



**KATHERINE TOWN COUNCIL  
LONG TERM FINANCIAL PLAN  
2015 - 2025**

**Katherine Town Council Long Term Financial Plan 2015 - 2025**  
**Statement of Comprehensive Income by Nature and Type**

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>INCOME: REVENUES FROM ORDINARY ACTIVITIES</b>										
EXCLUDING PROFIT ON ASSET DISPOSAL, NON-OPERATING GRANTS, SUBSIDIES & CONTRIBUTIONS										
Rates	6,245,693	6,807,805	7,420,508	7,977,046	8,575,324	9,132,720	9,726,347	10,358,560	11,031,866	11,748,938
Rates Growth	58,225	143,930	215,051	232,482	251,085	263,677	-	-	-	-
Operating Grants, Subsidies & Contributions	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273
Fees & Charges	1,726,193	1,782,294	1,840,219	1,900,026	1,961,777	2,025,535	2,091,364	2,159,334	2,229,512	2,301,971
Statutory Charges	64,500	66,596	68,761	70,995	73,303	75,685	78,145	80,685	83,307	86,014
Interest Earnings	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000
Other Revenue	85,870	85,870	85,870	85,870	85,870	85,870	85,870	85,870	85,870	85,870
<b>Total Revenue</b>	<b>10,256,754</b>	<b>10,962,769</b>	<b>11,706,681</b>	<b>12,342,692</b>	<b>13,023,632</b>	<b>13,659,760</b>	<b>14,058,000</b>	<b>14,760,721</b>	<b>15,506,828</b>	<b>16,299,066</b>
<b>EXPENDITURE: EXPENSES FROM ORDINARY ACTIVITIES</b>										
EXCLUDING LOSS ON ASSET DISPOSAL										
Employee Costs	(3,792,498)	(3,925,235)	(4,062,619)	(4,204,810)	(4,351,979)	(4,504,298)	(4,661,948)	(4,825,117)	(4,993,996)	(5,168,785)
Materials & Contracts	(4,924,607)	(5,084,657)	(5,249,908)	(5,420,530)	(5,596,697)	(5,778,590)	(5,966,394)	(6,160,302)	(6,360,512)	(6,567,228)
Utilities	(448,561)	(466,503)	(485,164)	(504,570)	(524,753)	(545,743)	(567,573)	(590,276)	(613,887)	(638,442)
Depreciation	(3,396,587)	(2,056,709)	(2,143,303)	(2,185,210)	(2,391,281)	(2,419,737)	(2,446,196)	(2,670,333)	(2,689,931)	(2,710,230)
Insurance	(218,171)	(229,080)	(240,534)	(252,560)	(265,188)	(278,448)	(292,370)	(306,989)	(322,338)	(338,455)
<b>Total Expenditure</b>	<b>(12,780,424)</b>	<b>(11,762,185)</b>	<b>(12,181,527)</b>	<b>(12,567,680)</b>	<b>(13,129,898)</b>	<b>(13,526,816)</b>	<b>(13,934,481)</b>	<b>(14,553,016)</b>	<b>(14,980,663)</b>	<b>(15,423,140)</b>
<b>Sub-total</b>	<b>(2,523,670)</b>	<b>(799,416)</b>	<b>(474,845)</b>	<b>(224,988)</b>	<b>(106,267)</b>	<b>132,944</b>	<b>123,519</b>	<b>207,705</b>	<b>526,165</b>	<b>875,926</b>
Non-Operating Grants, Subsidies & Contributions	430,162	215,081	215,081	215,081	248,000	248,000	248,000	248,000	248,000	286,000
Profit on Asset Disposals	-	-	-	-	-	-	-	-	-	-
Loss on Asset Disposals	(9,790)	(10,000)	(10,500)	(10,800)	(11,200)	(11,600)	(12,100)	(12,400)	(12,800)	(13,200)
<b>Sub-total</b>	<b>420,372</b>	<b>205,081</b>	<b>204,581</b>	<b>204,281</b>	<b>236,800</b>	<b>236,400</b>	<b>235,900</b>	<b>235,600</b>	<b>235,200</b>	<b>272,800</b>
<b>NET RESULT</b>	<b>(2,103,298)</b>	<b>(594,335)</b>	<b>(270,264)</b>	<b>(20,707)</b>	<b>130,533</b>	<b>369,344</b>	<b>359,419</b>	<b>443,305</b>	<b>761,365</b>	<b>1,148,726</b>
<b>Other Comprehensive Income</b>										
Changes in Valuation of non-current assets	-	-	-	8,899,725	-	-	10,008,076	-	-	11,009,060
Total Other Comprehensive Income	-	-	-	8,899,725	-	-	10,008,076	-	-	11,009,060
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(2,103,298)</b>	<b>(594,335)</b>	<b>(270,264)</b>	<b>8,879,018</b>	<b>130,533</b>	<b>369,344</b>	<b>10,367,494</b>	<b>443,305</b>	<b>761,365</b>	<b>12,157,786</b>

