



FINANCE 2025-2026

ANNUAL BUDGET ASSUMPTIONS 2025-2026

Income

Rates income will increase on average 4.8% in the current budgets, which is the same increase as the last financial year and as per the Long Term Financial Plan (LTFP). The same rate has been applied to the outer year budgets.

Waste Management Levy is to increase on average 5.9%, which is the same increase as the last financial year and as per the LTFP. The same rate has been applied to the outer year budgets.

A 3.3% increase has been applied to fees and charges, which is the same increase as the last financial year and as per the LTFP, with some exceptions and adjustments.

Interest income is forecast using the Trading Economics Analysis 3.1%.

Government grants are currently forecast to account for 13% of overall Council revenue. This is expected to increase with further grant applications during the financial year.

Currently rates and waste charges represent 67% of Council income.

Expenses

The Council employee Enterprise Bargaining Agreement (EBA) is due for renewal in 2025 and to avoid pre-empting negotiations the same 3% rate increase has been applied for outer years.

Material and contracts expenses are forecast to increase in 2025-2026 with the CPI (NT Economy Outlook) rate of 2.5% being applied and 2.4% outer years.

Finance costs relating to the rehabilitation of Katherine Waste Management Landfill have been provided for.

Assumption	Annual Budget 2025-2026	Forecast 2026-2027	Forecast 2027-2028	Forecast 2028-2029	Forecast 2029-2030
	\$	\$	\$	\$	\$
Rates Increase	4.80%	4.80%	4.80%	4.80%	4.80%
Waste Charges Increase	5.90%	5.90%	5.90%	5.90%	5.90%
Fees & Charges	3.30%	3.30%	3.30%	3.30%	3.30%
Interest Rates (Trading Economics Analysis)	3.10%	3.10%	3.10%	3.10%	3.10%
Business Growth	2.00%	2.00%	2.00%	2.00%	2.00%
Salary & Wages (EBA & Superannuation Guarantee)	3.50%	3.00%	3.00%	3.00%	3.00%
CPI (NT Economy Outlook)	2.50%	2.40%	2.40%	2.40%	2.40%
Debt Servicing Ratio (Debt servicing/Revenue excluding grants)	0.00%	0.00%	3.24%	3.48%	3.24%
Current Ratio (current liquid assets/current liabilities)	9.68	8.79	8.36	8.52	8.34

Explanation notes

*Elected Member allowances and expenses will be paid as per the Northern Territory of Australia Remuneration Tribunal - Determination of Allowances for members of Local Councils - Report Determination No.1 of 2025. [Report and determination No. 1 of 2025 - Allowances for members of local government councils](#)

**Council committee allowances and expenses have been provided for the Independent Members of the Audit and Risk Management Committee only.

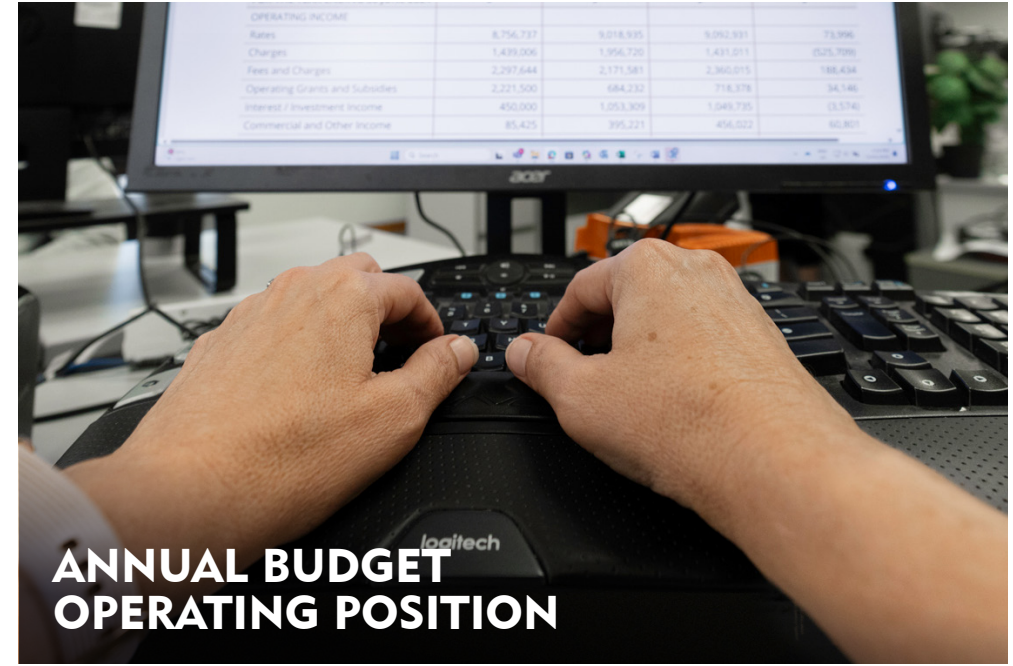
***The Budgeted Operating Deficit is due to depreciation non-cash expense. Regulation 10 of the Local Government General Regulations 2021 states a council may budget for a deficit if the reason for the deficit can be attributed to: depreciation, amortisation, asset write-downs, expenditure of tied grant funding recorded as income in a prior year, or other non-cash items.

