

# **City of Launceston**

## **Statutory Estimates** **Year Ending 30 June 2019**

## **Statements and Schedules**

<b>Operating Statement</b>	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Revenues</u>		
Rates and Charges	59,490	57,485
Fire Service Rates	7,959	7,535
Fees	24,365	22,063
Grants and Contributions	7,701	7,022
Grants - Capital	995	10,155
Interest Earnings	1,970	1,898
Investments (includes TasWater reduction)	3,174	4,490
Other Income	2,701	2,076
Bequests and Donations	182	179
Interest Capitalised (Grants)	-	41
	<u>108,537</u>	<u>112,944</u>
<u>Expenses</u>		
Labour	42,206	39,115
Materials and Services	19,294	19,377
Combined System Contribution	1,907	1,465
Electricity and Gas	3,361	3,260
Water, Wastewater and Land Tax	1,565	1,439
Contributions	2,632	2,553
Administrative	5,442	4,848
Interest	491	137
Rehabilitation Provision	311	305
Asset Disposal Loss	520	-
Fire Commission Levy	7,959	7,535
Remissions and Abatements	940	992
Depreciation	20,728	20,436
	<u>107,356</u>	<u>101,462</u>
Operating Surplus (Deficit)	1,181	11,482
Less Capital Grants and Interest	(995)	(10,196)
Underlying Operating Surplus (Deficit)	<u>186</u>	<u>1,286</u>

<b>Funds (Cash) Statement</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
<u>Source</u>		
Net Cash from Operating Activities	22,741	31,260
Loan Proceeds	10,500	10,500
	<u>33,241</u>	<u>41,760</u>
<u>Application</u>		
Capital Expenditure		
Capital Funds	19,700	16,393
Grant Funds	995	10,155
Future Works Provision	-	-
	<u>20,695</u>	<u>26,548</u>
Loan Repayments		
Standard Loans	769	2,357
Accelerated Loans	5,800	6,050
	<u>6,569</u>	<u>8,407</u>
	<u>27,264</u>	<u>34,955</u>
Net Cash Generated (Expended)	<u>5,977</u>	<u>6,805</u>
<b>Reconciliation of Net Cash from Operating Activities</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
Adjusted Operating Surplus (Deficit)	186	1,286
Loss on Disposal of Fixed Assets	520	-
Grants and Contributions - Capital	995	10,155
Interest Earnings - Capital	-	41
Change in Net Assets from Operations	<u>1,701</u>	<u>11,482</u>
Reserve Transfers		
Waste Centre	-	(1,290)
L'ton Flood Authority	-	327
	<u>-</u>	<u>(963)</u>
Depreciation and Amortisation		
Infrastructure	13,539	13,407
Buildings	3,774	4,224
Plant and Equipment	2,766	2,170
Data Systems	650	635
Amortised Depreciation	311	305
	<u>21,040</u>	<u>20,741</u>
Net Cash from Operating Activities	<u>22,741</u>	<u>31,260</u>

## Contributions, Community and Events Sponsorship

The following tables detail the cash contributions, and support provided to organisations and individuals that are included in the proposed budget.

<b>Contributions</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
LGAT	66	64	64
Cityprom	516	504	500
 <u>Regional Cooperation</u>			
Regional Cities	-	8	8
Northern Tas Development	188	171	169
Tamar NRM	120	117	118
Catchment Management	56	55	35
Regional Tourism Organisation	174	170	109
	<u>538</u>	<u>521</u>	<u>439</u>
 <u>Internal Service Provision</u>			
Launceston Flood Authority	<u>182</u>	<u>178</u>	<u>175</u>
 <u>Provision of Services</u>			
NTCA	299	293	289
Conference & Business Incentives	64	60	20
Business Events Tasmania	50	50	25
Theatre North	200	196	193
	<u>613</u>	<u>599</u>	<u>527</u>
<b>Total Contributions</b>	<b><u>1,915</u></b>	<b><u>1,867</u></b>	<b><u>1,705</u></b>
 <b>Community Assistance</b>			
	<b><u>73</u></b>	<b><u>70</u></b>	<b><u>62</u></b>
 <b>Events Sponsorship</b>			
Major Events	170	200	170
Signature Event	215	212	105
New Year's Event	40	40	40
Celebration Event	75	31	31
Special Event	70	50	25
Cultural Event	60	60	-
Start-Up Event Incentive	14	20	-
	<u>644</u>	<u>613</u>	<u>371</u>
<b>Total</b>	<b><u>2,632</u></b>	<b><u>2,553</u></b>	<b><u>2,138</u></b>

## Administration Costs

Administration costs are summarised below.

