

Budget




Budget for the Financial Year Ending 30 June 2025

This plan contains information relating to the annual budget for the Council for the 2024/2025 financial year. The Council is required to prepare an Annual Budget in compliance with part 10.5 of the Local Government Act(2019). This budget specifies the Council's financial projections for providing services to the communities it serves.

The Council anticipates generating a total income of \$13.5 million during the financial year that ends on June 30, 2025. This income includes several sources, such as \$3.55 million generated from rates and statutory charges, \$1.34 million from fees and charges, grant income of \$7.5 million, interest income of approximately \$218K, and other income of \$901K.

The Tiwi Islands Regional Council is highly dependent on grant funding to cover its operational and capital expenditure. Approximately 63% of total income is provided through untied grants and a further 37% through tied grants.



The Council endeavours to provide definitive grant revenue and expenditure forecasts (as opposed to estimates) for the 2024/25 and future financial years; however, this may not be accurate due to some uncertainty as to the future programs which will be funded and the quantum.

The Council anticipates operating expenses of \$15.3 million, which include several categories of expenditure. Employment expenses make up the largest portion, amounting to \$7.01 million. Contracts and materials expenses follow at \$5.3 million. Depreciation, amortization, and impairment expenses come in at \$1.9 million, and other expenses round out the total at \$1.02 million.

A more detailed account of the Council's estimated income and expenditure is provided on the following pages.

Council has adopted a stance that ALL functions should meet an equitable share of the costs of the services that Council's infrastructure provides to enable their continued operation. In particular this means internal cost recovery (where possible) reflected in individual program budgets.

Staff housing

A fixed annual cost for staff housed by Council, charged according to the nature of the dwelling (1, 2 or 3 bedroom rates).

Motor vehicles

All budgeted for as part of fleet operations but charged according to functional use at rates that reflect daily, weekly, monthly or permanent assignment to any program or function. Where any program has been funded for the capital cost of such vehicles the cost is reduced to only cover running and service costs.

Grant administration fees

These are charged in accordance with the individual grant agreements.

ICT

A fixed annual cost for ICT equipment and services charged according to services provided.

Council objectives

The Tiwi Islands Regional Council Strategic Plan sets out our goals and objectives. These goals are set out under the Strategic Plan section of this document along with Council objectives. The service delivery plans outline the indicators that Council will use to measure the success of each program in contributing to our objectives. The objectives will also be used by managers to develop work and operational plans for each program area.

Miscellaneous services

These are charged at Council's declared rates between functions, for example trades services provided to any other part of Council or machinery hire between functions. This budget also reflects a greater emphasis on cost recovery for services provided by Council to external parties and strives to avoid subsidisation of non-core services such as inter island transport.

Rates and charges for 2024/25

Rate increases will be 5% for all properties for this financial year, raising our rates levy to \$2,792,421 & our Charges will be at \$758,764 for the year 2024-25.

2025 Budget - Rates and charges table

Budget Rates and Charges 2024/2025			
Charge or Rate	Application	Rate or Amount	Total to be Raised
Rate	Residential	9.19 cents in the dollar	\$2,792,421
Rate	Commercial	6.24 cents in the dollar	
Rate	Residential Tiwi resident	2.23 cents in the dollar	
Rate	Residential min amount	\$2,571.33	
Rate	Commercial min amount	\$2,486.38	
Rate	Residential Tiwi resident min amount	\$617.92	
Charge	Refuse - Residential	\$888.59	\$758,764
Charge	Refuse - Commercial	\$940.86	
Charge	Refuse - Additional refuse bin Residential	\$227.04	
Charge	Refuse - Additional refuse bin Commercial	\$292.51	
Charge	Commercial - Waste Management Charge	\$4,431.45	
Charge	Residential - Waste Management Charge	\$1,015.65	
TOTAL			\$3,551,185

Other fees and charges

A full schedule of other fees and charges is available on our website (www.tiwiislands.nt.gov.au) or refer to Appendix B at the end of this report.

Relevant interest rate

The Council fixes the relevant interest rate for the late payment of rates and charges in accordance with Section 162 of the Act at a rate of 18% per annum which is to be calculated on a daily basis.

Payment

The Council determines the rates and charges of this declaration must be paid within 28 days of the issue of rates notice under section 159 of the Act.

Payments falling due on a weekend or public holiday may be paid by the following business day without incurring any penalty.