## Katherine Town Council Long Term Financial Plan 2015 - 2025

### Statement of Comprehensive Income by Program

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>INCOME: REVENUES FROM ORDINARY ACTIVITIES</b>										
EXCLUDING PROFIT ON ASSET DISPOSAL AND NON-OPERATING GRANTS, SUBSIDIES & CONTRIBUTIONS										
General Public Services	6,097,567	6,554,496	6,999,272	7,379,534	7,786,659	8,166,992	8,405,094	8,825,242	9,271,330	9,744,998
Public Order and Safety	75,500	81,158	86,665	91,373	96,414	101,124	104,072	109,274	114,797	120,662
Environmental Protection	1,318,546	1,417,353	1,513,532	1,595,760	1,683,798	1,766,041	1,817,529	1,908,382	2,004,845	2,107,271
Housing & Community Amenities	244,726	263,065	280,916	296,178	312,518	327,782	337,339	354,201	372,105	391,116
Recreation and Culture	418,759	450,139	480,685	506,800	534,760	560,880	577,232	606,086	636,722	669,251
Economic Affairs	2,043,431	2,196,558	2,345,612	2,473,047	2,609,483	2,736,941	2,816,735	2,957,536	3,107,030	3,265,767
<b>Total Revenue</b>	<b>10,198,529</b>	<b>10,962,769</b>	<b>11,706,681</b>	<b>12,342,692</b>	<b>13,023,632</b>	<b>13,659,760</b>	<b>14,058,000</b>	<b>14,760,721</b>	<b>15,506,828</b>	<b>16,299,066</b>
<b>EXPENDITURE: EXPENSES FROM ORDINARY ACTIVITIES</b>										
EXCLUDING LOSS ON ASSET DISPOSAL AND FINANCE COSTS										
General Public Services	(2,958,401)	(2,696,791)	(2,792,936)	(2,881,472)	(3,010,376)	(3,101,379)	(3,194,847)	(3,336,663)	(3,434,712)	(3,536,162)
Public Order and Safety	(239,565)	(218,380)	(226,166)	(233,335)	(243,774)	(251,143)	(258,712)	(270,196)	(278,136)	(286,351)
Environmental Protection	(1,211,047)	(1,103,955)	(1,143,313)	(1,179,556)	(1,232,323)	(1,269,576)	(1,307,838)	(1,365,892)	(1,406,029)	(1,447,558)
Housing & Community Amenities	(790,992)	(721,045)	(746,751)	(770,423)	(804,889)	(829,220)	(854,211)	(892,128)	(918,344)	(945,469)
Recreation and Culture	(2,588,553)	(2,359,649)	(2,443,774)	(2,521,242)	(2,634,030)	(2,713,657)	(2,795,440)	(2,919,526)	(3,005,318)	(3,094,084)
Economic Affairs	(5,114,651)	(4,662,365)	(4,828,586)	(4,981,652)	(5,204,507)	(5,361,840)	(5,523,433)	(5,768,611)	(5,938,125)	(6,113,516)
<b>Total Expenditure</b>	<b>(12,903,209)</b>	<b>(11,762,185)</b>	<b>(12,181,527)</b>	<b>(12,567,680)</b>	<b>(13,129,898)</b>	<b>(13,526,816)</b>	<b>(13,934,481)</b>	<b>(14,553,016)</b>	<b>(14,980,663)</b>	<b>(15,423,140)</b>
<b>Net Result from Operating Activities</b>	<b>(2,704,680)</b>	<b>(799,416)</b>	<b>(474,845)</b>	<b>(224,988)</b>	<b>(106,267)</b>	<b>132,944</b>	<b>123,519</b>	<b>207,705</b>	<b>526,165</b>	<b>875,926</b>
<b>NON-OPERATING GRANTS, SUBSIDIES, CONTRIBUTIONS</b>										
Economic Services	430,162	215,081	215,081	215,081	248,000	248,000	248,000	248,000	248,000	286,000
<b>Sub-total</b>	<b>430,162</b>	<b>215,081</b>	<b>215,081</b>	<b>215,081</b>	<b>248,000</b>	<b>248,000</b>	<b>248,000</b>	<b>248,000</b>	<b>248,000</b>	<b>286,000</b>
<b>PROFIT / (LOSS) ON DISPOSAL OF ASSETS</b>										
Economic Affairs	(9,790)	(10,000)	(10,500)	(10,800)	(11,200)	(11,600)	(12,100)	(12,400)	(12,800)	(13,200)
Other Property and Services	-	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>(9,790)</b>	<b>(10,000)</b>	<b>(10,500)</b>	<b>(10,800)</b>	<b>(11,200)</b>	<b>(11,600)</b>	<b>(12,100)</b>	<b>(12,400)</b>	<b>(12,800)</b>	<b>(13,200)</b>
<b>NET RESULT</b>	<b>(2,284,308)</b>	<b>(594,335)</b>	<b>(270,264)</b>	<b>(20,707)</b>	<b>130,533</b>	<b>369,344</b>	<b>359,419</b>	<b>443,305</b>	<b>761,365</b>	<b>1,148,726</b>
<b>OTHER COMPREHENSIVE INCOME</b>										
Changes in Valuation of non-current assets	-	-	-	8,899,725	-	-	10,008,076	-	-	11,009,060
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,899,725</b>	<b>-</b>	<b>-</b>	<b>10,008,076</b>	<b>-</b>	<b>-</b>	<b>11,009,060</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(2,284,308)</b>	<b>(594,335)</b>	<b>(270,264)</b>	<b>8,879,018</b>	<b>130,533</b>	<b>369,344</b>	<b>10,367,494</b>	<b>443,305</b>	<b>761,365</b>	<b>12,157,786</b>

