

ANNUAL REPORT 2016/17



City of
LAUNCESTON

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ANNUAL REPORT 2016/17

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Why we have an Annual Report

The Annual Report provides a comprehensive overview of the City of Launceston's activities during 2016/17 including an account of our performance to our community.

The Annual Report meets legislative requirements incorporating the results of council's performance in respect of goals and objectives set in the 2016/17 Annual Plan and details of our financial performance.

The document also provides an insight into the full extent of our operations, services to our community and how we are progressing with securing a positive future for Launceston.

Navigating the Annual Report

The Annual Report opens with a snapshot of the municipality and messages from the Mayor and General Manager.

The next section introduces the people within council starting with the Mayor and Aldermen, the Executive Management Committee and an employee overview.

The Year in Review section highlights our challenges and achievements against the 2016/17 Annual Plan Actions.

The final section of this report provides a detailed account of our financial performance.

ABOUT THE MUNICIPALITY

1,156ha
of parklands

240
parks, reserves and
conservation areas

794km
rivers within
the municipality

15
community halls

1,099
Tasmanian Heritage
Register listings

150
events

67,890
visitors to the Launceston
Visitor Information Centre

750.95km
council owned/maintained roads

135,163
tonnes of waste processed



Situated at the head of the Tamar Valley wine growing region, few places in the world can match this region's natural and historic charm. Residents enjoy an enviable way of life that is at once relaxing and invigorating – a lifestyle centred around a climate similar to the south of France, the great outdoors, a vibrant events calendar and arts scene as well as our world renowned local food and wine.

The City of Launceston boasts all the major facilities of a larger city, many of which are owned and operated by the City of Launceston. A large range of services for residents and visitors were also provided in the 2016/17 year through the council's six directorates – Infrastructure Services, Development Services, Facilities Management Services, Corporate Services, Major Projects and the Queen Victoria Museum & Art Gallery.

22,474
Customer Service requests

146,098
UTAS Stadium visitors

34.2ha
sports playing surfaces

52
sporting clubs and community groups leasing council facilities

402,448
Launceston Aquatic & Leisure Centre visitors

144,582
QVMAG visitors

55,000
Tiger bus users

67,181
Population

107,000
Greater Population

1,411km²
Area

210m²
per resident

447ha
of bushland

63
play spaces

11
dog off-leash areas (22.2ha)

VISION, MISSION, VALUES

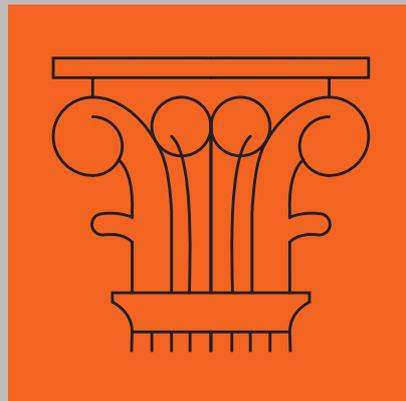
The City of Launceston's vision and mission are underpinned by our commitment to the following fundamental values. These values guide the way the council conducts its business and how the council delivers all of its activities and services for the benefit of the community.

Values



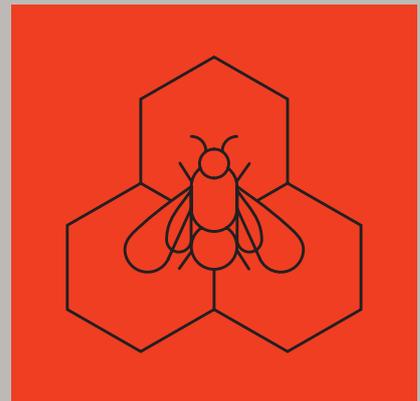
Integrity

- We behave ethically
- We tell the truth
- We keep our commitments
- We meet both the spirit and intent of the law



Inclusion

- We value diversity and respect the dignity of each person
- We value differences in people and perspectives
- We build relationships based on mutual trust
- We recognise the contributions of every individual



Teamwork

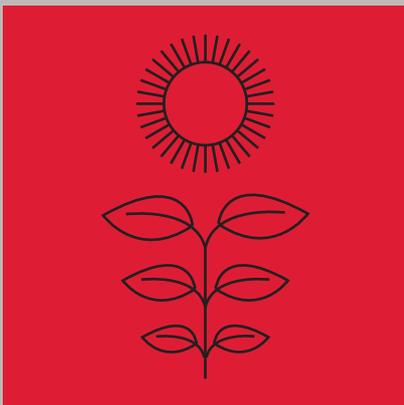
- We work together to achieve superior results
- We share ideas and talents to develop solutions
- We support and rely on each other
- We value clear and open communication

Vision

Launceston, proud of its heritage and inclusive community that is creative and sustainable, inspired by its diverse opportunities and rich, natural environment.

Mission

Working together to deliver quality and innovative services to our community.



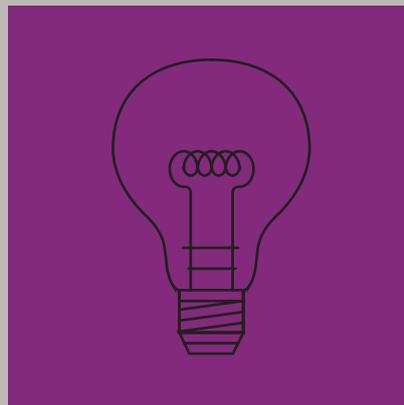
Stewardship

We care about people and the community in which we live

We operate safely

We are environmentally responsible

We strengthen the community



Initiative

We lead the way

We have the courage and creativity to shape the future

We have the discipline to manage risk

We act decisively in a timely manner



Accountability

We take responsibility for our actions

We live our values

We set clear goals, measure results and seek to improve

We build and protect the Launceston brand and reputation

MAYOR'S MESSAGE



There's no doubt the City of Launceston in a decade from now will look markedly different to the city of today.

There is so much to be excited about if you're living in this wonderful city.

Over the past year, we have witnessed many incredible achievements. The Launceston City Deal will change Launceston for the better over the coming decade and beyond. The deal will underpin much of what we, as a council, hope to achieve now and into the future. It aims to tackle long-standing challenges for the city like the health of the Tamar River Estuary as well as to create new opportunities for the northern suburbs.

The revitalisation of the municipality is a key focus for the City of Launceston. Our aim is to make Launceston the most liveable city in the country - and I firmly believe we are walking along that very path.

We have seen the redevelopment of the Quadrant Mall, making it one of the most beautiful and amenable public spaces in the city. But there's much more to come with the planned redevelopment of the Brisbane Street Mall, the incredibly exciting North Bank project, the St John Street redevelopment and of course, Civic Square.

There's much to be excited about with the planned relocation of the University of Tasmania Inner City Campus.

This \$260M project will bring about generational change the city has never experienced.

Not only is it the single largest investment project in this city's history, but the educational and economic benefits that will flow on from a university on the doorstep of our city will create wealth, drive employment across the entire region and of course markedly improve the future aspirations of our youth for decades to come.

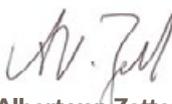
It has the potential to bring about generational change for Northern Tasmania, and that's certainly something we as a community should embrace and not be fearful of.

Investment across Launceston is also booming, with the Silos Hotel Project on track to open in early 2018. We also have a number of other hotels in the pipeline, which will bring more tourists to our beautiful city and help drive more investment dollars into our growing economy.

The future of Launceston, as a municipality, looks bright and prosperous.

There's no doubt the City of Launceston in a decade from now will look markedly different to the city of today.

There will be change, but I firmly believe that it will be a change for the betterment of all its residents.


Albert van Zetten
Mayor

GENERAL MANAGER'S REPORT



The undoubted highlight of the past year has been the signing of the Launceston City Deal.

The signing of the Launceston City Deal has been one of the most exciting developments for the City of Launceston and Northern Tasmania in many decades.

Only the second such deal in Australia, the Launceston City Deal represents a strategic partnership between local, state and federal governments, unprecedented in Tasmania.

The City of Launceston worked for many months with its counterparts in the state and federal governments to finalise the Launceston City Deal, which sets out a vision for better educational and job opportunities, regional economic growth and rising incomes.

The 2016/17 financial year has marked significant progress on a range of fronts for the City of Launceston.

Major infrastructure projects like a new landfill cell, the stage two upgrade of the Seaport-Royal Park boardwalk, and St Leonards athletics track resurfacing have been initiated, as the council readies to lodge Development Applications for the North Bank redevelopment.

The council has started construction of the Civic Square redevelopment as part of the Launceston City Heart Project, undertaken a roll-out of LED street lights across the municipality,

and finally resolved the fate of the controversial C.H. Smith site in partnership with private enterprise and the state government.

In the past three years, the City of Launceston has approved \$418M worth of development, and has been active in attracting new investment to the city.

With the completion of the \$58M flood levee reconstruction project, Launceston's waterfront has opened up for public use in ways that have simply not been possible before.

Private properties along the banks of the North Esk River once owned those banks, until the council acquired them to allow the reconstruction of the 1-in-200 year standard flood levees that are designed to protect the city from inundation.

Now that the levees are built, we have river banks that are open for public recreation and events, and both residents and investors clearly have an eye to the possibilities this creates.

The year ahead will see these possibilities explored further through the \$9M North Bank redevelopment, which promises to create an exciting new recreational hub for residents, and which will feature a fantastic all-abilities playground.

We will see the construction of a new pedestrian and cycling bridge from the Seaport to North Bank, to open up access to the site.

Importantly, the council has been engaging with other tiers of government on ways to improve the health of the Tamar River Estuary, with the establishment of a new governance authority, a stated outcome of the Launceston City Deal.

Among all this exciting work is the \$260M University of Tasmania relocation, which promises to herald in a new era of improved educational outcomes in Northern Tasmania, as well as a massive capital investment on the doorstep of Launceston's CBD.

There are some \$800M worth of projects on the books for the City of Launceston in the decade ahead, including both private and public projects, and the city is poised to take advantage of its tourism, cultural and economic assets in ways that we've not seen before.

There are some incredibly exciting and transformational projects that are about to be realised in Launceston, and the City of Launceston will continue to take a lead role in ensuring we maintain the best of what our city has to offer, while also ensuring Launceston is a contemporary and forward-facing city which is open for business and open to new opportunities.

A handwritten signature in black ink, appearing to read 'Robert Dobrzynski'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert Dobrzynski
General Manager

COUNCIL PROFILE

Launceston was proclaimed a municipality by an Act of Parliament on 30 October 1852, 47 years after it was founded. The boundaries extended less than 2km from the centre of the town. Seven Aldermen were elected to the Launceston Town Council on 1 January 1853, at the first local government elections held in Van Diemen's Land. The Aldermen elected the first Mayor, Alderman William Stammers Button, later that day at the first meeting of the Town Council.

On 8 May 1985, the councils of Launceston city, St Leonards and Lilydale were amalgamated to form the new City of Launceston. After this amalgamation, a number of rural areas were included in the municipality's boundary. The most recent boundary changes were in 1992 when parts of Prospect and Relbia were included within the municipality's boundary.

The City of Launceston municipal area has grown to approximately 1,411km² and is served by 12 Aldermen, one of whom is the Mayor, and 564 employees. Launceston is the largest council in Tasmania in terms of population.

Council meetings

Council meetings are held every second Monday and the schedule is published on the council's website. The meetings start at 1pm in the Town Hall Council Chambers. Council meetings are open to the public. The public is able to ask questions of the council during public question time at the start of each meeting, as well as being able to speak to items prior to council consideration during the meeting. From time to time, a special meeting of council is convened in accordance with regulation 4(1) (b) or (6) of the *Local government (Meeting Procedures) Regulations 2015*. Additionally, section 72B of the *Local Government Act 1993* requires council to hold an Annual General Meeting, held on the first Monday in December.

Council representatives

The Mayor and 11 Aldermen have specific powers, responsibilities and duties as set out in the *Local Government Act 1993*.

Council elections

The Mayor and 11 Aldermen are elected for a four-year term in an 'all-in all-out' election which means the elected representatives have a four-year term including the positions of Mayor and Deputy Mayor. Local government elections were last held in October 2014.



Each year the council spends about \$12.3M on building and maintaining roads and bridges and a further \$3.7M on road-related projects (street cleansing \$2.2M and street lighting \$1.5M).

Employment

In 2016/17, the council employed 564 individuals (440.99 full-time equivalents), covering a broad range of professions across the council's six directorates plus the General Manager's Office.

Road network

The council maintains more than 750.95km of roads (including 385.1km of urban roads and 365.85km of rural roads and a further 13.02km shared responsibility with the state). The state government is responsible for a further 153.59km of roads including 14 bridges in the Launceston municipality. The council also maintains 69 bridges.

Each year the council spends about \$12.3M on building and maintaining roads and bridges and a further \$3.7M on road-related projects (street cleansing \$2.2M and street lighting \$1.5M).

Launceston's clock tower

Parks and recreation

Launceston is renowned for its established parks, gardens and wide range of recreation facilities, which are unrivalled when compared to other similar-sized communities across Australia. The council owns, maintains and/or manages a total of 240 parks, reserves and conservation areas, which includes more than 1,156 hectares of parklands with more than 29,000 trees (not including bushland trees) across the municipal area.

The council owns and operates the Launceston Leisure & Aquatic Centre, used by locals and visitors alike, as well as the University of Tasmania Stadium, which hosts major sporting events including AFL matches.

In addition, the council facilitates and sponsors many community recreational programs, including the Active City Park Program and Active Launceston.

The arts

Our city is recognised for its vibrancy in the arts, which not only makes Launceston a great place to live but also presents us as a very attractive tourism and conference destination, bringing considerable income to local businesses.

The council owns and/or operates many notable cultural facilities including the Queen Victoria Museum & Art Gallery (QVMAG), Princess Theatre, Earl Arts Centre and Albert Hall.

ALDERMEN PROFILES



Mayor **Albert van Zetten**

Mayor van Zetten was first elected in 2005 and elected as Mayor in October 2007. He spent 18 years as the Chief Executive Officer of Launceston City Mission and is the director of his own company. Mayor van Zetten has more than 30 years' experience as a chartered accountant and has been actively involved with several community organisations.

Deputy Mayor Alderman **Rob Soward**

Alderman Rob Soward was elected in 2009, and elected as Deputy Mayor in 2014. He has a strong community and sporting background including 24 years as a teacher with the Department of Education. Alderman Soward holds a Bachelor of Education degree and Master of Education degree. Alderman Soward is a past director of the Northern Tasmanian Football League, a past director of Connect (MyState Ltd) and has been an Australian Rules Football coach for 23 years. Alderman Soward was awarded the Frank MacDonald Memorial Prize and represented Tasmania and Australia in Gallipoli, France and Belgium at a range of commemorative ANZAC services. Alderman Soward is a White Ribbon Ambassador and a past member of the University of Tasmania's Alumni Committee.

Alderman **Robin McKendrick**

Alderman McKendrick was first elected in 1981. In 1988, he served as Deputy Mayor. Alderman McKendrick has a retailing and investment background and strong sporting and community interests.

Alderman **Ted Sands**

Alderman Sands was first elected in 1999. He served as an Alderman until 2002 and was re-elected in 2005. He has interests in landscaping, renovations, house building and fitness training. Alderman Sands is also heavily involved in the community, assisting older Australians with their day-to-day activities and delivering Meals on Wheels.

Alderman **Hugh McKenzie**

Alderman McKenzie was elected in October 2011. He is a chartered accountant and was a partner in accounting and business advisory firm KPMG for 24 years, until his retirement in June 2011; he continues as a consultant to the firm. Alderman McKenzie is also a board member and chair of Primary Health Tasmania, and a National and Regional Councillor for Chartered Accountants Australia and New Zealand. He has been actively involved in many sports over the years, including football, cricket, tennis, golf and cycling including past president of the Stan Siejka Launceston Cycling Classic.

Alderman McKenzie has had a long involvement in education as a board member of Scotch Oakburn College for 17 years, of which six were as chairman. Alderman McKenzie is also involved in a number of charities and community organisations including, Moonbeam Children's Committee, Cape Hope Foundation and Tamar Valley Peace Trust.

Alderman **Jim Cox**

Alderman Cox was elected in October 2011. He spent more than 20 years as a member of the Tasmanian Government, having held several portfolios including Road Safety, for which he still has a strong passion for. He sees his role as Alderman as an opportunity to give something back to a community that has supported him for many years.

Alderman **Danny Gibson**

Alderman Gibson was elected in October 2011. He is committed to Launceston, having enjoyed a professional career in Northern Tasmania in education, media and the arts. He is a volunteer, supporter and patron of many not-for-profit organisations and currently teaches drama to the region's young people. Alderman Gibson has been a long-time supporter of the city's arts sector and believes Launceston's heritage delivers important economic benefits to the city.

Alderman **Janie Finlay**

Alderman Finlay was first elected in 2000 and served as Mayor from 2002 to 2005. Elected Mayor at just 27 years of age, Alderman Finlay was the youngest female Mayor to serve in Australia. In 2007 she resigned from the council to pursue other interests, including serving as a director of NAI Harcourts, director of the Tasmanian Symphony Orchestra and chairman of the Launceston Tornadoes; she has also operated two award-winning small hospitality businesses and in 2015 partnered with a global health and wellness company. Alderman Finlay was elected to council again in 2014, bringing her experience in the not-for-profit and business sectors back to the City of Launceston. Alderman Finlay has a strong focus on family, maintaining Launceston's

- 1 **His Worship the Mayor,**
Aldermen Albert van Zetten
- 2 **Deputy Mayor,**
Alderman Rob Soward
- 3 **Alderman** Robin McKendrick
- 4 **Alderman** Ted Sands
- 5 **Alderman** Hugh McKenzie
- 6 **Alderman** Jim Cox
- 7 **Alderman** Danny Gibson
- 8 **Alderman** Janie Finlay
- 9 **Alderman** Darren Alexander
- 10 **Alderman** Emma Williams
- 11 **Alderman** Simon Wood
- 12 **Alderman** Karina Stojansek

unique character, and has a passion for good governance. Alderman Finlay is committed to working with leading organisations and community members to see Launceston become one of the great regional cities of the world.

Alderman **Darren Alexander**

Alderman Alexander was first elected in 2014 and believes a strong private sector is vital to the success of the Northern Tasmanian region. He has been a vocal advocate for the state's ICT industry for more than a decade and has represented the sector on numerous boards and committees. In 1993 he founded technology company Autech in Launceston. Today the multi-award winning company employs a staff of 15 and has sold more than one million copies of its proprietary colour visualisation software.

Alderman Alexander has a passion for small business and the National Broadband Network (NBN) and in 2013 was appointed a 'Digital Champion' of the NBN by the Prime Minister. He has served as: a director of the Department of State Growth's Tasmanian Development Board; a member of the Brand Tasmania Council; president of TAS ICT and a vice-chairman of the Digital Futures Advisory Council and Business Events Tasmania Board.

Alderman **Emma Williams**

Alderman Williams was elected in November 2014. With a background in environmental science, natural resource management and international community development, she has a strong commitment to the health and sustainability of the Launceston community. Alderman Williams is a supporter of volunteer-based activities and approaches that celebrate the diversity, culture and environment of the City of Launceston.

Alderman **Simon Wood**

With more than 20 years' experience in Launceston as a small business operator, Alderman Wood is a strong supporter of Northern Tasmania's private sector. He believes it is vital to create new employment and study options for Northern Tasmania's young people and an environment that provides opportunities for young people in Tasmania. Along with serving on several boards and school committees and undertaking advocacy work for Northern Tasmania's small business sector, he and his wife are also raising their young family in Launceston. Alderman Wood was first elected in 2014 and is determined to work with his fellow Aldermen and other stakeholders to ensure Launceston's social and economic future burns bright.

Alderman **Karina Stojansek**

Alderman Karina Stojansek was elected in 2015. She has more than 20 years' senior management experience in small to medium organisations, most recently as the general manager of a statewide IT training organisation. Alderman Stojansek studied a Bachelor of Commerce at the University of Tasmania and has extensive skills in accounting, human resources and business management.

Alderman Stojansek is currently on the board of the local Steiner School and has served on various committees such as the RSPCA and the Trevallyn Tennis Club, holding positions as president, treasurer and secretary.

She has been involved with the migrant community, delivering a program called 'Foot in the Door', which helped migrants find employment.

Alderman Stojansek has a passion for community and believes strongly in the importance of health, family, an active lifestyle and building a vibrant, dynamic, connected and inclusive community.

Aldermen represented on the council's internal and external committees

Council Committees convened under section 23 of the *Local Government Act 1993* (the Act)

Strategic Planning & Policy Committee

All Aldermen

General Manager's Contract & Performance Review Committee

Alderman A M van Zetten
Alderman R I Soward
Alderman J G Cox
Alderman J Finlay
Alderman S R F Wood

Special Committees convened under section 24 of the Act

Audit Panel

Alderman D H McKenzie
Alderman J Finlay

Independent Committee Members

Mark Scanlon (chair)
Lyndal Kimpton

Australia Day, Awards & Hall of Fame Committee

Alderman R I Soward
Alderman D C Gibson
Alderman S R F Wood

Cataract Gorge Advisory Committee

Alderman E K Williams
Alderman J Finlay

Community Grants (Organisations) Program

Alderman D C Gibson
Alderman K P Stojansek
Alderman E K Williams

Events Sponsorship Assessment Panel (formerly the Events Sponsorship Program)

Alderman D C Gibson
Alderman E K Williams
Alderman K P Stojansek

Heritage Advisory Committee

Alderman D H McKenzie
Alderman J Finlay

Heritage Forest Advisory Committee

Alderman R I Soward
Alderman D H McKenzie

Launceston Access Advisory Committee

Alderman D H McKenzie

Launceston City Heart Reference Group

Alderman D W Alexander
Alderman S R F Wood
Alderman K P Stojansek

Launceston Sister City Committee

Alderman J G Cox
Alderman R I Soward
Alderman R L McKendrick

North Bank Committee

Alderman R I Soward
Alderman J Finlay
Alderman S R F Wood

Northern Youth Co-ordinating Committee

Alderman D C Gibson

NTCA Ground Management Committee

Alderman A M van Zetten

Pedestrian and Bike Committee

Alderman D H McKenzie
Alderman K P Stojansek

QVMAG Governance Advisory Board

Alderman A M van Zetten
Alderman R I Soward as proxy with voting rights

Scholarships & Bursary Committee

Alderman D C Gibson
Alderman E K Williams

Street Tree Advisory Group

Alderman R L McKendrick

Tender Review Committee

Alderman R L McKendrick
Alderman D H McKenzie
Alderman J G Cox
Alderman S R F Wood

Youth Advisory Group

Alderman E K Williams
Alderman S R F Wood
Alderman K P Stojansek

Authority convened under section 29 of the Act

York Park & Inveresk Precinct Authority (YPIPA)

Representative
Alderman D W Alexander
Alderman D H McKenzie

Authority convened under section 30 of the Act

Launceston Flood Authority (LFA) (s30 Local Government Act 1993)

Mayor of the Day

Committee convened under section 20(a) of the *Emergency Management Act 2006 (Tas)*

Municipal Emergency Management Committee

Alderman J G Cox

Council external committee membership (from resolutions of Council)

Australian Pacific Airports Launceston

Alderman D H McKenzie

Cityprom Limited

Alderman S R F Wood

Enterprize Tasmania Ltd

Alderman D W Alexander

Every Child Succeeds

Alderman K P Stojansek

Franklin House Management Committee

Alderman S R F Wood

Launceston College Association

Alderman R L McKendrick



Launceston Road Safety Consultative Committee

Alderman R L McKendrick
Alderman J G Cox

Launceston Safer Communities Partnership

Alderman J Finlay
Alderman D C Gibson

Local Government Association of Tasmania

Alderman A M van Zetten
Alderman R I Soward
(proxy)

Ravenswood Action Group

Alderman K P Stojansek

Regional Capitals Australia (RCA)

Alderman A M van Zetten

Tamar NRM Reference Group

Alderman D H McKenzie

TasWater Owners Representative

Alderman A M van Zetten
(Mayor of the Day)

Theatre North Inc.

Alderman D H McKenzie

University of Tasmania Northern Campus Engagement and Advisory Group

Alderman A M van Zetten
Alderman D H McKenzie

Council Meeting Attendance

From 1 July 2016 to 30 June 2017, there were a total of 23 Council Meetings, 21 Ordinary Council Meetings, 1 Special Council Meeting and an Annual General Meeting

Alderman van Zetten 21

Alderman Soward 22

Alderman McKendrick 22

Alderman Sands 20

Alderman McKenzie 22

Alderman Cox 18

Alderman Gibson 23

Alderman Finlay 21

Alderman Alexander 21

Alderman Stojansek 22

Alderman Wood 22

Alderman Williams 20

Strategic Planning and Policy Committee Meeting Attendance

From 1 July 2016 to 30 June 2017, there were 20 Strategic Planning and Policy Committee Meetings