****Council adopted the Audit and Risk Management Committee resolution ARMC-2024-6 minimum threshold of major capital works of \$150,000 and definition of capital works consistent with the NT Government guidelines.

*****Total Prior years actuals forecast based on the approved second budget review 2024-2025.



LONG-TERM FINANCIAL PLAN	Annual Budget 2025-2026 \$	Forecast 2026-2027 \$	Forecast 2027-2028 \$	Forecast 2028-2029 \$	Forecast 2029-2030 \$
OPERATING INCOME					
Rates	9,990,399	10,469,938	10,972,495	11,499,174	12,051,135
Waste Charges	1,645,818	1,742,922	1,845,754	1,954,654	2,069,978
Fees and Charges	2,525,689	2,604,216	2,685,334	2,769,129	2,855,689
Operating Grants & Subsidies	2,193,222	2,245,859	2,299,760	2,354,954	2,411,473
Bank & Investment Income	576,365	576,365	545,365	545,365	545,365
Other Revenue	372,182	388,558	400,872	413,728	427,149
TOTAL OPERATING INCOME	17,303,675	18,027,858	18,749,580	19,537,004	20,360,789
OPERATING EXPENDITURE					
Employment Expenses	6,069,690	6,255,390	6,446,821	6,644,160	6,847,593
Materials & Contracts	8,350,845	8,818,282	9,101,886	9,502,369	9,920,473
Elected Member Allowances*	275,520	275,520	275,520	275,520	275,520
Elected Member Expenses*	55,000	55,000	55,000	55,000	55,000
Council Committee Allowances**	29,615	30,918	32,279	33,699	35,182
Council Committee Expenses**	8,360	8,728	9,112	9,513	9,931
Depreciation, Amortisation & Impairment	4,800,007	4,872,791	4,929,825	4,983,534	5,003,243
Interest Expenses	58,416	146,524	291,649	272,473	252,840
Other Expenses	-	-	-	-	-
Finance Costs - Unwinding of WMF Discounting	465,321	479,746	494,618	509,951	525,760
TOTAL OPERATING EXPENDITURE	20,112,774	20,942,899	21,636,710	22,286,219	22,925,542
BUDGETED OPERATING SURPLUS / DEFICIT***	(2,809,099)	(2,915,041)	(2,887,130)	(2,749,215)	(2,564,753)



	Annual Budget 2025-2026 \$	Forecast 2026-2027 \$	Forecast 2027-2028 \$	Forecast 2028-2029 \$	Forecast 2029-2030 \$
BUDGETED OPERATING SURPLUS / DEFICIT***	(2,809,099)	(2,915,041)	(2,887,130)	(2,749,215)	(2,564,753)
Less Non-Cash Income					
Add Back Non-Cash Expenses	5,265,328	5,352,537	5,424,443	5,493,485	5,529,003
TOTAL NON-CASH ITEMS	5,265,328	5,352,537	5,424,443	5,493,485	5,529,003
Less ADDITIONAL OUTFLOWS					
Capital Expenditure	9,705,621	13,115,473	9,965,473	9,450,444	2,650,444
Borrowing Repayments (Principal Only)	-	-	250,000	333,333	333,333
Transfers to Reserves	-	-	-	-	-
Other Outflows	-	-	-	-	-
TOTAL ADDITIONAL OUTFLOWS	9,705,621	13,115,473	10,215,473	9,783,777	2,983,777
Add ADDITIONAL OUTFLOWS					
Capital Grants Income	5,191,029	7,635,029	7,635,029	7,000,000	-
Prior Year Carry Forward Tied Funding *****	-	-	-	-	-
Other Inflow of Funds	72,178	54,133	54,133	54,133	54,133
Drawdown of Borrowings	2,000,000	3,000,000	-	-	-
Transfers from Reserves	-	-	-	-	-
TOTAL ADDITIONAL INFLOWS	7,263,207	10,689,162	7,689,162	7,054,133	54,133
NET BUDGETED OPERATING POSITION	13,815	11,185	11,002	14,626	34,606