## Katherine Town Council Long Term Financial Plan 2015 - 2025

### Statement of Cash Flows

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
<b>RECEIPTS</b>										
Rates	6,303,918	6,807,805	7,420,508	7,977,046	8,575,324	9,132,720	9,726,347	10,358,560	11,031,866	11,748,938
Operating Grants, Subsidies & Contributions	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273	1,756,273
Fees & Charges	1,726,193	1,782,294	1,840,219	1,900,026	1,961,777	2,025,535	2,091,364	2,159,334	2,229,512	2,301,971
Statutory Charges	64,500	66,596	68,761	70,995	73,303	75,685	78,145	80,685	83,307	86,014
Interest Earnings	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000
Other Revenue	85,870	85,870	85,870	85,870	85,870	85,870	85,870	85,870	85,870	85,870
<b>Sub-total</b>	10,256,754	10,818,839	11,491,630	12,110,210	12,772,547	13,396,083	14,058,000	14,760,721	15,506,828	16,299,066
<b>PAYMENTS</b>										
Employee Costs (Operating Only)	(3,792,498)	(3,925,235)	(4,062,619)	(4,204,810)	(4,351,979)	(4,504,298)	(4,661,948)	(4,825,117)	(4,993,996)	(5,168,785)
Materials & Contracts	(4,924,607)	(5,084,657)	(5,249,908)	(5,420,530)	(5,596,697)	(5,778,590)	(5,966,394)	(6,160,302)	(6,360,512)	(6,567,228)
Utilities (gas, electricity, water, etc.)	(448,561)	(466,503)	(485,164)	(504,570)	(524,753)	(545,743)	(567,573)	(590,276)	(613,887)	(638,442)
Insurance	(218,171)	(229,080)	(240,534)	(252,560)	(265,188)	(278,448)	(292,370)	(306,989)	(322,338)	(338,455)
<b>Sub-total</b>	(9,383,837)	(9,705,475)	(10,038,224)	(10,382,471)	(10,738,617)	(11,107,079)	(11,488,285)	(11,882,683)	(12,290,732)	(12,712,911)
<b>Net Cash Provided by (Used in) Operating Activities</b>	872,917	1,113,364	1,453,406	1,727,740	2,033,930	2,289,004	2,569,714	2,878,038	3,216,096	3,586,155
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
Payments for Purchase of Property, Plant & Equipment	(371,800)	(985,991)	(1,020,501)	(1,056,219)	(1,093,186)	(1,131,449)	(1,171,049)	(1,212,035)	(1,254,457)	(1,298,362)
Payments for Construction of Infrastructure	(1,207,662)	(976,904)	(1,011,096)	(1,041,429)	(1,077,879)	(1,115,604)	(1,154,650)	(1,195,063)	(1,236,890)	(1,280,182)
Grants / Contributions for the Development of Assets	430,162	215,081	215,081	215,081	248,000	248,000	248,000	248,000	248,000	286,000
Proceeds from Sales (excluding Land)	66,000	68,000	70,700	73,200	75,800	78,400	81,100	84,000	87,000	90,000
<b>Net Cash Provided by (Used in) Investing Activities</b>	(1,083,300)	(1,679,814)	(1,745,816)	(1,809,367)	(1,847,265)	(1,920,653)	(1,996,599)	(2,075,098)	(2,156,347)	(2,202,544)
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	(210,383)	(566,450)	(292,410)	(81,627)	186,665	368,351	573,115	802,940	1,059,749	1,383,611
Cash at Beginning of Year	10,012,875	9,802,492	9,236,042	8,943,632	8,862,005	9,048,669	9,417,021	9,990,136	10,793,077	11,852,826
<b>Cash at the End of Year</b>	<b>9,802,492</b>	<b>9,236,042</b>	<b>8,943,632</b>	<b>8,862,005</b>	<b>9,048,669</b>	<b>9,417,021</b>	<b>9,990,136</b>	<b>10,793,077</b>	<b>11,852,826</b>	<b>13,236,437</b>

## Katherine Town Council Long Term Financial Plan 2015 - 2025

### Statement of Financial Postition

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>										
<b>CURRENT ASSETS</b>										
Cash and Cash Equivalents	9,802,492	9,236,042	8,943,632	8,862,005	9,048,669	9,417,021	9,990,136	10,793,077	11,852,826	13,236,437
Receivables	486,680	506,147	526,393	547,449	569,347	592,121	615,805	640,438	666,055	692,697
<b>Total Current Assets</b>	<b>10,289,172</b>	<b>9,742,189</b>	<b>9,470,025</b>	<b>9,409,454</b>	<b>9,618,016</b>	<b>10,009,142</b>	<b>10,605,942</b>	<b>11,433,514</b>	<b>12,518,881</b>	<b>13,929,134</b>
<b>NON-CURRENT ASSETS</b>										
Capital Improvements	-	-	-	3,408,843	3,778,240	4,164,960	4,292,926	4,426,010	4,564,417	4,708,361
Property, Plant and Equipment	20,337,675	20,213,146	20,226,602	20,230,681	20,232,802	20,238,829	23,411,646	23,438,360	23,480,098	27,053,170
Infrastructure	36,462,894	38,675,789	38,550,626	44,296,111	44,073,773	43,895,061	50,609,824	50,319,874	50,079,553	57,383,855
<b>Total Non-Current Assets</b>	<b>56,800,569</b>	<b>58,888,935</b>	<b>58,777,229</b>	<b>67,935,634</b>	<b>68,084,815</b>	<b>68,298,851</b>	<b>78,314,396</b>	<b>78,184,244</b>	<b>78,124,067</b>	<b>89,145,386</b>
<b>TOTAL ASSETS</b>	<b>67,089,741</b>	<b>68,631,123</b>	<b>68,247,254</b>	<b>77,345,088</b>	<b>77,702,831</b>	<b>78,307,992</b>	<b>88,920,337</b>	<b>89,617,759</b>	<b>90,642,948</b>	<b>103,074,520</b>
<b>LIABILITIES</b>										
<b>CURRENT LIABILITIES</b>										
Payables	850,000	884,000	919,360	956,134	994,380	1,034,155	1,075,521	1,118,542	1,163,284	1,209,815
Provisions	597,500	621,400	646,256	672,106	698,990	726,950	756,028	786,269	817,720	850,429
<b>Total Current Liabilities</b>	<b>1,447,500</b>	<b>1,505,400</b>	<b>1,565,616</b>	<b>1,628,241</b>	<b>1,693,370</b>	<b>1,761,105</b>	<b>1,831,549</b>	<b>1,904,811</b>	<b>1,981,004</b>	<b>2,060,244</b>
<b>NON-CURRENT LIABILITIES</b>										
Provisions	60,000	2,059,817	1,804,796	1,876,988	1,952,067	2,030,150	2,111,356	2,195,810	2,283,642	2,374,988
<b>Total Non-Current Liabilities</b>	<b>60,000</b>	<b>2,059,817</b>	<b>1,804,796</b>	<b>1,876,988</b>	<b>1,952,067</b>	<b>2,030,150</b>	<b>2,111,356</b>	<b>2,195,810</b>	<b>2,283,642</b>	<b>2,374,988</b>
<b>TOTAL LIABILITIES</b>	<b>1,507,500</b>	<b>3,565,217</b>	<b>3,370,412</b>	<b>3,505,228</b>	<b>3,645,437</b>	<b>3,791,255</b>	<b>3,942,905</b>	<b>4,100,621</b>	<b>4,264,646</b>	<b>4,435,232</b>
<b>NET ASSETS</b>	<b>65,582,241</b>	<b>65,065,906</b>	<b>64,876,842</b>	<b>73,839,859</b>	<b>74,057,394</b>	<b>74,516,737</b>	<b>84,977,432</b>	<b>85,517,137</b>	<b>86,378,302</b>	<b>98,639,288</b>
<b>NET CURRENT ASSETS</b>										
<b>CURRENT ASSETS</b>										
Cash and Cash Equivalents	9,802,492	9,236,042	8,943,632	8,862,005	9,048,669	9,417,021	9,990,136	10,793,077	11,852,826	13,236,437
Receivables	486,680	506,147	526,393	547,449	569,347	592,121	615,805	640,438	666,055	692,697
<b>Total Current Assets</b>	<b>10,289,172</b>	<b>9,742,189</b>	<b>9,470,025</b>	<b>9,409,454</b>	<b>9,618,016</b>	<b>10,009,142</b>	<b>10,605,942</b>	<b>11,433,514</b>	<b>12,518,881</b>	<b>13,929,134</b>
<b>CURRENT LIABILITIES</b>										
Payables	850,000	884,000	919,360	956,134	994,380	1,034,155	1,075,521	1,118,542	1,163,284	1,209,815
Provisions	597,500	621,400	646,256	672,106	698,990	726,950	756,028	786,269	817,720	850,429
<b>Total Current Liabilities</b>	<b>1,447,500</b>	<b>1,505,400</b>	<b>1,565,616</b>	<b>1,628,241</b>	<b>1,693,370</b>	<b>1,761,105</b>	<b>1,831,549</b>	<b>1,904,811</b>	<b>1,981,004</b>	<b>2,060,244</b>
<b>NET CURRENT ASSETS</b>	<b>8,841,672</b>	<b>8,236,789</b>	<b>7,904,409</b>	<b>7,781,213</b>	<b>7,924,646</b>	<b>8,248,036</b>	<b>8,774,392</b>	<b>9,528,703</b>	<b>10,537,877</b>	<b>11,868,890</b>
<b>OPENING/CLOSING FUNDS</b>	<b>8,841,672</b>	<b>8,236,789</b>	<b>7,904,409</b>	<b>7,781,213</b>	<b>7,924,646</b>	<b>8,248,036</b>	<b>8,774,392</b>	<b>9,528,703</b>	<b>10,537,877</b>	<b>11,868,890</b>