Alderman van Zetten 14

Alderman Soward 18

Alderman McKendrick 19

Alderman Sands 15

Alderman McKenzie 18

Alderman Cox 12

Alderman Gibson 17

Alderman Finlay 20

Alderman Alexander 19

Alderman Stojansek 20

Alderman Wood 18

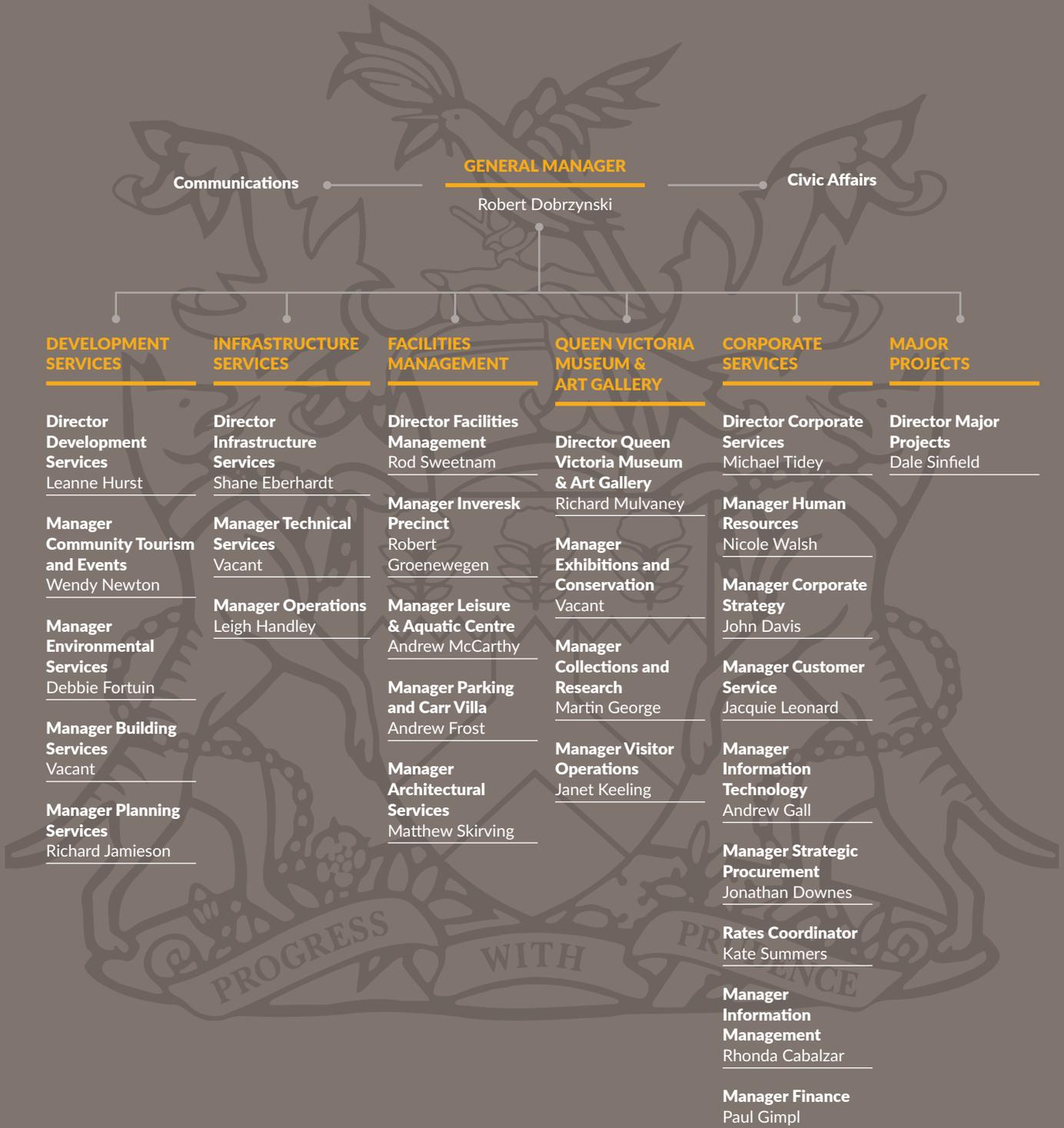
Alderman Williams 19

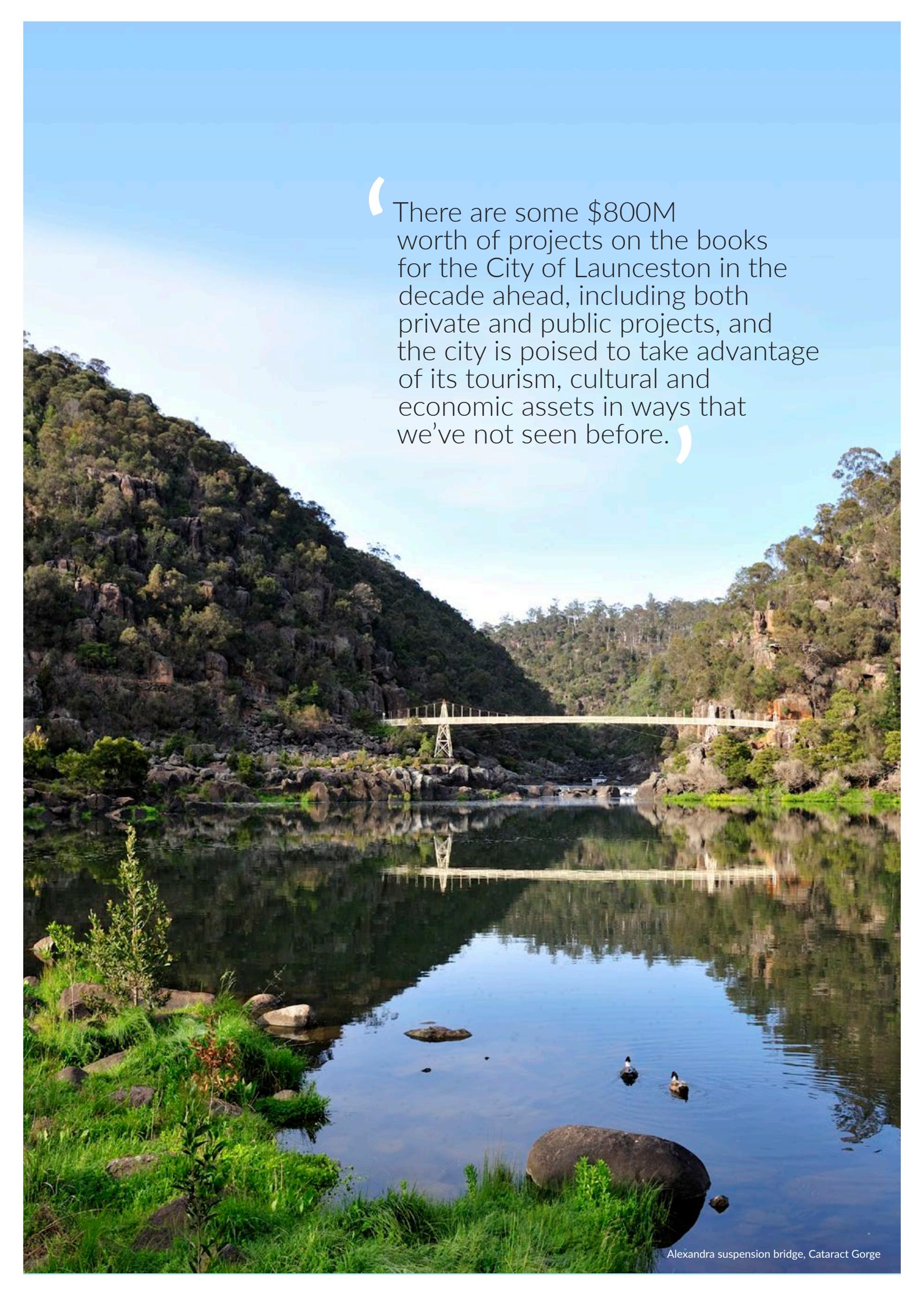
EXECUTIVE MANAGEMENT COMMITTEE



- 1 Robert Dobrzynski**
General Manager
- 2 Leanne Hurst**
Director Development Services
- 3 Rod Sweetnam**
Director Facilities Management
- 4 Dale Sinfeld**
Director Major Projects
- 5 Michael Tidey**
Director Corporate Services
- 6 Richard Mulvaney**
Director Queen Victoria
Museum & Art Gallery
- 7 Shane Eberhardt**
Director Infrastructure Services

Organisational Structure





There are some \$800M worth of projects on the books for the City of Launceston in the decade ahead, including both private and public projects, and the city is poised to take advantage of its tourism, cultural and economic assets in ways that we've not seen before.

EMPLOYEE PROFILES



Amanda Mayes at the Launceston Leisure & Aquatic Centre outdoor pool

Kelsey Hartland

Insurance Support Officer

Worked for council for 12 years

The primary focus of my role is to manage the council's insurance cover including the continuous review and management of the various insurance premiums and cover and the effective management of queries raised.

I get to meet and work with some truly great people with the council. I like being able to help members of the community with their concerns and also enjoy the investigation process.

Peter Denholm

Regulations Officer & Deputy Municipal Coordinator

Worked for council for six months

My role consists of applying sections of the local government acts and state legislation, most commonly in matters relating to the *Dog Control Act*, as well as dealing with litter offences, abandoned vehicles, and fire risk abatements over the summer period.

I have recently taken on an additional role of Deputy Municipal Coordinator, a great opportunity to contribute to the council's ability to respond to emergency situations. I enjoy the strong team spirit within council, and the opportunity my roles give me to keep the community safe and encourage civic pride.



Amanda Mayes

Aquatic Education & Training Coordinator
– Launceston Leisure & Aquatic Centre

Worked for council for 15 years

My role is to ensure the successful operation and delivery of the swim school. I coordinate the program and train centre staff in all areas of water safety including pool lifeguard, bronze medallion and first aid. I also recognise, develop and implement effective training programs to suit the business requirements and I am a member of the duty management team.

What I really love about working in my role for council is being able to promote and share the things I am very passionate about, which is water safety and the benefits of a safe and healthy lifestyle – all of which are covered through our learn-to-swim program and the water safety programs that we deliver through the centre.

What I really love about working in my role for council is being able to promote and share the things I am very passionate about.

A woman with long blonde hair, wearing a black jacket and a red skirt, stands on a wooden walkway with a metal railing. She is positioned in the lower center of the frame. The background consists of large, dark, layered rock formations and green foliage. The lighting is natural, suggesting an outdoor setting.

Kathryn Pugh

Environmental Scientist

Worked for council for 11 months

I'm an Environmental Scientist in the Natural Environment team. Primarily I am involved in stormwater management and waterways health, and I'm working towards a sustainability initiative. Where appropriate, I provide comment on the potential environmental impact and mitigation for development applications. I also work with the parks and roads services crews for tree plantings and drainage, with a bit of weeds and threatened species management thrown in for good measure.

I love the opportunity I have to contribute to my local community with a great team of people.

The museum's collection is the best and most varied I have ever worked with – even better than those I have curated overseas



Ross Brent

Cleansing Coordinator – City Services

Worked for council for 30 years

My role involves the coordination of cleansing across the entire Launceston municipality.

I manage a team of 15 staff and we ensure areas are hosed clean, car parks are clean, rubbish bins in all parks are emptied, gully pits are cleared and a lot more. We operate eight mechanical cleaning vehicles and machines to make the city sparkle.

Sunday morning is often the busiest day of the week and autumn is obviously the busiest season with all of the leaves dropping.

I have a fantastic team and we all take pride in cleaning the city before everything opens for business and maintaining the cleanliness during the day.

LEFT Kathryn Pugh in the Punchbowl Reserve

ABOVE Jon Addison with exhibits from the history collection at the QVMAG

Jon Addison

Curator, History – Queen Victoria Museum & Art Gallery

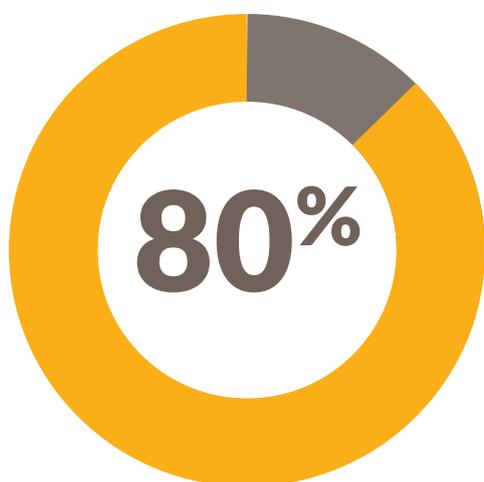
Worked for council for nine years

As History Curator for QVMAG, I am responsible for the care, storage, collection and research of museum objects, ranging from photographs, archive collections and smaller artefacts right through to large technology. I also research and plan exhibitions, and answer many public enquiries.

The museum's collection is the best and most varied I have ever worked with – even better than those I have curated overseas, which was a fantastic surprise when I first started work here. I am still amazed at how much incredible cultural heritage is still out there. I also work with a fantastic team of passionate and professional people.

COUNCIL'S PERFORMANCE SNAPSHOT

Executive Overview



41 actions set

33 actions completed

Engaging with the Community

2,000+

REGISTERED RESIDENTS ON THE YOUR
VOICE YOUR LAUNCESTON COMMUNITY
CONSULTATION PLATFORM

21,726

FACEBOOK FOLLOWERS

921,600

VIDEO VIEWS

99,483

UNIQUE WEBSITE VISITORS

513,461

WEBSITE PAGE VIEWS

67,890

VISITS TO THE LAUNCESTON
VISITOR INFORMATION CENTRE

70+

COMMUNITY ENGAGEMENT CONSULTATIONS,
CAMPAIGNS AND INITIATIVES

Community Satisfaction

This financial year the City of Launceston responded to 22,474 service requests in the following areas:

1,743

ROADS & FOOTPATHS

1,098

PARKS & RECREATION

455

STORMWATER & DRAINAGE

1,010

TREE MANAGEMENT

6,020

PARKING

2,550

ENVIRONMENTAL HEALTH

1,057

BOOKINGS

1,099

BUILDING & PLANNING

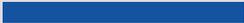
3,446

WASTE MANAGEMENT

3,996

OTHER

Where the Dollars Come From

Rates	63,567,647	55.6%	
Fees and Charges	22,451,835	19.6%	
Grants – Capital Purposes	7,784,575	6.8%	
Grants – Revenue Purposes	10,734,138	9.4%	
Interest	2,146,291	1.9%	
Other	7,626,969	6.7%	
	114,311,455	100.0%	

Where the Dollars Go

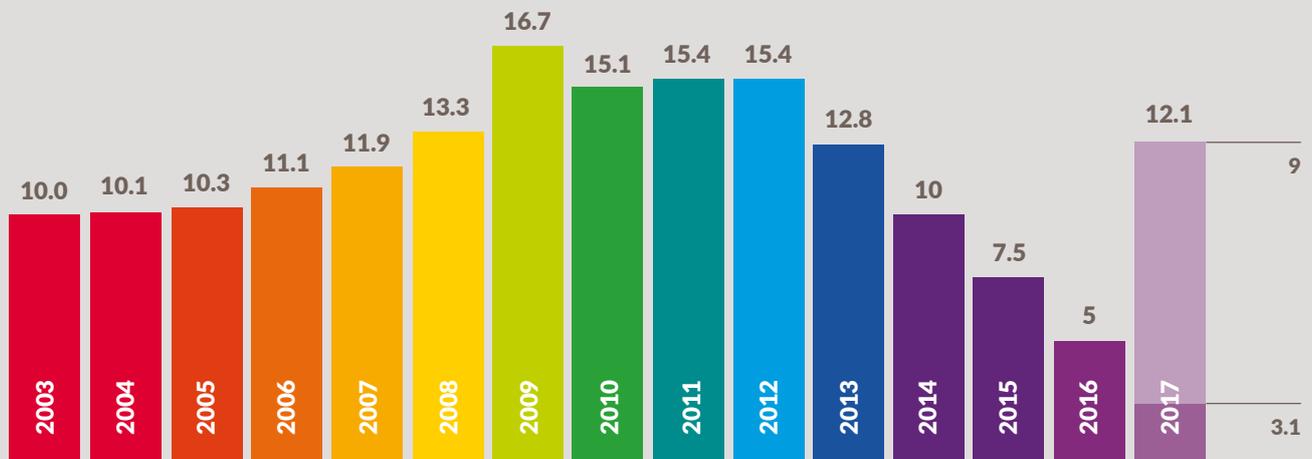
Provision of Services	74,718,330	72.5%	
Borrowing	354,386	0.3%	
Depreciation	20,007,332	19.4%	
State Government Fire Service Levy	7,143,787	6.9%	
Rate Remissions and Abatements	881,530	0.9%	
	103,105,365	100.0%	

Expenditure by Program

General and Public Services	17,942,288	17.4%	
Public Order and Safety	7,854,994	7.6%	
Health and Welfare	1,801,402	1.7%	
Housing and Community Amenities	20,993,301	20.4%	
Recreation and Culture	30,482,723	29.6%	
Roads Traffic and Parking	20,072,694	19.5%	
Other	3,957,963	3.8%	
	103,105,365	100.0%	

Outstanding Loans

At the end of each financial year.



 State Government Accelerated Local Government Capital Program interest-only loan. Interest refunded by the state government.

THE YEAR IN REVIEW

2016 Launceston Flood Event – A Year On

Geographic

Launceston was founded at the confluence of two rivers, the North Esk and South Esk Rivers. The Tamar Estuary is formed at the meeting point of these two rivers and flows out to the Bass Strait. The North Esk River has a catchment area of approximately 1,065km². The North Esk River has one main tributary, the St Patricks River.

The South Esk River is the largest water catchment in Tasmania with a total catchment of approximately 8,900km². The South Esk has two main tributaries, the Macquarie and Meander Rivers. The greater South Esk catchment is formed by four contributing catchments; the South Esk, Macquarie, Brumby's Lake and Meander River catchments.

In June 2016 peak flows were reported at 2,375 cumecs* of water from the South Esk River and approximately 800 cumecs from the North Esk River resulting in the largest flood since 1969. The levees held, limiting damage; however, some unprotected homes and businesses near the Tamar Yacht Club Basin and in Newstead, St Leonards and Nunamara were inundated and Invermay was threatened. Traffic was disrupted due to parts of the city being cut off. The City of Launceston relied heavily on social media to communicate regular updates and evacuation notices, which kept much of the community well-informed.

The community

The council assisted many members of the community directly affected by the floods. During the flood event, three evacuation centres were operated at differing times to assist those impacted by the floods. These evacuation centres were located at the Albert Hall, the University of Tasmania and the Silverdome and provided advice, assistance and accommodation facilities to residents.

The Precautionary Evacuation Order was revoked by the Regional Controller on 8 June and residents who had voluntarily evacuated could return to their homes.

Ongoing outreach support continued for many months supporting those residents who had to vacate their homes for some months due to flood damage. Businesses and organisations affected by the floods were provided with advice to return to full operation.

* Flood events are measured in cumecs, which refers to cubic metres per second, and are recorded by stream gauges.



In June 2016, 2,375 cumecs of water from the South Esk River and approximately 800 cumecs from the North Esk River resulted in the largest flood since 1969.



2016 Flood Key Dates

MAY 2016

North and north-eastern rainfall recorded three times more than the average

THURSDAY 2 JUNE 2016

Bureau of Meteorology (BoM) released an alert for possible heavy rainfall in the east and north east of Tasmania over the following weekend, with heavy falls expected between late Saturday and Monday.

SATURDAY 4 JUNE 2016

First official BoM flood warnings released

SATURDAY 4 JUNE TO TUESDAY 7 JUNE

North Esk catchment
total rainfall recorded at:
Upper Blessington – 217mm
Mount Barrow – 233mm
Nunamara – 252mm

South Esk catchment:
total rainfall recorded at:
Fingal – 159mm
Mathinna – 211mm
Gray – 291mm

Meander River catchment
total rainfall recorded at:
Strathbridge – 143mm
Quamby Bluff – 253mm

MONDAY 6 JUNE TO TUESDAY 7 JUNE

Temporary levee walls installed, and levee gates locked

WEDNESDAY 8 JUNE

Floods levels peaked

FRIDAY 10 JUNE

All temporary levee walls removed, and levee gates unlocked

Infrastructure recovery

An extensive program of works was undertaken by the council to repair the flood damage which extended to over 100 sites. Damage ranged from minor to major infrastructure works.

Immediately after the waters subsided, a major clean-up of flood debris took place throughout the municipality producing a vast quantity of waste which was disposed of at the Launceston Waste Centre.

After two weeks, emergency works were complete which enabled the municipality to function effectively and by the end of December 2016, a large proportion of works had been completed including repairs to 27 bridges that were damaged.

Significant repairs to the Cataract Gorge Basin reserve, kiosk, toilets and swimming pool including the filtration plant were completed and the area was fully operational in time for the summer period.

At 30 June 2017, 98% of all flood repair work across the municipality were completed.

Community engagement recognised with award

The City of Launceston was presented with a BOFA Innovation Award in the 'Innovative Government' category for its coverage of the June floods on social media.

At the first signs of the flood event, the council launched a communication's strategy unprecedented in the state's local government history, using social media, video and photography to take people behind the scenes of the flood response.

The Council independently produced a range of videos and public information and kept the community up-to-date on the unfolding flood event, and educated the public, even embedding renowned Launceston photographer Rob Burnett with the council crews.

Northern Tasmanians clearly appreciated the transparent way the updates were provided on the crisis and thousands of positive comments were received as well as praise from Tasmania Police and other response agencies.



Quadrant Mall reopening celebration

Investment

LED street light installation

Launceston began the largest roll-out of LED street lamps of any municipality in the state in early 2017, with the replacement of more than 4,800 street lights across the municipality.

The lights, which are nearing the end of their lifespan, are being replaced with new energy-efficient LED lights, saving an estimated 3,848 tonnes of greenhouse gas over the life of the new lights.

The new lights are 82 per cent more efficient than the existing street lights, have a lifespan of about 20 years, and are designed to produce the same light output.

The shift to the new lights is part of a regional push, with the Meander Valley, George Town, Break O'Day, Northern Midlands and West Tamar councils also participating in the replacement of a further 4,300 globes across Northern Tasmania.

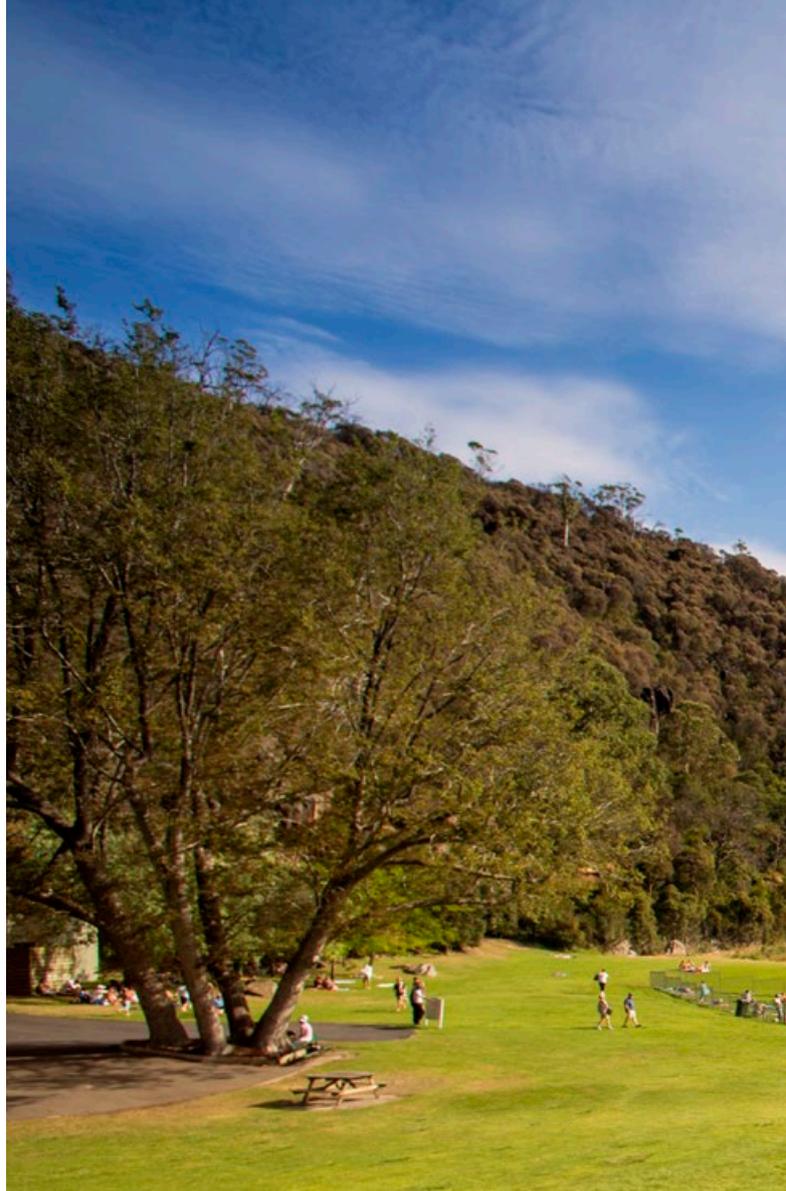
It is estimated that the six councils will achieve combined savings of more than \$16M over 20 years once the transition to LED lights is complete.

Redevelopment of the Quadrant Mall

After the laying of more than 600m of pipes and conduit, the excavation of new drainage systems, the installation of 53 pits and manholes, the addition of new concrete tree planters and the placement of more than 12,100 pavers, the redeveloped Quadrant Mall was reopened in August.

The Quadrant Mall represented the first major public space redevelopment to be undertaken under the Launceston City Heart Project. Construction began in February 2016, with contractor, The Baker Group developing a special sound-dampening booth to limit the noise from the cutting of pavers.

While the City Deal has a focus on Launceston, council believes the entire Northern Tasmanian region will benefit from this initiative.)



Liveability in Launceston – The First Basin, Cataract Gorge

Maintaining the roads

The council undertook a \$1M program of roads resealing projects across the municipality.

The program comprised a mix of spray sealing and bituminous concrete sealing, designed to prolong the life of roads by up to 30 years.

More than a dozen roads were resealed around the municipality as part of the program.

Spray sealing is a fast and economical way to seal a roadway. It involves the application of hot liquid bituminous binder on to the road surface which is covered in one or two layers of aggregate. Within a few hours, it can be driven on.

Bituminous concrete, or asphalt, is typically a mixture of bitumen binder and varying sizes of aggregate. Asphalt is manufactured in a controlled condition at an asphalt batching plant. It is delivered by truck and placed on the road by an asphalt paver.

A mix of the two sealing methods were used in the Launceston municipality and the resurfacing works will prolong the life of these roads by between 15 and 30 years.

C.H. Smith redevelopment of a 300 space car park

In November, the City of Launceston unanimously voted to seek a \$9M interest-free loan to fund the construction of a 300 space car park on the C.H. Smith site, to be owned and operated by the council and to sit alongside a future private development by the site's owners.

The C.H. Smith site has been in a derelict state for decades. Despite multiple planning approvals from the City of Launceston in recent years, the site's various owners were unable to realise a commercially viable development proposal.

The council believes the new proposal meets a number of strategic goals for the city.

The C.H. Smith site is of major importance to the city as a consequence of the site's prominence, its scale and due to its potential function in providing a major connection between the CBD and key waterfront areas like North Bank, Royal Park, the Seaport and the Cataract Gorge.

The site is strategically located to provide convenient car parking facilities for the future development of Civic Square, northern edge of the CBD and the city's recreational riverfront areas.



The Launceston City Deal

In April 2017, Launceston Mayor Albert van Zetten signed the Launceston City Deal; a strategic partnership between local, state and federal governments.

The Launceston City Deal comprises a range of commitments under six key domains:

- Governance, city planning and regulation
- Infrastructure and investment
- Jobs and skills
- Innovation and digital opportunities
- Liveability and sustainability
- Housing

Its goal is that by 2022, Launceston will be one of Australia's most liveable and innovative regional cities with growing incomes and falling levels of disadvantage.

The Launceston City Deal encompasses intergenerational projects like the \$260M University of Tasmania relocation, the \$19M first stage of the Launceston City Heart Project, delivering improved outcomes for the Northern Suburbs, and creating clearer governance to improve the health of the Tamar River.

While the City Deal has a focus on Launceston, the council believes the entire Northern Tasmanian region will benefit from this initiative.

Seaport boardwalk upgrade

The City of Launceston started the second and final stage of the Seaport boardwalk upgrade in January 2017, a major capital project that will rejuvenate the recreational link between Royal Park and the Seaport.

The first stage of the project to replace ageing timber planks with recycled plastic decking, between the Peppers Seaport Hotel and Home Point, was completed in 2015.

The second stage of the project involves the replacement of the final 375m section of timber between Home Point and Royal Park, and is on track to be completed early in the 2017/18 financial year.

The council has budgeted \$1.9M for the project and will be re-using the existing timber in a range of parks projects around the municipality.



City of LAUNCESTON | **YOUTH ADVISORY GROUP** | **NYW NATIONAL YOUTH WEEK**
1-8 APRIL 2017

yell!

Pop-up youth venue during National Youth Week
70a Brisbane St, Launceston
Saturday 1 April 9am-1pm
Youth makers market plus hair braiding and henna tattooing by Migrant Resource Centre
Monday to Friday 9am-5pm
Saturday 8am-1pm
Launceston College Youth Art Exhibition and Canvas Display by Karinya Young Mums 'N' Bubs

Scheduled events
Monday 3 April 4.30pm-6pm
Official launch featuring DRUMBEAT at the Quadrant Mall Busker Stage, Launceston College Youth Art Exhibition and Canvas Display by Karinya Young Mums 'N' Bubs
Tuesday 4 April 2.30pm-5pm
Virtual Reality Gaming by National Joblink
Wednesday 5 April 3.30-5pm
So You Think You Can Start a Business? Young Entrepreneur Workshop by Van Diemen Project
Thursday 6 and Friday 7 April
Video Live Stream National Youth Week Forum by City Mission and Scotch Oakburn
Saturday 8 April 9.30am-1pm
Metal Minds Robotics Demonstration

“youth event in a little location (and other stuff).”

CELEBRATING MORNING TEA
Hosted by Northern Senior Citizens Centre

10.30am to 12noon
Wednesday 3 May 2017
Uniting Church Hall, Mowbray
RSVP by Friday 28 April

City of LAUNCESTON

Supporting the Community

Elderly

A number of initiatives from the Living as a Senior in Launceston Framework were delivered including three Celebrating Seniors Morning Tea and Information Sessions for a total of 150 people and four Living as a Senior in Launceston newsletters were sent quarterly to over 350 people.

The Living as a Senior in Launceston Framework was revised for the 2017–20 period following community consultation.

During Seniors Week 2017, two initiatives were organised which aimed to bring generations together:

- As I Age chalk board public art installation gained interaction from over 70 people of all ages and generated conversations about ageing.
- Growing Recognition program received donations of flowers which were arranged into 160 bunches. These were delivered to isolated elderly members in the Launceston municipality with a handmade card from school children expressing thanks for their contributions to our community. The program was supported by Meals on Wheels (Australian Red Cross), Community Based Care (NESB), Smith Family, Mowbray Heights Primary School and the Women's Friendship Group,

Youth

The Youth Advisory Group (YAG) members met 30 times in 2016/17 and undertook a number of projects including co-facilitating a week-long National Youth Week program, a youth leadership stall at the Tasmanian Youth Conference, support to two local schools through their Student Executive Equity Development (SEED) school project funding program, and participating in the University of Tasmania's consultation for the Inveresk Masterplan during a mock council meeting held in the Council Chambers.

A pop-up venue was created to facilitate the eight-day National Youth Week program. Located in Launceston's CBD, the YELL, Youth Events in a Little Location, venue attracted 104 young people. Over 22 agency stakeholders were involved in the development and implementation of the project. 12 scheduled events took place at the venue during the eight days including:

- Official launch by his Worship the Mayor
- Youth Makers Market
- Youth Busker Competition
- DRUMBEAT participatory performance
- Launceston College Art Exhibition
- Karinya Young Mums 'N' Bubs Canvas Display
- Shadow Puppet Photo Booth
- Virtual Reality Gaming
- Working It Out Film Workshop
- Young Entrepreneur Workshop
- Video Stream of Brainwaves Youth Forum by City Mission and Scotch Oakburn College

AGING SENIORS AND INFORMATION SESSION
Suburbs Community Centre

17
Lowbray (behind the ANZ Bank)
Tel, phone 6326 5506

North Hobart Community Centre Inc.

www.launceston.tas.gov.au

Free WiFi in the City.
Check out our hot spot locations for free public wifi and get connected.
www.launceston.tas.gov.au/wifi

City of LAUNCESTON

www.launceston.tas.gov.au

Upcoming Events

- Cancer Council Tasmania Women's 5km Run
17 September
- Royal Launceston Show
12-14 October
- Kid I Am
2 December

For further information on Events and Event Sponsorship, visit our website.