CAPITAL EXPENDITURE AND FUNDING BUDGET

BY CLASS OF INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT

	Annual Budget 2025-2026 \$	Forecast 2026-2027 \$	Forecast 2027-2028 \$	Forecast 2028-2029 \$	Forecast 2029-2030 \$
CAPITAL EXPENDITURE					
Buildings & Other Structures	2,350,000	10,000,000	7,000,000	7,200,000	400,000
Improvements	4,300,000	500,000	500,000	500,000	500,000
Plant & Equipment	300,000	300,000	300,000	250,000	250,000
Furniture, Fittings & Equipment	150,000	200,000	150,000	120,000	120,000
Fleet	240,592	180,444	180,444	180,444	180,444
Infrastructure - Footpaths & Cycleways	1,080,000	600,000	500,000	500,000	500,000
Infrastructure - Roads	1,035,029	1,035,029	1,035,029	400,000	400,000
Infrastructure - Stormwater & Drainage	100,000	150,000	150,000	150,000	150,000
Infrastructure - Street Lighting	150,000	150,000	150,000	150,000	150,000
TOTAL CAPITAL EXPENDITURE	9,705,621	13,115,473	9,965,473	9,450,444	2,650,444
CAPITAL EXPENDITURE FUNDING					
Operating Income	2,442,414	2,426,311	2,276,311	2,396,311	2,596,311
Utilisation of Retained Earnings	-	-	-	-	-
Capital Grants	5,191,029	7,635,029	7,635,029	7,000,000	-
Deferred Capital Grants	-	-	-	-	-
Transfers from Cash Reserves	-	-	-	-	-
Borrowings	2,000,000	3,000,000	-	-	-
Sale of Assets (Including Trade-In)	72,178	54,133	54,133	54,133	54,133
Other Funding	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE FUNDING	9,705,621	13,115,473	9,965,473	9,450,444	2,650,444

PLANNED MAJOR CAPITAL WORKS

BUDGET BY PLANNED MAJOR CAPITAL WORKS ****

Asset class	Project	Prior Year Actual Forecast - 2nd Budget Review ***** \$	Current Year Budget 2025-2026 \$	Forecast 2026-2027 \$	Forecast 2027-2028 \$	Forecast 2028-2029 \$	Forecast 2029-2030 \$	Total Planned Budget \$	Expected Completion Date
Buildings & Other Structures	Civic Centre Upgrade		2,000,000	3,000,000				5,000,000	Dec-26
Buildings & Other Structures	Carpark Shelters Civic Centre (Solar)		250,000					250,000	Dec-26
Buildings & Other Structures	Aquatic Centre Redevelopment	6,362,000	3,800,000					10,162,000	Oct-25
Buildings & Other Structures	Changing Places Aquatic Centre	162,000						162,000	Dec-26
Improvements	Irrigation Upgrades: priority for Railway Terrace, Glencoe Park, Fuller Park		500,000					500,000	Jun-26
Plant & Equipment	30 Tonne Excavator		300,000					300,000	Jun-26
Infrastructure - Footpaths & Cycleways	Zimin Drive Footpath/Cycleway		1,080,000					1,080,000	Jun-26
Infrastructure - Roads	Local Road & Pavements: Sheppard, Needam, Zimmin & Giles		635,029					635,029	Jun-26
Infrastructure - Roads	Rural Intersection Upgrades: Helena/Florina, Hendry/Florina, Collins/Byers, Collins/Cragborn		400,000					400,000	Jun-26
Infrastructure - Street Lighting	Solar Streetlight Trial		150,000					150,000	Jun-26
TOTAL		6,524,000	9,115,029	3,000,000	-	-	-	18,639,029	