**Katherine Town Council Long Term Financial Plan 2015 - 2025**  
**Statement of Changes in Equity**

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>EQUITY</b>										
<b>RETAINED SURPLUS/(DEFICIT)</b>										
Balance 1 July	(14,101,187)	(16,204,485)	(16,798,820)	(17,069,084)	(17,089,791)	(16,959,258)	(16,589,914)	(16,230,495)	(15,787,190)	(15,025,825)
Transfer from / (to) Reserve	-	-	-	-	-	-	-	-	-	-
Net Result	(2,103,298)	(594,335)	(270,264)	(20,707)	130,533	369,344	359,419	443,305	761,365	1,148,726
<b>Balance 30 June</b>	<b>(16,204,485)</b>	<b>(16,798,820)</b>	<b>(17,069,084)</b>	<b>(17,089,791)</b>	<b>(16,959,258)</b>	<b>(16,589,914)</b>	<b>(16,230,495)</b>	<b>(15,787,190)</b>	<b>(15,025,825)</b>	<b>(13,877,099)</b>
<b>CASH BACKED RESERVES</b>										
Balance 1 July	-	-	-	-	-	-	-	-	-	-
Transfer (from) / to Reserve	-	-	-	-	-	-	-	-	-	-
<b>Balance 30 June</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ASSET REVALUATION RESERVE</b>										
Balance 1 July	81,786,726	81,786,726	81,786,726	81,786,726	90,686,451	90,686,451	90,686,451	100,694,527	100,694,527	100,694,527
Total Other Comprehensive Income	-	-	-	8,899,725	-	-	10,008,076	-	-	11,009,060
<b>Balance 30 June</b>	<b>81,786,726</b>	<b>81,786,726</b>	<b>81,786,726</b>	<b>90,686,451</b>	<b>90,686,451</b>	<b>90,686,451</b>	<b>100,694,527</b>	<b>100,694,527</b>	<b>100,694,527</b>	<b>111,703,587</b>
<b>TOTAL EQUITY</b>										
<b>Balance 30 June</b>	<b>65,582,241</b>	<b>64,987,906</b>	<b>64,717,642</b>	<b>73,596,660</b>	<b>73,727,193</b>	<b>74,096,538</b>	<b>84,464,032</b>	<b>84,907,337</b>	<b>85,668,702</b>	<b>97,826,488</b>
<b>Net Assets as Balance Sheet</b>	<b>65,582,241</b>	<b>65,065,906</b>	<b>64,876,842</b>	<b>73,839,859</b>	<b>74,057,394</b>	<b>74,516,737</b>	<b>84,977,432</b>	<b>85,517,137</b>	<b>86,378,302</b>	<b>98,639,288</b>