<b>Administration</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
General Administration	872	705	869
Advertising and Promotion	252	250	234
Computer and Communications	398	348	328
Election Expense	310	29	29
Expert Advice	632	719	624
Insurance (exc Workers Comp'n)	805	637	636
Maintenance	190	201	162
Payment Fees and Debt Recovery	540	446	446
Postage, Printing and Stationery	366	378	377
Aldermen	558	537	518
Audit Fees	98	105	104
Vehicles	420	493	398
	<u>5,442</u>	<u>4,848</u>	<u>4,725</u>

General Administration includes a range of expenses including committee costs, bank fees and the like. The other sub-categories are self-explanatory.

## Council Concessions and Remissions

The proposed budget includes the following concessions.

	<b>2019</b>	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Pensioner Concessions			
Parking	126	194	157
Refuse Disposal	390	275	208
	<u>516</u>	<u>469</u>	<u>365</u>
Rating Remission	240	205	238
Remissions Aged Care - General	700	712	565
Remissions Aged Care - Fire	-	75	78
	<u>940</u>	<u>992</u>	<u>881</u>
	<u>1,456</u>	<u>1,461</u>	<u>1,246</u>

## **Capital Program**

The following table provides an extract from the draft Capital Improvement Plan for the next three years.

<b>Draft Capital Improvement Plan</b>	<b>2018/19 \$'000</b>
Gross Funding	19,700
Less Capital Grants	995
	<u><b>20,695</b></u>
Type of Work	
Renewal	11,953
Upgrade	2,415
Addition	6,327
Gross Funding	<u><b>20,695</b></u>
Renewal and Upgrade	<u><b>69%</b></u>
Additions	<u><b>31%</b></u>

<b>OPERATING and CAPITAL Expenditure (Excluding Internal Services Costs and Non-Cash Expenses - Depreciation and Asset Disposal Losses)</b>	<b>2019 \$000</b>	<b>2018 \$000</b>
Governance	2,965	2,628
Organisational Support	10,837	10,424
Technical & Logistics Support	3,979	3,451
Cultural Facilities	6,640	6,878
Economic Development & Promotion	3,929	3,572
Other Community Amenities	5,647	2,377
Public Order & Safety	605	652
Health	1,163	1,008
Community Development	1,293	1,140
Planning Approvals	2,245	1,749
Building Control	1,031	1,279
Garbage Collection & Disposal	6,280	7,945
Fire Levy	7,974	7,624
Flood Mitigation	1,139	1,537
Cemetery & Crematoria	1,537	1,298
Recreational Facilities	24,577	22,155
Roads & Traffic	13,760	19,947
Street Lighting	1,200	2,400
Street Cleaning	2,179	2,367
Parking Facilities	3,742	3,936
Stormwater Drainage	3,277	2,765
Interest Expense	491	137
Loan Repayments	6,569	8,407
Future Works Provision	-	-
	<u>113,059</u>	<u>115,675</u>
<b>Financed by:</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Operating Revenues (Excl Capital)	107,542	102,748
Grants and Contributions	995	10,196
Operating Revenues	<u>108,537</u>	<u>112,944</u>
Prior Year Funding	-	(963)
Loan Proceeds (Gross)	10,500	10,500
	<u>119,037</u>	<u>122,481</u>
Net Cash Generated (Expended)	<u>5,978</u>	<u>6,806</u>

*Notes:*

*Comparative figures are taken from the previous budget and not usually updated for changes during the year.*

*\$10.5M in Loan Borrowing under the Accelerated Loan Programme has been deferred from 2018 to 2019.*