Alternatively, ratepayers may opt for payments monthly or quarterly. To do so they must seek the written agreement of the Council CEO. However, where such an option is exercised if payment is not received by the end of the relevant month or quarter, it will constitute a default and the full balance of the annual amount will become payable and recoverable immediately.

A ratepayer who fails to pay the rates and charges notified under the relevant rates notice under section 159 of the Act may be sued for recovery of the principal amount of the rates and charges, late payment penalties and costs reasonably incurred by Council in recovering or attempting to recover the rates and charges.

Socio economic impact of rates

Council assessed the socio-economic impact on residents and local businesses when deliberating on residential and business rates.

TIRC recognises the circumstances of Tiwi home owners and accordingly continues to allow concessions on their amount payable. This continued commitment to supporting Tiwi people demonstrates strong principles of social justice and creates opportunities for funds to enter into the local economy.

Council also has provisions in place for all ratepayers to be able to apply for and make periodic payments towards their rates and charges payable. This approach enables residents, of all socio-economic backgrounds, to make payments according to a fair and equitable timeframe.

Table 1. Budget and Long-Term Financial Plan

	Budget FY 2024-25	Budget FY 2025-26	Budget FY 2026-27	Budget FY 2027-28
OPERATING INCOME				
Rates	2,792,421	2,918,080	3,049,393	3,186,616
Charges	758,764	792,908	828,589	865,876
Fees and Charges	1,345,550	1,406,099	1,469,374	1,535,496
Operating Grants and Subsidies	7,506,980	7,844,794	8,197,810	8,566,711
Interest / Investment Income	218,795	228,641	238,929	249,681
Commercial and Other Income	901,436	942,000	984,390	1,028,688
TOTAL OPERATING INCOME	13,523,945	14,132,522	14,768,486	15,433,067
OPERATING EXPENDITURE				
Employee Expenses	7,012,432	7,327,992	7,657,751	8,002,350
Materials and Contracts	5,329,956	5,756,352	6,072,952	6,346,234
Elected Member Allowances	406,401	424,689	443,800	463,771
Elected Member Expenses	45,920	47,987	50,146	52,403
Council Committee & LA Allowances	36,488	38,130	39,846	41,639
Council Committee & LA Expenses	7,667	8,012	8,372	8,749
Depreciation, Amortisation and Impairment	1,983,400	1,983,400	1,983,400	1,983,400
Other Expenses	526,682	550,383	575,150	601,032
TOTAL OPERATING EXPENDITURE	15,348,946	16,136,944	16,831,417	17,499,578
BUDGETED OPERATING SURPLUS / (DEFICIT)	(1,825,002)	(2,004,422)	(2,062,932)	(2,066,510)

Table 1. Budget and Long-Term Financial Plan

Estimated Capital & Non Cash Adjustments :				
	Budget FY 2024-25	Budget FY 2025-26	Budget FY 2026-27	Budget FY 2027-28
BUDGETED OPERATING SURPLUS / (DEFICIT)	(1,825,002)	(2,004,422)	(2,062,932)	(2,066,510)
Remove NON-CASH ITEMS				
Less Non-Cash Income	1,983,400	1,983,400	1,983,400	1,983,400
Add Back Non-Cash Expense				
TOTAL NON-CASH ITEMS	1,983,400	1,983,400	1,983,400	1,983,400
Less ADDITIONAL OUTFLOWS				
Capital Expenditure	300,000	150,000	150,000	150,000
Borrowing Repayments (Principal Only)	10,000	10,000	10,000	10,000
Transfer to Reserves	-	-	-	-
Other Outflows	-	-	-	-
TOTAL ADDITIONAL OUTFLOWS	(310,000)	(160,000)	(160,000)	(160,000)
Add ADDITIONAL INFLOWS				
Capital Grants Income	350,000	350,000	350,000	350,000
Prior Year Carry Forward Tied Funding *	-	-	-	-
Other Inflow of Funds	-	-	-	-
Transfers from Reserves	-	-	-	-
TOTAL ADDITIONAL INFLOWS	350,000	350,000	350,000	350,000
NET BUDGETED OPERATING POSITION	198,398	168,978	110,468	106,890

Table 2. Budgeted Capital Expenditure

By class of infrastructure, property, plant and equipment.