	Annual Budget 30 Jun 26 \$	Forecast 30 Jun 27 \$	Forecast 30 Jun 28 \$	Forecast 30 Jun 29 \$	Forecast 30 Jun 30 \$
ASSETS					
CURRENT ASSETS					
Cash at Bank and On Hand	21,797,762	21,657,657	21,500,687	21,329,056	21,157,374
Trade and Other Receivables	2,960,023	3,187,891	3,434,838	3,702,547	3,992,852
Inventories	23,165	23,721	24,290	24,873	25,470
Total Current Assets	24,780,950	24,869,269	24,959,815	25,056,476	25,175,696
NON-CURRENT ASSETS					
Infrastructure, Property, Plant and Equipment	130,041,099	138,229,647	143,211,161	147,623,938	145,217,006
Total Non-Current Assets	130,041,099	138,229,647	143,211,161	147,623,938	145,217,006
TOTAL ASSETS	154,822,049	163,098,916	168,170,976	172,680,414	170,392,702
LIABILITIES					
CURRENT LIABILITIES					
Current Payables	1,612,566	1,651,267	1,690,898	1,731,479	1,773,035
Deferred Revenue	379,615	397,837	416,932	436,945	457,918
Current Provisions	619,344	637,925	657,063	676,775	697,078
Current Borrowings	-	250,000	333,333	333,333	333,333
Total Current Liabilities	2,611,525	2,937,029	3,098,226	3,178,532	3,261,364
NON-CURRENT LIABILITIES					
Employee Entitlements	54,361	55,992	57,672	59,402	61,184
Landfill Rehabilitation Provision	8,403,582	8,883,328	9,377,945	9,887,897	10,413,657
Borrowings	2,000,000	4,750,000	4,416,667	4,083,333	3,750,000
Total Non-Current Liabilities	10,457,943	13,689,320	13,852,284	14,030,632	14,224,841
TOTAL LIABILITIES	13,069,468	16,626,349	16,950,510	17,209,164	17,486,205
NET ASSETS	141,752,581	146,472,567	151,220,466	155,471,250	152,906,497
EQUITY					
Asset Revaluation Reserve	98,420,175	98,420,175	98,420,175	98,420,175	98,420,175
Other Reserves	8,121,899	8,121,899	8,121,899	8,121,899	8,121,899
Accumulated Surplus	35,210,507	39,930,493	44,678,392	48,929,176	46,364,423
TOTAL COUNCIL EQUITY	141,752,581	146,472,567	151,220,466	155,471,250	152,906,497

STATEMENT OF CASH FLOW

	Annual Budget 2025-2026 \$	Forecast 2026-2027 \$	Forecast 2027-2028 \$	Forecast 2028-2029 \$	Forecast 2029-2030 \$
CASH FLOWS FROM OPERATING ACTIVITIES					
RECEIPTS					
Rates	9,855,069	10,326,792	10,815,301	11,326,589	11,861,689
Waste Charges	1,621,785	1,717,526	1,818,010	1,924,343	2,036,863
Fees and Charges	2,495,512	2,573,382	2,653,143	2,735,522	2,820,604
Operating Grants & Subsidies	2,193,222	2,245,859	2,299,760	2,354,954	2,411,473
Bank & Investment Income	566,314	566,095	534,643	534,171	533,679
Other Revenue	372,182	388,558	400,872	413,728	427,149
Sub-total	17,104,084	17,818,212	18,521,729	19,289,307	20,091,457
PAYMENTS					
Employee Costs	(6,050,067)	(6,235,179)	(6,426,003)	(6,622,718)	(6,825,508)
Materials & Contracts	(8,312,079)	(8,780,137)	(9,062,825)	(9,462,371)	(9,879,514)
Elected Members Allowances & Expenses	(330,520)	(330,520)	(330,520)	(330,520)	(330,520)
Council Committee Allowances & Expenses	(37,975)	(39,646)	(41,391)	(43,212)	(45,113)
Interest Paid	(58,416)	(146,524)	(291,649)	(272,473)	(252,840)
Sub-total	(14,789,057)	(15,532,006)	(16,152,388)	(16,731,294)	(17,333,495)
Net Cash Provided by (Used in) Operating Activities	2,315,027	2,286,206	2,369,341	2,558,013	2,757,962
CASH FLOWS FROM INVESTING ACTIVITIES					
RECEIPTS					
Amounts Specifically for New or Upgraded Assets	5,191,029	7,635,029	7,635,029	7,000,000	-
Sale of Replaced Assets	72,178	54,133	54,133	54,133	54,133
PAYMENTS					
Expenditure on Renewal/ Replacement of Assets	(9,705,621)	-13,115,473	(9,965,473)	-9,450,444	(2,650,444)
Net Cash Provided by (Used in) Investing Activities	(4,442,414)	(5,426,311)	(2,276,311)	(2,396,311)	(2,596,311)
CASH FLOWS FROM INVESTING ACTIVITIES					
RECEIPTS					
Proceeds from Borrowings	2,000,000	3,000,000	-	-	-
PAYMENTS					
Repayment of Borrowings	-	-	(250,000)	(333,333)	(333,333)
Net Cash Provided by (Used in) Financing Activities	2,000,000	3,000,000	(250,000)	(333,333)	(333,333)
NET INCREASE (DECREASE) IN CASH HELD	(127,387)	(140,105)	(156,970)	(171,631)	(171,682)
Cash & Cash Equivalents at Beginning of Period	21,925,149	21,797,762	21,657,657	21,500,687	21,329,056
Cash & Cash Equivalents at End of Period	21,797,762	21,657,657	21,500,687	21,329,056	21,157,374