



# BUDGET ESTIMATES

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2024-25



City of **HOBART**



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## Introduction

The Budget Estimates is an important planning and resource tool supporting the ongoing financial sustainability of the City and should be read in conjunction with the City of Hobart Long-Term Financial Management Plan and Strategic Asset Management Plan, which forecasts the activities that the City proposes to undertake over the medium to longer term to achieve its strategic objectives and meet community expectations.

The Budget sets out the expected revenue and expenditure for operational, strategic and capital activities for the coming year and also incorporates the City's rating strategies. Pursuant to the *Local Government Act 1993*, the City is required to adopt its Estimates by 31 August each year.

Key aspects of the 2024-25 Budget include:

- An operating budget of \$180.4 million for the delivery of services to the community;
- Total Rates and Charges revenue of \$115.6 million, an increase of \$5.9 million when compared to the 2023-24 Budget;
- A capital works program of \$35.8 million; and
- The City's debt levels are forecast to reduce by \$4.1 million in 2024-25 from \$39.9 million to \$35.8 million by the 30 June 2024.

In addition, the State Fire Commission has advised the City under the *Fire Services Act 1979*, the Fire Service Contribution to be collected on behalf of the State Fire Commission for 2024-25 has increased by \$871,000 or 6.12 per cent.

From 1 July 2022, the State Government introduced a state-wide landfill levy pursuant to the *Waste and Resource Recovery Act 2022* on waste disposed to landfill both as a disincentive to landfilling and as a mechanism to fund strategic investment into Tasmania's waste and resource recovery sectors. The City is required to collect this levy and pass it onto the State Government. For 2024-25 the amount to be collected is \$612,000.

## Financial Management Indicators

As outlined in the City's Long-Term Financial Management Plan, 10 Financial Management Indicators have been adopted for the purpose of measuring the City's financial sustainability. These are outlined below:

1. Underlying Surplus/Deficit: Indicates the extent to which operational income raised covers operational expenses.
2. Underlying surplus ratio: Indicates the extent to which operational incomes raised cover operational expenses, expressed as a ratio.
3. Net financial liabilities: Indicates what is owed to others less money held, invested, or owed to the City of Hobart.
4. Net financial liabilities ratio: Indicates the extent to which net financial liabilities could be met by operating income.
5. Asset sustainability ratio: Indicates the extent to which assets are replaced as they reach the end of their useful lives.
6. Asset consumption ratio: Provides a measure of the condition of a Council's assets by comparing their age with their replacement cost.
7. Asset renewal funding ratio: Measures the capacity to fund asset replacement requirements.
8. Net interest expense cover ratio: Indicates the extent to which the Council's operating income is committed to meeting the net interest expense.
9. Debt coverage ratio: Indicates the amount of adjusted recurrent income that is used to repay debt and interest charges.
10. Working capital ratio: Measures the Council's ability to meet short-term liabilities with short-term assets.

Based on the 2024-25 Budget Estimates, the City’s forecast performance against the 10 Financial Management Indicators targets are listed in Table 1:

*Table 1 – Financial Management Indicators*

<b>Indicator No:</b>	<b>Description</b>	<b>Original Budget 2023-24</b>	<b>2024-25 Forecast</b>	<b>Target Benchmark</b>
<b>1</b>	Underlying Result (\$'000)	500	(1,705)	> \$0
<b>2</b>	Underlying Result Ratio (%)	0.30	(0.09)	>0%
<b>3</b>	Net Financial Liabilities (\$'000)	(9,006)	(6,910)	0-(50,000)
<b>4</b>	Net Financial Liabilities Ratio (%)	(5.38)	(3.94)	0-(50%)
<b>5</b>	Asset Sustainability Ratio (%)	34.42	70.24	100%
<b>6</b>	Asset Consumption Ratio (%)	41.33	41.37	>60%
<b>7</b>	Asset Renewal Funding Ratio (%)	44.73	97.56	90-100%
<b>8</b>	Net Interest Expense Cover Ratio (%)	0.89	0.75	<7%
<b>9</b>	Debt Coverage Ratio (%)	6.94	2.99	0-20%
<b>10</b>	Working Capital	2.5	2.4	≥1

## Operating Budget

In 2024-25, The City is forecasting a small underlying deficit of \$1.2 million, which is a \$1.7 million decrease when compared to the 2023-24 original budget of a \$500,000 surplus. This small deficit is manageable, and the City will be undertaking a number of reviews with the aim of returning to operating surplus in the short-term. The City's operating result is shown in Table 2.