CAPITAL EXPENDITURE	Budget FY 2024-25	Budget FY 2025-26	Budget FY 2026-27	Budget FY 2027-28
Infrastructure	-	-	-	-
Plant & Equipment	100,000	100,000	100,000	100,000
Motor Vehicles	200,000	50,000	50,000	50,000
TOTAL CAPITAL EXPENDITURE	300,000	150,000	150,000	150,000
TOTAL CAPITAL EXPENDITURE FUNDED BY:				
Capital Grants	300,000	300,000	300,000	300,000
TOTAL CAPITAL EXPENDITURE FUNDING	300,000	300,000	300,000	300,000

Table 2.1 Budget by Planned Major Capital Works

CLASS OF ASSETS	BY MAJOR CAPITAL PROJECT	Budget FY 2024-25	Budget FY 2025- 26	Budget FY 2026- 27	Budget FY 2027- 28	>Total Budget \$	Expe cted Project Comple tion Date
Infrastructure	-				-	-	-
Plant & Equipment	Plant Replacement	100,000	100,000	100,000	100,000	400,000	On Going Annual
Motor Vehicles	Motor Vehicles Replacements	200,000	50,000	50,000	50,000	350,000	On Going Annual
TOTAL CAPITAL EXPENDITURE		300,000	150,000	150,000	150,000	750,000	

Table 3. Local Authority Budgets 2024/25

LOCAL AUTHORITY BUDGETS FOR THE YEAR ENDING 30 JUNE 2025	Regional	Wurrumiyanga	Pirlangimpi	Milikapiti	Total Annual Budget \$
OPERATING INCOME					
Rates	-	1,791,669	466,081	534,671	2,792,421
Charges	-	486,837	126,645	145,282	758,764
Fees and Charges	188,377	605,497	296,021	255,654	1,345,550
Operating Grants and Subsidies	6,981,491	300,279	75,070	150,140	7,506,980
Interest/Investment Income	218,795	-	-	-	218,795
Commercial and Other Income	9,014	108,172	180,287	603,962	901,436
TOTAL OPERATING INCOME	7,397,677	3,292,455	1,144,104	1,689,709	13,523,945
OPERATING EXPENDITURE					
Employee Expenses	2,664,724	2,524,476	981,741	841,492	7,012,432
Materials and Contracts	2,185,281	1,545,688	373,097	1,225,890	5,329,956
Elected Member Allowances	406,401	-	-	-	406,401
Elected Member Expenses	45,920	-	-	-	45,920
Council Committee & LA Allowances	36,488	-	-	-	36,488
Council Committee & LA Expenses	7,667	-	-	-	7,667
Depreciation, Amortisation and Impairment	1,983,400	-	-	-	1,983,400
Other Expenses	375,280	57,889	48,983	44,530	526,682
TOTAL OPERATING EXPENDITURE	7,705,161	4,128,052	1,403,820	2,111,912	15,348,946
BUDGETED OPERATING SURPLUS / DEFICIT	(307,484)	(835,598)	(259,717)	(422,203)	(1,825,002)

LOCAL AUTHORITY BUDGETS FOR THE YEAR ENDING 30 JUNE 2025	Regional	Wurrumiyanga	Pirlangimpi	Milikapiti	Total Annual Budget \$
BUDGETED OPERATING SURPLUS / DEFICIT	(307,484)	(835,598)	(259,717)	(422,203)	(1,825,002)
Remove NON-CASH ITEMS Less Non-Cash Income Add Back Non-Cash Expense	1,983,400	-	-	-	1,983,400
TOTAL NON-CASH ITEMS	1,983,400	-	-	-	1,983,400
Less ADDITIONAL OUTFLOWS					
Capital Expenditure	300,000	-	-	-	300,000
Borrowing Repayments (Principal Only)	10,000	-	-	-	10,000
Transfer to Reserves	-	-	-	-	-
Other Outflows	-	-	-	-	-
TOTAL ADDITIONAL OUTFLOWS	(310,000)	-	-	-	(310,000)
Add ADDITIONAL INFLOWS	-	-	-	-	-
Capital Grants Income	350,000	-	-	-	350,000
Prior Year Carry Forward Tied Funding *	-	-	-	-	-
Other Inflow of Funds	-	-	-	-	-
Transfers from Reserves	-	-	-	-	-
TOTAL ADDITIONAL INFLOWS	350,000	-	-	-	350,000
NET BUDGETED OPERATING POSITION	1,715,916	(835,598)	(259,717)	(422,203)	198,398