Another vibrant event in Launceston.
We're proud to support the Junction Arts Festival as part of our Signature Event Sponsorship Program.

City of LAUNCESTON

www.launceston.tas.gov.au

- Metal Minds Robotics Live Demonstration.

Over 1,500 people visited the YELL venue and participated in the program.

The Northern Youth Coordinating Committee (NYCC) is a special committee of the council comprising 130 members across non-government organisations, state and local government. The Committee held five regular meetings and helped support four youth projects during the year including:

- Queer Youth Ball for LGBTIQ youth in Tasmania
- Battle of the Bands community festival at Ravenswood Neighbourhood House
- Six delegate registrations for young attendees to the Tasmanian Youth Conference
- Sponsorship for a Migrant Resource Centre Youth Group member to attend the Australian Youth Climate Coalition Power Shift Conference.

Kulture Konnekt is a school holiday program run in partnership with National Joblink for migrant youth in the Launceston community. The program has been running for four years and has up to 60 migrant youth in Launceston who take part in the program.

The Resilient Youth Australia Survey project was launched which incorporated a comprehensive online survey measuring resilience and wellbeing in young people. 18 state primary and secondary schools in the Launceston region will take part in the 99 question survey to provide valuable data to City of Launceston in 2017.

Children and families

Children's Week programs included the 2016 City of Launceston and Playgroup Tasmania Children's Week Awards and representation at the Teddy Bear's Picnic. A junior photo competition was held prior to the Blooming Tasmania Festival with young people entering through council's social media pages. The Music in the Park series provided free family events for the community with music and children's activities held during January. A total of 2100 people attended the five free concerts in City Park.

Accessibility

The Access Advisory Committee met twice throughout the year plus two additional special meetings. An Access for All community survey took place for the first time and aligned with the Access Policy. The survey results were shared with council staff and the report was made available to the public.

Accessibility maps were designed in line with the City Heart Wayfinding Strategy and produced and distributed to increase accessibility to Royal Park, Seaport Precinct, Inveresk Precinct, City Park, Cataract Gorge Reserve and Launceston Central City.

In December 2016 an awards celebration was held at Town Hall to recognise individuals and groups who were nominated for, and awarded a Tasmanian Human Rights Award for their work and contribution to create a vibrant and inclusive community.

Revitalisation of the Northern Suburbs

Council implemented a Asset Based Community Driven Efforts (ABCDE) Learning Site project in Rocherlea which succeeded in empowering local residents to celebrate, shape and discover their own community. A series of events and initiatives were encouraged and supported resulting in significant community engagement.

The ABCDE Learning Site is part of a network of sites (founding member) established across Australia by Bank of IDEAS founder – Peter Kenyon – and UK community engagement expert Cormac Russell of Nurture Development. A ABCDE learning site will be established in Ravenswood in 2017.

Launceston Human Library

The program visited four colleges and TasTAFE in Launceston and featured at a range of local events such as the Tamar Valley Peace Festival, Harvest Market and Mental Health Week providing participants with the skills and attitude to understand and respect human rights and community diversity. The program is reliant on volunteers and comprises three committee members who coordinate events with over 20 human books offering 30 titles sharing their personal experiences and insights.

Grants and Sponsorship 2016/17

The City of Launceston supports the community through a grants and sponsorship program.

COMMUNITY GRANTS

Organisations	
New Horizons Club Inc	\$5,000
Stating Point Neighbourhood House Inc.	\$5,000
Interweave Arts Association Inc.	\$5,000
Bhutanese Faces of Launceston Working Group	\$5,000
Australian Red Cross Society	\$5,000
Tasdance	\$5,000
The Holographic Lounge	\$5,000
Lilydale Arts and Heritage Inc	\$4,545
Mast Films Pty Ltd	\$6,250
Tasmanian Acquired Brain Injury Services	\$3,397
LGH Historical Committee	\$2,500
Tamar Bicycle Users Group	\$2,250
Good Neighbour Council Launceston Inc	\$2,160
Sudanese Community Launceston	\$902
TOTAL	\$57,004
Team / Group	
Northern Tasmanian Junior Soccer Association (NTJSA) U11 Gold representative team	\$300
The Northern Tasmanian Junior Soccer Association (NTJSA) U13 representative team	\$300
Northern Future Development Basketball U14 girls team	\$300
Queechey High School – F1 in Schools Technology Challenge – Golden Diversity	\$250
U12 Tasmanian schoolboys football team	\$200
Queechey High School – F1 in Schools Technology Challenge – Zeal Teal Racing	\$200
Queechey High School – F1 in Schools Technology Challenge	\$200
U14 Football Federation Tasmanian boys team	\$50
TOTAL	\$1,800
Individuals	
Three grants to individuals	\$300
TOTAL	\$59,104

EVENT SPONSORSHIP

The City of Launceston provided \$335,196 in event sponsorship during the 2016/17 year to the following groups/events.

BOFA Ltd	\$20,000
Tasmanian Turf Club Inc	\$20,000
DanceSport Tasmania	\$15,000
Encore Theatre Company Inc	\$15,000
Tennis Tasmania Inc	\$11,250
The Rotary Club of Central Launceston	\$10,000
Launceston City Cycling Club Inc	\$10,000
Saint John Craft Beer	\$10,000
Chilli FM	\$10,000
Ten Days On The Island Ltd	\$10,000
Panama Productions Pty Ltd	\$7,500
GTR Events	\$7,500
Interweave Arts Association	\$5,000
New Horizons Club Inc	\$4,546
RSPCA Tasmania	\$5,000
Tamar Peace Trust	\$5,000
Multisport Tasmania Inc	\$5,000
Vibestown Productions	\$5,000
Northern Tasmania Steiner Association Inc	\$4,400
Tasmanian Poetry Festival Inc	\$3,750
Kid-I-Am	\$3,750
Clifford Craig Foundation Limited	\$3,750
Make-A-Wish Foundation of Australia	\$3,750
Sudanese Community Launceston Inc	\$3,750
Down Syndrome Tasmania	\$1,500
Launceston Art Society	\$1,500
TOTAL	\$136,946

Signature Events

Vibestown Productions	\$40,000
Festivale Committee Inc	\$40,000
Junction Arts Festival	\$35,000
Tasmanian Symphony Orchestra	\$20,000
Launceston Cycling Classic Inc	\$15,000
Tasmanian Sports and Events	\$15,000
TOTAL	\$165,000

Signature Celebration Event Funding

Royal National Agricultural and Pastoral Society of Tasmania	\$10,000
Apex Club of Tamar	\$5,000
Rotary Club of Tamar Sunrise	\$5,000
Launceston Festival of Dance	\$5,000
Launceston Competitions	\$3,750
Launceston & Henley Regatta	\$1,500
TOTAL	\$30,250

Total Sponsorship Funding

\$335,196

Event Incentive 2016/17

Tasmanian Bands League Incorporated Inc	\$20,000
Business Events	\$25,000
TOTAL	\$20,000

Conferences, Conventions & Championships Incentives 2016/17

Hockey Tasmania	\$9,240
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Other Contributions

Business Events Tasmania	\$25,000
Tourism Northern Tasmania (Cool Season Events)	\$5,000
Cityprom Xmas Tree	\$4,406
Harvest Market	\$1,142
Dorset Council (Enduro)	\$3,000
TOTAL	\$38,548

Refugee Week

During Refugee Week, 100 people attended the free screening of *Constance on the Edge*, a film which portrayed a family's resettlement story in Australia over 10 years. The event was organised in partnership with the University of Tasmania Film Society and supported by Amnesty International, the Tamar Valley Peace Festival, Safe Asylum and Oxfam Australia.

Human Rights awards celebration

In December 2016 an awards celebration was held at Town Hall to recognise individuals and groups who were nominated for, and awarded a Tasmanian Human Rights Award for their work and contribution to create a vibrant and inclusive community.

Launceston Safer Communities Partnership

Coordinated by the City of Launceston with partner agencies, the partnership met 10 times throughout the year. This external committee aims to make people in the Launceston community be safe and feel safe. Its mission is to promote community safety messages, mobilise resources in the community and provide informed advice, input, comment and feedback. The Lock It or Lose It campaign encouraged residents to lock their cars when parked and to hide their belonging to avoid opportunistic theft. Launceston College media students supported the campaign through the creation of 30 second video adverts.

The Safe Summer in Launceston and Safe Winter in Launceston 2016/17 brochures provided simple safety tips to enhance community and personal safety.

Car security begins at home campaign

The campaign was launched in June 2017 as an initiative of the National Motor Vehicle Theft Reduction Council and the City of Launceston. The message was promoted through a number of channels including signage on a public bus, local cinemas, TV commercials, social media and the City of Launceston website. Participation by Launceston College media students enabled the creation of a 30 second video advert competition which toured seven community sites.

Breatho! Stay below .05

The program operated at Festivale and the Party in the Paddock festival and offered free breath tests and information aimed to reduce drink/driving behaviour. Over 20 trained volunteers from Rotary West Launceston, SES and members of the community breathalysed over 260 patrons at Festivale and over 1,000 patrons at the Party in the Paddock.

Recognising volunteers

The community was asked to nominate candidates for the City of Launceston Volunteer Recognition Awards. The award ceremony took place at the Town Hall reception room during National Volunteers Week and was attended by approximately 60 guests.

A vibrant events calendar

A new Event Sponsorship Program was launched to align with the 2016/19 Events Strategy with the aim of identifying, attracting and supporting community and major events in the municipality.

A number of workshops and presentations were arranged to create awareness and encourage event management best practice: these included two event sponsorship information sessions, five monthly events stakeholder meetings, presentations to TasTAFE event management students and the Youth Advisory Group outlining general event requirements.

The council's Events Facilitation Officer assisted event organisers with over 150 events across the Launceston municipality throughout the year.

Parking

A new pensioner concession system was introduced for the three council multi-storey carparks. Instead of a voucher booklet, the concession is now stored on a SmartCard. The SmartCard provides a convenient way for pensioners to access their parking concession. A detailed education program took place prior, during and following implementation.

Pensioner concessions to park in the Paterson East, Paterson West and Elizabeth Street car parks was \$157,059.

Waste Management Concession

The City of Launceston provides free or subsidised entry to a number of groups. The value for 2016/17 was:

Pensioner Concessions	\$137,780
Residents Free Vouchers	\$38,488
Charitable Concessions	\$31,597
Specialist Product Disposals	\$4,502

Public Health

Under the *Public Health Act 1997* and the *Food Act 2003*, the City of Launceston is committed to ensuring the health and safety of its residents and visitors.

Under these Acts, the council is required to perform licensing, inspection and monitoring services to ensure compliance with the legislation and associated standards and guidelines in order to protect the community. Follow up and investigation of complaints is inherent to the undertaking of this role and can be very time consuming. Certain businesses/operators are required to be registered and inspected under relevant Acts within the licensing period. Any public health or food related issues were investigated and appropriate measures taken to prevent a recurrence. This year, the council continued to offer vaccinations in accordance with the Immunisation Schedule at both of the council's clinics and through the school's program. The Environmental Health team also provided input to planning and building applications. The council currently employs three full-time, three part-time and one casual Environmental Health Officers.

Type of Activity/Premises	No.	Inspection No.	Comments
Places of Assembly	NIL	NIL	Change of legislation – premises now not required to be licenced
Specific Events	18	7	Place of Assembly one-off occasion
Health Risk Activity (Premises)	17	17	Includes tattooing, body piercing
Regulated Systems	8	0	Cooling Towers
Private Water	6	6	
Housing	20	20	No Rectification notices issued
Recreational Waters – natural	4 sites	76 samples	Water holes and rivers – only tested during summer months
Recreational Waters Pools and Spas – council owned	3 sites	106 samples	(7 pools at Launceston Aquatic site) Sampled monthly all year
Immunisations	4,198	-	Number of doses administered

Food Act 2003

Registered Food Business	646	565	97 Improvement notices
Temporary Food Business	508	151	Includes fairs, Launceston Show, Launceston Cup, Football, Festivals, Markets, etc.
Prohibition Orders	8	8	For serious non-compliances
Statewide Food Registrations	54	54	Includes temporary stalls and mobile food vehicles
Infringement Notices	14	-	Failure to comply with the <i>Food Act 2003</i> and or the <i>Food Safe Code</i>
	1	-	Failure to comply with the <i>Environmental Management and Pollution Control (Waste Management) Regulations 2010</i>
Food Complaint Inspections	28	28	Complaints made by customers which may or may not be justified
Building and Planning Assessments	1,462	-	Research and input provided into planning and building applications in terms of environmental effects

Public Tenders

(Local Government (General) Regulations: Regulation 29)

(A) Public tenders valued at or exceeding \$250,000 (excluding GST) – regulation 29(1)

Item	Description Of Contract	Contract Period	Contract Value GST Ex.	Successful Contractor & Address
1	Boardwalk deck replacement Ref: CD022/2016	Project completion November 2017	\$1,976,909	Darcon Constructions PO Box 99 Newstead Tasmania 7250
2	St Leonards athletics track resurfacing Ref: CD032/2016	Project completed May 2017	\$629,490,33	Polytan Asia Pacific Pty Ltd Factory 3 Dunlopillo Drive Dandenong South Victoria 3175
3	Spray seal periodic contract Ref: CD038/2016	January 2017 – December 2019	-	Crossroads Civil Contracting 73-79 Lilydale Road Rocherlea Tasmania 7248 and Venarchie Pty Ltd PO Box 395 Mowbray Heights Tasmania 7248
4	Launceston City Heart – Civic Square redevelopment Ref: CD001/2017	Project completion early 2018	\$4,446,971	Vos Construction & Joinery 3 Hudson Fysh Drive Western Junction Tasmania 7212
5	Launceston City Mission recycle centre Ref: CD002/1013 extension	January 2017 – December 2020	\$402,000	Launceston City Mission PO Box 168 Launceston Tasmania 7250
6	Cardboard and comingling recycling Ref: CD27/2016	1 July 2016 – 30 June 2018	-	ToxFree 27-31 McKenzie Street Invermay Tasmania 7248

(B) Non-application of the public tender process – regulation 29(2) – Nil

(C) Contracts for the supply and provision of goods and services valued at or exceeding \$100,000 (excluding GST) but less than \$250,000 – regulation 29(3)

1	Wayfinding detailed design Ref: M139860	Completion date early 2018	\$187,000	Aspect Studios 9-11 Bailey Street Adelaide South Australia 5000
2	Ravenswood Community Centre redevelopment Ref: CD041/2016	Completed February 2017	\$155,095	Invision Developments PO Box 549 Kings Meadows Tasmania 7249
3	Weed spraying Ref: CD023/2017	November 2016 – October 2017	\$106,632	All Weed Solutions PO Box 295 Longford Tasmania 7301 Feral Management PO Box 117 Lilydale Tasmania 7268
4	Windermere boat ramp upgrade Ref: CD039/2016	Completed February 2017	\$212,759	Crossroads Civil Contracting 7 3-79 Lilydale Road Rocherlea Tasmania 7248
5	Construction of accessible toilet – Lilydale Memorial Hall Ref: CD017/2017	Completed July 2017	\$135,550	Continental Builders Pty Ltd PO Box 3013 Launceston Tasmania 7250
6	LAC concourse floor replacement Ref: M149430	Completed July 2017	\$215,450	Allsafe Coatings Pty Ltd 6/353 Dorset Road Bayswater Victoria 3153
7	Windermere road drainage works Ref: CD014/2017	Completed May 2017	\$107,301	Crossroads Civil Contracting 73-79 Lilydale Road Rocherlea Tasmania 7248
Item	Description Of Contract	Contract Period	Contract Value GST Ex.	Successful Contractor & Address
8	Relocation of marina and purchase of new pontoon Ref: M151418	Completed June 2017	\$223,000	JMC Property Group PO Box 870 Launceston Tasmania 7250

9	North Bank development playspace equipment Ref: M146296	Completion date December 2017	\$107,000	Playstreet Pty Ltd 32 Murray Street Hobart Tasmania 7000
10	Flood Response Pumps Ref: CD35/2019	Project Completion	\$203,475	Irrigation Tasmania 5 Reece Court Somerset Tasmania 7322
11	Kings Meadows Rivulet Erosion Mitigation Ref: CD37/2016	Project Completion	\$227,041	Crossroads Civil Contracting 73-79 Lilydale Road Rocherlea Tasmania 7248

Enterprise Powers Statement

(Local Government Act 1993)

Under section 72 (ca) the council is required to report on exercising of enterprise powers relating to the formation and operation of corporations, trusts, partnerships or other bodies (section 21).

Australia Pacific Airports (Launceston) Pty Ltd

The council holds a 10% share in Australia Pacific Airports (Launceston) Pty Ltd in the form of capital notes. The book value of these notes is \$257,556 (30 June 2017). These notes entitle council to share in the operating results of the Company on an equivalent basis to the shareholders and to appoint a director.

The council decided to invest in this essential local infrastructure as part of its strategy to support local economic development. In the 2016/17 year the council received a dividend of \$477,000 for its investment.

Allowances and Expenses Statement

(Local Government Act 1993)

In 2016/17 the City of Launceston provided allowances and reimbursements for reasonable expenses to the Mayor, Deputy Mayor and Aldermen. This included telephone rental and calls, travelling and care of any child of an Alderman. The total amount of these expenses is shown below.

Allowances	\$517,990
Expenses	\$25,846

Donation of Land Statement

(Local Government Act 1993)

Section 72(1)(da) requires the City of Launceston to report on any land donated by the council during the year. The council made no such donations of land.

The council may transfer easements to infrastructure providers from time to time for nominal consideration in relation to proposals to connect services in the City of Launceston.

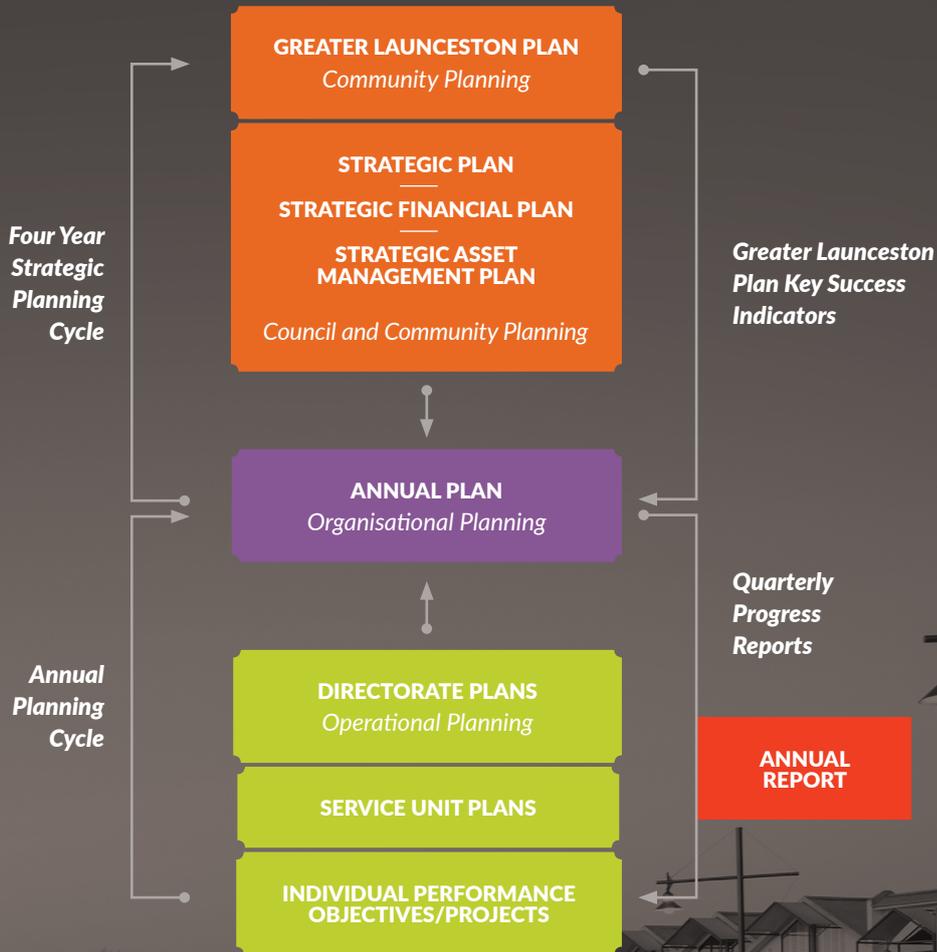
Public Interest Disclosure Statement

In accordance with section 86 of the *Public Interest Disclosures Act 2002* (the Act) the City of Launceston advises the following:

Section 86(a) – The Public Interest Disclosures Procedure can be found on the City of Launceston website at www.launceston.tas.gov.au

Section 86(b) – There was one disclosure made to the council in 2016/17. As the complainant could not be identified as either an employee or contractor there were no disclosures that were determined to be public interest disclosures.

As there were no public interest disclosures during the reporting period, the remainder of section 86 of the Act is not relevant to this Statement.



Integrated Planning and Reporting Framework

STRATEGY AND PLANNING

The City of Launceston has worked with councils in the Greater Launceston Area in recognition that a collaborative approach is the most appropriate way to pursue successful futures for all our residents.

The Greater Launceston Plan (GLP) is a comprehensive outline of the social, economic and environmental status of our municipality and surrounding areas.

The GLP examines trends and how we can capitalise on our strengths and address challenges.

The community's vision and aspirations for the Greater Launceston Area by 2035 are also set out in the GLP.

Greater Launceston Plan Vision Statement

Sustainable prosperity for Greater Launceston will be achieved by consolidating and building nationally and internationally recognised strategic advantages for the region through a focus on creativity and innovation, maintaining exceptional environmental and liveability qualities and ensuring a diverse, connected and inclusive region.

The Strategic Plan 2014/24 is a 10-year plan which describes how we progress towards the longer-term community vision as expressed in the GLP. The Strategic Plan relates to all of our operations including the way we deliver our services, how we engage with and serve our community and how we govern the organisation.

To follow is an overview of the framework which provides overarching directions for the development of the GLP.

Governance

Governance refers to the effectiveness and consistency of the elected leadership and executive management of the member councils that make up the Greater Launceston Area. Key areas of governance include:

- organisational structure;
- decision making and resource allocation;
- relationship with constituents and stakeholders;
- relationship with other levels of government.

Key Directions

Encourage regional partnership and leadership to pursue a common vision and strategic pathway that will optimise sustainable regional prosperity for the Greater Launceston Area. Provide an agreed process to coordinate and manage implementation of the GLP.

This will be achieved by:

- an acknowledged unity of purpose by the councils of the Greater Launceston Area to implement the community based vision for its sustainable development through the Greater Launceston Plan;
- commitment to quality and consistent regional leadership supported by informed and responsive management;
- commitment to leadership through sustained engagement and communication with the community and stakeholders;
- development of a clear understanding of strategic priorities by the councils and community of Greater Launceston in partnership with the state of Tasmania and Commonwealth Government through their respective agencies;
- building a coalition of community and stakeholder understanding and support for the vision and key initiatives proposed by the GLP.

Creativity and Innovation

Creativity is concerned with the facilitation of new ideas and concepts. Innovation is concerned with introducing change and adding value to creative ideas and concepts through product or process development. Almost all human advancement has been through creativity and innovation. All innovation involves risk and all risks include the possibility of failure.

Key Directions

Encourage and facilitate creativity and innovation in all aspects of the daily life and business of Greater Launceston and its relationship with the wider region.

Identify and pursue regional and district projects that advance creativity and innovation as part of the GLP. This will be achieved by:

- pursuance of excellence in public administration through creativity and innovation in work practices, community and stakeholder engagement;
- planning support and development facilitation that maximises opportunities for new and ongoing private sector investment;
- fostering of creativity and innovation through partnerships between the tertiary education sector and industry;
- provision of physical and online environments to foster and facilitate creativity and innovation;
- providing opportunities to facilitate creativity and innovation in community life, health, education and business enterprise development;
- celebrating creativity and innovation through regional events in the life of the community.

Liveability and Amenity

Liveability is succinctly described by the Department of Infrastructure and Transport as the way the urban environment supports the quality of life and well-being of communities. Quality-of-life and well-being encompasses mental and physical health, happiness and life satisfaction for individuals and supportive social relationships and communities. Cities considered to have a high degree of liveability tend to have a high level of, and widespread accessibility to amenity. Amenity includes features such as open and green space, educational, social, cultural and recreational values.

Key Directions

Support initiatives that build improvements to sustainable liveability and amenity that contribute to the health and wellbeing of the community.

Monitor and measure selected indicators of liveability and amenity. Key elements include:

- protection and sustainable management of the exceptional environmental qualities in the Greater Launceston Area and wider region;
- respect for the significant heritage and cultural environment in the planning and urban design of the central area, suburbs and rural localities;
- importance of planning for cohesive and resilient communities and to ensure a safe and accessible environment;

- access to a diversity of secure employment opportunities;
- provision of high quality accessible health care services;
- improved pedestrian and cycle access to public open space and recreation and to places of work, education and activity centres;
- socially inclusive and cohesive communities;
- effective and accessible public transport;
- a diverse and aesthetically pleasing built environment that reflects a city's history and culture.

Connected and Networked

Regional planning for Greater Launceston as a connected and networked region encompasses three types of connectivity:

- digital technology;
- social networking and connectivity;
- transport connectivity.

Key Directions

Encourage and foster the development of world's best practice in information and digital technology in Greater Launceston and the wider region to create business and employment opportunities for new services and product development.

Encourage and facilitate the development of connected communities and social networks to achieve cohesive, interactive, creative and resilient communities.

Support the longterm planning and development for the effective and efficient movement of people, goods and services within and beyond Greater Launceston including connections to other regions in the state of Tasmania, the interstate market and overseas.

Key elements of building Greater Launceston as a connected and networked region include:

- maximising opportunities provided by the development of the National Broadband Network (NBN) system for industry sectors, households and government;
- fostering communities of interest to empower stakeholders and local communities to build commitment, active engagement, interest and support for cooperative actions and strategies;
- ensuring that the existing and future regional road and rail networks function as efficiently as practicable in the movement of freight and vehicles within and beyond the Greater Launceston Area;
- supporting an effective public transport network that provides equitable access within the Greater Launceston Area;
- providing a supportive and proactive environment for new and ongoing private sector investment through planning and development facilitation;

- facilitating the planning and development of pedestrian and cycle networks that provide universal access across the Greater Launceston Area linking the central area and suburbs to key destinations, parks and recreation areas and to the schools, communities and residential areas of the greater city;
- planning for the gateways of the region as inter-modal transport hubs for the efficient movement of people and goods by air and sea (Launceston Airport and Port of Bell Bay).

Building Diversity

There are three types of diversity:

- social and demographic diversity;
- diversity in ideas which may reflect social and demographic diversity;
- economic diversity which refers to business structure, industry sectors and output characteristics.

Key Directions

Several important initiatives need to be undertaken to improve diversity in the region encompassing:

- planning support and development facilitation that maximises opportunities for new and ongoing private sector investment;
- the need to market the Launceston region to facilitate increased migration to the region;
- facilitation of funding opportunities for individuals and business start-ups to develop their ideas with professional business and marketing support;
- investigation of opportunities to develop complementary skills and enterprises that – build on the region's leading growth and output sectors – diversify the industrial base at Bell Bay;
- provide opportunities for new emerging industries in the region;
- ensure that the planning of the growth areas provides opportunities for housing and demographic diversity.

Social Inclusion and Equity

“A socially inclusive society is defined as one where all people feel valued, their differences are respected, and their basic needs are met so they can live in dignity. Social exclusion is the process of being shut out from the social, economic, political and cultural systems which contribute to the integration of a person into the community” (Cappo 2002) [<http://www.health.vic.gov.au>].

Key Directions

At the core of promoting inclusive communities is the importance of “shifting from a deficit to an assets model for people and places” (Adams, 2009).

In other words socially inclusive communities will view individuals, families and communities through the lens of their inherent potentials or strengths, rather than deficits. David Adams (2009) has outlined a number of strategies and actions to adopt in order to strengthen social inclusiveness. These encompassed:

- access to the basics
- accessible services
- diversity and skills training
- building supportive networks
- social enterprises
- volunteering
- building local capacity
- digital inclusion
- planning and liveability
- governance

Environmental Sustainability

Environmental sustainability refers to decision-making and management made in the interests of protecting the natural world, optimally to ensure no degradation of natural systems so that human and other needs can be met into the long-term future.