*Table 2 – City of Hobart 2023-24 Operating Budget*

	<b>2023-24 Budget</b>	<b>2023-24 Forecast</b>	<b>2024-25 Budget</b>	<b>Variance to 2023-24 Budget</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>				
Rates and Charges <sup>1</sup>	109,702	109,451	115,618	5,916
Fire Levy Commission	569	569	599	30
Fines	8,320	6,800	8,736	416
Fees and Charges - Car Parks	13,562	13,562	14,240	678
Fees and Charges - On Street Parking	7,694	7,694	8,079	385
Other Fees and Charges	15,672	16,773	18,303	2,631
Operating Grants	4,343	4,762	4,837	494
Interest	1,657	3,257	2,661	1,004
Rents	3,419	3,419	3,493	74
Tas Water Distributions	2,606	2,606	2,606	....
<b>Total Revenue</b>	<b>167,544</b>	<b>168,894</b>	<b>179,172</b>	<b>11,628</b>
<b>Expenses</b>				
Labour	73,074	70,589	77,420	4,346
Materials and Services	34,414	34,002	39,635	5,221
Energy Costs	2,456	2,456	2,471	15
Finance Costs	1,815	1,815	1,346	(469)
Fire Levy	14,234	14,234	15,105	871
Depreciation	35,000	35,000	37,000	2,000
Asset Write-offs	1,200	5,300	1,500	300
Bad Debts	351	1,851	400	49
Other Expenses	4,500	4,100	5,500	1,000
<b>Total Expenses</b>	<b>167,044</b>	<b>169,347</b>	<b>180,377</b>	<b>13,333</b>
<b>Underlying Surplus/(Deficit)</b>	<b>500</b>	<b>(454)</b>	<b>(1,205)</b>	<b>(1,705)</b>
<b>Capital Items</b>				
Capital Grants	10,575	10,575	10,250	(325)
<b>Surplus/(Deficit)</b>	<b>11,075</b>	<b>10,121</b>	<b>9,045</b>	<b>(2,030)</b>

Note 1: Rates and Charges includes the State Government Fire and Waste Levy.

## Revenue

### *Rates and Charges*

The Budget Estimates forecast total Rates and Charges revenue of \$115.6 million, an increase of \$5.9 million from the prior year.

### **Rating and Valuation Strategy**

Following a 12-month review of the City's rating practices, which included community consultation, the City has adopted a Rating and Valuation Strategy to guide the City's rating practices for the next four years. 2024-25 is the first year of using the adopted strategy for levying rates and charges.

Council considered it important for the City to have a rating and valuation strategy consistent with taxation principles of fairness, equity, simplicity, capacity pay, sustainable for the future thereby avoiding intergenerational equity issues and to ensure the City has sufficient rates revenue to meet the City's Community Vision and strategic objectives. This is particularly important because Rates comprise 65 per cent of the City's revenue.

From 1 July 2024, Council will be changing the property valuation base it uses for the purpose of rating from Assessed Annual Value to the Capital Value of a property.

A differential rating system will continue for 2024-25 to ensure the equitable distribution of the rates burden amongst property owners in the move to Capital Value rating.

The differential rating system will also include the differential general rate for properties used for short stay visitor accommodation and vacant – residential land introduced in 2023-24.

This will ensure owners of residential land used for the commercial purpose of short stay visitor accommodation contribute to the provision of the City's services and facilities that are associated with that commercial use e.g. economic development, tourism, communications and marketing.

For properties identified with a land use of vacant – residential, a differential rating strategy will encourage development of vacant land for housing and other purposes. This will encourage the development of all properties to their full potential thereby stimulating economic growth and development in all areas of the municipal area. This will also assist to discourage the holding of land and ensure vacant land owners contribute an equitable share of the rate burden compared to other types of land owners.

### **Fire Service Contribution**

The State Fire Commission has advised the City as required under the *Fire Services Act 1979*, the Fire Service Contribution required to be collected on behalf of the State Fire Commission for 2024-25 has increased by \$871,000 or 6.12 per cent to \$15.1 million.



## **Waste Management**

The waste management service charge will increase by \$20 for residential properties and \$40 for non-residential properties for 2024-25, which includes \$10 and \$20 respectively to provide funding for rehabilitation costs at the McRobies Gully landfill site following completion of land filling, introduced in 2011-12.

In 2019-20, a Food Organics Garden Organics (FOGO) kerbside collection service was introduced to complement the green waste collection service provided to those properties that received a green waste garbage bin and meet certain criteria within the municipal area. For 2024-25 the cost of the fortnightly FOGO kerbside collection will increase by \$7 from the previous year to \$82 per annum. Weekly collection is available for businesses at a cost of \$170 per annum.