Budget Assumptions

- All current core services will continue to be provided by the Council.
- Due to the small rates base council is heavily reliant on territory government and commonwealth grants
- It is anticipated that the repairs, maintenance, management and development of infrastructure continue at the same level as outlined in the budget. TIRC will continue to apply for additional funding to rectify identified deficiencies in infrastructure.
- There are no major initiatives planned over beyond the activities identified in the Regional Plan and Budget. TIRC's current financial position does not have untied funds available for significant new initiatives. With these circumstances in mind any new major community initiatives would be entirely reliant upon the provision of additional special purpose grant funding.
- A CPI increase of 4.5% is assumed per year
- Amended budgets is aligned to Standard Annual Financial Statements reporting.
- Prior Year Carry Forward Tied Funding and Current Year Carry Forward Tied Funding is same for the preparation of this budget.

Budget Initiatives

- Increased investments in upgrades of community roads in Wurrumiyanga, Pirlangimpi and Milikapiti through Roads 2 Recovery funding.
- Investment in community facilities with Rec Hall in Wurrumiyanga, Milikapiti Water Park.
- Replace Aging fleet with purchase of new cars.
- Major upgrades planned for all the rubbish tips as per the requirements of the NTEPA.

Rates Declaration for 2024/25

Notice is hereby given pursuant to Section 241 of the Local Government Act 2019, that the following rates and charges were declared by Tiwi Islands Regional Council at the Ordinary Council Meeting on 28 June 2024, pursuant to Chapter 11 of the Local Government Act 019 in respect of the financial year ending 30 June 2025.

Rates

Tiwi Islands Regional Council ('the Council') makes the following declaration of rates pursuant to Chapter 11 of the Local Government Act 2019 ('the Act').

1. Pursuant to Section 227 of the Act, the Council adopts the Unimproved Capital Value as the basis for determining the Assessed Value of allotments within the Council area.
2. The Council, pursuant to Section 237 of the Act, declares that it intends to raise, for general purposes by way of rates, the amount of \$2,792,421 which will be raised by the application of:
 - a. differential fixed charges; and
 - b. differential valuation-based charges with differential minimum charges being payable in the application of those differential valuation-based charges; and
3. The Council hereby declares the following rates:
 - (a) With respect to each class of allotment of rateable land within the Council area that is used or occupied for Residential Purposes and where there is an Unimproved Capital Value assessed for the allotment, a valuation-based charge being 9.19 % of the assessed value of the allotment with a minimum amount being payable in the application of that charge being \$2,571.34 multiplied by the greater of:
 - i. the number of separate parts or units that are adapted for separate occupation or use (pursuant to section 226(5) of the Act) on each allotment; and
 - ii. the number 1.
 - (b) With respect to each class of allotment of rateable land within the Council area that is used or occupied for a Commercial Land Use and where there is an Unimproved Capital Value assessed for the allotment, (excluding pastoral leases and mining tenements), a valuation-based charge being 4.31% of the assessed value of the allotment with a minimum amount being payable in the application of that charge being \$2,486.38 multiplied by the greater of:
 - i. the number of separate parts or units that are adapted for separate occupation or use (pursuant to section 226(5) of the Act) on each allotment; and
 - ii. the number 1.

(c) With respect to each class of allotment of rateable land within the Council area that is Vacant Land and where there is an Unimproved Capital Value assessed for the allotment, a valuation-based charge being 6.24% of the assessed value of the allotment with a minimum amount being payable in the application of that charge being \$2,486.38

(d) With respect to each class of allotment of rateable land within the Council area that is used or occupied for Residential Purposes, where there is no Unimproved Capital Value assessed for the allotment, a fixed charge of \$2,571.33.

(e) With respect to each class of allotment of rateable land within the Council area that is used or occupied for Commercial Land Use (excluding pastoral leases and mining tenements), where there is no Unimproved Capital Value assessed for the allotment a fixed charge of \$2,486.38.

(f) With respect to each class of allotment of rateable land within the Council that is Vacant Land, where there is no Unimproved Capital Value assessed for the allotment a fixed charge of \$2,571.33.

(g) With respect to each allotment of rateable land which is a Mining Tenement as defined in the Act, a rate of 0.006427 of the assessed value of the allotment with the minimum amount payable in the application of that differential rate being \$2,241.18 and on the basis of that,

i. Contiguous tenements or reasonably adjacent tenements held by the same person are to be rated as if they were a single tenement.

ii. If the owner of the mining tenement is also the owner of another interest in the land (the other interest) then:

1. If the rate calculated in accordance with this paragraph (g) is less than or equal to the rate payable for the other interest –no rate is payable for the mining tenement; or

2. If the rate is calculated in accordance with this paragraph (g) (amount A) is greater than the rate payable for the other interest (amount B) – the rate payable for the mining tenement is the difference between amount A and amount B.