## Katherine Town Council Long Term Financial Plan 2015 - 2025 Ten Year Capital Works Program

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>LAND AND BUILDINGS</b>										
Renewal/ Upgrade of Buildings	36,600	439,825	455,219	471,152	487,642	504,710	522,375	540,658	559,581	579,166
<b>Total Land and Buildings</b>	<b>36,600</b>	<b>439,825</b>	<b>455,219</b>	<b>471,152</b>	<b>487,642</b>	<b>504,710</b>	<b>522,375</b>	<b>540,658</b>	<b>559,581</b>	<b>579,166</b>
<b>PLANT &amp; EQUIPMENT (including motor vehicles)</b>										
Existing Fleet	-	-	-	-	-	-	-	-	-	-
Replacement of plant & equipment	222,000	436,326	451,598	467,404	483,763	500,695	518,219	536,356	555,129	574,558
Additional plant & Vehicles										
<b>Total Motor Vehicle Purchases</b>	<b>222,000</b>	<b>436,326</b>	<b>451,598</b>	<b>467,404</b>	<b>483,763</b>	<b>500,695</b>	<b>518,219</b>	<b>536,356</b>	<b>555,129</b>	<b>574,558</b>
Proceeds of Sale	66,000	68,000	70,700	73,200	75,800	78,400	81,100	84,000	87,000	90,000
Book Value Assets Sold	75,790	78,000	81,200	84,000	87,000	90,000	93,200	96,400	99,800	103,200
<b>Profit / (Loss) on Sale</b>	<b>(9,790)</b>	<b>(10,000)</b>	<b>(10,500)</b>	<b>(10,800)</b>	<b>(11,200)</b>	<b>(11,600)</b>	<b>(12,100)</b>	<b>(12,400)</b>	<b>(12,800)</b>	<b>(13,200)</b>
<b>FURNITURE AND EQUIPMENT</b>										
Replacement Furniture & Equipment	113,200	109,840	113,684	117,663	121,781	126,044	130,455	135,021	139,747	144,638
Proceeds of Sale	-	-	-	-	-	-	-	-	-	-
Book Value Assets Sold	-	-	-	-	-	-	-	-	-	-
<b>Profit / (Loss) on Sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INFRASTRUCTURE - ROADS (Would be supported by detailed schedules of road projects)</b>										
Roads to Recovery Projects	430,162	215,081	215,081	215,081	-	-	-	-	-	-
<b>Total Infrastructure Roads</b>	<b>430,162</b>	<b>215,081</b>	<b>215,081</b>	<b>215,081</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INFRASTRUCTURE - OTHER (Would be supported by detailed schedules of projects)</b>										
Other Infrastructure Works	777,500	761,823	796,015	826,348	1,077,879	1,115,604	1,154,650	1,195,063	1,236,890	1,280,182
<b>Total Infrastructure Other</b>	<b>777,500</b>	<b>761,823</b>	<b>796,015</b>	<b>826,348</b>	<b>1,077,879</b>	<b>1,115,604</b>	<b>1,154,650</b>	<b>1,195,063</b>	<b>1,236,890</b>	<b>1,280,182</b>
	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>	<i>TRUE</i>
<b>CAPITAL WORKS TOTAL</b>	<b>1,579,462</b>	<b>1,962,895</b>	<b>2,031,597</b>	<b>2,097,648</b>	<b>2,171,065</b>	<b>2,247,053</b>	<b>2,325,699</b>	<b>2,407,098</b>	<b>2,491,347</b>	<b>2,578,544</b>
<b>TOTAL PROCEEDS OF SALE</b>	<b>66,000</b>	<b>68,000</b>	<b>70,700</b>	<b>73,200</b>	<b>75,800</b>	<b>78,400</b>	<b>81,100</b>	<b>84,000</b>	<b>87,000</b>	<b>90,000</b>
<b>TOTAL BOOK VALE ASSETS SOLD</b>	<b>75,790</b>	<b>78,000</b>	<b>81,200</b>	<b>84,000</b>	<b>87,000</b>	<b>90,000</b>	<b>93,200</b>	<b>96,400</b>	<b>99,800</b>	<b>103,200</b>
<b>TOTAL PROFIT ON SALE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL (LOSS) ON SALE</b>	<b>(9,790)</b>	<b>(10,000)</b>	<b>(10,500)</b>	<b>(10,800)</b>	<b>(11,200)</b>	<b>(11,600)</b>	<b>(12,100)</b>	<b>(12,400)</b>	<b>(12,800)</b>	<b>(13,200)</b>
<b>NPV OF CAPITAL WORKS</b>	<b>16,614,231</b>	<b>20,312,946</b>	<b>18,350,051</b>	<b>16,318,454</b>	<b>14,220,806</b>	<b>12,049,741</b>	<b>9,802,688</b>	<b>7,476,989</b>	<b>5,069,891</b>	<b>2,578,544</b>