## **DETAILED BREAKDOWN**

<b>OPERATING and CAPITAL Expenditure (Excluding Internal Services Costs and Non-Cash Expenses - Depreciation and Asset Disposal Losses)</b>	<b>2019 \$000</b>	<b>2018 \$000</b>
<b>Governance</b>	<b>2,965</b>	<b>2,628</b>
Operations Expenditure Other	1,042	1,059
TRNRM Contribution	119	117
LGAT Contribution	66	65
Election Costs	280	-
Pensioner Concessions-Parking	126	194
Pensioner Concessions-Refuse	390	275
Pensioner Concessions-Waste Levy	18	18
Rates Remission - General	924	901
Capital Expenditure	-	-
<b>Organisational Support</b>	<b>10,837</b>	<b>10,424</b>
Operations Expenditure	10,422	9,726
Capital Expenditure	415	697
<b>Technical Support</b>	<b>3,979</b>	<b>3,451</b>
Operations Expenditure	1,894	1,333
Capital Expenditure	2,085	2,118
<b>Culture</b>	<b>6,640</b>	<b>6,878</b>
Operations Expenditure Total	6,320	6,083
Capital Expenditure Total	320	796
Princess Theatre		
Operations Expenditure Total	420	400
Capital Expenditure Total	175	456
QVMAG		
Operations Expenditure Total	5,759	5,614
Capital Expenditure Total	145	340
Arts & Culture Unit		
Operations Expenditure Total	133	60
Capital Expenditure Total	-	-
Auto Museum		
Operations Expenditure Total	8	8
Capital Expenditure Total	-	-
<b>City Development &amp; Marketing</b>	<b>3,929</b>	<b>3,572</b>
Operations Expenditure	3,929	3,572
Capital Expenditure	-	-



<b>OPERATING and CAPITAL Expenditure (Excluding Internal Services Costs and Non-Cash Expenses - Depreciation and Asset Disposal Losses)</b>	<b>2019 \$000</b>	<b>2018 \$000</b>
<b>Other Community Amenities</b>	<b>5,647</b>	<b>2,377</b>
Operations Expenditure Other	1,850	1,790
Public Toilets (Excl Parks Facilities)	242	252
Capital Expenditure	3,555	335
<b>Public Order &amp; Safety</b>	<b>605</b>	<b>652</b>
Operations Expenditure Other Animal Control & By Pound & RSPCA Funding	514	562
Capital Expenditure	91	90
	-	-
<b>Health</b>	<b>1,163</b>	<b>1,008</b>
Operations Expenditure	1,110	957
Immunisations	53	51
Capital Expenditure	-	-
<b>Community Planning</b>	<b>1,293</b>	<b>1,140</b>
Operations Expenditure	1,293	1,120
Capital Expenditure	-	20
<b>Planning Approvals</b>	<b>2,245</b>	<b>1,749</b>
Operations Expenditure Other	2,115	1,544
Heritage & Strategic Planning	30	30
Capital Expenditure	100	175
<b>Building Control</b>	<b>1,031</b>	<b>1,279</b>
Operations Expenditure	1,031	1,279
Capital Expenditure	-	-
<b>Garbage Collection &amp; Disposal</b>	<b>6,280</b>	<b>7,945</b>
Garbage Collection	3,625	3,460
Hard Goods Collection	60	60
Garbage Collection Rates Remission	2	2
Garbage Disposal	2,593	2,908
Capital Expenditure	-	1,515
<b>Fire Levy</b>	<b>7,974</b>	<b>7,624</b>
Operations Expenditure	7,959	7,535
Fire Levy Rates Remission	15	89
Capital Expenditure	-	-
<b>Flood Protection</b>	<b>1,139</b>	<b>1,537</b>
Operations Expenditure	899	872
Capital Expenditure	240	665

<b>OPERATING and CAPITAL Expenditure (Excluding Internal Services Costs and Non-Cash Expenses - Depreciation and Asset Disposal Losses)</b>	<b>2019 \$000</b>	<b>2018 \$000</b>
<b>Cemetery &amp; Crematoria</b>	<b>1,537</b>	<b>1,298</b>
Operations Expenditure	1,192	1,158
Capital Expenditure	345	140
<b>Recreational Facilities</b>	<b>24,577</b>	<b>22,155</b>
Operations Expenditure	19,562	17,533
Capital Expenditure	5,015	4,622
Swimming Pools		
Operations Expenditure Total	5,267	4,915
Capital Expenditure Total	575	725
Community Halls		
Operations Expenditure Total	159	198
Capital Expenditure Total	-	189
Albert Hall		
Operations Expenditure Total	184	382
Capital Expenditure Total	-	-
Sporting Grounds		
Operations Expenditure Total	4,770	3,669
Capital Expenditure Total	965	2,683
Parks & Gardens		
Operations Expenditure Total	9,182	8,368
Capital Expenditure Total	3,475	1,025
<b>Roads &amp; Traffic</b>	<b>13,760</b>	<b>19,947</b>
Operations Expenditure Other	2,739	3,174
Bridges	-	-
Urban Roads	1,435	1,572
Rural Roads	1,926	2,101
Capital Expenditure	7,660	13,100
<b>Street Lighting</b>	<b>1,200</b>	<b>2,400</b>
Operations Expenditure	1,200	1,400
Capital Expenditure	-	1,000
<b>Street Cleaning</b>	<b>2,179</b>	<b>2,367</b>
Operations Expenditure	2,179	2,267
Capital Expenditure	-	100
<b>Parking Facilities</b>	<b>3,742</b>	<b>3,936</b>
Operations Expenditure Other	3,239	3,025
Park & Ride (Tiger Bus)	263	255
Capital Expenditure	240	655