(h) With respect to each allotment of rateable land which is a Pastoral Lease as defined in the Act, a rate of 0.000566 of the assessed value of the allotment with the minimum amount payable in the application of that differential rate being \$946.94

Relevant interest rate

5. The relevant interest for the late payment of rates and charges is fixed in accordance with Section 245 of the Act at the rate of 18% per annum and is to be calculated on a daily basis.

Payment

6. The Council determines that the rates and charges declared under this declaration must be paid within 28 days of the issue of rate notice under Section 242 of the Act.

Payments falling due on a weekend or public holiday may be paid by the following business day without incurring late payment interest.

A ratepayer who fails to pay their rates and charges notified under the relevant rates notice under Section 242 of the Act may be sued for recovery of the principal amount of the rates and charges, late payment penalties, and cost reasonably incurred by the Council in recovering or attempting to recover the rates and charges.

Optional Services

7. In accordance with section 289 of the Act, Council resolves to impose the following fees for the following optional services:

- a. a fee of \$227.04 per annum for each additional weekly garbage collection through the use of more than one (1) council specified garbage bin approved by Council in response to a written request from a person liable to pay a charge in respect of a residential dwelling referred to in paragraph 4(b)(i),
- b. a fee of \$292.51 per annum for each additional weekly garbage collection through the use of more than one (1) council specified garbage bin approved by Council in response to a written request from a person liable to pay a charge in respect of an allotment of commercial land referred to in paragraph 4(d)(i).

Gina McPharlin

Chief Executive Officer

Councillor Allowances

Under section 7B of the Assembly Members and Statutory Offices (Remuneration and Other Entitlements) Act 2006, the Tribunal determines as follows:

<u>Ordinary Council Member</u>	\$20,500
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Deputy Principal Members

Additional Allowance	\$16,000
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Principal Member

Additional Allowance	\$82,000
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Extra Meeting Allowances

Half Day Meeting Rate	\$150.00
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Full Day Meeting Rate	\$300.00
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EXTRA MEETING / ACTIVITY ALLOWANCE

4.1 An Extra Meeting / Activity Allowance of up to \$10,000 per financial year, may be accessed by all Councillors and Deputy Principal Members.

Allowances to be paid to eligible members (not including Principal Members) are:

- Free for attendance at extra meetings or activities is the accumulated hours on any day and are as follow:
 - up to 2 hours \$200
 - between 2 and 4 hours \$300
 - more than 4 hours \$500 (maximum payable for any one day)

VEHICLE ALLOWANCE

6.1 Vehicle Allowance will be available for travel undertaken by all Councillors when the travel:

- a. exceeds 50kms from home base 100kms return,
- b. travel does not occur in a council supplied and maintained vehicle;
- c. the Councillor is not in receipt of a motor vehicle allowance in Clause 7 below;
- d. the vehicle allowance is capped at \$10,000.



PROVISION OF MOTOR VEHICLE

7.1 Principal Members of Municipal and Regional Councils are entitled to a council-maintained vehicle.

7.2 If Principal Members of Municipal and Regional Councils chose not to be provided with a Council maintained vehicle, they are entitled to Motor Vehicle Allowance, paid fortnightly or monthly, and will be:

- up to \$40,000 per year for Regional Principal Members.

Local Authority Allowances

DETERMINATION OF ALLOWANCES FOR MEMBERS OF LOCAL AUTHORITIES REPORT ON DETERMINATION NO.1 OF 2025

ALLOWANCES

The following allowances will be paid for each meeting of a Local Authority
The Chair of the Local Authority will be paid as follows:

if the meeting is held up to 2 hours	\$300
if the meeting is held between 2 to 4 hours	\$450
if the meeting is held for more than 4 hours	\$600

A member of the Local Authority will be paid as follows

if the meeting is held up to 2 hours	\$200
if the meeting is held between 2 to 4 hours	\$300
if the meeting is held for more than 4 hours	\$400

Note that staff are not eligible for sitting fees unless they are casual.



End of document.



Appendices

Appendix A: TIRC Strategic Plan - Towards 2020 Vision and Beyond (4 pages)

Appendix B: 2024/25 Schedule of fees and charges (5 pages)