## Katherine Town Council Long Term Financial Plan 2015 - 2025

### Depreciation Schedule

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>LAND AND BUILDINGS</b>										
Book Value of Land	4,305,826									
<b>Total Land</b>	<b>4,305,826</b>	<b>4,305,826</b>	<b>4,305,826</b>	<b>4,305,826</b>	<b>4,305,826</b>	<b>4,305,826</b>	<b>4,305,826</b>	<b>4,305,826</b>	<b>4,305,826</b>	<b>4,305,826</b>
Book Value of Buildings	15,775,697									
Buildings maintenance	36,600	439,825	455,219	471,152	487,642	504,710	522,375	540,658	559,581	579,166
<b>Total Buildings</b>	<b>15,812,297</b>	<b>15,428,083</b>	<b>15,122,893</b>	<b>14,849,281</b>	<b>14,606,238</b>	<b>14,392,827</b>	<b>14,208,179</b>	<b>14,051,487</b>	<b>13,922,010</b>	<b>13,819,065</b>
Depreciation	(824,039)	(760,409)	(744,764)	(730,685)	(718,121)	(707,024)	(697,350)	(689,058)	(682,111)	(676,474)
<b>Book Value of Buildings</b>	<b>14,988,258</b>	<b>14,667,674</b>	<b>14,378,129</b>	<b>14,118,596</b>	<b>13,888,117</b>	<b>13,685,804</b>	<b>13,510,829</b>	<b>13,362,429</b>	<b>13,239,899</b>	<b>13,142,591</b>
<b>PLANT &amp; EQUIPMENT (including motor vehicles)</b>										
Existing Fleet	706,907									
Vehicle Acquisition	222,000	436,326	451,598	467,404	483,763	500,695	518,219	536,356	555,129	574,558
Vehicle Disposal	(172,636)	(125,400)	-	-	-	-	-	-	-	-
<b>Total Plant &amp; Equipment</b>	<b>756,271</b>	<b>894,465</b>	<b>1,185,723</b>	<b>1,461,142</b>	<b>1,699,417</b>	<b>1,908,605</b>	<b>2,095,172</b>	<b>2,264,316</b>	<b>2,420,217</b>	<b>2,566,245</b>
Depreciation	(172,732)	(160,340)	(191,985)	(245,488)	(291,507)	(331,651)	(367,213)	(399,228)	(428,531)	(455,793)
<b>Book Value of Motor Vehicles, Plant &amp; Equipment</b>	<b>583,539</b>	<b>734,125</b>	<b>993,738</b>	<b>1,215,654</b>	<b>1,407,910</b>	<b>1,576,953</b>	<b>1,727,960</b>	<b>1,865,088</b>	<b>1,991,687</b>	<b>2,110,452</b>
<b>FURNITURE AND EQUIPMENT</b>										
Existing Furniture & Equipment	439,088									
Furniture and Equipment Acquired	113,200	109,840	113,684	117,663	121,781	126,044	130,455	135,021	139,747	144,638
Furniture and Equipment Disposed	-	-	-	-	-	-	-	-	-	-
<b>Total Furniture &amp; Equipment</b>	<b>552,288</b>	<b>569,892</b>	<b>619,205</b>	<b>666,572</b>	<b>712,386</b>	<b>756,993</b>	<b>800,701</b>	<b>843,788</b>	<b>886,500</b>	<b>929,060</b>
Depreciation	(92,236)	(64,372)	(70,295)	(75,968)	(81,437)	(86,746)	(91,934)	(97,035)	(102,078)	(107,093)
<b>Book Value of Furniture &amp; Equipment</b>	<b>460,052</b>	<b>505,521</b>	<b>548,909</b>	<b>590,605</b>	<b>630,949</b>	<b>670,246</b>	<b>708,767</b>	<b>746,753</b>	<b>784,422</b>	<b>821,967</b>
<b>TOTAL PROPERTY PLANT AND EQUIPMENT</b>										
New Property Plant and Equipment	199,164	860,591	1,020,501	1,056,219	1,093,186	1,131,449	1,171,049	1,212,035	1,254,457	1,298,362
<b>Total</b>	<b>21,426,682</b>	<b>21,198,266</b>	<b>21,233,647</b>	<b>21,282,821</b>	<b>21,323,867</b>	<b>21,364,251</b>	<b>21,409,878</b>	<b>24,623,681</b>	<b>24,692,817</b>	<b>24,778,460</b>
Depreciation	(1,089,007)	(985,120)	(1,007,044)	(1,052,141)	(1,091,065)	(1,125,421)	(1,156,496)	(1,185,320)	(1,212,720)	(1,239,360)
Fair Value Adjustment				-			3,158,264			3,514,071
<b>Book Value of Total Property Plant and Equipment</b>	<b>20,337,675</b>	<b>20,213,146</b>	<b>20,226,602</b>	<b>20,230,681</b>	<b>20,232,802</b>	<b>20,238,829</b>	<b>23,411,646</b>	<b>23,438,360</b>	<b>23,480,098</b>	<b>27,053,170</b>
<b>INFRASTRUCTURE (ALL)</b>										
Existing Infrastructure	37,562,812									
Infrastructure Developed	1,207,662	976,904	1,011,096	1,041,429	1,077,879	1,115,604	1,154,650	1,195,063	1,236,890	1,280,182
<b>Total Infrastructure</b>	<b>38,770,474</b>	<b>39,747,378</b>	<b>39,686,885</b>	<b>39,592,055</b>	<b>45,373,990</b>	<b>45,189,377</b>	<b>45,049,711</b>	<b>51,804,887</b>	<b>51,556,764</b>	<b>51,359,735</b>
Depreciation	(2,307,580)	(1,071,589)	(1,136,259)	(1,133,069)	(1,300,216)	(1,294,316)	(1,289,699)	(1,485,013)	(1,477,211)	(1,470,870)
Fair Value Adjustment		-	-	5,837,124	-	-	6,849,812	-	-	7,494,990
<b>Book Value Infrastructure</b>	<b>36,462,894</b>	<b>38,675,789</b>	<b>38,550,626</b>	<b>44,296,111</b>	<b>44,073,773</b>	<b>43,895,061</b>	<b>50,609,824</b>	<b>50,319,874</b>	<b>50,079,553</b>	<b>57,383,855</b>
Total Assets	56,800,569	58,888,935	58,777,229	64,526,791	64,306,575	64,133,891	74,021,470	73,758,234	73,559,650	84,437,025
<b>Total Depreciation</b>	<b>(3,396,587)</b>	<b>(2,056,709)</b>	<b>(2,143,303)</b>	<b>(2,185,210)</b>	<b>(2,391,281)</b>	<b>(2,419,737)</b>	<b>(2,446,196)</b>	<b>(2,670,333)</b>	<b>(2,689,931)</b>	<b>(2,710,230)</b>
Depreciation on New Assets		(214,944)	(222,467)	(228,787)	(236,795)	(245,082)	(253,660)	(262,539)	(271,727)	(281,238)