Key Directions

- engage the community and stakeholders to ensure a high level of understanding of environmental issues and implications for settlement policy, energy and water use, and lifestyle behaviour patterns, and to build a coalition of support for responsible environmental management and practice;
- work with all levels of government and the community to sustain and effectively manage the Tamar Estuary and Esk rivers;
- investigate urban salinity issues in the Greater Launceston Area and wider Tamar-Esk rivers catchment area, and provide advice to councils on potential options and on a coordinated preferred strategy;
- protect and manage biodiversity, remnant vegetation and high value habitat areas;
- facilitate a review by the member councils of the Greater Launceston Area of environmental planning guidelines for urban development to ensure consistently high environmental standards and a high amenity approach is achieved for future development. The review should take full account of community needs and aspirations, environmental best practice and the needs and constraints of the development industry;
- undertake a review by the member councils for the Greater Launceston Area of current procurement practices and facilitate an innovation and development strategy to jointly direct future purchases that foster low carbon emissions technology and maximise opportunities for local innovation, investment and employment;

Economic Development

Economic development is a fundamental underpinning of sustainable societies and encompasses the production, exchange and consumption of goods and services, the changing pattern of employment and business enterprises, employment and vocational training and skills development together with innovation, product and process development. It also encompasses the changing pattern of investment in urban and regional development.

Key Directions

- maximise regional advantage and competitiveness by focusing on strategic development and investment that builds on the greater city's strengths and opportunities;
- support planning and investment decisions that optimise greater Launceston's regional role and attraction;
- provide a framework for future investment and development within a coordinated physical framework;
- support the ongoing development of key services that best promote regional growth and exports and economic and employment diversity;
- support ongoing investment and the longer-term consolidation and advancement of the region's gateways;
- support opportunities for new regional employment and logistics development co-located with existing and future regional arterial routes. Facilitate migration to promote population growth in greater Launceston.

2016/17 ANNUAL PLAN ACTIONS

FOR PERIOD ENDING 30 JUNE 2017
FINAL PROGRESS REPORT

The City of Launceston's Annual Plan for 2016/17 was developed around the eight priority areas outlined in the Strategic Plan 2014–24. In essence, the Strategic Plan indicates the actions and strategies the Organisation will pursue through its own operations to deliver on the Greater Launceston Plan goals.

*shaded actions indicate 2015/16 Annual Plan Actions that were carried over into the 2016/17 period.

Action	Progress Comments	Directorate	% Complete
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1 A CREATIVE AND INNOVATIVE CITY

10-Year Goal: To foster creative and innovative people and industries

Key Direction: To support and promote alternative uses of underutilised buildings

<p>Macquarie House – Manage the redevelopment of Macquarie House to accommodate the Macquarie House Innovation Hub</p> <p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Completed detailed design and documentation process ▪ Secure approvals and permits ▪ Manage construction project ▪ Manage lease agreements ▪ Complete Capital Work Project 	<p>Statutory approvals and tender documentation have been finalised in readiness for the next stage of the project. Management of the redevelopment of Macquarie House is now complete with a new action for the completion of the redevelopment of Macquarie House to commence in the new financial year.</p>	<p>Facilities Management</p>	<p>100% completed</p>
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Action	Progress Comments	Directorate	% Complete
Key Direction: To contribute towards artistic, cultural and heritage outcomes			
<p>Heritage List Review – Stage 2 Review the Launceston Heritage List to ensure its currency and consistency with the State Heritage List</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Update local heritage database for the City of Launceston 	<p>Following completion of Stage 1 a revised work program has been agreed by the council. This will see the work progress in five stages over 5 years commencing in the 2017/18 financial year. Documents are currently being finalised for an 'Invitation for Consultancy Offer' with the aim of consultants beginning work on the first group of precincts in 2 months time (September 2017), and completed by 30 June 2018. The following 4 stages are to be completed over the subsequent 4 financial years.</p>	Development Services	100% completed
<p>Review signage and wayfinding with a view to bringing this to an appropriate national/international standard, integrated with the City Heart Project</p> <p>Measures of Success</p> <ul style="list-style-type: none"> New promotional signage methods trialled Improved wayfinding signage installed 	<p>The Art Gallery way-finding sign for the TasTAFE building has now been installed. The flag poles at the Art Gallery have been recommissioned to fly the City of Launceston, Aboriginal and Australian flags. There are options, when it is appropriate, to fly the state government flag or the Torres Strait Islander Flag (e.g. Naidoc week). An additional benefit of this is that the movement of the flags also assists in attracting attention to the Art Gallery.</p>	Queen Victoria Museum & Art Gallery	100% completed
<p>Produce the permanent exhibition gallery titled "Gallery of the First Tasmanians"</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Increased awareness of Tasmanian Aboriginal culture Increase in visitor numbers to the art gallery Adoption of gallery into regional schools including site visits 	<p>Exhibition is on track to be opened by the Governor of Tasmania on 7 July 2017.</p>	Queen Victoria Museum & Art Gallery	100% completed
<p>Provide strategic support for the development of the City of Launceston's future Cultural Framework and Strategy</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Increased awareness of cultural activities within the region Greater collaboration amongst the cultural/arts organisations Increased use of cultural facilities Greater recognition of regional cultural product in the tourism industry 	<p>Arts consultant conducted the second phase of the review of the new Cultural Framework and Strategy in October 2016. A briefing to the Strategic Policy and Planning Committee was provided by the General Manager in December 2016 with the consultant presenting an interim report in April 2017. An executive officer, arts and culture position (temporary) has been created within the General Manager's Directorate and will commence on 1 September 2017.</p>	Queen Victoria Museum & Art Gallery	100% completed

Action	Progress Comments	Directorate	% Complete
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2 A CITY WHERE PEOPLE CHOOSE TO LIVE

10-Year Goal: To promote Launceston as a unique place to live, work, study and play

Key Direction: To continue to offer an attractive network of parks, open spaces and facilities throughout Launceston

<p>North Bank – Implement Stage 1 of the North Bank project plan</p>	<p>North Bank Pedestrian Bridge – the Pedestrian Bridge tender documentation is currently being developed on the basis of Design and Construct being the preferred procurement and delivery model. Documentation shall be completed prior to end of month June 2017. The planned construction start has been deferred four weeks (August) to allow for a competitive tender process and an appropriate tender assessment process.</p>	<p>Major Projects</p>	<p>100% completed</p>
<p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Delivery of projects as identified in the 3-year project plan 	<p>North Bank Park – the North Bank early works Development Application (DA) was submitted on Monday 19 June, the DA seeks approval to permit upgrades to existing stormwater, sewer and water infrastructure with provision of work/s to lower the redundant levee as an engineering control to improve the current stability safety factor. The lowering of the levee also facilitates the Pedestrian Bridge connectivity.</p>		
<p>Gorge Reimagining – Implementation to the Gorge White Paper adopted by council in 2015/16</p>	<p>The Reimagining the Gorge project has been completed with a number of activities undertaken to enhance the visitor experience at the Cataract Gorge Reserve.</p>	<p>Infrastructure Services</p>	<p>100% completed</p>
<p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Development of a prioritised implementation plan for capital upgrades ▪ Commence implementation of the prioritised action plan 	<p>The Gorge cottage, restaurant, rotunda and fencing rails have all been painted preserving these assets. Upgrades to pathway lighting and improvements to deck safety barriers have been finalised. An extensive weed eradication programme in and around Kings Bridge and Fairy Dell was completed with future works planned for other areas of the Cataract Gorge during 2017/18.</p>		

Action	Progress Comments	Directorate	% Complete
<p>Resurface the St Leonards Athletics Centre running track</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Resurfaced track 	<p>Polytan were awarded the tender with resurfacing work on the St Leonards athletic track commencing February 2017. Resurfacing works were completed and user groups were engaged during the delivery of the project.</p> <p>Financial completion will occur once IAAF certification is received and a reimbursement of surplus materials from the contractor is received including a financial contribution from the stakeholder group</p>	Infrastructure Services	100% completed
<p>Undertake the renewal of the Seaport boardwalk</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Existing timber board walk replaced with a recycled plastic product 	<p>The Seaport to Royal Park boardwalk deck renewal program is nearing practical completion with the river cruise section at Home Point being the final stage. The project has seen an upgrade to the decking surface, replacement of timber bearers and protection of the supporting pylons along with the replacement of new LED lights along the boardwalk. The project is expected to be completed as scheduled early in the 2017/18 financial year.</p>	Infrastructure Services	85% completed
<p>Key Direction: To support the CBD and commercial areas as activity places during day and night</p>			
<p>Promote Inner City Living in the City of Launceston – Develop resources to assist investors to access information about the development of residential accommodation in the Launceston CBD</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Guidelines published 	<p>The leaflet was finalised and published before the end of the financial year.</p> <p>Publication of the guidelines has been completed by our Communications Department and the Guidelines will be published on website during the website upgrade.</p>	Development Services	100% completed

Action	Progress Comments	Directorate	% Complete
<p>Implement the Launceston City Heart Project – Implementation of priority projects identified within the Launceston City Heart Project Masterplan Stage 1</p> <p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Successful application for Stronger Regions Funding Round 3 – Major Public Spaces ▪ Commencement of identified key major public spaces (detailed design process early 2016) 	<p>The Launceston City Heart project has successfully secured federal and state funding for Stage 1 of the project. The implementation of four out of the five stage 1 projects will commence in the 2017/18 financial year. Projects include Civic Square, St John Street Central South (Stage 1 of the Public Transport Improvements), Brisbane Street Mall and the commencement of the rollout of Wayfinding signage.</p> <p>The Civic Square Construction Contract has been awarded to VOS Construction & Joinery Pty Ltd. The construction shall be delivered in a staged manner to minimise disruption and maximise pedestrian access throughout project delivery. Stage 1 will commence from the St John Street entrance, with work/s concluding at the Charles Street entrance.</p>	Major Projects	100% completed
<p>Launceston City Heart Events (LCH) and Activation Plan – Support the Major Projects Unit to develop a program of events that activate and create vibrancy in the City Centre</p> <p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Develop and Implement the Launceston City Heart Events and Activation Plan 	<p>A draft LCH Activities Plan and procedures has been produced and was presented and accepted by the Launceston City Heart Reference Group. To date four activities (three in Quadrant Mall/Dicky Whites Lane and one in Brisbane Street Mall) have been funded out of the Activation budget.</p>	Major Projects	100% completed

Action	Progress Comments	Directorate	% Complete
<p>Wayfinding and Connectivity Strategy Implementation – Implementation of the wayfinding treatment in the CBD area (Launceston City Heart area).</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Develop and implement signage treatments across the City Heart area 	<p>The development of the Wayfinding signage treatments are completed as part of the Stage 2 (Guidelines). Detailed design documentation will be completed before the end of the financial year ready for tender. The implementation of the Wayfinding signage treatment will occur in the 2017/18 financial year.</p> <p>Detailed design documentation will be completed and ready for City of Launceston to review early July 2017. Expression of Interest for Supply and Implementation will be advertised early July 2017. The tender process and procurement of select Wayfinding signage will follow. The implementation of the Wayfinding signage treatment will still occur in the 2017/18 financial year.</p>	Major Projects	100% completed
<p>Key Direction: To contribute to enhanced public health and amenity to promote a safe and secure environment</p>			
<p>Review the smoke-free area in the Launceston CBD – Facilitate the expansion of the smoke-free area in the Launceston CBD and review regulatory processes</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Smoke-free area in CBD reviewed and expansion implemented if determined necessary 	<p>The expanded smoke free area was adopted by council after business and community consultation and was implemented from January 2017.</p> <p>Staff will continue to patrol the zone to ensure compliance.</p>	Development Services	100% completed
<p>To undertake upgrades of public area CCTV network in accordance with priorities identified by Tasmania Police</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Installation complete in identified areas 	<p>Council received the funding agreement from the Australian Government in late May 2017. Following formal execution of this agreement, the first stage of works on this project are expected to commence in mid June 2017.</p>	Facilities Management	Deferred to 2017–18

Action	Progress Comments	Directorate	% Complete
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3 A CITY IN TOUCH WITH ITS REGION

10-Year Goal: To ensure Launceston is accessible and connected through efficient transport and digital networks

Key Direction: To regularly review our strategic approach to parking in Launceston

<p>To undertake the development of a new parking strategy for Launceston</p>	<p>The draft strategy has been received and a briefing document has been presented to the General Manager and feedback sought from internal key stakeholders, with a view to present to the Executive Management Committee and Strategic Planning and Policy Committee before the end of the 2016/17 financial year.</p>	<p>Facilities</p>	<p>80% completed</p>
<p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Draft plan developed and presented for discussion with Aldermen ▪ Strategy plan adopted by Council 	<p>Feedback has been provided to the consultant with their amendments to the document sent to City of Launceston for a final review.</p> <p>This project will carry over into the 2017/18 financial year with an estimated completion date of 30 November 2017.</p>		

Action	Progress Comments	Directorate	% Complete
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4 A DIVERSE AND WELCOMING CITY

10-Year Goal: To offer access to services and spaces for all community members to work in partnership with others to address the needs of vulnerable and diverse communities

Key Direction: To support the delivery of programs and events for people to connect with each other through participation in community activities and civic life

<p>Events Strategy Action Plan – Development of an Action Plan and supporting policies to coordinate the implementation of the City of Launceston Events Strategy</p>	<p>These actions have been completed:</p> <ul style="list-style-type: none"> ▪ Event Sponsorship Policies and Guidelines, and TOR for Assessment ▪ Panel endorsed by council. ▪ Marketing Roadmap developed for events promotion. ▪ Business case for Cool Season Strategy developed in conjunction with key stakeholders. 	<p>Development Services</p>	<p>100% completed</p>
<p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Action Plan is developed and implemented 			

Action	Progress Comments	Directorate	% Complete
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5 A CITY THAT VALUES ITS ENVIRONMENT

10-Year Goal: To reduce the impacts on our natural environment and build resilience to the changing intensity of natural hazards

Key Direction: To contribute to air and river quality in Launceston by liaising with the community, business and other stakeholders

<p>Tamar River Health and Amenity – To collaborate with the state, Australian Governments and other key stakeholders to develop a strategy in accordance with the funding model to address the longterm health and amenity of the Tamar River</p> <p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Strategy and funding model for the medium term adopted ▪ Funding applications prepared by the responsible organisation within the agreed model ▪ Area of riparian revegetation ▪ Sediment removed from the yacht basin 	<p>Health of the Tamar Estuary has been incorporated as a priority action in the Launceston City Deal.</p> <p>This partnership approach between Local, state and federal government will deliver a river health action plan in the coming 12 months.</p>	<p>Infrastructure Services</p>	<p>100% completed</p>
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Key Direction: To manage the risks of climate-related events particularly in the area of stormwater management

<p>Undertake hydraulic modelling and development of Stormwater Management Plans for priority catchments</p> <p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Priority catchments identified ▪ Models for priority catchments developed ▪ Work on stormwater management plans for priority catchments commenced 	<p>Final models, results and reporting received for four catchments. Modelling will continue on the remaining storm water catchments in 2018/19.</p>	<p>Infrastructure Services</p>	<p>100% completed</p>
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Action	Progress Comments	Directorate	% Complete
Key Direction: To reduce our and the community's impact on the natural environment			
<p>Kerbside organic collection and regional composting service – A commercial food and green organics composting facility at the Launceston Waste Centre and the introduction of a third green and food organics kerbside service.</p> <p>Measures of Success</p> <p>Year 2 of 2-year project:</p> <ul style="list-style-type: none"> Commissioning of regional composting facility by October 2016 Start organics kerbside wheelee bin service by March 2017 	<p>Delays in lodgement of the development application occurred due to resourcing issues at the Environmental Protection Agency (EPA). The Development Application was submitted on 22 June 2017 after final sign off from EPA. Mobile bins quotes have been obtained and tender documents for the collection contract and equipment supply are being finalised.</p> <p>The intention is to open registrations in mid-July with a view to commencing collections on 2 October 2017.</p>	Infrastructure Services	54% completed
<p>Kerbside organic collection and regional composting service – Organics recovery is a priority in the interim waste strategy and action plan (ISAP). A business case outlining the cost of a commercial food and green organics composting facility at Launceston landfill and the cost of introducing a third green and food organics bin for residents is to be prepared</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Second draft of business plan to the Strategic Planning and Policy Committee in September 2015 Decision by council on implementation in March 2016 	<p>Business case for kerbside organic collection and composting service completed and adopted by council at a meeting on 11 July 2016. The decision made was to approve the establishment of a commercial organics processing facility at the Launceston Waste Centre (LWC) and the establishment of a new kerbside food organics and garden organics service (FOGO).</p>	Infrastructure Services	100% completed
<p>LED street light project – Replacement of all local street lighting over two years with more efficient and clearer light LEDs</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Replacement of existing local street lights with LEDs Improved lighting levels in local streets Reduced on-going street lighting costs 	<p>Council entered into an agreement with TasNetworks for replacement of minor street lights with LED lights in the Launceston Municipality. Installation of replacement lights commenced in February 2017.</p> <p>3112 LED lights were installed in the Launceston Municipality which equates to 66% completed of the LED light installation across the municipality being complete. This is equivalent to 100% completed of 2016/17 project.</p> <p>The remaining LED light installation is programmed and budgeted to commence in 2017/18.</p>	Infrastructure Services	100% completed

Action	Progress Comments	Directorate	% Complete
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6 A CITY BUILDING ITS FUTURE

10-Year Goal: To drive appropriate development opportunities as well as infrastructure, land use planning and transport solutions

Key Direction: To develop and take a strategic approach to development sites to maximise public benefits of development

<p>Residential Land Use Audit – Review and update the Residential Land Use Audit to identify the availability of land for future residential development in the Launceston Municipality</p>	<p>The analysis component of the project has been completed. Draft recommendations are being developed. Delays have occurred in obtaining the views of TasWater which have meant finalisation has been delayed. Given the timing of this project the results will be integrated with the current Planning Scheme review.</p>	<p>Development Services</p>	<p>100% completed</p>
<p>Measures of Success</p>			
<ul style="list-style-type: none"> ▪ Audit complete 			
<p>St Leonards Area Plan – Stage One Stage One of the St Leonards Area Plan Project (GLP Project G.3) – to develop an integrated physical development strategy for the longer term consolidation of the St Leonards area and progressive development of a new major growth area in the City of Launceston</p>	<p>The Stage 1 documents are in the final stages of preparation and should be finalised and presented to council by the end of July 2017.</p>	<p>Development Services</p>	<p>85% completed</p>
<p>Measures of Success</p>			
<ul style="list-style-type: none"> ▪ Completed strategy 			

Action	Progress Comments	Directorate	% Complete
<p>Relocation of the University of Tasmania's Launceston campus – Represent the City of Launceston's interests in negotiations around the relocation of the University of Tasmania's Launceston campus to an inner city location</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Active participation in the reference group 	<p>The council is undertaking partner consultancies with the University regarding high priority areas including integration of the Inveresk Precinct with the CBD, activation of the site as a priority community space through the provision of innovative, cultural activities, high emphasis on the human experience of engagement with the precinct, undertaking a demand analysis of parking required by all users in the precinct to ensure that appropriate supply is maintained to meet community expectations and that the proposed Inner City Campus development contributes appropriately to the parking demand generated by the development.</p> <p>The University Masterplan for the Inner City Campus at Inveresk will be released for community consultation by the University, reflecting the University's vision for the Inner City Campus. The council continues to engage with strategic positioning of Launceston as a University City and working with the University through the reference group and meetings with Aldermen to maximise the community benefits arising from the Inner City Campus.</p>	General Manager	100% completed
<p>Key Direction: To ensure that the planning system at a local and regional level is effective and efficient</p>			
<p>Conversion to Statewide Planning Scheme – Work with the Tasmanian Planning Commission to develop and finalise the local provisions in the new Statewide Planning Scheme, following the completion of the statewide provisions</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Progress consistent with statewide planning reform timelines 	<p>The statewide planning provisions are now finalised. The work program has been outlined and will be confirmed following consultation with the council. It is anticipated that the scheme will be ready by mid 2018.</p>	Development Services	100% completed
<p>Scenic Protection Code Review – Review the Scenic Protection Code within the Launceston Interim Planning Scheme 2015 to ensure its currency and effectiveness in guiding future development within the City of Launceston</p> <p>Measures of Success</p> <ul style="list-style-type: none"> Presenting a draft scenic management code to the Aldermen 	<p>Following the community consultation project this action was paused whilst awaiting the release of the draft statewide provisions which occurred in January 2017. The outcomes from the consultation will now be included in the work being undertaken as part of the broader planning scheme review and preparation of local planning provisions, due for completion in 2018.</p>	Development Services	100% completed

Action	Progress Comments	Directorate	% Complete
St Leonards Area Plan – Stage 2 to develop an integrated physical development strategy for the longer term consolidation of the St Leonards area and progressive development of a new major growth area in the City of Launceston	The project has recommenced following recruitment of a project manager. The final documents for the conclusion of Stage 1 are being finalised. The strategy development will commence later in 2017/18.	Development Services	25% completed
Measures of Success			
<ul style="list-style-type: none"> Development Plan presented to council 			

7 A CITY THAT STIMULATES ECONOMIC ACTIVITY AND VIBRANCY

10-Year Goal: To develop a strategic and dedicated approach to securing economic investment in Launceston

Key Direction: To actively market the City and Region and pursue investment

Implement the City of Launceston Asia Engagement Strategy – Actively investigate opportunities and promote business, educational and cultural exchange and engagement opportunities between the City of Launceston and identified markets in Asia, including Indonesia and China	An opportunity for participation in the TSO concert series in Fujian Province, China, was identified and progressed and has been work shopped with council. Putian City have confirmed they will sign the Sister City Agreement and are seeking approval to visit the City of Launceston in 2017	Development Services	100% completed
Measures of Success			
<ul style="list-style-type: none"> Facilitation of business exports or inbound investment; facilitation of outward and inward trade missions; participation with northern and Statewide initiatives to grow relationships with Asia 	Meetings have been attended to progress the development of a Northern Tasmania Asian Engagement Strategy. This strategy was completed in September 2016 by Asia Australis [Consultants]. Collaboration on the development of funding proposals from the Northern Tasmanian Development Corporation (NTDC) have since been initiated. A civic reception and welcome to Tasmania of the Xiamen Philharmonic Orchestra was organised for 24 March 2016.		
	Webchat communication has been established with officials from the Municipal Government of Putian. Putian City have approached council seeking to send a delegation to sign a Sister City agreement in August 2017		

Action	Progress Comments	Directorate	% Complete
Key Direction: To provide an environment that is conducive to business and development			
Economic Development Strategy – Implement an economic development strategy which positions Launceston within Regional, state and National economic development policies and strategies	Council adopted the Economic Development Strategy on 20 March 2017.	Development Services	100% completed
Measures of Success <ul style="list-style-type: none"> ▪ Economic development strategy developed 			
Key Direction: To promote tourism and a quality Launceston tourism offering			
Review and update the City of Launceston Tourism Plan – Undertake a review of the City of Launceston Tourism Strategy, roles and responsibilities to prepare an updated plan that ensures a consistent approach by stakeholders to the development and promotion of Launceston as a premier tourism destination	<p>The following actions have been completed which will inform the review of the Tourism Strategy which will now be completed in the next financial year:</p> <ul style="list-style-type: none"> ▪ Destination Action Plan ▪ Cool Season Strategy ▪ Wayfinding and Signage 	Development Services	100% completed
Measures of Success <ul style="list-style-type: none"> ▪ Tourism Plan updated ▪ Tourism Plan reviewed, developed and endorsed by council 			
Tourism Interpretation, Signage and Lighting Project – Implement the project	<p>These actions have been completed: Tourism Demand Drive Infrastructure Program Funding \$50,000 received, applied and acquitted for development of a Wayfinding system using both static and electronic signage to direct and encourage tourists to connect with and explore iconic destinations within Launceston's CBD and its surrounds. Project integrated with Launceston City Heart Wayfinding and interpretation project, with the following strategies:</p> <ul style="list-style-type: none"> ▪ Launceston Connectivity and Wayfinding Strategy ▪ Launceston Banner Guidelines ▪ Launceston Heritage and Interpretation Strategy 	Development Services	100% completed
Measures of Success <ul style="list-style-type: none"> ▪ Project completed 			

Action	Progress Comments	Directorate	% Complete
Key Direction: To facilitate direct investment in the local economy to support its growth			
<p>University of Tasmania (UTAS) Launceston Campus – To work with UTAS, the state and Australian Government to relocate the UTAS Launceston campus, other than the Australian Maritime College, to the Inveresk and Willis Street Precincts. To collaborate with UTAS to achieve improved educational and economic outcomes for the northern region and the state</p> <p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Planned change endorsed with required funding committed by all levels of government ▪ Timetable for the relocation confirmed 	<p>Previous comments in 6.1.2.5 refer to this action item. The UTAS Inner City Campus development at Inveresk forms a fundamental part of the City Deal Agreement signed by the Prime Minister, Premier and Mayor in April. The proposed \$260M development will have a major social and economic impact on both Launceston and the region. The council is working with the University and other stakeholders to ensure that urban planning considerations relating to this major infrastructure development are appropriately managed in the community's interests.</p>	General Manager	100% completed

Action	Progress Comments	Directorate	% Complete
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8 A SECURE, ACCOUNTABLE AND RESPONSIVE ORGANISATION

10-Year Goal: To communicate and engage consistently and effectively with our community and stakeholders

Key Direction: To develop and consistently use community engagement processes			
<p>Community Engagement Framework – Facilitate an integrated council wide Community Engagement Framework progressively over a three year period</p> <p>Measures of Success</p> <ul style="list-style-type: none"> ▪ The community has more opportunity to have their say ▪ Improvement in the transparency of council decision-making 	<p>The community has been consulted on five projects:</p> <ul style="list-style-type: none"> ▪ LET'S TALK Total visits: 272, Engaged: 38, Informed: 129, Aware: 251, Submissions: 38, Brainstormer: 1. ▪ OPTIMISING OUR EVENTS Total visits 198, Engaged: 17, Informed: 107, Aware: 188, Submissions: 17. ▪ FLOOD FEEDBACK Total visits: 56, Engaged: 6, Informed: 27, Aware: 55, Submissions: 6. ▪ PARKING IN LAUNCESTON Total visits: 1430, Parking precinct map: 491, Engaged: 512, Informed: 1006, Aware: 1237, Submissions: 519. ▪ ST LEONARDS: PLANNING FOR THE FUTURE Total visits: 267, Engaged: 29, Informed: 110, Aware: 233, Submissions: 29. <p>Measures of Success have now been completed.</p>	General Manager	100% completed
Key Direction: To develop and consistently use community engagement processes			
<p>Develop a new Sustainability Strategy</p> <p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Sustainability Strategy completed and endorsed 	<p>The draft strategy was finalised and actions and projects identified in the strategy have been incorporated into the Annual and Operating and Capital Plans.</p>	Development Services	100% completed

