

# **City of Launceston**

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

## **Statements and Schedules**

Included below are statements and schedules that will form part of the publicly released Statutory Estimates document.

<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	7,686	7,535
Fees	24,365	22,063
Grants and Contributions	7,701	7,022
Grants - Capital	575	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>107,844</u>	<u>112,944</u>
<u>Expenses</u>		
Labour	42,206	39,115
Materials and Services	19,288	19,383
Combined System Contribution	1,907	1,465
Electricity and Gas	3,361	3,160
Water, Wastewater and Land Tax	1,565	1,439
Contributions	2,630	2,553
Administrative	5,448	4,942
Interest	491	137
Rehabilitation Provision	311	305
Asset Disposal Loss	520	0
Fire Commission Levy	7,686	7,535
Remissions and Abatements	940	992
Depreciation	20,728	20,436
	<u>107,081</u>	<u>101,462</u>
Operating Surplus (Deficit)	763	11,482
Less Capital Grants and Interest	(575)	(10,196)
Underlying Operating Surplus (Deficit)	<u>188</u>	<u>1,286</u>

*Note: Information has not as yet been received from the State Fire Commission as to the amount required to be raised. Provisional estimates have been included.*

<b>Funds (Cash) Statement</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
<u>Source</u>		
Net Cash from Operating Activities	22,321	31,260
Loan Proceeds	10,500	10,500
	<u>32,821</u>	<u>41,760</u>
<u>Application</u>		
Capital Expenditure		
Capital Funds	20,175	16,393
Grant Funds	575	10,155
Future Works Provision	-	-
	<u>20,750</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>27,319</u>	<u>34,955</u>
Net Cash Generated (Expended)	<u>5,502</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)	188	1,286
Loss on Disposal of Fixed Assets	520	-
Grants and Contributions - Capital	575	10,155
Interest Earnings - Capital	-	41
Change in Net Assets from Operations	<u>1,283</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	648	635
Amortised Depreciation	311	305
	<u>21,038</u>	<u>20,741</u>
Net Cash from Operating Activities	<u>22,321</u>	<u>31,260</u>

## Contributions, Community and Events Support

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	514	504	500
<u>Regional Cooperation</u>			
Regional Cities	0	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>			
Active Launceston	47	47	47
NTCA	299	293	289
Conference & Business Incentives	64	60	20
Business Events Tasmania	50	50	25
Theatre North	200	196	193
	<u>660</u>	<u>646</u>	<u>574</u>
Total Contributions	<u><b>1,960</b></u>	<u><b>1,914</b></u>	<u><b>1,752</b></u>
<b>Community Assistance</b>			
Community Assistance	<u>73</u>	<u>70</u>	<u>62</u>
<b>Events Sponsorship</b>			
Major Events	165	200	170
Signature Event	220	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><b>644</b></u>	<u><b>613</b></u>	<u><b>371</b></u>

## 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	227	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>5,416</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	510	275	208
	<u>636</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>1,594</u>	<u>1,478</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	20,750
Less Capital Grants	575
	<u>20,175</u>
Type of Work	
Renewal	12,423
Upgrade	2,405
Addition	5,922
Gross Funding	<u>20,750</u>
Renewal & Upgrade	<u>71%</u>
Additions	<u>29%</u>

<b>OPERATING and CAPITAL Expenditure (Excluding Non-Cash Expenses - Depreciation and Asset Disposal Losses)</b>	<b>2019 \$000</b>	<b>2018 \$000</b>
Governance	3,085	2,628
Organisational Support	10,837	10,424
Technical & Logistics Support	3,979	3,451
Cultural Facilities	6,620	6,878
Economic Development & Promotion	3,929	3,572
Other Community Amenities	2,522	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	6,160	7,945
Fire Levy	7,701	7,624
Flood Mitigation	4,939	1,537
Cemetery & Crematoria	1,537	1,298
Recreational Facilities	24,417	22,155
Roads & Traffic	12,920	19,947
Street Lighting	1,200	2,400
Street Cleaning	2,179	2,367
Parking Facilities	4,142	3,936
Stormwater Drainage	3,277	2,765
Interest Expense	491	137
Loan Repayments	6,569	8,407
Future Works Provision	0	0
	<u>112,841</u>	<u>115,675</u>
<b>Financed by:</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Operating Revenues (Excl Capital)	107,269	102,748
Grants and Contributions	575	10,196
Operating Revenues	<u>107,844</u>	<u>112,944</u>
Prior Year Funding	0	-963
Loan Proceeds (Gross)	10,500	10,500
	<u>118,344</u>	<u>122,481</u>
Net Cash Generated (Expended)	<u>5,503</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 Non-Cash Expenses - Depreciation and Asset Disposal Losses)</b>	<b>2019 \$000</b>	<b>2018 \$000</b>
<b>Governance</b>	<b>3,085</b>	<b>2,628</b>
Operations Expenditure Other	1,042	1,059
TRNRM Contribution	119	117
LGAT Contribution	66	65
Election Costs	280	0
Pensioner Concessions-Parking	126	194
Pensioner Concessions-Refuse	510	275
Pensioner Concessions-Waste Levy	18	18
Rates Remission - General	924	901
Capital Expenditure	0	0
<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>6,620</b>	<b>6,878</b>
Operations Expenditure Total	6,320	6,083
Capital Expenditure Total	300	796
Princess Theatre		
Operations Expenditure Total	420	400
Capital Expenditure Total	175	456
QVMAG		
Operations Expenditure Total	5,759	5,614
Capital Expenditure Total	125	340
Arts & Culture Unit		
Operations Expenditure Total	133	60
Capital Expenditure Total	0	0
Auto Museum		
Operations Expenditure Total	8	8
Capital Expenditure Total	0	0
<b>City Development &amp; Marketing</b>	<b>3,929</b>	<b>3,572</b>
Operations Expenditure	3,929	3,572
Capital Expenditure	0	0

