938		1,938	143,500	39,015	740,981

Account Description	Regional	Ali Curung	Alpurrurulam	Ampilatwatja	Ariparra	Canteen Creek	Elliott	Iman-gara	Mung-karta	Tara	Tennant Creek	Wutunu-gurra	Grand Total
Parts	227,636												227,636
Postage, Freight, Courier	15,000	9,427	9,427	9,427	9,427		9,427	8,978		8,978		9,278	89,371
Printing/Stationery/Office Supplies	139,549												139,549
Repairs & Maintenance Materials	76,000	2,000	2,000	6,000	22,000		33,000				30,000	4,000	175,000
Safety Equipment	20,880												20,880
Salaries and Wages	2,500,245	654,934	448,624	432,859	384,090		755,007	60,056		43,456	940,567	121,831	6,341,670
Salaries and Wages - Allowances	123,541	90,269	50,241	93,461	90,160	10,222	154,628	5,409	7,409	22,146	73,385	34,555	755,427
Salaries and Wages - Normal	926,801	613,860	559,624	609,394	768,337	124,592	1,038,497		105,016	118,860	46,053	344,188	5,255,223
Salaries and Wages - Superannuation	334,785	113,234	95,800	96,439	109,485	11,836	170,522	5,705	9,977	15,420	93,729	53,630	1,110,562
Salaries and Wages - Workcover	116,359	44,306	34,628	37,042	40,562	4,400	63,556	2,135	3,672	5,996	34,612	19,581	406,849
Software and Licenses	106,426												106,426
Sundry Expenses	1,000												1,000
Taxes - FBT	105,588												105,588
Telephone Services	209,821												209,821
Tools	4,000	4,000	4,000		4,000		4,000				4,000	4,000	28,000
Travel	66,400	5,475	4,625	4,625	4,625		5,675	625		625		2,625	95,300
Tyres	88,606												88,606
Uniforms and Protective Clothing	48,650												48,650
Utilities - Electricity	602,423				22,862		21,180						646,465
Utilities - Gas	210												210
Utilities - Water & Sewerage	323,546				22,862		21,180						367,587
Vehicle Registration	92,956												92,956
Expense Total	12,793,621	1,851,191	1,408,881	1,512,654	1,832,740	151,050	2,578,207	167,100	126,073	299,673	1,660,295	726,152	25,107,639

Account Description	Regional	Ali Curung	Alpurrurulam	Ampilatwatja	Arparra	Canteen Creek	Elliott	Iman-gara	Mung-karta	Tara	Tennant Creek	Wutunu-gurra	Grand Total
Capital Expenditure													
Capital Expenditure											2,013,391		2,013,391
Capital Revenue													
Grants Cmwth Capital - Other											-1,860,000		-1,860,000
Grand Total	-3,108,521	1,013,604	868,783	837,928	178,381	151,050	1,208,858	156,126	126,073	278,901	1,294,742	527,623	3,533,548

15. Long-Term Financial Plan

The four-year plan is prescribed by the *Local Government Act* and presents estimated operating revenue and capital expenditure in future years. A deficit position of \$2.9M is being forecast for the 2015-16 financial year. Accordingly, over the next four years, Council will work to reduce the underlying deficit significantly so that it can fund the replacement of physical assets when required. The ability to fund depreciation and any further renewal is impacted directly by the current service model which is not sustainable.

A long term financial plan is required to include a proposal for repairs and development of infrastructure. Within the life of this plan, \$175,000 pa has been allocated for repairs, maintenance, management and development of infrastructure and grant funded capital expenditure to the value of \$104,000. This is reflected in our current financial ratios.

	2015-16	2016-17	2017-18	2018-19
Revenue				
Rates and Annual Charges	-3,243,271	-3,249,757	-3,256,257	-3,262,769
User Charges and Fees	-1,802,226	-1,779,778	-1,783,338	-1,786,905
Grant Commonwealth Govt.	-7,927,874	-5,991,212	-6,003,195	-6,015,201
Grants NT Govt.	-9,938,237	-9,904,832	-9,924,642	-9,944,491
Other Revenue	-329,000	-329,658	-330,317	-330,978
Contributions	-514,668	-515,698	-516,729	-517,763
Total Estimated Revenue	-23,755,281	-21,770,936	-21,814,478	-21,858,107
Expense				
Employee Benefits	13,683,351	13,897,469	13,925,264	13,953,115
Materials and Services	6,998,443	7,170,811	7,185,153	7,199,523
Other expenses	1,213,498	1,215,925	1,218,357	1,220,793
Depreciation, Amortisation and Impairment	2,893,913	2,893,913	2,893,913	2,893,913
Total Estimated Expense	24,798,195	25,157,854	25,208,170	25,258,586
Estimated Operating Surplus/(Deficit)	(1,033,914)	(3,386,918)	(3,393,692)	(3,400,479)
Projected Net Capital Expenditure	2,117,192	0	0	0
Revenue from Realisation	0	3,386,918	3,393,692	3,400,479
Overall Estimated Surplus/(Deficit)	(3,151,106)	0	0	0

Key Assumptions

1. All current services will continue to be provided by the Council.
2. Revenue is expected to increase by 2%.
3. Expenditure is expected to increase by 2%.
4. No capital expenditure will occur in financial years after 2015-16.
5. Asset repairs and maintenance current service levels are \$175,000 pa.
6. All major initiatives require grant funding and partnership arrangements. These are outlined on page 15. An unfunded capital expenditure list has been developed and will be incorporated into future budgets as funding sources are derived.

16. Consultation

This plan and budget is available across all Local Authorities during June and early July and copies have been made available at the Council Chambers at 41 Peko Road, Tennant Creek, NT.

Copies of the Regional Plan were available:

- on Council's website
- Council's Office at 41 Peko Road, Tennant Creek
- Service Centres at Elliott, Ali-Curung, Alpurrurulam, Ampilatwatja, Arlparra, Wutunugurra.

17. Council Contact

Council can be contacted by:

Mail: PO Box 821, Tennant Creek NT 0860

Email: reception@barkly.nt.gov.au

Phone: 08 8962 0000

Website: www.barkly.nt.gov.au

18. Supporting Documentation

Supporting documentation of the 2015-16 Regional Plan is located on our website:

<http://barkly.nt.gov.au/council/d>