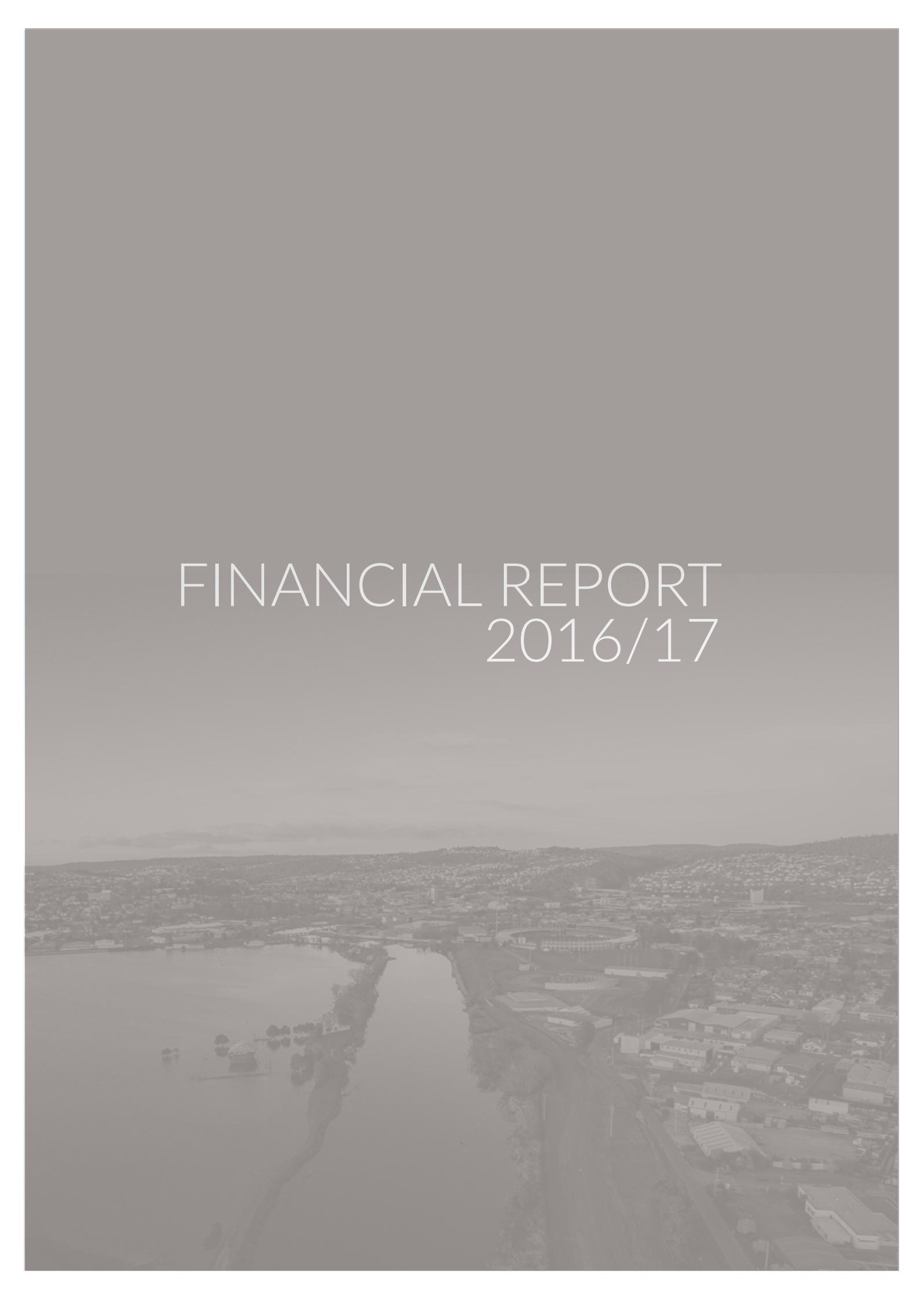
Action	Progress Comments	Directorate	% Complete
Municipal Property Revaluation – Assist with managing the revaluation by the Office of the Valuer General and complete transfer of updated property values to council's property system which will be used as the basis of rates for the year ending 30 June 2018	Final data has been received.	Corporate Services	100% completed
Measures of Success			
<ul style="list-style-type: none"> ▪ Reliable values received from the Office of the Valuer General ▪ Load into council's system complete ▪ Rate modelling based on new values completed for year ending 30 June 2018 issued before 31 July 2017 			
Key Direction: To strategically manage our assets, facilities and services			
Public halls review – Review usage levels, catchment areas, building condition, leasing and long term capacity	A public halls review was completed with the Ravenswood Memorial Hall leased to a local community group and the sale of the Nunamara Hall to another local community group is pending. Future plans include the demolition of the St Leonards Memorial Hall and redevelopment of Soldiers Hall as the community use centre.	Infrastructure Services	100% completed
Measures of Success			
<ul style="list-style-type: none"> ▪ The review will identify halls to be sold and halls requiring upgrades ▪ A report adopted by council on the disposal and upgrade of halls as recommended by the review 			
To complete the review of the 2005 Inveresk Masterplan including consideration of UTAS relocation proposal, current and future Precinct user groups	<ul style="list-style-type: none"> ▪ IMP Review Stakeholder Document completed ▪ Outline plan completed by PLAIMP broad costing plan completed ▪ Gate 1 CDG funding submission completed ▪ First meeting with UTAS Architects completed exchange of information and sub group identified. <p>The remaining part of this Action will be transferred to Directorate level for reporting and completion in 2017/18.</p>	Facilities Management	70% completed
Measures of Success			
<ul style="list-style-type: none"> ▪ Master plan completed ▪ Implementation plan completed for priority actions identified in the Masterplan 			

Action	Progress Comments	Directorate	% Complete
<p>To complete York Park Masterplan 2016/26 to identify future upgrade and renewal actions to maintain the facility as a premier boutique sporting stadium and major regional sporting facility</p> <p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Masterplan completed ▪ Implementation plan completed for priority actions identified in the Masterplan 	<ul style="list-style-type: none"> ▪ Masterplan completed and implementation of key findings started. Implementation plan being developed in conjunction with stadium amenity planning. ▪ Concept design and business case to upgrade the stadium amenity, concessions, concourse, circulation and sense of arrival are being further developed with UTAS Consultants. <p>The remaining part of this Action will be transferred to Directorate level for reporting and completion in 2017/18.</p>	Facilities Management	75% completed

Key Direction: To maintain a financially sustainable organisation			
<p>Replacement of Multistorey Car Parking Ticketing Equipment</p> <p>Measures of Success</p> <ul style="list-style-type: none"> ▪ Suitable replacement identified ▪ Tender for replacement ▪ Tender awarded ▪ Installation complete ▪ System commissioned and operational 	<p>Preparation work has been completed ready for the installation of hardware which will begin in July. Credit Card contract work is being undertaken and the Communication Strategy will be implemented during July. IT communication work is underway, as is the relocation of the Technicians' workshop and creation of the Parking Officers' locker and meeting room.</p> <p>The installation of the Elizabeth Street car park operating system has commenced. The Paterson East and West car parks are now operational.</p> <p>The Pensioner Parking Scheme system is taking longer than anticipated. Meetings are being held during October in an attempt to rectify the situation.</p> <p>The Pensioner Parking Scheme issue has not been resolved.</p> <p>The Pensioner Parking system has been successfully tested with the supplier. Further work is required to have information downloaded to the cards from the City of Launceston system. This will occur in February 2017.</p> <p>The Smart Card system for pensioners has been installed and is working effective.</p>	Facilities Management	100% completed

Financial Ratios

	2017	2016	2015	2014	2013
CURRENT RATIO	2.21:1	2.08:1	1.7:1	1.39:1	1.6:1
<i>To assess the adequacy of working capital (net current assets)</i>					
Current Assets - restricted assets	62,176,240	55,438,873	47,004,701	38,067,545	38,020,144
Current Liabilities	28,094,701	26,622,708	27,586,996	27,441,172	23,815,343
Restricted assets includes flood mitigation grant funding held and the Waste Centre Rehabilitation provision					
INTEREST EXPENSE TO OPERATING REVENUE RATIO	0.36%	0.38%	0.52%	0.76%	0.94%
<i>To assess the degree to which revenue is committed to interest</i>					
Interest Expense (External loans)	354,386	357,381	486,534	624,474	757,412
Operating Revenue (untied)	99,331,053	93,000,753	93,194,707	81,732,337	79,763,798
RATE COVERAGE RATIO	56.8%	59.7%	57.6%	63.2%	62.5%
<i>To assess dependence on rate revenue</i>					
Rate Revenue (Untied)	56,370,820	55,567,799	53,717,897	51,691,451	49,840,466
Operating Revenue (Untied)	99,331,053	93,000,753	93,194,707	81,732,337	79,763,798
GRANT COVERAGE RATIO	10.8%	6.0%	10.5%	5.8%	8.0%
<i>To assess dependence on grant revenue</i>					
Grant Revenue (incl. QVM&AG)	10,734,138	5,616,256	9,816,609	4,777,390	6,351,496
Operating Revenue (untied)	99,331,053	93,000,753	93,194,707	81,732,337	79,763,798
USER CHARGES COVERAGE RATIO	22.6%	23.6%	21.2%	23.0%	21.8%
<i>To assess dependence on user charges revenue</i>					
User Charges Revenue	22,451,835	21,911,908	19,758,245	18,837,529	17,407,379
Operating Revenue (untied)	99,331,053	93,000,753	93,194,707	81,732,337	79,763,798
DEPRECIATION TO CAPITAL EXPENDITURE	1.58:1	1.4:1	1.34:1	1.05:1	1.18:1
<i>To compare assets added with depreciation of assets</i>					
Capital Works	31,547,000	27,301,000	25,560,000	19,047,000	21,909,844
Depreciation	20,007,332	19,440,415	19,007,277	18,212,577	18,528,511
RATE PAID PER MODAL VALUATION (RESIDENTIAL)					
<i>To assess the movement in typical residential rates</i>					
Modal AAV	12,000	11,400	11,800	11,800	11,800
Rate Amount -General (inc Fire Levy)	1,277	1,278	1,247	1,214	1,162
RATE REVENUE PER CAPITA	\$946.21	\$929.12	\$897.46	\$862.68	\$830.51
<i>To assess the average rate raised per head of population</i>					
Revenue Rate	63,567,647	62,323,203	60,161,039	57,829,534	55,801,953
Population	67,181	67,078	67,035	67,035	67,190

An aerial photograph of a city, likely Christchurch, New Zealand, showing a large lake on the left, a stadium in the center, and residential areas on the right. The image is overlaid with a semi-transparent grey filter.

FINANCIAL REPORT 2016/17

STATEMENT OF COMPREHENSIVE INCOME
Year Ended 30 June 2017

		Actual	Budget (Unaudited)	Actual
	Note	2017 \$000	2017 \$000	2016 \$000
REVENUES				
Rates and Charges	3	63,568	63,500	62,324
Fees	4	22,452	22,753	21,912
Revenue Grants and Contributions				
Financial Assistance Grants	5	6,191	4,149	2,040
Other Operating Grants	5	4,543	4,637	3,579
Capital Grants and Contributions	6	7,785	4,509	15,954
Interest	7	2,033	2,040	2,164
Interest - Capital Funds	7	113	-	24
Investment Revenue	8	4,563	4,450	4,571
Bequests	9	159	176	149
Other	10	2,905	1,904	2,994
		<u>114,312</u>	<u>108,118</u>	<u>115,711</u>
Infrastructure Take Up Adjustments	11	124,326	-	11,948
Total Revenue		<u>238,638</u>	<u>108,118</u>	<u>127,659</u>
EXPENSES				
Maintenance of Facilities and Provision of Services				
Employee Benefits	12	38,446	38,435	38,121
Materials and Services	13	35,810	35,095	31,967
Impairment of Debts	14	53	95	109
Finance Costs				
Interest on Loans	15	354	253	357
Provision for Rehabilitation	15	27	27	146
Change in Provision for Rehabilitation	36	382	273	804
Depreciation and Amortisation	16	20,007	19,781	19,440
State Government Fire Service Levy	17	7,144	7,144	6,702
Rate Remissions and Abatements	18	882	806	912
		<u>103,105</u>	<u>101,909</u>	<u>98,558</u>
Loss on Disposal of Fixed Assets	19	1,312	-	1,119
Write Down of Assets Held For Sale	26	3,036	-	-
Total Expenses		<u>107,453</u>	<u>101,909</u>	<u>99,677</u>
SURPLUS (DEFICIT)		<u>131,185</u>	<u>6,209</u>	<u>27,982</u>
Other Comprehensive Income				
Items that will not be reclassified to surplus or deficit				
Investment Revaluation	28	1,440		3,972
Actuarial Gains (Losses)	35	1,390		1,984
Net Infrastructure Asset Revaluation Increase (Decrease)	29	16,472		(24,863)
COMPREHENSIVE RESULT		<u>150,487</u>	<u>6,209</u>	<u>9,075</u>

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

	Notes	As at 30-Jun-17 \$000	As at 30-Jun-16 \$000	As at 1-Jul-15 \$000
EQUITY				
Capital Reserves	21	185,016	177,231	161,326
Revenue Reserves	21	1,012,752	887,713	873,501
Asset Revaluation Reserves	21	622,606	606,134	630,997
Investment Reserves	21	(18,188)	(19,627)	(23,599)
Trusts and Bequests	21	1,953	2,202	2,353
TOTAL EQUITY		1,804,139	1,653,653	1,644,578
<i>Represented by:-</i>				
CURRENT ASSETS				
Cash at Bank and on Hand	22	2,473	2,190	2,381
Rate and Sundry Receivables	23	4,148	3,137	3,472
Short Term Investments	24	68,609	63,557	58,304
Inventories	25	599	614	705
Assets Held for Sale	26	840	-	415
		76,669	69,498	65,277
NON-CURRENT ASSETS				
Deferred Receivables	27	258	258	258
Investments	28	234,923	233,483	229,511
Intangible Assets	29	4,628	4,750	4,748
Property, Infrastructure, Plant and Equipment	29	1,295,301	1,145,739	1,148,045
Museum Collection	30	237,491	237,112	236,035
		1,772,601	1,621,342	1,618,597
TOTAL ASSETS		1,849,270	1,690,840	1,683,874
CURRENT LIABILITIES				
Deposits and Prepayments	24	544	469	864
Employee Provisions	31	6,657	5,788	6,019
Interest Bearing Liabilities	32	2,357	2,241	2,132
Sundry Payables and Accruals	34	18,526	18,120	18,571
		28,084	26,618	27,586
NON-CURRENT LIABILITIES				
Employee Provisions	31	989	1,777	1,416
Superannuation Obligation	35	461	247	457
Interest Bearing Liabilities	32	9,769	3,126	5,368
Rehabilitation Provision	36	5,828	5,419	4,469
		17,047	10,569	11,710
TOTAL LIABILITIES		45,131	37,187	39,296
NET ASSETS		1,804,139	1,653,653	1,644,578
Commitments for				
Capital Expenditure	37	10,306	6,988	4,856
Contingent Liabilities	38	-	-	-

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
Year Ended 30 June 2017

	Notes	2017 \$000	2016 \$000
TOTAL EQUITY			
Balance 1 July		1,653,653	1,644,578
Surplus / (Deficit)		131,185	27,982
Comprehensive Income		1,390	1,984
Asset Revaluations			
Infrastructure Assets		16,472	(24,863)
Investments		1,439	3,972
Balance 30 June		<u>1,804,139</u>	<u>1,653,653</u>
CAPITAL RESERVES			
Balance 1 July	21	177,231	161,326
Surplus / (Deficit)	21	7,785	15,905
Comprehensive Income	21	-	-
Transfers	21	-	-
Balance 30 June		<u>185,016</u>	<u>177,231</u>
REVENUE RESERVES			
Balance 1 July	21	887,713	873,501
Surplus / (Deficit)	21	123,463	12,228
Comprehensive Income	21	1,390	1,984
Transfers	21	186	-
Balance 30 June		<u>1,012,752</u>	<u>887,713</u>
ASSET REVALUATION RESERVES			
Balance 1 July	21	606,134	630,997
Asset Revaluations	21	16,472	(24,863)
Transfers	21	-	-
Balance 30 June		<u>622,606</u>	<u>606,134</u>
INVESTMENTS			
Balance 1 July	21	(19,627)	(23,599)
Asset Revaluations	21	1,439	3,972
Transfers	21	-	-
Balance 30 June		<u>(18,188)</u>	<u>(19,627)</u>
TRUSTS AND BEQUESTS			
Balance 1 July	21	2,202	2,353
Surplus / (Deficit)	21	(63)	(151)
Transfers	21	(186)	-
Balance 30 June		<u>1,953</u>	<u>2,202</u>
		<u>1,804,139</u>	<u>1,653,653</u>

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
Year Ended 30 June 2017

	Notes	2017 \$000	2016 \$000
		Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Provision of Goods and Services (including GST)		(77,563)	(71,063)
Interest Paid		(354)	(357)
State Government Fire Service Levy		(7,144)	(6,702)
Receipts			
Rates		63,367	62,183
Fees and Charges		23,210	20,742
Grants and Contributions – Revenue		10,734	5,616
Interest Received		1,850	1,818
Other (including GST)		6,282	5,582
Net Cash from Operating Activities	39	<u>20,382</u>	<u>17,819</u>
CASH FLOWS USED IN INVESTING ACTIVITIES			
Payments			
Capital Works		(31,547)	(27,301)
Receipts			
Sale of Assets		627	1,441
Grants and Contributions – Capital		4,548	10,667
Investment Revenue		4,563	4,571
Net Cash Used In Investing Activities		<u>(21,809)</u>	<u>(10,622)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES			
Payments			
Loan Repayments		(2,241)	(2,132)
Receipts			
Loan Proceeds		9,000	-
Net Cash From in Financing Activities		<u>6,759</u>	<u>(2,132)</u>
Net Increase (Decrease) in Cash Held		5,332	5,065
Cash and Cash Equivalents at 1 July		65,748	60,683
Cash and Cash Equivalents at 30 June	39	<u><u>71,080</u></u>	<u><u>65,748</u></u>

The accompanying notes form an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

Year Ended 30 June 2017

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 - a) Reporting Entity
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 - c) Presentation of Financial Statements
 - d) Adoption of New and Revised Accounting Standards
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Note 1 A - Statement of Accounting Policies

a) Reporting Entity

This report is a general purpose financial report. All entities through which the Council controls resources to carry out its functions (including the Special Committees detailed in Note 47) have been included in these financial statements. Inter-entity balances and transactions have been eliminated.

b) Statement of Compliance

This financial report has been prepared to comply with Australian Accounting Standards, other pronouncements of the Australian Accounting Standards Board (AASB) and the Local Government Act 1993 (as amended). It has been prepared on an accrual and going concern basis under the convention of historical cost accounting, with the exception that certain non-current assets (other than deferred debtors), are included at valuation (refer Notes 28, 29 and 30). Except as disclosed below the accounting policies adopted are consistent with those of the previous year.

c) Presentation of Financial Statements

AASB 101 Presentation of Financial Statements requires entities to group items presented in Other Comprehensive Income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). These amendments do not remove the option to present profit or loss and other comprehensive income in two statements.

d) Adoption of New and Revised Accounting Standards

In the current year the Council has adopted the following new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised standards has had no material effect on the Council's accounting policies.

AASB 124 - Related Party Disclosures

For reporting periods beginning on or after 1 July 2016 Local Government is required to implement AASB 124 Related Party Disclosures.

These disclosures and their related accounting policies are disclosed in Note 43.

Standards Available for Early Adoption and not Adopted

At the reporting date a number of standards were available for early adoption and relevant to the Council's operations but were not applied by the Council. Those that are likely to have a material effect on the future disclosures of Council are listed at Note 42.

e) Accounting Estimates

In the application of Australian Accounting Standards, the Council is required to make judgements, estimates and assumptions about carrying values of some assets and liabilities. Judgements made by the Council that have significant effects on the Financial Statements are disclosed in the relevant notes.

An estimate may need revision if changes occur in the circumstances on which the estimate was based. The effect of any changes in estimates are brought to account in the reporting period the changes are made.

At the reporting date there were no material changes in the accounting estimates used in the preparation of the report.

Notes to the Financial Statements

Note 1 A - Statement of Accounting Policies (Cont)

f) Revenue Recognition

Rates

Rate revenues are recognised on an accrual basis when they are levied.

Fees

Fees are recognised when the service is provided or payment is received, whichever occurs first.

Grants

Grant revenues are recognised on an accrual basis when the Council controls the funds.

Sales

Sales revenue is recognised when goods are sold or the service provided

Infringements

Revenue from infringements is recognised on issue of the infringement notice

Interest and Investments

Interest revenue is recognised as it is earned and investment revenue when funds are received.

Bequests

Bequests are recognised as revenue when funds are received

Private Sector Contributions of Property Infrastructure and Plant and Equipment

In previous reporting periods the Council has recognised donations and contributions of assets as Infrastructure Take Up Adjustments

For reporting periods starting 1 July 2016 onwards Council has recognised these contributions as Capital Grants and Contributions. Prior period disclosures have also been adjusted.

g) Taxation

The Council is exempt from all forms of income taxation. The major taxation obligations of the Council are, Fringe Benefits Tax, Payroll Tax, Land Tax and the Goods and Services Tax.

Fringe Benefits and Payroll Tax

Fringe Benefits and Payroll Tax are expensed in the year they are incurred. Accrued employee liabilities are recognised inclusive of Payroll Tax.

Goods and Services Tax

Revenue, expenses and assets are recognised net of goods and services tax (GST) except for the case of receivables and payables which are recognised inclusive of GST. Cash flows are included in the Cash Flow Statement on a gross basis. The GST component of cash flows arising from investing and financing activities is classified as operating cash flows.

h) Rounding

Amounts shown in the financial statements and notes have been rounded to the nearest thousand dollars. This may result in minor variations between schedules and in totals.

i) Prior Period Disclosure

In the preparation of the financial statements it is the Council policy to ensure that any prior year figures are comparable with current year figures.

j) Change in Accounting Policies

Land Under Roads

In the reporting period ended 30 June 2015 Council recognised land under roads constructed or acquired from 1 July 2008.

For reporting periods starting 1 July 2016 onwards Council is recognising all land under roads. The adjustments for the recognition of these assets is made to the amounts disclosed in this reporting year.

Notes to the Financial Statements

Note 1 B Prior Period Adjustments

In the reporting year ended 30 June 2017 the Council made adjustments to the 30 June 2016 comparative balances to recognise Found Assets and to correct a Prior Period Error.

Found Assets

Found Assets are assets not reflected in the Asset Register that are identified as a result of improved measurement technology that allows for more accurate measurement or undocumented assets revealed as a result of Council activities. These remeasurements can also identify assets overstated in the Asset Register.

Prior Period Error

In 2013 Council entered into a Memorandum of Understanding with the University of Tasmania for the University to acquire the buildings they lease and occupy at the Inveresk Precinct for a nominal amount.

The transfer of these assets from Non Current Assets to Assets Held for Sale and the resulting Asset Impairment Loss was not disclosed in the period ended 30 June 2014 Financial Statements.

The opening balances in the 2015 Statement of Financial Position have been adjusted for a reduction in Property, Plant, Infrastructure and Other Assets of \$19,670,283 being the value of the buildings. Opening Retained Earnings has been reduced by the same amount to reflect the resulting Impairment Loss.

The movements from amounts disclosed in the 30 June 2016 published statements to the comparative information disclosed in these statements are detailed below.

Adjusted Surplus

	2016 \$000
Surplus as Published in Prior Year	30,212
Found Assets Taken Direct to Revenue Reserve	(2,232)
Restated Surplus	27,980

Changes in Property, Infrastructure, Plant and Equipment

	2015 \$000
Published Closing Property, Infrastructure, Plant and Equipment 30 June 2015	1,163,339
Add Found Assets to 30 June 2016	2,232
Less Buildings transferred to Assets Held for Sale	(19,670)
Add Found Assets to 30 June 2017	2,144
	1,148,045

Notes to the Financial Statements

Note 1 B Prior Period Adjustments (Cont)

	As published in prior year	Adjustments				Restated
		Private sector asset contributions reclassified	Retrospective adjustment to equity 1 July 2015 - found assets 2016	Retrospective adjustment to equity 1 July 2015 - found assets 2017		
Statement of Comprehensive Income	\$000	\$000	\$000	\$000	\$000	
Capital contributions	10,667	5,288			15,955	
Infrastructure Take up adjustments	19,468	(5,288)	(2,232)		11,948	
Surplus	30,212	-	(2,232)	-	27,980	
Statement of Changes in Equity	\$000	\$000	\$000	\$000	\$000	
Revenue Reserve 1 July 2015	888,795		2,232	(17,526)	873,501	
Surplus to Revenue Reserves	19,746	(5,288)	(2,232)		12,226	
Comprehensive Income to Revenue Reserves	1,984				1,984	
Revenue Reserves 30 June 2016	910,525	(5,288)	-	(17,526)	887,711	
Total Equity	\$000	\$000	\$000	\$000	\$000	
Total Equity 1 July 2015	1,659,872		2,232	(17,526)	1,644,578	
Surplus	30,212		(2,232)		27,980	
Comprehensive Income	1,984				1,984	
Asset Revaluations	(20,891)				(20,891)	
Total Equity 30 June 2016	1,671,177	-	-	(17,526)	1,653,651	
Statement of Financial Position	\$000	\$000	\$000	\$000	\$000	
Revenue Reserves 1 July 2015	888,795		2,232	(17,526)	873,501	
Revenue Reserves 1 July 2016	910,525	(5,288)		(17,526)	887,711	
Property, Infrastructure, Plant and Equipment 2015	1,163,339		2,232	(17,526)	1,148,045	
Property, Infrastructure, Plant and Equipment 2016	1,163,264			(17,526)	1,145,738	

Notes to the Financial Statements

Note 2 - Functions and Activities of the Council

a) Functions and Activities of the Council

General Public Service

Management of the administrative and financial operation of the Council organisation including elected representatives.

Public Order and Safety

Supervision of various by-laws, animal control and public nuisances. The collection of the fire levy on behalf of and paid to the State Fire Commission.

Health

Administration of health legislation on behalf of the State Government including food handling control and public health issues. Provision of immunisation services.

Welfare

Maintenance of properties used for childcare and kindergarten.

Housing and Community Amenities

Provision of building and development approvals services including the maintenance of the planning scheme. Solid waste services including garbage collection and disposal. The provision of street lighting. Maintenance of a range of public buildings and facilities including cemeteries. Maintenance of the stormwater drainage network including flood mitigation works. Provision of street cleaning services.

Recreation and Culture

Maintenance of parks and reserves, sports grounds, playgrounds, swimming pools, halls and related recreational facilities. Funding of Queen Victoria Museum and Art Gallery, University of Tasmania Stadium and the Princess Theatre.

Roads and Traffic

Construction and maintenance of roads, footpaths and bridges. Operation of parking facilities including off street car parks and on street metered spaces.

Other

A range of services and facilities including the provision of economic development and promotional services.

Full Cost Attribution

Section 84(2)(da) of the Local Government Act 1993 requires the Council's financial statements to contain a statement of the "operating, capital and competitive neutrality costs" in respect of each significant business activity. The Council has chosen to disclose these costs in respect of all functions and activities.

Notes to the Financial Statements

Note 2 - Functions and Activities of the Council (Cont)

(b) Revenue and Expenses for the reporting year have been directly attributed to the following functions and activities.