<b>OPERATING and CAPITAL Expenditure (Excluding Internal Services Costs and Non-Cash Expenses - Depreciation and Asset Disposal Losses)</b>	<b>2019 \$000</b>	<b>2018 \$000</b>
<b>Stormwater Drainage</b>	<b>3,277</b>	<b>2,765</b>
Operations Expenditure	2,557	2,155
Capital Expenditure	720	610
<b>Interest Expense</b>	<b>491</b>	<b>137</b>
<b>Loan Repayments</b>	<b>6,569</b>	<b>8,407</b>
	<b>113,059</b>	<b>115,675</b>

<b>Trading and Major Facilities (excluding Full Cost Attribution and Competitive Neutrality)</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
<b>Parking Income</b>		
Fees	7,453	6,685
Concessions Reimbursed	126	194
	<b>7,579</b>	<b>6,879</b>
<b>Less Expenses</b>		
Operations	3,702	3,536
Depreciation	415	345
	<b>4,117</b>	<b>3,881</b>
<b>Net Income (Expenses)</b>	<b>3,462</b>	<b>2,998</b>
Capital Works	240	655
<b>Launceston Waste Centre Income</b>		
Fees	6,489	6,589
Concessions Reimbursed	390	275
	<b>6,879</b>	<b>6,864</b>
<b>Less Expenses</b>		
Operations	2,950	3,164
Depreciation	521	659
Amortisation	311	305
	<b>3,782</b>	<b>4,128</b>
<b>Net Income (Expenses)</b>	<b>3,097</b>	<b>2,736</b>
Capital Works	-	1,515

<b>Trading and Major Facilities (excluding Full Cost Attribution and Competitive Neutrality)</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
<b>Queen Victoria Museum and Art Gallery</b>		
<b>Income</b>		
Fees	406	369
Grants and Donations	1,760	1,720
	<b>2,166</b>	<b>2,089</b>
<b>Less Expenses</b>		
Operations	5,892	5,674
Depreciation	886	819
	<b>6,778</b>	<b>6,493</b>
<b>Net Income (Expenses)</b>	<b>(4,612)</b>	<b>(4,404)</b>
Capital Works	145	340
<b>Launceston Aquatic</b>		
<b>Income</b>	<b>4,164</b>	<b>3,695</b>
<b>Less Expenses</b>		
Operations	5,214	4,851
Depreciation	857	782
	<b>6,071</b>	<b>5,633</b>
<b>Net Income (Expenses)</b>	<b>(1,907)</b>	<b>(1,938)</b>
Capital Works	575	700
<b>York Park (inc Events Trading)</b>		
<b>Income</b>	<b>2,185</b>	<b>1,299</b>
<b>Less Expenses</b>		
Operations	3,501	2,374
Depreciation	973	916
	<b>4,474</b>	<b>3,290</b>
<b>Net Income (Expenses)</b>	<b>(2,289)</b>	<b>(1,991)</b>
Capital Works	885	2,343
<b>Inveresk Precinct Management</b>		
<b>Income</b>	<b>136</b>	<b>244</b>
<b>Less Expenses</b>		
Operations	689	544
Depreciation	240	399
	<b>929</b>	<b>943</b>
<b>Net Income (Expenses)</b>	<b>(793)</b>	<b>(699)</b>
Capital Works	-	-

<b>Trading and Major Facilities (excluding Full Cost Attribution and Competitive Neutrality)</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
<b>Carr Villa Cemetery and Crematoria</b>		
Income	1,266	1,216
<b>Less Expenses</b>		
Operations	1,192	1,158
Depreciation	129	126
	<b>1,321</b>	<b>1,284</b>
<b>Net Income (Expenses)</b>	<b>(55)</b>	<b>(68)</b>
Capital Works	345	140
<b>Visitor Information Centre</b>		
Income		
Fees	122	119
Grants	120	122
	<b>242</b>	<b>241</b>
<b>Less Expenses</b>		
Operations	534	541
Depreciation	4	5
	<b>538</b>	<b>546</b>
<b>Net Income (Expenses)</b>	<b>(296)</b>	<b>(305)</b>
Capital Works	- -	- -