## Katherine Town Council Long Term Financial Plan 2015 - 2025

### Key Performance Indicators

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>OPERATING SURPLUS RATIO</b>										
Operating Revenue	10,256,754	10,962,769	11,706,681	12,342,692	13,023,632	13,659,760	14,058,000	14,760,721	15,506,828	16,299,066
Less Operating Exp incl interest & depreciation	(12,780,424)	(11,762,185)	(12,181,527)	(12,567,680)	(13,129,898)	(13,526,816)	(13,934,481)	(14,553,016)	(14,980,663)	(15,423,140)
= Net Operating Surplus	(2,523,670)	(799,416)	(474,845)	(224,988)	(106,267)	132,944	123,519	207,705	526,165	875,926
Divided by Own Source Revenue (Rates)	6,303,918	6,951,735	7,635,559	8,209,528	8,826,409	9,396,397	9,726,347	10,358,560	11,031,866	11,748,938
<b>Ratio Target - (+ve) Between 0% and 15%</b>	<b>-40.03%</b>	<b>-11.50%</b>	<b>-6.22%</b>	<b>-2.74%</b>	<b>-1.20%</b>	<b>1.41%</b>	<b>1.27%</b>	<b>2.01%</b>	<b>4.77%</b>	<b>7.46%</b>
<b>CURRENT RATIO</b>										
Current Assets	10,289,172	9,742,189	9,470,025	9,409,454	9,618,016	10,009,142	10,605,942	11,433,514	12,518,881	13,929,134
Less Restricted Assets	(1,355,390)	(1,305,790)	-	-	-	-	-	-	-	-
= Net Current Assets	8,933,782	8,436,399	9,470,025	9,409,454	9,618,016	10,009,142	10,605,942	11,433,514	12,518,881	13,929,134
Divided by Current Liabilities less	1,447,500	1,505,400	1,565,616	1,628,241	1,693,370	1,761,105	1,831,549	1,904,811	1,981,004	2,060,244
Current Liabilities ass'd with Restricted Assets	-	-	-	-	-	-	-	-	-	-
= Net Current Liabilities	1,447,500	1,505,400	1,565,616	1,628,241	1,693,370	1,761,105	1,831,549	1,904,811	1,981,004	2,060,244
<b>Ratio Target &gt; or = to 1:1</b>	<b>6.17</b>	<b>5.60</b>	<b>6.05</b>	<b>5.78</b>	<b>5.68</b>	<b>5.68</b>	<b>5.79</b>	<b>6.00</b>	<b>6.32</b>	<b>6.76</b>
Assume Provision same as Leave Cash Reserve	-	-	-	-	-	-	-	-	-	-
<b>RATES COVERAGE RATIO</b>										
Total Rates Revenue	6,303,918	6,951,735	7,635,559	8,209,528	8,826,409	9,396,397	9,726,347	10,358,560	11,031,866	11,748,938
Divided by Total Expenses	12,780,424	11,762,185	12,181,527	12,567,680	13,129,898	13,526,816	13,934,481	14,553,016	14,980,663	15,423,140
<b>Ratio Target &gt; or = to 40%</b>	<b>49.3%</b>	<b>59.1%</b>	<b>62.7%</b>	<b>65.3%</b>	<b>67.2%</b>	<b>69.5%</b>	<b>69.8%</b>	<b>71.2%</b>	<b>73.6%</b>	<b>76.2%</b>





# LONG-TERM FINANCIAL PLAN (LTFP)

## BACKGROUND

This comprehensive long-term financial plan is designed to stimulate discussion and engender a long-range perspective for the community and decision makers. It is a tool to prevent financial challenges; stimulate long-term and strategic thinking; give consensus on long-term financial direction; and is useful for communications with internal and external stakeholders.

## Best Practice

As a responsible local government body it is imperative that Council regularly engage in long-term financial planning that encompasses the following elements:

1. Time Horizon. A plan should look at least five to ten years into the future.
2. Scope. A plan should consider all appropriated funds, but especially those funds that are used to account for the issues of top concern to elected officials and the community.
3. Frequency. Council should update long-term planning activities as needed in order to provide direction to the budget process, though not every element of the long-range plan must be repeated.
4. Content. A plan should include an analysis of the financial environment, revenue and expenditure forecasts, debt position and affordability analysis, strategies for achieving and maintaining financial balance, and plan monitoring mechanisms, such as a scorecard of key performance indicators of financial health.
5. Context. A plan should include context from the economic, political and social environments. It should consider making trade-offs by choosing 'what not to do', creating a 'best fit' by aligning the Council's activities with one another to support the chosen strategy, and cognisance of the spheres of influence, what Council can and can not influence.
6. Visibility. The public and elected officials should be able to easily learn about the long-term financial prospects of the Council and strategies for financial balance. Hence, the Council includes this plan into the Municipal Plan to effect communicating this information.

## Outcomes

This long-term financial plan is intended to project revenues and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient variables. It is a process of aligning financial capacity with long-term service objectives.

The forecasts provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the Council's service objectives and financial challenges.

This long-term financial plan will form the basis to combine financial forecasting with strategising. Long-term financial planning works best as part of an overall strategic plan. The Council is preparing to develop plans for long-term strategic; asset management and service delivery. In the development of these strategic plans the financial plan will guide a highly collaborative process that considers future scenarios and helps the Council to navigate challenges

## **Review of 2015/16 Long-Term Financial Plan**

The long-term financial plan published in the 2014/2015 Municipal Plan included a projected rate increase of 9% for 2015/16, 9% for 2016/17 and 8.1% for 2017/18. These rate increase projections have been reassessed and the only variance intended is in the 2017/18 financial year moving from the projected 8.1% to 9%.

The overall need to increase income in the 2014/15 long-term financial plan projections for Council is also recognised in the proposed 2015/16 long-term financial plan. However, the realistic increase in income can only come from rates, rather than user charges and interest.

## **ECONOMIC CONSIDERATIONS**

### **New Land Release**

New lots have been released however; there are no titles available for these lots. The expected time frame for the first batch of titles and UCV of land to be available is November 2015. The recognition of increased rates revenue for lots underdevelopment has been forecasted to occur from the 2015/16 financial year.