	GENERAL PUBLIC SERVICES \$000	PUBLIC ORDER & SAFETY \$000	HEALTH \$000	WELFARE \$000	HOUSING & COMMUNITY AMENITIES \$000	RECREATION & CULTURE \$000	ROADS & TRAFFIC \$000	OTHER \$000	TOTAL 2017 \$000	BUDGET \$000
REVENUES										
Rates and Charges	52,437	7,197	-	-	3,434	-	-	501	63,569	63,500
Fees	900	366	205	-	8,042	5,782	6,394	763	22,452	22,753
Financial Assistance Grants	2,017	-	-	-	-	-	4,174	-	6,191	4,149
Other Grants	251	-	-	9	1,496	1,590	1,077	120	4,543	4,637
Interest	1,954	12	-	-	12	55	-	-	2,033	2,040
Interest - Capital Funds	-	-	-	-	103	-	11	-	114	-
Investment Revenue	4,562	-	-	-	-	-	-	-	4,562	4,450
Other (including Bequests)	103	-	2	10	424	2,429	40	56	3,064	2,080
	62,224	7,575	207	19	13,511	9,856	11,696	1,440	106,528	103,609
EXPENSES										
Employee Costs (net of capitalised)	12,053	427	856	597	5,259	11,940	5,087	2,228	38,447	38,435
Materials and Services	2,512	166	63	283	12,026	13,478	5,561	1,722	35,811	35,095
Impairment of Debts	(7)	22	2	-	7	30	-	-	54	95
Interest on Loans	354	-	-	-	-	-	-	-	354	253
Provision for Rehabilitation	-	-	-	-	27	-	-	-	27	27
Change in Rehabilitation Provision	-	-	-	-	382	-	-	-	382	273
Depreciation and Amortisation	2,233	13	-	-	3,293	5,034	9,424	8	20,005	19,781
State Government Fire Service Levy	-	7,144	-	-	-	-	-	-	7,144	7,144
Rate Remissions and Abatements	797	83	-	-	-	-	-	-	880	806
Loss on Fixed Assets	183	-	-	-	58	522	548	1	1,312	-
Full Cost Attribution	18,125	7,855	921	880	21,052	31,004	20,620	3,959	104,416	101,909
Competitive Neutrality	(2,041)	80	141	69	(202)	1,039	668	247	1	-
	(527)	-	-	-	72	315	140	-	-	-
	15,557	7,935	1,062	949	20,922	32,358	21,428	4,206	104,417	101,909
	46,667	(360)	(855)	(930)	(7,411)	(22,502)	(9,732)	(2,766)	2,111	(1,700)
Surplus (Deficit) from Operations										
Capital Grants and Infrastructure Adjustments	367	-	-	-	1,990	785	4,640	-	7,782	4,509
Capital Grants and Contributions	-	-	-	-	-	-	124,326	-	124,326	-
Infrastructure Take Up Adjustments	-	-	-	-	-	-	-	-	-	-
Write Down of Assets Held For Sale	(3,036)	-	-	-	-	-	-	-	(3,036)	-
Surplus (Deficit) Before Other Comprehensive Income										
	43,998	(360)	(855)	(930)	(5,421)	(21,717)	119,234	(2,766)	131,183	6,209
Infrastructure Assets	39,580	1,262	-	1,283	251,155	279,527	690,414	-	1,263,221	-
Work in Progress	442	-	-	-	21,338	3,105	11,823	-	36,708	-
Other Assets	311,850	-	-	-	-	237,491	-	-	549,341	-
	351,872	1,262	-	1,283	272,493	520,123	702,237	-	1,849,270	-

Notes to the Financial Statements

Note 2 - FUNCTIONS AND ACTIVITIES OF COUNCIL (Cont)

(c) Comparative figures for prior year (2016)

	GENERAL PUBLIC SERVICES \$000	PUBLIC ORDER & SAFETY \$000	HEALTH \$000	WELFARE \$000	HOUSING & COMMUNITY AMENITIES \$000	RECREATION & CULTURE \$000	ROADS & TRAFFIC \$000	OTHER \$000	TOTAL 2016 \$000	BUDGET \$000
REVENUES										
Rates and Charges	50,803	6,755	-	-	4,265	-	-	501	62,324	61,775
Fees	824	357	262	-	7,735	5,633	6,220	881	21,912	20,313
Financial Assistance Grants	685	-	-	-	-	-	1,355	-	2,040	4,236
Other Grants	108	-	-	-	1,502	1,416	419	120	3,576	3,552
Interest	2,086	13	-	-	18	47	-	-	2,164	1,759
Interest - Capital Funds	-	-	-	-	20	4	-	-	24	6
Investment Revenue	4,571	-	-	-	-	-	-	-	4,571	4,579
Other (Including Bequests)	61	7	-	11	252	2,689	59	64	3,143	2,571
	59,138	7,132	262	22	13,792	9,789	8,053	1,566	99,754	98,791
EXPENSES										
Employee Costs (net of capitalised)	11,921	399	806	506	4,892	12,171	5,233	2,193	38,120	37,349
Materials and Services	2,675	148	105	312	10,769	11,723	4,244	1,991	31,967	33,528
Impairment of Debts	-	17	1	-	76	7	6	1	108	95
Interest on Loans	357	-	-	-	-	-	-	-	357	422
Provision for Rehabilitation	-	-	-	-	146	-	-	-	146	355
Change in Rehabilitation Provision	-	-	-	-	804	-	-	-	804	-
Depreciation and Amortisation	2,028	13	1	-	3,222	5,250	8,920	8	19,442	19,557
State Government Fire Service Levy	-	6,702	-	-	-	-	-	-	6,702	6,702
Rate Remissions and Abatements	823	88	-	-	1	-	-	-	912	727
Loss on Fixed Assets	84	1	-	-	51	475	499	9	1,119	-
Fill Cost Attribution	17,888	7,368	913	818	19,961	29,626	18,902	4,202	99,677	98,735
Competitive Neutrality	(1,941)	79	139	67	(202)	1,020	592	246	-	-
	(517)	-	-	-	71	309	137	-	-	-
	15,430	7,447	1,052	885	19,830	30,955	19,631	4,448	99,677	98,735
Surplus (Deficit) from Operations	43,708	(315)	(790)	(863)	(6,038)	(21,166)	(11,578)	(2,882)	77	56
Capital Grants and Infrastructure Adjustments										
Capital Grants and Contributions	1,789	-	-	-	6,795	1,427	5,945	-	15,956	4,787
Infrastructure Take Up Adjustments	(1)	-	-	-	-	-	11,948	-	11,947	-
Write Down of Assets Held For Sale	-	-	-	-	-	-	-	-	-	-
Net Surplus (Deficit) Before Other Comprehensive Income	45,496	(315)	(790)	(863)	757	(19,739)	6,315	(2,882)	27,960	4,843
Infrastructure Assets	36,525	1,241	-	1,270	245,195	278,766	562,256	-	1,125,253	-
Work in Progress	296	-	-	-	19,463	1,566	3,811	99	25,235	-
Other Assets	303,239	-	-	-	-	237,112	-	-	540,351	-
Total Assets	340,060	1,241	-	1,270	264,658	517,444	566,067	99	1,690,840	-

Notes to the Financial Statements

Note 3 - Rates

	2017 \$000	2016 \$000
Valuation and Rating		
Gross Assessed Annual Value of the City	598,963	593,454
Rates		
	Cents/\$AAV	Cents/\$AAV
General Rate	7.4750	8.0770
General Rate - Commercial	8.0000	8.0770
General Rate - CBD Variation	9.5920	9.6170
General Rate - Industrial	8.0000	8.0770
General Rate - Public Purpose	8.0000	8.0770
General Rate - Primary Production	8.0000	8.0770
General Rate - Sporting and Recreation	8.0000	8.0770
General Rate - Quarrying and Mining	8.0000	8.0770
General Rate - Vacant Land	6.7000	8.0770
Service Rates		
Fire Protection - Urban	1.3730	1.3186
Fire Protection - Rural	0.3466	0.3145
Fire Protection - Lilydale District	0.4041	0.3750
	\$	\$
General Charge (Fixed Amount)	250	147
Minimum Rates apply:-		
Fire Levy	38	38
SERVICE CHARGES		
	\$ Range	\$ Range
Waste Management - on bin size	102 - 215	111 - 233
Onsite Disposal System	-	600 - 660

The Assessed Annual Value of the City is as determined by the Valuer-General for the year ended 30 June, 2017.

Rates were levied based on valuations effective from 1 July, 2016 (1 July 2014).

The rate to be raised from an individual property is calculated by applying the rate in the \$AAV upon the Assessed Annual Value of the property and adding other applicable charges. The fire rate raised is subject to minimum amounts.

For rating periods beginning 1 July 2016 Council, by absolute majority, introduced rate variations for land classified as Commercial, Industrial, Public Purpose, Primary Production, Sporting and Recreation, Quarrying and Mining and Vacant Land.

In previous rating years Council has charged a maintenance fee for on site disposal systems. For rating periods beginning 1 July 2016 the maintenance of on site disposal systems is the responsibility of the property owner.

Notes to the Financial Statements

Note 3 - Rates (Cont)

	2017 \$000	2016 \$000
Rating Revenue		
General Rates	-	45,619
General Charge	8,878	5,184
General Rate - Residential	27,295	-
General Rate - Commercial	8,999	-
General Rate - CBD Variation	501	501
General Rate - Industrial	2,835	-
General Rate - Public Purpose	2,757	-
General Rate - Primary Production	945	-
General Rate - Quarrying and Mining	4	-
General Rate - Sporting and Recreation	227	-
General Rate - Vacant Land	496	-
Total General Rates	<u>52,937</u>	<u>51,304</u>
Fire Protection	7,197	6,755
Waste Management	3,434	4,265
Total Rates	<u><u>63,568</u></u>	<u><u>62,324</u></u>

Note 4 - Fees and Charges

	2017 \$000	2016 \$000
Trading Fees	13,822	13,353
Regulatory Fees	2,198	2,296
Fines	1,360	1,352
Sales	4,011	3,811
Services	1,042	1,068
Venue Hire	19	32
	<u>22,452</u>	<u>21,912</u>

Note 5 - Revenue Grants and Contributions

	2017 \$000	2016 \$000
Commonwealth Funded Financial Assistance Grants		
Grant Funds Received for Reporting Year	4,087	4,138
Grant Received in Prior Year	-	(2,098)
Grant Received for Next Year	2,104	-
	<u>6,191</u>	<u>2,040</u>
Commonwealth Funded Operating Grants		
Ongoing Grant Funding		
Roads to Recovery	-	180
Tamar River Recovery	1,000	1,000
Training Subsidies	18	5
Diesel Rebate	134	107
	<u>1,152</u>	<u>1,292</u>
Other Grants	21	10
Total Commonwealth Funded Operating Grants	<u>1,173</u>	<u>1,302</u>

Notes to the Financial Statements

Note 5 - Revenue Grants and Contributions (Cont)

	2017 \$000	2016 \$000
State Funded Operating Grants		
Ongoing Grant Funding		
Queen Victoria Museum and Art Gallery	1,383	1,366
Launceston Flood Authority	496	488
Launceston Visitor and Information Centre	120	120
Motor Tax	157	194
Disaster Recovery	1,049	-
	<u>3,205</u>	<u>2,168</u>
Other Grants	162	59
Total State Funded Grants	<u>3,367</u>	<u>2,227</u>
Private Sector Contributions	3	50
Total Other Operating Grants	<u>4,543</u>	<u>3,579</u>

Note 6 - Capital Grants and Contributions

	2017 \$000	2016 \$000
State Funded Capital Grants		
Flood Mitigation	-	5,750
Museum	97	194
Parks and Recreation	83	735
Sports Grounds	40	80
Roads	365	53
Stormwater	1,000	1,000
Other	537	-
	<u>2,122</u>	<u>7,812</u>
Commonwealth Funded Capital Grants		
Museum	-	31
Parks and Recreation	18	-
Sports Grounds	-	8
Roads	2,011	2,305
Other	209	10
	<u>2,238</u>	<u>2,354</u>

Notes to the Financial Statements

Note 6 - Capital Grants and Contributions (Cont)

	2017 \$000	2016 \$000
Private Sector Funded Contributions		
Flood Mitigation	-	-
Museum	210	605
Parks and Recreation	14	130
Sports Grounds	52	262
Roads	3,137	3,567
Stormwater	-	1,154
Other	12	70
	<u>3,425</u>	<u>5,788</u>
Total Grants and Contributions	<u><u>7,785</u></u>	<u><u>15,954</u></u>

Private Sector Contributions includes donations and contributions of assets to the Council at no cost.

All grants, contributions and donations are recognised as revenue when received or when the Council obtains control over the assets comprising the contributions or donation. Grants held where the Council has not gained full control of the funds are held as deposits (refer Note 24).

Note 7 - Interest Revenue

	2017 \$000	2016 \$000
Interest		
Interest Untied Funds	1,737	1,805
Interest Rate Debts	296	359
	<u>2,033</u>	<u>2,164</u>
Interest Tied Funds (Capital Grants)	113	24
	<u><u>2,146</u></u>	<u><u>2,188</u></u>

Note 8 - Investment Revenue

	2017 \$000	2016 \$000
Investment Revenue		
TasWater		
Dividends	2,650	2,769
Tax Equivalents	1,231	986
Guarantee Fees	205	330
	<u>4,086</u>	<u>4,085</u>
Australia Pacific Airports (Launceston) Pty Ltd	477	486
	<u><u>4,563</u></u>	<u><u>4,571</u></u>

Notes to the Financial Statements

Note 9 - Bequests

	2017 \$000	2016 \$000
Initial Bequests	-	-
Bequests Revenue	159	149
	<u>159</u>	<u>149</u>

Bequests made to and held by the Council are recognised as Initial Bequests. Bequests held in trust where revenues are distributed to the Council are recognised as Bequests Revenue

For details of bequests held by Council refer Note 21.

Note 10 - Other Revenue

	2017 \$000	2016 \$000
Rent	1,122	1,121
Sponsorship	554	576
Donations	200	146
Asset Disposal	68	681
Recycling	66	23
Other	895	447
	<u>2,905</u>	<u>2,994</u>

Note 11 - Infrastructure Take Up Adjustments

	2017 \$000	2016 \$000
Adjustments to Infrastructure Assets		
Assets Recognised (Derecognised):		
Gross Value	124,326	11,948
Accumulated Depreciation	-	-
	<u>124,326</u>	<u>11,948</u>

In the reporting year ended 30 June 2015 Council recognised land under roads acquired after 30 June 2008.

In the reporting year ended 30 June 2017 Council has recognised all land under roads. The \$124,326,127 Asset Take Up adjustment represents the value of the land.

Notes to the Financial Statements

Note 12 - Employee Benefits

	2017 \$000	2016 \$000
Labour Costs		
Wages and Salaries	26,853	26,008
Superannuation and Retiring Allowance	6,112	6,076
Employee Leave Entitlements	3,963	3,845
Payroll Tax	2,099	2,018
Workers Compensation Insurance	205	371
Other Costs	831	916
	<u>40,063</u>	<u>39,234</u>
Less Amounts Capitalised	(1,617)	(1,113)
	<u>38,446</u>	<u>38,121</u>

Note 13 - Materials and Services

	2017 \$000	2016 \$000
Energy		
Street Lighting	1,511	1,527
Utilities - Gas	749	721
Utilities - Electricity	1,142	1,060
Garbage Collection	3,272	3,086
Goods and Services	19,046	17,574
Combined Service Charge (TasWater)	1,458	(102)
Property Expenses		
Water Fixed Charges	605	522
Water Volumetric Charges	318	362
Rent External	95	24
Land Tax	376	380
Contributions		
LGAT	63	54
CBD Promotion	500	492
Regional Cooperation	441	467
Flood Authority (Internal)	175	174
Community Assistance Grants	65	52
Events Funding	419	376
Provision of Services	515	549
Administrative		
Administration	651	725
Advertising and Promotion	195	195
Computers and Communication	358	360
Election Expenses	27	31
Expert Advice	1,297	753
Insurance (exc. Workers Compensation)	614	626
Maintenance	177	156

Notes to the Financial Statements

Note 13 - Materials and Services (Cont)

	2017 \$000	2016 \$000
Payment and Debt Collection	390	442
Postage Printing and Stationery	357	367
Aldermanic and Mayoral Allowances	518	501
External Auditor's Remuneration:		
- Auditing Financial Statements	50	54
Internal Auditor's Remuneration	28	37
Motor Vehicle Expense	398	402
	35,810	31,967

Note 14 - Impairment of Debts

	2017 \$000	2016 \$000
Sundry Debtors	53	103
Parking Infringement Debtors	-	6
	53	109

Note 15 - Finance Costs

	2017 \$000	2016 \$000
Interest on Borrowings	354	357
Unwinding of Discount on Provision for Rehabilitation of Waste Centre	27	146
	381	503

Note 16 - Depreciation

	2017 \$000	2016 \$000
Buildings	3,434	3,567
Plant and Equipment	2,329	2,083
Infrastructure	13,711	13,277
Data Systems	533	513
Total Depreciation	20,007	19,440

Depreciation has been charged in recognition of the diminution in value of non-current assets through use. No depreciation is charged in relation to land, nor for non-current assets that are maintained such that their future useful life remains constant (for example sports fields and garden beds).

Notes to the Financial Statements

Note 16 - Depreciation (Cont)

Museum Collection

The museum collection is not depreciated - see Note 30

Where depreciation is charged, it is on the straight line basis using rates that recognise the useful life of the asset.

	<u>BASIS OF DEPRECIATION</u>	
Freehold Land	Not Depreciated	Unlimited
Leased Land	Not Depreciated	Lease term
Freehold Buildings	Straight Line	100 - 250 years
Leasehold Buildings	Straight Line/Lease	100 years
Structures	Straight Line	60 - 250 years
Buildings - Plant	Straight Line	5 - 40 years
Light Vehicles	Straight Line	4 - 5 years
Major Plant	Straight Line	5 - 15 years
Minor Plant	Straight Line	3 - 20 years
Computer Equipment	Straight Line	3 - 5 years
IT Software (Intangible)	Straight Line	10 years
Furniture and Equipment	Straight Line	4 - 50 years
Stormwater and Drainage - Pump Stations	Straight Line	10 - 50 years
Infrastructure		
Roads Compacted Sub Grade	Not Depreciated	Unlimited
Road Pavement Sub-Base	Straight Line	300 years
Arterial Road Pavement Base	Straight Line	100 years
Local Road Pavement Base	Straight Line	150 years
Road Sealed Surfaces	Straight Line	20 - 35 years
Road Unsealed Surfaces	Straight Line	10 years
Road Kerb and Channel	Straight Line	100 years
Road Footpaths	Straight Line	30 - 50 years
Roads Infrastructure	Straight Line	30 - 100 years
Bridges	Straight Line	25 - 100 years
Parks and Recreation	Straight Line	10 - 150 years
Stormwater and Drainage	Straight Line	80 - 150 years
Flood Protection	Straight Line	100 - 200 years
Waste Centre	Straight Line	10 - 30 years
Waste Cell Clay Liner	Straight Line	100 years
Future Rehabilitation Costs	Straight Line	3 - 30 years

Where buildings are demolished to permit new construction, the written down value of the building at the point of demolition is written off in the year of demolition.

Notes to the Financial Statements

Note 17 - State Government Fire Service Levy

	2017 \$000	2016 \$000
Levy paid to State Fire Service	<u>7,144</u>	<u>6,702</u>

The Council collects a fire levy on behalf of the State Fire Commission as a rate.
The revenue is shown at Note 3

Note 18 - Remissions and Abatements

	2017 \$000	2016 \$000
Remissions	<u>882</u>	<u>912</u>

The Council, by absolute majority, may grant a remission of all or part of any rates, penalty or interest paid or payable by a ratepayer or class of ratepayers.

Note 19 - Disposal of Fixed Assets

	Note	2017 \$000	2016 \$000
Proceeds from Disposal		627	1,441
Less Carrying Amounts		(1,871)	(1,879)
Gain (Loss)		<u>(1,244)</u>	<u>(438)</u>
Gains on Disposal	10	68	681
Scheduled Loss on Disposal		(754)	(1,119)
Unscheduled Loss on Disposal		(558)	-
		<u>(1,312)</u>	<u>(1,119)</u>
		<u>(1,244)</u>	<u>(438)</u>

Scheduled Losses

Assets that are disposed of on a scheduled basis such as Plant and Equipment or redundant Infrastructure Assets

Unscheduled Losses

Assets that are disposed of on an unscheduled basis such as discontinued operations or assets that failed to meet their expected service potential

Notes to the Financial Statements

Note 20 - MANAGEMENT INDICATORS

The Local Government (Management Indicators) Order 2014 sets out Management Indicators that the Council must disclose in the Financial Statements.

	2017 \$'000	2016 \$'000	2015 \$'000	2014 \$'000
a) Underlying Surplus or Deficit				
Recurrent Income less	103,103	101,681	97,078	92,945
Recurrent Expenditure	101,842	99,393	97,423	94,682
Underlying Surplus (Deficit)	<u>1,261</u>	<u>2,288</u>	<u>(345)</u>	<u>(1,737)</u>
Benchmark	0	0	0	0

Recurrent Income excludes income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature and Financial Assistant Grants received in advance.

Recurrent Expenditure excludes loss on disposal of assets

Comment

In the reporting year guidance was provided to local government to achieve consistency on the composition of the underlying surplus. The reconciliation below details the items removed from the surplus disclosed in the Statement of Comprehensive Income.

The surplus or deficit for prior years has been restated using the new methodology.

The Council consistently reviews operational expenditure. This has achieved an underlying surplus of \$1.26m in the reporting year.

Reconciliation of Underlying Surplus to Statement of Comprehensive Income

Underlying Surplus (Deficit)	1,261	2,288	(345)	(1,737)
Add				
Capital Grants	7,783	15,955	4,314	3,422
Bequests	159	149	156	465
Capital Interest	113	24	305	36
Infrastructure Take Up Adjustments	124,326	11,949	5,011	22,573
Add Disaster Recovery Income	1,051	-	-	-
Less				
FAG Grant in advance current year	-	(2,098)	-	(2,036)
FAG Grant in advance prior year	2,104	-	2,098	-
Assets Held for Sale	(3,036)	-	-	(1,473)
Unscheduled Loss on Disposal of Fixed Assets	(558)	-	(2,133)	(1,518)
Disaster Recovery Spending	(2,018)	(285)	-	-
Surplus (Deficit)	<u>131,185</u>	<u>27,982</u>	<u>9,406</u>	<u>19,732</u>

Notes to the Financial Statements

Note 20 - MANAGEMENT INDICATORS (Cont)

	2017	2016	2015	2014
	\$'000	\$'000	\$'000	\$'000

(b) Underlying Surplus Ratio

This ratio serves as an overall measure of financial operating effectiveness.

<u>Underlying Surplus or (Deficit)</u>	1,261	2,288	(345)	(1,737)
Recurrent Income	103,103	101,681	97,078	92,945
Underlying Surplus Ratio %	1%	2%	0%	-2%
Benchmark	0%	0%	0%	0%

Note - positive percentage is favourable to benchmark

Comment

The continuing review of operating expenditure has improved the underlying surplus ratio over the reporting period.

(c) Net Financial Liabilities

Liquid Assets less	75,230	68,884	64,157	63,859
Total Liabilities	45,131	37,187	39,296	42,966
Net Financial Liabilities	30,099	31,697	24,861	20,893
Benchmark	0	0	0	0

Note - positive balance is favourable to benchmark

Comment

The Council continues to hold significant liquid assets to match project commitments and current liabilities.

(d) Net Financial Liabilities Ratio

This ratio indicates the net financial obligations of the Council compared to its recurrent income.

<u>Net Financial Liabilities</u>	30,099	31,697	24,861	20,893
Recurrent Income	103,103	101,681	97,078	92,945
Net Financial Liabilities Ratio %	29%	31%	26%	22%
Benchmark	0% - (50%)	0% - (50%)	0% - (50%)	0% - (50%)

Comment

The Council is in a strong position to meet ongoing liabilities from operational income.

(e) Asset Consumption Ratio

This ratio indicates the level of service potential available in the Council's existing asset base.

An asset consumption ratio has been calculated in relation to each asset class required to be included in the long-term Strategic Asset Management Plan of the Council.

Notes to the Financial Statements

Note 20 - MANAGEMENT INDICATORS (Cont)

	2017 \$'000	2016 \$'000	2015 \$'000	2014 \$'000
Transport Infrastructure				
<u>Depreciated Replacement Cost</u>	578,367	573,771	580,838	416,989
Current Replacement Cost	866,239	848,743	832,616	692,728
Asset Consumption Ratio %	67%	68%	70%	60%
Benchmark	>60%	>60%	>60%	>60%
Buildings				
<u>Depreciated Replacement Cost</u>	184,604	181,256	182,296	177,182
Current Replacement Cost	277,948	272,799	270,476	259,135
Asset Consumption Ratio %	66%	66%	67%	68%
Benchmark	>60%	>60%	>60%	>60%
Stormwater and Drainage				
<u>Depreciated Replacement Cost</u>	160,363	155,482	159,309	144,489
Current Replacement Cost	226,484	219,425	223,993	202,094
Asset Consumption Ratio %	71%	71%	71%	71%
Benchmark	>60%	>60%	>60%	>60%
Other				
<u>Depreciated Replacement Cost</u>	84,266	83,216	83,582	93,471
Current Replacement Cost	111,973	108,802	106,458	119,395
Asset Consumption Ratio %	75%	76%	79%	78%
Benchmark	>60%	>60%	>60%	>60%

Comment

The asset consumption ratios show that the Council is maintaining the service levels of its asset base and is above the benchmark for all asset classes.

(f) Asset Renewal Funding Ratio

An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of the Council. The Projected Funding Outlay is for the next 10 years

Transport Infrastructure				
<u>Projected Capital Funding Outlays</u>	93,612	62,110	52,110	38,506
Projected Capital Expenditure Funding	93,612	62,110	52,110	38,506
Asset Renewal Funding Ratio %	100%	100%	100%	100%
Benchmark	90 - 100%	90 - 100%	90 - 100%	90 - 100%

Notes to the Financial Statements

Note 20 - MANAGEMENT INDICATORS (Cont)

	2017 \$'000	2016 \$'000	2015 \$'000	2014 \$'000
Buildings				
<u>Projected Capital Funding Outlays</u>	12,697	3,235	3,235	7,492
Projected Capital Expenditure Funding	12,697	3,235	3,235	7,492
Asset Renewal Funding Ratio %	100%	100%	100%	100%
Benchmark	90 - 100%	90 - 100%	90 - 100%	90 - 100%
Stormwater and Drainage				
<u>Projected Capital Funding Outlays</u>	9,465	7,300	7,700	7,475
Projected Capital Expenditure Funding	9,465	7,300	7,700	7,475
Asset Renewal Funding Ratio %	100%	100%	100%	100%
Benchmark	90 - 100%	90 - 100%	90 - 100%	90 - 100%
Other				
<u>Projected Capital Funding Outlays</u>	54,302	19,133	19,577	46,771
Projected Capital Expenditure Funding	54,302	19,133	19,577	46,771
Asset Renewal Funding Ratio %	100%	100%	100%	100%
Benchmark	90 - 100%	90 - 100%	90 - 100%	90 - 100%

Comment

The Asset Management Plan identifies annual infrastructure renewal spending forecasts for the next 10 years. Detailed assessments of assets earmarked for renewal spending in any given year are necessary to verify whether particular assets in fact do need renewal in the nominated year.

The Council's Long Term Strategic Financial plan aligns with the Asset Management Plan providing for the Council to achieve an ongoing operating surplus after including depreciation.

This outcome ensures that the Council is able to fund the required asset renewal program over time.

(g) Asset Sustainability Ratio

This ratio measures the Council's capacity to fund future asset replacement requirements.

<u>Capex on Replacement/Renewal of Existing Assets</u>				
<u>Assets</u>	13,913	15,604	9,745	14,452
Annual Depreciation Expense	20,007	19,440	19,008	18,213
Asset Sustainability Ratio %	70%	80%	51%	79%
Benchmark	100%	100%	100%	100%

Notes to the Financial Statements

Note 20 - MANAGEMENT INDICATORS (Cont)

This ratio calculates the extent to which the Council is maintaining operating capacity through renewal of their existing asset base.

	Capital Renewal Expenditure \$'000	Capital New/ Upgrade Expenditure \$'000	Total Capital Expenditure \$'000
Capex			
Transport Infrastructure	6,443	316	6,759
Buildings	528	6,452	6,980
Stormwater and Drainage	909	590	1,499
Land	17	1,668	1,685
Plant	2,252	991	3,243
Other	3,764	6,985	10,749
	13,913	17,002	30,915
Annual Depreciation Expense			20,007
Benchmark			100%

Comment

The Asset Management Plan has identified infrastructure that needs renewing and the spending level follows the Asset Management Plan. See comment at note 20(f) for further explanation.