From 1 July 2022, the State Government introduced a state-wide landfill levy pursuant to the *Waste and Resource Recovery Act 2022* on waste disposed to landfill both as a disincentive to landfilling and as a mechanism to fund strategic investment into Tasmania's waste and resource recovery sectors and circular economy. The City is required to pay the levy to the State Government under the Act. The levy equates to \$20 per tonne of waste disposed to the City's landfill in the first two years, then \$45 per tonne after two years and \$66 per tonne after a further two years. For 2024-25, the amount to be collected from rates is \$612,000, reflecting the increase commencing 1 July 2024 required under the Act, being \$24 for residential properties and \$48 for non-residential properties.

## **Stormwater Removal**

The amount required to fund stormwater removal services has increased by five per cent from 2023-24 reflecting costs increases.

## *Fire Levy Collection Fee*

The four per cent collection fee earned by the City for collecting the fire levy on behalf of the State Fire Commission will increase by \$30,000 to \$599,000 in line with the increase in the fire levy payment.

## *Fines*

Penalty unit fee increases are set by State Government for both parking meter and traffic infringements. Fines revenue is forecast to increase by \$416,000 to \$8.7 million in the 2024-25 Budget Estimates, based on the penalty unit increase and improved staffing levels across the parking function.

### *Fees and Charges – Car Parks*

The City's Fees and Charges – Car Parks have increased by five per cent, however, fees have been adjusted to enable the efficient management of cash collection. The total revenue from Fees and Charges – Car Parks is forecast to be \$14.2 million in 2024-25.

### *Fees and Charges – On-Street Parking*

On-Street Parking fees have been increased by \$385,000 or five per cent for 2024-25. The estimated revenue in 2024-25 is \$8.1 million.

### *Other Fees and Charges*

Revenue from Other Fees and Charges is expected to increase by \$2.6 million from \$15.7 million in 2023-24, to a total of \$18.3 million in 2024-25. Further detail of the individual items in Other Fees and Charges is provided in Table 3.

*Table 3 – Other Fees and Charges*

	<b>2022-23 Budget</b>	<b>2022-23 Forecast</b>	<b>2023-24 Budget</b>	<b>Variance to 2022-23 Budget</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Doone Kennedy Hobart Aquatic Centre	6,753	6,753	7,158	405
Landfill Charges	2,506	3,000	3,800	1,294
Plumbing Compliance fees	566	566	600	34
Tasmanian Travel and Information Centre	300	600	550	250
Customer Services	151	151	160	9
Sporting Facility Hire	471	471	499	28
Public health	400	400	424	24
Building Compliance Fees	1,200	1,200	1,272	72
Roads Policy and Management	97	97	103	6
Salamanca Market	26	40	28	2
External Services	322	322	341	19
Development Appraisal Fees	354	354	375	21
Stormwater maintenance	100	100	106	6
Other <sup>1</sup>	2,425	2,719	2,887	462
<b>Total Other Fees and Charges</b>	<b>15,672</b>	<b>16,773</b>	<b>18,303</b>	<b>2,632</b>

Note 1: Other includes revenue items such as hall hire and animal registrations.

### *Operating Grants*

Operating Grants total \$4.8 million, mainly comprising of \$3.7 million from the Australian Government Financial Assistance Grants (FAGs), \$650,000 for the Sparking Conversations Igniting Action Grant and other grants totalling \$450,000.

Capital Grants include \$4.25 million for the Greater Hobart Ferry Expansion, \$1.8 million for the Queenborough Oval Changerooms Redevelopment, \$1.3 million for the New Town Netaball Courts Upgrade, \$685 000 for the Civil Reconstruction Program and \$2.1 million for other capital works.

### *Interest*

Interest revenue is forecast to increase by \$1 million from \$1.7 million in the 2023-24 Budget to \$2.7 million in 2024-25 due to the improving forecast of interest rates.

### *Rents*

Property rental revenue is forecast to increase by \$74,000 in 2024-25 from \$3.4 million to \$3.5 million.

### *Distribution from TasWater*

Distributions are received as a result of the City's ownership interest in TasWater. The distributions comprise dividends, guarantee fees and income tax equivalent payments. Forecast amounts are based on advice from both TasWater and the State Government to provide distributions until 2025-26.

A provision of \$2.6 million has been made in the 2024-25 Budget to account for the ordinary dividend revenue of \$2.2 million and an additional special dividend to repay forgone dividends of \$434,000.