	<b>2019</b>	<b>2018</b>
	<b>\$000</b>	<b>\$000</b>
<b>Other Community Amenities</b>	<b>2,522</b>	<b>2,377</b>
Operations Expenditure Other	1,850	1,790
Public Toilets (Excl Parks Facilities)	242	252
Capital Expenditure	430	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
	0	0
<b>Health</b>	<b>1,163</b>	<b>1,008</b>
Operations Expenditure	1,110	957
Immunisations	53	51
Capital Expenditure	0	0
<b>Community Planning</b>	<b>1,293</b>	<b>1,140</b>
Operations Expenditure	1,293	1,120
Capital Expenditure	0	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	0	0
<b>Garbage Collection &amp; Disposal</b>	<b>6,160</b>	<b>7,945</b>
Garbage Collection	3,625	3,460
Hard Goods Collection	60	60
Garbage Collection Rates Remission	2	2
Garbage Disposal	2,473	2,908
Capital Expenditure	0	1,515
<b>Fire Levy</b>	<b>7,701</b>	<b>7,624</b>
Operations Expenditure	7,685	7,535
Fire Levy Rates Remission	15	89
Capital Expenditure	0	0
<b>Flood Protection</b>	<b>4,939</b>	<b>1,537</b>
Operations Expenditure	899	872
Capital Expenditure	4,040	665

	<b>2019</b>	<b>2018</b>
	<b>\$000</b>	<b>\$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>24,417</b>	<b>22,155</b>
Operations Expenditure	19,562	17,533
Capital Expenditure	4,855	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	0	189
Albert Hall		
Operations Expenditure Total	184	382
Capital Expenditure Total	0	0
Sporting Grounds		
Operations Expenditure Total	4,770	3,669
Capital Expenditure Total	2,405	2,683
Parks & Gardens		
Operations Expenditure Total	9,182	8,368
Capital Expenditure Total	1,875	1,025
<b>Roads &amp; Traffic</b>	<b>12,920</b>	<b>19,947</b>
Operations Expenditure Other	2,739	3,174
Bridges	0	0
Urban Roads	1,435	1,572
Rural Roads	1,926	2,101
Capital Expenditure	6,820	13,100
<b>Street Lighting</b>	<b>1,200</b>	<b>2,400</b>
Operations Expenditure	1,200	1,400
Capital Expenditure	0	1,000
<b>Street Cleaning</b>	<b>2,179</b>	<b>2,367</b>
Operations Expenditure	2,179	2,267
Capital Expenditure	0	100
<b>Parking Facilities</b>	<b>4,142</b>	<b>3,936</b>
Operations Expenditure Other	3,239	3,025
Park & Ride (Tiger Bus)	263	255
Capital Expenditure	640	655

	<b>2019</b>	<b>2018</b>
	<b>\$000</b>	<b>\$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><u>112,841</u></b>	<b><u>115,675</u></b>

<b>Trading and Major Facilities (excluding Full Cost Attribution)</b>	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Parking</b>		
<b>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	640	655
<b>Launceston Waste Centre</b>		
<b>Income</b>		
Fees	6,489	6,589
Concessions Reimbursed	510	275
	<b>6,999</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>3,217</b>	<b>2,736</b>
Capital Works	-	1,515

<b>Trading and Major Facilities (excluding Full Cost Attribution)</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	125	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	2,335	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)</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
<b>Carr Villa Cemetery and Crematoria Income</b>	<b>1,266</b>	<b>1,216</b>
<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 Income</b>		
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	-	-