Notes to the Financial Statements

Note 21 - Movements in Equity
Current Year

	Revised Balance 1 July \$'000	Net Surplus \$'000	Comprehensive Income \$'000	Transfers \$'000	Balance 30 June \$'000
Capital Reserves					
Government Grants	159,605	4,360	-	-	163,965
Other Contributions	17,626	3,425	-	-	21,051
	177,231	7,785	-	-	185,016
Revenue Reserves					
General	873,381	117,241	-	7,105	997,727
CBD	15	1	-	-	16
Flood Authority	498	605	-	(132)	971
Investment Water Corporation	-	4,086	-	(4,086)	-
Public Open Space	152	50	-	-	202
Self Insurance	2,731	188	-	-	2,919
Special Committees	40	-	-	-	40
Waste Centre	11,143	2,896	-	(2,701)	11,338
Employee Benefits	(247)	(1,604)	1,390	-	(461)
	887,713	123,463	1,390	186	1,012,752
Asset Revaluation Reserves					
General	606,134	-	16,472	-	622,606
Investment Reserves					
TasWater	(20,053)	-	1,529	-	(18,524)
NTW/MG	426	-	(90)	-	336
	(19,627)	-	1,439	-	(18,188)
Trusts And Bequests					
Cliff Grounds	5	-	-	-	5
John Hart	20	-	-	-	20
John Hart (Interest)	6	1	-	-	7
Mary Nichols Bequest	2	-	-	-	2
Mary Nichols (Interest)	7	-	-	-	7
Museum Ralph Bequest	161	(43)	-	(181)	(63)
Museum - Bessant Bequest	259	(39)	-	(5)	215
Plomley Foundation - Capital	1,344	-	-	20	1,364
Plomley Foundation - Management	30	9	-	(20)	19
Museum Armitage Bequest	365	9	-	-	374
Museum - Library	-	-	-	-	-
Museum - Thomas Knowles	3	-	-	-	3
	2,202	(63)	-	(186)	1,953
	1,653,653	131,185	19,301	-	1,804,139

Notes to the Financial Statements

Note 21 - Movements in Equity (Cont)
Comparative figures for prior year

	Revised Balance 1 July \$'000	Net Surplus \$'000	Comprehensive Income \$'000	Transfers \$'000	Balance 30 June \$'000
Capital Reserves					
Government Grants	149,414	10,191	-	-	159,605
Other Contributions	11,912	5,714	-	-	17,626
	161,326	15,905	-	-	177,231
Revenue Reserves					
General	858,967	7,921	-	6,493	873,381
CBD	6	9	-	-	15
Flood Authority	241	306	-	(49)	498
Investment Water Corporation	-	4,086	-	(4,086)	-
Public Open Space	102	50	-	-	152
Self Insurance	2,543	188	-	-	2,731
Special Committees	38	2	-	-	40
Waste Centre	12,061	1,440	-	(2,358)	11,143
Employee Benefits	(457)	(1,774)	1,984	-	(247)
	873,501	12,228	1,984	-	887,713
Asset Revaluation Reserves					
General	630,997	-	(24,863)	-	606,134
Investment Reserves					
TasWater	(23,953)	-	3,900	-	(20,053)
NTW/MG	354	-	72	-	426
	(23,599)	-	3,972	-	(19,627)
Trusts And Bequests					
Cliff Grounds	5	-	-	-	5
John Hart	20	-	-	-	20
John Hart (Interest)	5	1	-	-	6
Mary Nichols Bequest	2	-	-	-	2
Mary Nichols (Interest)	7	-	-	-	7
Museum Ralph Bequest	315	(154)	-	-	161
Museum - Bessant Bequest	251	8	-	-	259
Plomley Foundation - Capital	1,324	-	-	20	1,344
Plomley Foundation - Management	66	(16)	-	(20)	30
Museum Armitage Bequest	355	10	-	-	365
Museum - Library	-	-	-	-	-
Museum - Thomas Knowles	3	-	-	-	3
	2,353	(151)	-	-	2,202
	1,644,578	27,982	(18,907)	-	1,653,653

Notes to the Financial Statements

Note 22 - Cash at Bank and On Hand

	2017 \$000	2016 \$000
Cash on Hand	22	13
Cash at Bank	2,410	2,138
Special Committees	41	39
	<u>2,473</u>	<u>2,190</u>

Note 23 - Rates and Sundry Receivables

	2017 \$000	2016 \$000
(a) Current Receivables		
Rate Debtors	1,257	1,530
Rates Paid in Advance	(1,272)	(1,161)
Accrued Revenue	1,343	48
Sundry Debtors	2,344	2,195
Prepayments	115	267
Parking Infringement Debtors	2,090	2,212
	<u>5,877</u>	<u>5,091</u>
Impairment of Debtors		
Sundry Debtors	(424)	(525)
Parking Infringement Debtors	(1,305)	(1,429)
	<u>(1,729)</u>	<u>(1,954)</u>
	<u>4,148</u>	<u>3,137</u>
Movement in Impaired Debts	225	(25)
(b) Collection Performance – Rate Receivables		
Rate Revenue	63,568	62,323
Interest on Rates	296	359
	<u>63,864</u>	<u>62,682</u>
Percentage Rate Debtors Outstanding	1.97%	2.44%

Note 24 - Current Investments

	2017 \$000	2016 \$000
Current		
Bank Guaranteed Bills and Deposits	68,609	63,557
	<u>68,609</u>	<u>63,557</u>

Notes to the Financial Statements

Note 24 - Current Investments (Cont)

	2017 \$000	2016 \$000
Restricted Assets and Deposits		
Restricted assets		
a) Included in the above and invested on behalf of:-		
i) Trusts and Bequests	1,953	2,202
ii) River Dredging and Flood Protection Contributions	971	498
b) Provision for Retiring Allowance	231	218
c) Provision for Waste Centre Development and Rehabilitation	11,338	11,143
	<u>14,493</u>	<u>14,061</u>
Grant funds brought to account as income but not fully expended and held in specific bank deposits at year end	5,575	-
Total Restricted Assets	<u>20,068</u>	<u>14,061</u>
Deposits	544	469
Total Restricted Assets and Deposits	<u>20,612</u>	<u>14,530</u>
Committed Funds		
Capital Expenditure	10,306	6,988
Net Capital Works (carried forward)	14,314	10,186
	<u>24,620</u>	<u>17,174</u>
Current Liabilities (excluding deposits)	27,540	26,153
	<u>52,160</u>	<u>43,327</u>

The ongoing operations of the Council, together with the investments held, will provide sufficient funds for the Council to meet the commitments as they fall due.

Note 25 - Inventories

	2017 \$000	2016 \$000
Inventories		
Stores	449	482
Trading Stock	150	132
	<u>599</u>	<u>614</u>

Stores and materials are valued at average cost or net realisable value whichever is the lower. Stores issues are at average cost.

Notes to the Financial Statements

Note 26 - Assets Held for Sale

	2017 \$000	2016 \$000
Assets Held For Sale		
Carrying Value	3,876	-
Less Fair Value Adjustment	(3,036)	-
Value Held for Sale	<u>840</u>	<u>-</u>

The Council has entered into an agreement to sell a portion of the Cimitiere Street car park land facing Tamar Street for a hotel development.

In 2013 the Council entered into a Memorandum of Understanding with the University of Tasmania for the University to acquire the buildings they lease and occupy in the Inveresk Precinct for a token amount. This resulted in an impairment loss of \$19,670,283.42. This amount has been taken to equity as a prior period error.

In 2016 the Council entered into a Memorandum of Understanding with the University of Tasmania for the University to acquire land in the Inveresk Precinct and the Willis Street Car Park. The agreement is for the University to acquire the assets for \$1. This resulted in an impairment loss of \$3,036,200 in the reporting year.

Note 27 - Deferred Receivables

	2017 \$000	2016 \$000
Deferred Receivables		
Loans - Australia Pacific Airports (Launceston) Pty Ltd	258	258

Council owns a 10% stake in the Launceston Airport by way of a shareholder loan to Australian Pacific Airports (Launceston) Pty Ltd.

Revenues on this loan are recognised as Investment Revenue.

Note 28 - Investments

Investment TasWater

On 1 July 2013 all Tasmanian Water Corporations were merged to form the Tasmanian Water Corporation Pty Ltd., trading as TasWater.

Each Council's ownership share of TasWater is calculated on its voting share set down in TasWater's constitution. Because the Council does not have significant influence to allow the use of the equity method to account for its investment it is recorded at the fair value of Council's share of the underlying investment.

The returns from this investment are in the form of distributions (dividends, guarantee fees, income tax equivalents). All returns are taken up as income in the year received.

Notes to the Financial Statements

Note 28 - Investments (Cont)

	2017 \$000	2016 \$000
Water Corporation net equity	1,585,043	1,574,712
Year end report used for determining net assets	30-June-2017	30-June-2016
Launceston City Council ownership percentage	14.80%	14.80%
Fair value of the Council's share of TasWater	234,586	233,057
Previously assessed value	233,057	229,157
Net Increase (decrease) in fair value	<u>1,529</u>	<u>3,900</u>

Investment NTWGM

The Northern Tasmanian Waste Management Group (NTWGM) was formed in 2009 as part of Northern Tasmania Regional Development Board Ltd. (Now Northern Tasmania Development Corporation Ltd.) The Group is comprised of 7 member Northern Tasmanian Councils. Each member Council has one vote. On winding up the fund is to be distributed proportionate to a three year rolling average of each members payments into the fund.

	2017 \$000	2016 \$000
NTWGM Fund Balance	437	547
Year end report used for determining net assets	30-June-2017	30-June-2016
Launceston City Council ownership percentage	77.04%	77.97%
Fair value of the Council's share of NTWGM	337	426
Previously assessed value	426	354
Net Increase (decrease) in fair value	<u>(90)</u>	<u>72</u>
Total Investments	<u>234,923</u>	<u>233,483</u>

Note 29 - Property, Infrastructure and Plant and Equipment

Recognition of Non-Current Assets

From the reporting period starting 1 July 2016 the Council has recognised all land under roads by area at the Valuer General's valuation.

Building assets includes fixtures and fittings and are depreciated at the rates for Major and Minor Plant.

Plant and Equipment assets acquired are recorded at the cost of acquisition.

The Queen Victoria Museum and Art Gallery collection was revalued as at 30 June 2014 (Note 30).

Notes to the Financial Statements

Note 29 - Property, Infrastructure and Plant and Equipment (Cont)

Impairment

At each reporting date the Council reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

Non commercial assets are reviewed using the Australian paragraphs to AASB 136 Impairment of Assets, where future economic benefits are measured on future net cash inflows and whether, if deprived of the asset, the Council would replace its future economic benefit. At the reporting date no Non Current Assets were identified as being materially impaired.

Found Assets

During the year the Council identified assets that were not reflected in the Asset Register as at 30 June 2016.

This is the result of better measurement technologies to allow for more accurate measurement or activities revealing undocumented assets. The remeasurements resulted in increases and decreases in individual asset values.

As identified the restated values are adjusted in the Asset Register.

The opening balances of the prior period have been adjusted by the changes in values of these assets.

Valuation

Plant and Equipment and Intangible Assets are valued at cost.

Infrastructure Assets are measured at fair value.

Valuations are done with sufficient regularity to ensure carrying amounts represent Fair Value.

The valuations are performed as per the following table.

Asset Class	Valuation Method	Valuer
Plant and Equipment	Cost	-
Intangible Assets	Cost	-
Land	Fair Value	LG Valuation Services - On behalf of the Valuer General
Buildings	Fair Value	LG Valuation Services
Roads and Bridges	Fair Value	Launceston Council Infrastructure Services
Stormwater and Drainage	Fair Value	Launceston Council Infrastructure Services
Flood Protection	Fair Value	Launceston Council Infrastructure Services
Refuse Disposal	Fair Value	Launceston Council Infrastructure Services
Parks and Recreation	Fair Value	Launceston Council Infrastructure Services

	2017 \$000	2016 \$000
Intangible Assets at Written Down Value	4,628	4,750
Tangible Assets at Written Down Value	1,258,593	1,120,504
Work in Progress	36,708	25,235
Written Down Value 30 June	1,299,929	1,150,489

Notes to the Financial Statements

Note 29 - Property, Infrastructure and Plant and Equipment (Cont)

	2017 \$000	2016 \$000
(a) Capital Expenditure		
Completed Works	19,887	18,739
Change in Work in Progress	11,473	8,053
	31,360	26,792
(b) Movement in Asset Values		
Written Down Value 1 July	1,150,489	1,152,794
Capital Expenditure	31,360	26,792
Capital Contributions	3,037	4,723
Depreciation and Amortisation	(20,008)	(19,440)
Disposals at Written Down Value	(1,871)	(1,464)
Asset Recognition Adjustment	124,326	11,948
Asset Revaluation Increment (Decrement)	16,472	(24,864)
Transfer to Assets Held for Sale	(3,876)	-
Written Down Value 30 June	1,299,929	1,150,489
(c) Total Property, Infrastructure and Plant and Equipment Carrying Amount		
Plant and Equipment at Cost	46,862	43,342
Property and Infrastructure at Valuation	1,716,898	1,559,077
	1,763,760	1,602,419
Less Accumulated Depreciation	500,539	477,166
	1,263,221	1,125,253
Work in Progress at Cost	36,708	25,235
Written Down Value	1,299,929	1,150,488

Plant and Equipment includes Data Systems disclosed in the Statement of Financial Position as Intangible Assets.

Notes to the Financial Statements

Note 29 - Infrastructure Assets (Cont)
(d) Infrastructure by Function
Current Year

Freehold Land at Valuation
 Leasehold Land at Valuation
 Freehold Buildings at Valuation
 Leasehold Buildings at Valuation
 Roads Infrastructure at Valuation
 Stormwater and Drainage Infrastructure at Valuation
 Plant and Equipment at Cost
 Intangibles at Cost
 Flood Protection Infrastructure at Valuation
 Cemetery & Crematoria Infrastructure at Valuation
 Refuse Disposal Infrastructure at Valuation
 Parks and Recreation Infrastructure
 - Swin Centres at Valuation
 - Parks at Valuation
 Less Accumulated Depreciation

Note 29 - Infrastructure Assets (Cont)
(d) Infrastructure by Function
Comparative Figures for Prior Year

Freehold Land at Valuation
 Leasehold Land at Valuation
 Freehold Buildings at Valuation
 Leasehold Buildings at Valuation
 Roads Infrastructure at Valuation
 Stormwater and Drainage Infrastructure at Valuation
 Plant and Equipment at Cost
 Intangibles at Cost
 Flood Protection Infrastructure at Valuation
 Cemetery & Crematoria Infrastructure at Valuation
 Refuse Disposal Infrastructure at Valuation
 Parks and Recreation Infrastructure
 - Swin Centres at Valuation
 - Parks at Valuation
 Less Accumulated Depreciation

	General Public Services \$'000	Public Order and Safety \$'000	Roads and Traffic \$'000	Housing and Community Amenities \$'000	Welfare \$'000	Recreation and Culture \$'000	TOTAL \$'000
	2,598	-	137,850	12,595	435	74,938	228,416
	-	-	-	300	-	1,312	1,612
	23,348	1,333	19,954	31,875	1,360	203,801	281,671
	-	-	-	-	209	127	336
	-	277	809,108	-	-	-	809,385
	-	-	-	215,856	-	-	215,856
	37,861	-	-	-	-	-	37,861
	9,001	-	-	-	-	-	9,001
	-	-	-	56,137	-	-	56,137
	-	-	-	7,336	-	-	7,336
	-	-	-	26,876	-	-	26,876
	-	-	-	-	-	-	-
	-	-	-	-	-	1,684	1,684
	-	-	-	-	-	87,589	87,589
	72,808	1,610	966,912	350,975	2,004	369,451	1,763,760
	(33,228)	(348)	(276,498)	(99,820)	(721)	(89,924)	(500,539)
	39,580	1,262	690,414	251,155	1,283	279,527	1,263,221
	2,558	-	16,631	11,637	435	76,801	108,062
	-	-	-	270	-	455	725
	22,964	1,290	19,196	30,950	1,316	199,205	274,921
	-	-	-	-	203	122	325
	-	273	789,719	-	-	-	789,992
	-	-	-	208,996	-	-	208,996
	35,524	-	-	-	-	-	35,524
	8,705	-	-	-	-	-	8,705
	-	-	-	55,062	-	-	55,062
	-	-	-	7,188	-	-	7,188
	-	-	-	26,652	-	-	26,652
	-	-	-	-	-	-	-
	-	-	-	-	-	1,658	1,658
	-	-	-	-	-	84,609	84,609
	69,751	1,563	825,546	340,755	1,954	362,850	1,602,419
	(33,226)	(322)	(263,290)	(95,560)	(684)	(84,084)	(477,166)
	36,525	1,241	562,256	245,195	1,270	278,766	1,125,253

Notes to the Financial Statements

Note 29 - Infrastructure Assets (Cont)
(e) Movements in Carrying Amounts

	Land \$'000	Buildings \$'000	Roads and Bridges \$'000	Drainage \$'000	Plant and Equipment \$'000	Other \$'000	TOTAL \$'000
Opening Balance	-	-	-	-	43,342	-	43,342
At Cost	-	-	-	-	-	-	-
At Valuation	109,332	272,799	848,743	219,425	43,342	108,778	1,559,077
Accumulated Depreciation	-	(91,543)	(274,972)	(63,944)	(21,145)	(25,561)	(477,165)
Additions - Capex	-	1,040	5,408	3,798	6,851	2,790	19,887
Additions - Contributions	-	-	-	-	-	-	-
Gross	105	-	2,238	772	-	-	3,115
Accumulated Depreciation	-	-	(74)	(4)	-	-	(78)
Adjustments	-	-	-	-	-	-	-
Gross	124,326	-	-	-	-	-	124,326
Accumulated Depreciation	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Gross	(3,569)	-	(557)	-	-	-	(4,126)
Accumulated Depreciation	-	-	250	-	-	-	250
Revaluations	-	-	-	-	-	-	-
Gross	-	9,017	12,701	2,697	-	583	24,998
Accumulated Depreciation	-	(2,855)	(4,681)	(784)	-	(206)	(8,526)
Disposals	-	(849)	(2,294)	(208)	(3,331)	(177)	(6,859)
Gross	-	427	1,714	153	2,575	119	4,988
Accumulated Depreciation	-	(3,434)	(10,108)	(1,544)	(2,863)	(2,059)	(20,008)
Depreciation	-	-	-	-	-	-	-
Balance - 30 June	230,194	184,602	578,368	160,361	25,429	84,267	1,263,221

Note 29 - Infrastructure Assets (Cont)
(e) Movements in Carrying Amounts
Comparative Figures for Prior Year

	Land \$'000	Buildings \$'000	Roads and Bridges \$'000	Drainage \$'000	Plant and Equipment \$'000	Other \$'000	TOTAL \$'000
Opening Balance	-	-	-	-	40,180	-	40,180
At Valuation	109,339	270,476	832,616	223,993	-	106,458	1,542,882
Accumulated Depreciation	-	(88,180)	(251,778)	(64,684)	(19,932)	(22,876)	(447,450)
Additions - Capex	-	2,628	6,057	2,938	5,006	2,111	18,740
Additions - Contributions	-	-	-	-	-	-	-
Gross	-	-	3,619	1,160	-	-	4,779
Accumulated Depreciation	-	-	(51)	(6)	-	-	(57)
Adjustments	-	-	-	-	-	-	-
Gross	-	-	11,948	-	-	-	11,948
Accumulated Depreciation	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Gross	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-
Gross	-	(3)	(1,021)	(8,567)	-	600	(8,991)
Accumulated Depreciation	-	1	(17,354)	2,232	-	(752)	(15,873)
Disposals	(7)	(302)	(4,476)	(99)	(1,844)	(391)	(7,119)
Gross	-	203	3,767	36	1,382	267	5,655
Accumulated Depreciation	-	(3,567)	(9,556)	(1,522)	(2,595)	(2,200)	(19,440)
Depreciation	-	-	-	-	-	-	-
Balance - 30 June	109,332	181,256	573,771	155,481	22,197	83,217	1,125,254

Notes to the Financial Statements

Note 30 - Queen Victoria Museum and Gallery

	2017 \$000	2016 \$000
Museum Collection		
Opening Balance	237,112	236,035
Additions	379	1,077
Revaluation Increase/(Decrease)	-	-
Collection Carrying Value	<u>237,491</u>	<u>237,112</u>

The independent valuation of the Queen Victoria Museum and Art Gallery collection, by Simon Storey FAVAA of Simon Storey Valuations was completed during the financial year to 30 June 2014.

This amount has been disclosed as a separate asset class in the Statement of Financial Position.

The Museum collection assets have been assessed to have indefinite lives. These heritage and cultural assets are stored, managed, displayed, repaired and restored in ways that will maintain their cultural or heritage value over time. Where conservation, restoration and preservation activities demonstrate that an asset will be maintained for an indefinite period, these items are considered to have indefinite useful lives and therefore not subject to depreciation. Revaluations will be made with sufficient regularity to maintain the collection at fair value.

Significant additions to the collection between revaluations are brought to account at curators valuation. Significance is defined at a threshold value of \$5,000. Additions below this amount are brought to account on revaluation of the whole collection.

	2017 \$000	2016 \$000
Results from Operations		
Revenue		
Fees and Charges	547	366
State Government Operations Grant	1,383	1,366
Other Grants	48	48
Bequests and Donations	257	274
Interest	55	47
Other Income	2	18
	<u>2,292</u>	<u>2,119</u>
Expenses		
Provision of Services	5,268	5,250
Bequest Expenditure	50	57
Depreciation	693	758
Full Cost Attribution	345	338
	<u>6,356</u>	<u>6,403</u>
Operating Surplus / (Deficit)	<u>(4,064)</u>	<u>(4,284)</u>

Notes to the Financial Statements

Note 31 - Employee Provisions and Statistics

	2017	2016
	\$000	\$000
Full Time Equivalent Employees at year end	441	427
Current Provisions		
Accrued Time	155	148
Annual Leave	2,517	2,543
Long Service Leave	3,908	3,023
Retiring Allowance	77	74
	6,657	5,788
Non-Current Provisions		
Long Service Leave	835	1,633
Retiring Allowance	154	144
	989	1,777

Annual and Long Service Leave

Provision is made in respect of the liability for annual leave and long service leave at 30 June, 2017. The remuneration rate expected to apply at the time of settlement has been used in calculation of the entitlements. In the case of long service leave the provision has been established at balance date having regard to the present value of estimated future cash outflows. Commonwealth bond rates are used for discounting future cash flows.

Personal Leave

No provision is made for personal leave as the entitlement is non-vesting and it is probable that the personal leave expected to be taken in future periods will not exceed the entitlements expected to accrue in those future periods.

Note 32 - Interest Bearing Liabilities

	2017	2016
	\$000	\$000
(a) Currency of loans		
Current	2,357	2,241
Non-current	9,769	3,126
	12,126	5,367
(b) Summary Movement in Loans		
Balance - 1 July	5,367	7,500
Repayments	(2,241)	(2,133)
Borrowing	9,000	-
Balance - 30 June	12,126	5,367

The loans are secured over the future revenue of the Council.

Public Bodies Assistance Act (PBAA) loan balances were net of subsidies due from the State Government.

Gross PBAA loans due	-	(2)
Less subsidy	-	2
Year end net balance	-	-

Notes to the Financial Statements

Note 33 - Lease Commitments

At the reporting date, the Council had no material obligations under leases.

Finance Lease as Lessee

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recorded as an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter.

At the reporting date the Council had no Finance Leases.

Operating Leases as Lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

The Council leases several parcels of Crown land under lease agreements with the State Government. These leases, in general, do not reflect commercial arrangements, are long-term and have minimal lease payments. Crown land is recognised as an asset in the Statement of Financial Position and carried at fair value when the Council establishes that (i) it has control over the land and (ii) it will derive economic benefits from it.

Other than Crown Land, the Council had no Operating Leases at the reporting date.

Leasehold Improvement

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

At the reporting date the Council had no Non Cancellable Operating Leases.

Operating Leases as Lessor

Not for Profit

The Council owns a range of facilities that are available for lease by not-for-profit sport, recreational and community organisations. Leases to not-for-profit organisations, in general, do not reflect commercial arrangements and have minimal lease payments. Land and buildings which are leased under these arrangements are recognised within Infrastructure Assets in the Statement of Financial Position and associated rental income is recognised in accordance with the Council's revenue recognition policy.

Commercial Arrangements

The Council also owns facilities that are leased in whole or in part to organisations and individuals on a commercial basis, the associated land and buildings are recognised within Infrastructure Assets in the Statement of Financial Position and valued in accordance with the Council's valuation policy and rental income is recognised in accordance with the Council's revenue recognition policy.

While the leases are on commercial terms, the dominant purpose of the Council holding these assets is to enhance its operating programs and facilities, not to earn rental income.

Notes to the Financial Statements

Note 34 - Sundry Payables and Accruals

	2017 \$000	2016 \$000
Accrued Expenses	14,644	15,830
Unearned Income	243	245
Sundry Creditors	3,639	2,045
	<u>18,526</u>	<u>18,120</u>

Note 35 - Superannuation

During the year the Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the *Superannuation Guarantee (Administration) Act 1992*.

Accumulation Funds

New employees are able to join an accumulation fund of their choice. Employees who are members of the defined benefits fund are able to transfer to a complying accumulation fund. The default offering for Council employees is provided by Tasplan Super.

Defined Benefit Funds

The Council contributes, in respect of its employees, to two divisions within Tasplan Super that provide defined benefits entitlements. The City of Launceston Defined Benefits Division was established for employees of the Council, it includes a small number of former employees of the Council that transferred to TasWater. The Quadrant Defined Benefits Division was established in respect of local government employees in Tasmania. Both these divisions are closed to new entrants.

In accordance with statutory requirements the Council contributes to both funds the amounts determined by the independent actuaries of Tasplan Super. As such, assets accumulate to meet member's benefits as they accrue. If the assets of a division of the fund were insufficient to satisfy benefits payable to its beneficiaries the Council would be required to meet its share of the deficiency.

The details of the two actuarial reviews are:

Quadrant Defined Benefit Division

The employees who are members of the Quadrant Defined Benefits Division are included in the actuarial report for the City of Launceston Defined Benefits Division.

City of Launceston Defined Benefits - Sub Fund of Tasplan

The assets and members of the City of Launceston are a division of Tasplan Super on a "successor fund" basis.

Notes to the Financial Statements

Note 35 - Superannuation (Cont)

	2017 \$000	2016 \$000
The Council has taken up a liability of :	461	247

In respect of the excess of benefit liabilities over assets in the Fund. The Council does not have any immediate requirement to fund the shortfall and continues to fund at the level of contributions assessed by the Scheme's actuary as being required to meet the long term requirements of the Fund.

The calculation of the liability is based on an actuarial review for the purpose of AASB 119 performed by Geoff McRae FIAA on behalf of Rice Warner, as at 31 May 2017.

The amount taken up as an employee benefit obligation is made up as follows:

	2017 \$000	2016 \$000
Balance Sheet Calculation		
Fair value of plan assets	55,471	53,387
Less present value of defined benefit obligation	55,932	53,634
Employee benefit (asset) obligation	<u>461</u>	<u>247</u>
Defined Benefit Obligation		
Reconciliation of Obligation		
Present value of defined benefit obligation - 1 July	53,634	55,235
Current service cost	3,056	3,299
Interest cost	1,233	1,415
Member contributions and transfers from other funds	922	1,072
Actuarial gains/ (losses) due to changes in financial assumptions	(339)	146
Actuarial (gains)/losses due to changes in experience	3,734	(1,263)
Benefits and tax paid	(6,308)	(6,270)
Past service cost	-	-
Curtailments	-	-
Settlements	-	-
Exchange rate changes	-	-
Present value of defined benefit obligation - 30 June	<u>55,932</u>	<u>53,634</u>
Assets		
Reconciliation of Assets		
Fair value of plan - 1 July	53,387	54,778
Adjustment to 2016 Asset	-	740
Expected return on plan assets	1,169	1,410
Actuarial gains/ (losses)	3,817	(976)
Employer contributions	1,452	1,525
Member contributions and transfers from other funds	1,954	2,180
Benefits and tax paid	(6,308)	(6,270)
Settlements and curtailments	-	-
Business combinations	-	-
Exchange rate changes	-	-
Fair value of defined benefit obligation - 30 June	<u>55,471</u>	<u>53,387</u>

Notes to the Financial Statements

Note 35 - Superannuation (Cont)

	2017 \$000	2016 \$000
Expense recognised in Operating Surplus		
Current service cost	3,056	3,299
Interest cost	1,233	1,415
Expected return on plan assets	(1,169)	(1,410)
Superannuation expense	<u>3,120</u>	<u>3,304</u>
Expense recognised in Other Comprehensive Income		
Actuarial gains/(losses)	<u>1,390</u>	<u>1,984</u>

General Plan Information

The Plan is a division of the "profit for members" superannuation scheme known as Tasplan Super ("the Scheme") and the Trustee of the Scheme is Tasplan Ltd. The Scheme and the Plan are subject to the requirements of the Superannuation Industry (Supervision) Act 1992 and related regulations. Under this legislation, the Trustee is required to measure the value of the assets of the Plan against the total members' vested entitlements and to take action if a shortfall in the value of the assets emerges. Such action could include actuarial management of the Plan, including an increase to the amount of employer contributions.

Members of the Fund are entitled to receive lump sum benefits on leaving service due to retirement, death, total and permanent disablement and resignation.

The most recent actuarial investigation into the Fund in accordance with the Superannuation Industry (Supervision) Act was carried out as at 30 June 2014 by Geoff McRae FIAA of Rice Warner.

The investigation showed the following figures determined in accordance with AAS 25 Financial Reporting by Superannuation Plans:

	2017 \$000	2016 \$000
Present Value of Defined Benefits	34,189	34,189
Accumulation Benefits	17,192	17,192
Value of Accrued Benefits	<u>51,381</u>	<u>51,381</u>
Vested Benefits	<u>48,980</u>	<u>48,980</u>

The actuary recommended that the Employer contribute at the rate of 10% of salaries until 31 July 2015 and then 11% of salaries thereafter. The funding method used to make the contribution recommendation was the "entry age normal method". The economic assumptions used in the investigation were:

Rate of investment return:	7%	7%
Rate of inflationary salary increases:	4%	4%

Method of determining Expected Return on plan assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the expected long term allocation of assets to each asset class. Returns are net of investment tax and investment fees.

Notes to the Financial Statements

Note 35 - Superannuation (Cont)

	2017 \$000	2016 \$000
Actual Return on Plan Assets		
Present value of defined benefit obligation at end of year	55,932	53,634
Fair value of Plan assets at end of year	55,471	53,387
(Surplus)/Deficit in Plan	461	247
Experience adjustments - Plan liabilities	(3,734)	1,263
Experience adjustments - Plan assets	3,817	(976)
Actual return on Fund assets	4,985	434
Principal Assumptions		
Discount Rate p.a.	2.37%	2.25%
Salary Increases	2.1% - 2.3%	2.00%

Expected Contributions

If the Council follows the recommendations in the actuarial report, the expected contributions to the Fund for the year ending 31 May 2018 are as follows:

	2018 \$000	2017 \$000
Expected employer contributions (for defined benefits only)	1,559	1,724
Expected member contributions (incl. deemed member contributions)	850	940

Sensitivity Analysis

The table below shows how the net liability on the Statement of Financial Position would have been affected by changes in the key actuarial assumptions.