### **Capital**

A major cost for Council is the maintenance and upgrade of capital items. The long-term financial plan projects what capital expenditure is financially sustainable. However, a long-term strategic asset management plan (AMP) is a work in progress that is expected to be completed in the 2015/16 financial year. This AMP will inform future LTFPs.

### **Plant and Machinery**

The current average expected replacement time for Council's plant and machinery is projected to be six years. Historically, the replacement of plant and machinery has not occurred according to this expectation. Council is now faced with the need to initially work on a catch up plan before being able to transition to a sustainable asset management plan.

### **Vehicles**

The replacement program for vehicles is 80,000kms (between 3-4 years). Historically, the rate of replacement of vehicles has not been in accordance with this replacement plan which has resulted in the need to 'catch up' in the 2015/16 budget. Following the catch up year of 2015/16 it is expected that the asset management plan will support a more sustainable and manageable framework for replacement of all assets.

### **Employee Costs**

Calculations have used a 3.5% increase per year in accordance with EBA agreement and contracts. The Council has formulated a long-term workforce strategic plan to ensure an alignment of Council services projections is sustainable and affordable.

## **MAJOR LONG-TERM FINANCIAL PLAN SUSTAINABILITY RISKS**

The following items identify major long-term financial plan sustainability risks:

### **Pensioner Concession for Rates**

Historically, the NT Government has passed on the Federal Government's funding to subsidise a discount to reduce the cost of rates for pensioners. This subsidy was paid to the Council and the Council passed this onto pensioners as a rates concession. Unfortunately the NT Government is seriously considering not funding the pensioner discounts after the 2014/15 financial year. Should this occur the ratepayers of Katherine will either pay increased rates to fund pensioner concessions or pensioners will need to be able to self-fund the cost of rates.

There has been no provision in the long-term financial plan to accommodate the loss of funding for pensioner concessions.

### **Long-Term Asset Management Plan**

There is an acknowledged urgent need for a long-term asset management plan to manage the financial risks of the Council's investment in infrastructure, which is currently in excess of \$60M. In 2015/16 provision has been made to purchase an Asset Management module compatible with our current software system. This tool is intended to enable Council to be better able to manage our infrastructure and obtain better value for money in the delivery of services to the community by applying a strategic approach to asset management.

A key factor in a sustainable and strong long-term financial plan is a robust asset management plan. Council is preparing to construct this plan into the 15/16 financial year and as this plan is constructed it will be necessary to adjust the long-term financial plan accordingly. However, in the interim the average annual historical capital expense over the past 5 years (plus CPI) has been used to forecast future financial years costs.

### **Roads**

Currently the Katherine Town Council is responsible for 170kms of roads of which 1.8kms are dirt roads. Serious consideration is being given for the NT Government to hand to Council an additional 190kms of roads, which includes dirt roads. Deliberations could include a recurrent payment to Council at the time of handing over the road assets.

Additionally the NT Government is responsible for the costs associated with slashing the verges on these roads. The amount of slashing contracted out by the NT Government for the \$190kms only includes a single row cut on each occasion slashing is undertaken.

The community has requested that Council resume the slashing of rural verges and therefore in the 2015/16 financial year budget a provision has been made to achieve industry standards for the appropriate level of maintenance to verges including the provision of up to a three row cut for each verge.

The impact of this outcome is a deficit (in excess of a million dollars) between maintaining the additional road assets, the additional slashing costs and the recurrent estimated funding of \$400K.

## **Street Lighting**

Power Water has declared their intention to hand over to Council the street lighting assets and ongoing maintenance. A plan to manage these assets into the future is expected to include replacing the current lighting to LED lighting, which would reduce the electrical costs incurred.

## **Airport – Regular Passenger Transport**

The RPT service at the Katherine Airport is minimal. In previous budgets the decision was made to discontinue maintaining and effectively close the facility due to the significant costs and minimal use. There is an expired agreement for the operations of a RPT airport service which is the basis for month to month recurrent costs and income. The Council is in negotiations with stakeholders with a view to reintroduce an RPT service.

The income and expenditure associated with recommencing an RPT service is not included in this long-term financial plan.

## **Depot – Chardon Street**

As part of Council's Workforce Planning Strategy the Depot situated in Chardon Street was highlighted as requiring consideration as the current site is unable to be expanded. Therefore, Council will need to plan for an alternative site.

The long-term financial plan does not include any provision for the relocation of the Depot from Chardon Street.

## **Waste Management Facility**

Planning needs to occur to close and rehabilitate the current waste management facility and open a new facility. The current waste management facility has a life of between 8 and 15 years. The implementation of a new waste management facility and the closure of the existing facility will exceed a million dollars. Currently, the Council has set aside a reserve of \$78,740 towards this cost.

In the long-term financial plan provision has been made to increase the waste management levy by the same percentage rate as the projected rates increases from 2016/17 onwards. This measure will increase the reserve available, however there will be a significant deficit.

## **Cemetery**

Planning needs to occur to increase the plots available at the cemetery as the availability of plots will exceed the demand within a few years.

The long-term financial plan does not include any provision for increasing the available land for the cemetery as the cost will depend on the option taken to source land.

### **Leights Crossing Bridge**

The Council is expecting to receive the total funding of \$1.5M in 2015/16 for the Leight Crossing Bridge which will be constructed over the next few years. This funding will be included in restricted funds for the life of the project.

The income and expenditure for this capital work is excluded from the long-term financial plan. However, it will be included when a project plan is confirmed for the construction costs and timelines.

### **Employees – Aging Workforce**

As part of Council's Workforce Planning Strategy the necessity for Council to look at strategy's to alleviate the aging workforce are noted.

### **Community engagement**

There have been open sessions provided for the community to engage with the Council in the 2015/16 budget preparation phase. This was the first step in seeking greater community engagement and building relations with Council. The intention is to be better able to support community interests.