## Valuation and Rating Details

	2019	2018
<b><u>Valuation and Rating</u></b>		
The Assessed Annual Value upon which the Estimates are calculated	\$	\$
<i>Based on values from 1st July, 2016</i>	629,109,370	629,109,370
<i>Adjusted AAV from 1 July, 2016</i>	629,568,321	629,109,370
<b><u>Rates Council Services</u></b>	<b>Cents/\$AAV</b>	<b>Cents/\$AAV</b>
General	7.4383	7.2042
Residential	7.4383	7.2042
Commercial	7.7017	7.4919
Commercial (CBD)	9.2035	8.9528
Industrial	7.8436	7.6300
Primary Production	7.7017	7.6124
Public Service	7.7086	7.4986
Quarry and Mining	5.1139	4.9746
Sport and Recreation	7.3562	7.1558
Vacant (non-use)	6.8146	6.6290
<b><u>Rates on behalf of State Government</u></b>		
Urban Fire Levy	1.4580	1.3847
Lilydale Country Fire District Levy	0.3951	0.3758
Rural Fire Levy	0.3677	0.3317
<b><u>Minimum Rates and Charges</u></b>	<b>\$</b>	<b>\$</b>
General (Charge)	282.70	275.00
Fire Levy	40.00	39.00
<b><u>Charges Council Services</u></b>	<b>\$</b>	<b>\$</b>
Waste Management - per 85 litre bin	105.00	102.00
Waste Management - per 140 litre bin	105.00	102.00
Waste Management - per 240 litre bin	221.00	215.00
<i>As of the 2016/2017 year the 85 litre bin is no longer available</i>		

	<b>2019</b>	<b>2018</b>
	<b>\$000</b>	<b>\$000</b>
<u>Rates and Charges Summary</u>		
General Rate		
Residential	27,626	26,772
Commercial	9,599	9,351
Industrial	3,006	2,930
Primary Production	898	890
Public Service	3,129	3,043
Quarry and Mining	5	5
Sport and Recreation	233	234
Vacant (non-use)	511	501
General Charge	10,072	9,784
	<u>55,079</u>	<u>53,510</u>
Waste Management Charge	3,607	3,471
	<u>58,686</u>	<u>56,981</u>
CBD Promotional Services	516	504
	<u>59,202</u>	<u>57,485</u>
Growth Budgeted	288	-
	<u>59,490</u>	<u>57,485</u>
Fire Levy	7,959	7,535
Total Rates and Charges	<u>67,449</u>	<u>65,020</u>
<u>Rate Remissions</u>		
General	226	189
General - Retirement Homes	700	712
	<u>926</u>	<u>901</u>
Fire General	14	14
Fire General - Retirement Homes	-	75
	<u>14</u>	<u>89</u>
	<u>940</u>	<u>990</u>
<b>Income</b>		
City Rates (Differential Component)	516	504
	<u>516</u>	<u>504</u>
<b>Expenses</b>		
Operations	516	504
<b>Surplus/(Deficit)</b>	<u>-</u>	<u>-</u>

	<b>2019</b>	<b>2018</b>
	<b>\$000</b>	<b>\$000</b>
<u>CBD Promotional Budget</u>		
<b>Income</b>		
City Rates (Differential Component)	516	504
	516	504
<b>Expenses</b>		
Operations	516	504
<b>Surplus/(Deficit)</b>	-	-

	<b>2019</b>	<b>2018</b>
Variation in General Rate (cents per \$AAV)		
From Residential	1.7652	1.7486
From Commercial	1.5018	1.4609
	<b>\$000</b>	<b>\$000</b>

State Fire Commission

<b>Income</b>		
Fire Rate	7,959	7,535
Interest	15	15
	<u>7,974</u>	<u>7,550</u>
<b>Expenses</b>		
Fire Levy	7,959	7,535
Remissions	-	89
<b>Surplus/(Deficit)</b>	<u>15</u>	<u>(74)</u>

The Council is required under legislation to collect Fire rates on behalf of the State Fire Commission.