Assumption	Change in Assumption	Movement in Net Liability \$'000
Discount Rate	Increase by 1.00% p.a.	Decrease by: 1,662
Discount Rate	Decrease by 1.00% p.a.	Increase by: 2,238
Salary Growth Rate	Increase by 1.00% p.a.	Increase by: 2,045
Salary Growth Rate	Decrease by 1.00% p.a.	Decrease by: 1,886

Notes to the Financial Statements

Note 36 - Rehabilitation Provision

	2017 \$000	2016 \$000
Provision for Rehabilitation		
Balance at Beginning of Year	5,419	4,469
Reassessment Adjustment of Opening Balance	382	804
Rehabilitation Works Carried Out	-	-
Unwinding of discount - expensed as borrowing cost	27	146
Balance at End of Year	<u>5,828</u>	<u>5,419</u>

The Council operates a refuse disposal area (Launceston Waste Facility) which imposes obligations for rehabilitation in the future. Provision is made for rehabilitation costs to be incurred in future years by estimating the future costs based on current legislative requirements. This future cost is discounted back to present value at balance date. At each balance date the discounting is unwound with the movement in the liability charged to the Statement of Comprehensive Income as part of "Finance Costs".

Note 37 - Commitments for Capital Expenditure

	2017 \$000	2016 \$000
At the reporting date, the Council had entered into contracts for the following capital expenditures:		
Plant and Equipment	1,185	2,269
Refuse Infrastructure	286	1,757
Roads Infrastructure	7,376	1,169
Parks and Recreation Infrastructure	911	415
Drainage Infrastructure	226	1,018
Flood Protection Infrastructure	35	215
Buildings	287	145
	<u>10,306</u>	<u>6,988</u>
These expenditures are due for payment:		
Not later than one year	10,306	6,988

Note 38 - Contingent Assets and Liabilities

Contingent Assets

During the reporting year the Council was awarded costs for the arbitrated dispute with TasWater. At the reporting date the amount of the costs payable to Council is yet to be determined.

Contingent Liabilities

At the reporting date of 30 June 2017 the Council had no contingent liabilities that would materially affect any of the amounts or disclosures in these accounts.

Notes to the Financial Statements

Note 39 - Cash Flow

	2017 \$000	2016 \$000
(a) Reconciliation of Cash Used in Operating Activities to Surplus (Deficit)		
Surplus (Deficit)	131,185	27,982
Non-Cash Charges		
Depreciation	20,007	19,440
Employee Provisions	1,682	1,907
Provision for Rehabilitation Movements	409	950
Allowance for Impaired Debts	(225)	25
Loss (Profit) on Sale of Non-current Assets	1,244	437
Write Down of Available for Sale Asset	3,036	-
Changes in Assets and Liabilities		
Rate and Sundry Receivables	(785)	309
Inventories	15	92
Sundry Creditors	414	(451)
Deposits	75	(395)
Non-Cash Income		
Infrastructure Take-up Adjustments	(124,326)	(11,948)
Investing Activities		
Investment Revenue	(4,563)	(4,572)
Grants and Contributions Capital	(7,785)	(15,954)
Net Cash from Operating Activities	<u>20,383</u>	<u>17,822</u>

Reconciliation of Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, the Council considers cash to include cash on hand and in banks and investments in money market instruments. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:-

Cash	2,473	2,190
Short Term Investments	68,609	63,557
	<u>71,082</u>	<u>65,747</u>

Notes to the Financial Statements

Note 40 - Financial Instruments

Risk Management

The Council holds cash and cash equivalent assets and liabilities for current and future capital and operational requirements.

These assets are exposed to a variety of financial risks including:

- (i) market risk,
- (ii) credit risk,
- (iii) liquidity risk and
- (iv) interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

The Council does not engage in significant transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out internally under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of the Council's Financial Assets and Financial Liabilities recognised in the financial statements is presented below.

Debtors and Deposits

Rate Debtors

All rates levied during the reporting period are recognised as revenues. Uncollected rates are recognised as receivables (refer Note 23).

Other Debtors

Receivables are carried at nominal amounts due less any allowance for impaired debts. The Council provides in respect of any amount for which collection is considered doubtful.

Sundry Creditors

Sundry Creditors represent liabilities for goods and services provided prior to the end of the financial year and which are unpaid. The amounts are unsecured and are paid within normal credit terms.

Deposits

The Council holds deposits lodged by other organisations and security deposits lodged by individuals and entities performing work which may adversely affect the Council's assets. The deposits are repayable either on demand or when certain conditions have been met depending on the individual conditions of the deposit. They are recorded at nominal value.

	2017	2016
	\$000	\$000
CARRYING VALUE		
Financial Assets		
Cash and Cash Equivalents	71,081	65,748
Available for Sale - Investments	234,923	233,483
Current Receivables	4,149	3,138
Deferred Receivables	258	258
Total Financial Assets	310,411	302,627

Notes to the Financial Statements

Note 40 - Financial Instruments (Cont)

	2017 \$000	2016 \$000
Financial Liabilities		
At Amortised Cost	31,201	23,956
Total Financial Liabilities	31,201	23,956
NET TOTAL	279,210	278,671
FAIR VALUE		
Financial Assets		
Cash and Cash Equivalents	71,081	65,748
Available for Sale - Investments	234,923	233,483
Current Receivables	4,149	3,138
Deferred Receivables	258	258
Total Financial Assets	310,411	302,627
Financial Liabilities		
At Amortised Cost	31,447	24,164
Total Financial Liabilities	31,447	24,164
NET TOTAL	278,964	278,463

Fair Value is determined as follows.

Cash and Cash Equivalents, Receivables, Payables

Estimated to be the carrying value which approximates market value.

Held to Maturity Investments

Based upon their face value plus any accrued earnings.

Borrowings

Based upon their current discharge value.

Financial Assets classified

(i) "at fair value through profit and loss" or

(ii) "Available for Sale"

Based upon quoted market prices at the reporting date or independent valuation.

(a) Cash and Cash Equivalents, Financial Assets "at fair value through the Profit and Loss", "Available-for-sale" financial assets and "Held-to-maturity" Investments

The Council's objective is to optimise its return on cash and investments within the restraints of its investment policy and risk profile, whilst maintaining an adequate level of liquidity and preserving capital.

The Council's Corporate Services Directorate manages its Cash and Investments portfolio.

The Council has an Investment Policy that sets minimum investment ratings and maximum exposure levels to ratings, fund and institution.

This Policy is regularly reviewed and an Investment Report is prepared regularly setting out the portfolio breakup and performance.

The major risk associated with fair value at profit and loss investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers, or are caused by factors affecting similar instruments traded in a market.

Notes to the Financial Statements

Note 40 - Financial Instruments (Cont)

Cash and Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash and Investments is credit risk - the risk that the counterparty (to an investment) will not complete their obligations particular to a financial instrument, resulting in a financial loss to the Council – be it of a capital or income nature.

The Council manages these risks (amongst other measures) by diversifying its portfolio and only using investments with high investment ratings.

The following represents a summary of the sensitivity of the Council's Statement of Comprehensive Income and Accumulated Surplus (during the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	2017 \$000	2016 \$000
Increase of Values/Rates		
Profit		
Impact of a 10% movement in Market Values	-	-
Impact of a 1% movement in Interest Rates	590	604
Equity		
Impact of a 10% movement in Market Values	-	-
Impact of a 1% movement in Interest Rates	590	604
Decrease of Values/Rates		
Profit		
Impact of a 10% movement in Market Values	-	-
Impact of a 1% movement in Interest Rates	(590)	(604)
Equity		
Impact of a 10% movement in Market Values	-	-
Impact of a 1% movement in Interest Rates	(590)	(604)

(b) Receivables

The Council's major receivables comprise:

- (i) Rates and Charges and
- (ii) User Charges and Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to the Council may not be repaid in full. The Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures.

Notes to the Financial Statements

Note 40 - Financial Instruments (Cont)

(c) Fair Value Hierarchy

The table below analyses financial instruments carried at fair value by valuation method:

Level 1

Quoted prices (unadjusted) in active markets for identical assets/liabilities.

Level 2

Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3

Inputs for the asset or liability that are not based on observable market data.

	2017 \$000	2016 \$000
Level 3 - Investments	<u>234,923</u>	<u>233,483</u>

(d) Payables and Borrowings

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

The Council manages this risk by cash forecasting to maintain adequate liquidity levels and cash holdings.

The contractual cash outflows (i.e. principal only) of the Council's payables and borrowings are set out in the Liquidity Table:

Liquidity Table	2017 \$000	2016 \$000
Variable Interest		
Deposits	-	-
Sundry Creditors	-	-
Secured Loans	-	-
	<u>-</u>	<u>-</u>
Fixed Rate Maturity		
<u>Less than 1 Year</u>		
Deposits	-	-
Sundry Creditors	-	-
Secured Loans	2,357	2,241
	<u>2,357</u>	<u>2,241</u>
<u>1 to 5 Years</u>		
Deposits	-	-
Sundry Creditors	-	-
Secured Loans	9,769	3,126
	<u>9,769</u>	<u>3,126</u>
Non Interest		
Deposits	544	469
Sundry Creditors	18,531	18,120
Secured Loans	-	-
	<u>19,075</u>	<u>18,589</u>

Notes to the Financial Statements

Note 40 - Financial Instruments (Cont)

	2017 \$000	2016 \$000
Total Cash Outflows		
Deposits	544	469
Sundry Creditors	18,531	18,120
Secured Loans	12,126	5,367
	31,201	23,956
Actual Carrying Amount		
Deposits	544	469
Sundry Creditors	18,531	18,120
Secured Loans	12,126	5,367
	31,201	23,956

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. The Council manages this risk by monitoring the lending market and taking opportunities to fix rates at below market in rising markets and taking short term borrowing in high interest markets.

The following interest rates were applicable to the Council's Liabilities at balance date:

	2017 \$000	2016 \$000
Secured Loans		
Carrying Value	12,126	5,367
Average Interest Rate	3.88%	5.23%

Note 41 - Fair Value Measurements

The Council measures infrastructure assets at fair value on a recurring basis.

The museum collection is periodically valued by a suitably qualified valuer.

All other Council assets and liabilities are measured at their nominal value.

For valuation purposes infrastructure assets are grouped into the following categories:

Category	Includes
Land	All developed and undeveloped freehold and leasehold land owned or controlled by the Council.
Buildings	All buildings owned by the Council. This includes Administration, Commercial, Recreational, Cultural, Residential and other buildings.
Roads and Bridges	All sealed and unsealed roads and all bridges within the municipality. Roads includes road pavement, sealed surfaces footpaths and kerb and channel.
Drainage	All stormwater and drainage infrastructure in the municipality.
Other	Flood protection, parks infrastructure, refuse disposal and any other assets not included in another categories.

Notes to the Financial Statements

Note 41 - Fair Value Measurements (Cont)

a) Fair Value Hierarchy

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset held at fair value by the Council. The table presents the Council's assets measured and recognised at fair value at 30 June 2017.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets, other than Land, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

Land is recorded at the Valuer-General's valuation.

As at 30 June 2017

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements				
Land	-	230,193	-	230,193
Buildings	-	-	184,602	184,602
Roads and Bridges	-	-	578,368	578,368
Drainage	-	-	160,361	160,361
Other Infrastructure	-	-	84,267	84,267
	-	230,193	1,007,598	1,237,791
Non-recurring fair value measurements				
Assets held for sale	840	-	-	840
	840	-	-	840

As at 30 June 2016

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements				
Land	-	109,332	-	109,332
Buildings	-	-	181,256	181,256
Roads and Bridges	-	-	573,771	573,771
Drainage	-	-	155,481	155,481
Other Infrastructure	-	-	83,217	83,217
	-	109,332	993,725	1,103,057

Notes to the Financial Statements

Note 41 - Fair Value Measurements (Cont)

Non-recurring fair value measurements

Assets held for sale	-	-	-	-
	-	-	-	-

Transfers between levels of the hierarchy

Council policy is to recognise transfers into or between hierarchy levels at the end of the reporting period.

The following assets have been subject to a transfer between levels in the hierarchy.

Hierarchy Transfers 2017

Asset	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Land	3,569	(3,569)		-
Buildings	307	-	(307)	-
	3,876	(3,569)	(307)	-

Hierarchy Transfers 2016

Asset	Level 1	Level 2	Level 3	Total \$'000
Land available for sale	-	-	-	-
Other Transfers	-	-	-	-
	-	-	-	-

b) Highest and Best Use

AASB 13 *Fair Value Measurement* requires the fair value of non-financial assets to be calculated based on their "highest and best use".

At the reporting date all assets at fair value are utilised at their highest and best use as public assets.

c) Valuation Techniques

Valuations are in accordance with AASB 13 *Fair Value Measurement* and reviewed each valuation to ensure compliance with the requirements of the standard. There have been no changes in valuation techniques as a result of this review.

Level 1 Measurements (recurring and non-recurring)

Level 1 assets are measured at market valuation or contract price.

Level 2 Measurements (recurring and non-recurring)

Level 2 assets are measured at Valuer-General's valuation.

Level 3 Measurements (recurring and non-recurring)

Level 3 assets are measured at their replacement cost. Inputs used are cost of materials, cost of labour and other intangible costs.

Level 1 Assets

Assets held for sale

These assets are measured at market valuation or contract price.

Notes to the Financial Statements

Note 41 - Fair Value Measurements (Cont)

Level 2 Assets

Land

Land is measured at the Valuer-General's Valuation.

Level 3 Assets

Buildings

Building are measured at their depreciated replacement cost, as valued by LG Valuation Services

Replacement costs are measured at the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output.

Roads and Bridges

Roads and Bridges are measured at their depreciated replacement cost.

Replacement costs are measured at the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output.

Drainage

Drainage infrastructure is measured at its depreciated replacement cost.

Replacement costs are measured at the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output.

Other Infrastructure

Other infrastructure is measured at its depreciated replacement cost.

Replacement costs are measured at the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output.

d) Unobservable inputs and sensitivities

Replacement costs

The replacement costs comprise of materials, labour and other intangible costs.

Price fluctuations in any one or more of these inputs could have a material effect on the fair value of assets measured at replacement cost.

Useful Life

Changes in the useful life will change the amount of accumulated depreciation used to calculate cost which could result in a material change to the fair value.

e) Changes in recurring level 3 fair value measurements

	2017 \$000	2016 \$000
Balance at beginning of reporting period	993,725	1,006,024
Additions	13,036	13,734
Gain/loss recognised in Operating Result	(14,213)	(175)
Gain/loss recognised in Other Comprehensive Income	16,472	(24,863)
Disposals	(1,115)	(995)
Transfers into level 3	-	-
Transfers out of level 3	(307)	-
Closing balance	1,007,598	993,725

Notes to the Financial Statements

Note 41 - Fair Value Measurements (Cont)

f) Valuation processes

The asset valuation is based on the asset replacement cost at the end of its useful life. The asset replacement cost is defined as the total project cost of the asset, which includes design, project management and construction costs including supply of all materials.

Valuations have been prepared with consideration of the current cost of delivering infrastructure projects, contractor rates, modern renewal / rehabilitation practice, asset componentisation and benchmarked rates. Except where stated below all valuations are performed utilising the Council's staff. The method of valuation is reviewed annually.

The basis of valuations for each asset class is provided below:

Asset Group	Basis of Valuation
Drainage	<ul style="list-style-type: none"> - Rates per metre for various diameters of pipelines and include house connections and fittings allowance - Rates vary depending on whether beneath private or public land. - Manholes. identify number and allow for an average size - "Chamber Manholes". identify number and allow for an average size - Gully pits. identify number and allow for connections <p>No allowance for kerb adaptors or connections to kerbs</p>
Roads	<ul style="list-style-type: none"> - Pavement (road sub base and base) m² - Kerb and Channel in metres left and right - Road surface m² - Footpath m² left and right - Verge (includes guide posts, table drains, bollards as a count and guardrails in linear metres). - Street Light Poles as a count (LCC's poles – those with only a light, as distinct from Aurora's – those with wires and a light). - Bridge – type includes timber, concrete and steel – for vehicles and or pedestrians in m². - Culvert – includes box culverts in m² or reinforced concrete pipe in diameter size
Buildings	<ul style="list-style-type: none"> - Independent market valuation.
Parks and Recreation	<ul style="list-style-type: none"> - Improved grounds m² - Trees are based on a standard unit price - Fencing is valued based on a linear metre on material type - Furniture and fittings are based total number across facilities - Under surface based on m² - Playgrounds based on components and type of system

g) Assets and liabilities not measured at fair value but for which fair value is disclosed

The Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes. (refer Note 40)

The Council's borrowings are measured at amortised cost with interest recognised in comprehensive income when incurred. The fair value of borrowings disclosed in Note 40 is provided by Tascorp (Level 2).

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (Level 2).

Notes to the Financial Statements

Note 42 - Early Adoption of Accounting Standards

At the reporting date, updates of the following standards that are relevant to the Council, available for early adoption and could have a material effect on the disclosures of the Council, but were not adopted.

AASB 2014-5

Amendments as a consequence of issuance of AASB 15 Revenue from contracts with Customers
This standard is applicable for reporting periods beginning on or after 1 January 2018.

The standard provides for greater scope in matching contributions revenue with its expenditure.

For the Council this could allow large capital contributions, currently recognised as revenue when the Council has control over the funds, to be recognised as revenue over a number of reporting periods matching the expenditure of the funding.

AASB 1058 Income of Not for Profit Entities

This is a new Standard relating to income recognition for Not For Profit Entities.

This standard is applicable for reporting periods beginning on or after 1 January 2019

Early application is permitted provided AASB 15 is also adopted.

For the Council the major impact is the recognition of non monetary and below market value contributions to be recognised as revenue at market value.

This may have a material effect on the revenue recognised by Council.

Note 43 - Related Party Transactions

Accounting Standards Disclosures

AASB 124 Related Party Disclosures

For reporting periods beginning on or after 1 July 2016 Local Government is required to adopt AASB 124 Related Party Disclosures.

The standard requires the disclosure of related party relationships, transactions and outstanding balances, including commitments.

Related Parties

The Council's Related Parties are those that it controls or can exert significant influence over.

For the reporting year Council has no Related Parties that it controls or can exert significant influence over.

Key Management Personnel

Key Management Personnel are those who, directly or indirectly, have authority for planning, directing and controlling the activities of the Council.

The Council has interpreted the definition of Key Management Personnel to include the Mayor, Deputy Mayor, Aldermen, General Manager and the Directors.

Local Government Act Disclosures

Aldermen's Disclosure

Pecuniary Interests

Aldermen are required to disclose pecuniary interests in matters which come before the Council. In addition, under section 84(2) of the Local Government Act 1993, the Council is required to "specify any interests as notified to the General Manager of any Councillor in respect of any body or organisation with which the Council has major financial dealings."

Notes to the Financial Statements

Note 43 - Related Party Transactions (Cont)

Allowances

Section 72(cb) of the Local Government Act 1993 requires a statement of the total allowances and expenses paid to the Mayor, Deputy Mayor and Alderman.

Remuneration of Senior Officers

Section 72(1)(cd) of the Local Government Act 1993, requires the Council to report the total annual remuneration paid to employees who hold positions designated by the Council as senior positions. The Council has determined that senior positions comprise Director and General Manager positions.

	2017
	\$000
Key Management Personnel Compensation	
Aldermen	
Short Term Benefits (Allowances)	518
Short Term Benefits (Expenses)	24
	<u>542</u>
Long Term Benefits	-
	<u>542</u>
	Number of Employees
Senior Officers	
Short Term Benefits (Annual Remuneration)	
\$170,001 - \$190,000	2
\$190,001 - \$210,000	4
\$300,001 - \$320,000	1
	<u>7</u>
	\$000
Senior Officers	
Short Term Benefits	1,271
Long Term Benefits	57
Post Employment Benefits	191
	<u>1,526</u>
Related Party Transactions	
Transactions	
Sales of Goods and Services	320
Purchase of Goods and Services	1,910
	<u>2,230</u>
Loans to Key Management Personnel	-
Outstanding Balances owed by Key Management Personnel	-

Notes to the Financial Statements

Note 43 - Related Party Transactions (Cont)

Sales of Goods and Services

The Council sold goods or services to five organisations that Key Management Personnel have control or significant influence over.

These sales were at arms length and on normal commercial terms.

Purchase of Goods and Services

The Council purchased goods and services from, or made contributions to ten organisations that Key Management Personnel or their close associates have a significant influence over.

Contributions totalled \$236,018 and purchases totalled \$1,673,755. These transactions were at arms length and on normal commercial terms or through open tender.

Ordinary Citizen Transactions

The City of Launceston enters into transactions with Key Management Personnel and their Related Parties within a normal customer relationship i.e. payments of rates, dog registration and the use of facilities such as car parks. These transactions are at arms length on terms and conditions no more favourable than those available to the broader community.

These transaction are not included in these disclosures.

Note 44 - Events After Reporting Period

There were no material events or transactions after the reporting date relating to the reporting period.

Note 45 - Authorities

During the financial year the Council had two authorities set up under of the Local Government Act 1993. The income and expenditure of these authorities is included in the Council's Financial Statements.

Section 84 of the Local Government Act 1993 requires Council to disclose the revenue and expenditure of Authorities under it's control.

York Park and Inveresk Precinct Authority

This is a Controlling Authority set up under section 29 of the Local Government Act 1993.

The principal objective of the Authority was to "Help develop the Inveresk Precinct as an international centre for art, education, tourism and recreation."

On 13 February 2017 the Council by absolute majority voted to wind up the York Park and Inveresk Precinct Authority with effect 17 March 2017.

The activities previously performed by the authority are now performed as part of the Council's normal operations.

The following revenues and expenses are for the period 1 July 2016 to 17 March 2017.

Notes to the Financial Statements

Note 45 - Authorities (Cont)

Revenue and Expenses	2017 \$000	2016 \$000
Revenue		
Rental Income	281	415
Operating and Sponsorship	1,024	1,919
Capital Grants	-	50
Other Income	35	15
Total Revenue	1,340	2,399
Expenses		
Provision of Services	2,013	2,929
Employee Benefits	524	713
Depreciation	760	1,432
Overheads	114	152
Other	-	63
Total Expenses	3,411	5,289
Surplus / (Deficit)	(2,071)	(2,890)

Launceston Flood Authority

This is a Single Authority set up under section 30 of the Local Government Act 1993.

This Authority was formed by the Council resolution on 1 September 2008 and was established by gazettal on 10 September 2008. The authority was established to "...perform all tasks necessary for the construction and maintenance of flood levees, to initiate and manage effective emergency management procedures and to take all necessary measures, so as to address the flood risk to the 'flood risk area'".

Revenue and Expenses	2017 \$000	2016 \$000
Revenue		
State Government Grants	496	488
Commonwealth Government Grants	1,000	1,000
Launceston City Council	175	174
Interest Income	12	18
Other Income	17	13
Total Revenue	1,700	1,693
Expenses		
Operations Costs	1,095	1,387
Depreciation	565	564
Total Expenses	1,660	1,951
Surplus / (Deficit)	40	(258)

Notes to the Financial Statements

Note 46 - Significant Business Activities

Competition Policy Compliance

Section 84(2)(da) of the Local Government Act 1993 requires the Council's financial statements to contain a statement of the "operating, capital and competitive neutrality costs" in respect of each significant business activity. The Council has chosen to disclose these costs in respect of all functions. This disclosure has been included in Note 2.

The Act also requires specific disclosure of 'significant business activities'.

The Tasmanian Government guidelines for Significant Business identifies a Business Activity as one that operates in a competitive market.

Determining factors on whether the Council activity is significant include, but are not limited to:

- The relevant market

- The size of the local government activity compared to the whole market

- The competitive impact of the Council's activity in the market

Significant Business Activities

The Council conducted a review during the year to identify any significant business activities.

The activities disclosed below have been identified as Significant Business Activities.

The following items have been disclosed:

Labour Costs

Labour costs have been discounted by a factor of 1.25 for the variance between private and public sector average weekly ordinary time earnings.

Superannuation costs have been adjusted to the 9.5% Superannuation Guarantee Levy

Full Cost Attribution

Service costs applied to all the Council's operations in respect of internal services provided (e.g. accounting and computer support).

Competitive Neutrality Costs

Notional charges for expenses not normally incurred by Councils (e.g. council rates). As these costs are not actually incurred, the Council's "General Public Services" function has been credited with collection of these notional items.

Notional Income Tax

Notional income tax has been applied at the rate of 30% against accounting profit (excluding abnormal asset valuation adjustments) for significant business activities. The amounts are notional only as the entity is exempt from income tax.

Capital Costs

Depreciation has been allocated to functional areas within the operating statement. The notional opportunity cost of capital employed in respect of the function has been noted at the foot of the statement for significant business activities. It has been calculated by applying a rate of 5% to net assets employed.

Notes to the Financial Statements

Note 46 - Significant Business Activities

	2017 Actual \$000	2017 Budget \$000	2016 Actual \$000
OFF STREET PARKING			
Revenue			
Operating Revenue	2,651	2,650	2,589
	2,651	2,650	2,589
Expenses			
Employee Benefits	510	535	563
Material and Services	438	464	418
Depreciation	237	257	234
	1,185	1,256	1,215
Full Cost Attribution	38	38	38
Competitive Neutrality	140	140	140
	1,363	1,434	1,393
Operating Surplus / (Deficit)	1,288	1,216	1,196
Less Notional Income Tax	386	365	359
Surplus / (Deficit)	902	851	837
Capital Costs			
Notional Cost of Capital	1,485	1,485	1,394
Fully Attributed Surplus / (Deficit)	(583)	(634)	(557)
LAUNCESTON AQUATIC (Excludes LA Fit)			
Revenue			
Operating Revenue	2,924	2,889	2,871
	2,924	2,889	2,871
Expenses			
Employee Benefits	1,874	1,894	1,907
Material and Services	1,778	1,844	1,606
Depreciation	714	721	708
	4,366	4,459	4,221
Full Cost Attribution	72	72	73
Competitive Neutrality	81	81	79
	4,519	4,612	4,373
Operating Surplus / (Deficit)	(1,595)	(1,723)	(1,502)
Less Notional Income Tax	-	-	-
Surplus / (Deficit)	(1,595)	(1,723)	(1,502)
Capital Costs			
Notional Cost of Capital	1,461	1,461	1,479
Fully Attributed Surplus / (Deficit)	(3,056)	(3,184)	(2,981)

Notes to the Financial Statements

Note 46 - Significant Business Activities (Cont)

	2017 Actual \$000	2017 Budget \$000	2016 Actual \$000
LAFit			
Revenue			
Operating Revenue	957	912	844
	957	912	844
Expenses			
Employee Benefits	371	366	398
Material and Services	135	168	143
Depreciation	55	48	54
	561	582	595
Full Cost Attribution	72	72	70
Competitive Neutrality	6	6	12
	639	660	677
Operating Surplus / (Deficit)	318	252	167
Less Notional Income Tax	92	72	50
Surplus / (Deficit)	226	180	117
Capital Costs			
Notional Cost of Capital	10	10	9
Fully Attributed Surplus / (Deficit)	216	170	108

Note 47 - Special Committees

	2017 \$000	2016 \$000
Committee Name		
Dilston Hall	3	3
Karoola Hall and Recreation Ground	5	5
Lebrina Progress Association	7	8
Lilydale Memorial Hall Committee	9	7
Lilydale Recreational Ground	8	6
North Esk Memorial Hall and Recreational Ground	9	10
Nunamara Hall	-	-
Balance - 30 June	41	39
Summary of Special Committees		
Balance 1 July	39	38
Receipts	19	8
Expenses	17	7
Balance 30 June	41	39

The Nunamara Hall was put up for sale by tender during the reporting year

STATEMENT BY THE GENERAL MANAGER

The accompanying financial statements of the City of Launceston as at 30 June 2017 , the results of its operations for the year then ended and the cash flows of the Council, set out on pages 62 to 125, are in accordance with the Local Government Act 1993 (as amended), Australian Accounting Standards (including interpretations) and other authoritative pronouncements issued by the Australian Accounting Standards Board.

Date
13/9/2017



Michael Tidey
Acting General Manager



Independent Auditor's Report

To the Aldermen of Launceston City Council

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Launceston City Council (Council), which comprises the statement of financial position as at 30 June 2017 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

In my opinion the accompanying financial report:

- (a) presents fairly, in all material respects, Council's financial position as at 30 June 2017 and of its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

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My audit responsibility does not extend to the budget figures included in the statement of comprehensive income, the asset renewal funding ratio disclosed in note 20, nor the Significant Business Activities disclosed in note 46 to the financial report and accordingly, I express no opinion on them.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the General Manager for the Financial Report

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1993* and for such internal control as determined necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the General Manager is responsible for assessing Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council is to be dissolved by an Act of Parliament or the Aldermen intend to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager.

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- Conclude on the appropriateness of the General Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the General Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Ric De Santi
Deputy Auditor-General
Delegate of the Auditor-General

Tasmanian Audit Office

21 September 2017
Hobart

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