## Expenses

### Labour

Labour costs include wages and salaries, labour on-costs and leave entitlements. Wages and salaries include the direct costs of employees such as base pay, overtime and allowances. Labour on-costs include workers compensation insurance, superannuation contributions and payroll tax levied by the State Government.

Leave entitlements include annual leave, long service leave, sick leave, public holidays, and other leave accruing to employees.

The \$4 million increase is largely attributable to an estimate for the Hobart City Council Enterprise Agreement which is currently being negotiated

External Labour includes all labour sourced from external labour-hire companies to fill short-term vacancies across a variety of disciplines.

Table 4 – Labour

	2023-24 Budget	2023-24 Forecast	2024-25 Budget	Variance to 2023-24 Budget
	\$'000	\$'000	\$'000	\$'000
Labour <sup>1</sup>	69,571	65,795	73,917	4,346
Overtime	1,991	2,134	1,991	0
Allowances	631	777	631	0
Elected Member Allowances	615	615	615	0
External Labour Charges	266	1,268	266	0
<b>Total Labour</b>	<b>73,074</b>	<b>70,589</b>	<b>77,420</b>	<b>4,346</b>

Note 1: The total Labour increase has been allocated against Labour in the table and will be allocated to the appropriate category once budget is approved.

## Materials and Services

The individual expense categories which comprise Materials and Services is provided in Table 5.

Table 5 – Materials and Services

	2023-24 Budget	2023-24 Forecast	2024-25 Budget	Variance to 2023-24 Budget
	\$'000	\$'000	\$'000	\$'000
External Services <sup>1</sup>	9,497	10,500	13,187	3,690
Building Expenses	3,375	3,375	3,767	392
Licences	3,654	3,400	3,189	(465)
Cleaning	2,255	2,255	3,113	858
Materials	1,828	1,828	2,382	554
Vehicles	1,841	2,070	1,875	34
Insurance	1,583	1,583	1,663	80
ICT	1,952	1,000	1,440	(512)
Waste Levy Charge	600	1,134	1,406	806
Staffing Expenses	1,282	1,155	1,355	73
Legal Expenses	978	978	1,196	218
Office Expenses	1,091	1,300	1,060	(31)
Equipment	1,364	1,129	1,034	(330)
Banking Expenses	682	743	777	95
Security	698	698	735	37
Advertising	612	500	647	35
Travel	251	50	242	(9)
Elected Members	214	50	211	(3)
Protective and Corporate Clothing	201	100	201	0
Other	456	154	155	(301)
<b>Total Materials and Services</b>	<b>34,414</b>	<b>34,002</b>	<b>39,635</b>	<b>5,221</b>

Note 1: External Services includes services such as FOGO Collection and Processing, Building Maintenance and Repairs, Recycling Processing, Fuel Reduction and Fire Break Management and Road Maintenance.

### *Energy Costs*

Energy Costs are expected to increase slightly by \$15,000 to \$2.5 million for 2024-25.

### *Finance Costs*

Finance Costs are expected to decrease by \$469,000 from the 2023-24 Budget of \$1.8 million to \$1.3 million with the payment of principal instalments across the year and finalising three loans at 30 June 2024.

### *Fire Levy*

The Fire Levy will increase by \$871,000 or 6.12 per cent to \$15.1 million in 2024-25. Pursuant to the *Fire Service Act 1979*, local government acts as a collection agent for this State Government levy, which is paid directly to the State Fire Commission. The City earns a four per cent collection fee, which is included in revenue.

### *Depreciation*

Depreciation expense is forecast to increase by \$2 million from the 2023-24 Budget of \$35 million to \$37 million in 2024-25. The City is currently undertaking a detailed review of depreciation across all asset categories.

### *Asset Write-Offs*

Asset Write-Offs comprise the remaining value of infrastructure assets replaced as part of the City's asset renewal program. An amount of \$1.5 million is estimated for 2024-25.

### *Bad Debts*

The City maintains a provision for bad and doubtful debts, which is mainly in respect to parking fines. Bad Debts is forecast to increase by \$49,000 from the 2023-24 budget of \$351,000 to \$400,000.

## Other Expenses

The individual items which comprise Other Expenses is provided in Table 6.

Table 6 – Other Expenses

	2023-24 Budget	2023-24 Forecast	2024-25 Budget	Variance to 2024-25 Budget
	\$'000	\$'000	\$'000	\$'000
Land Tax	1,317	1317	1,317	0
Community Grants	1,200	1,000	1,200	0
Corporate Provision	...	...	800	800
City Economy Business Grants	600	400	600	0
Other	500	500	553	53
Sporting and Bushland Grants	693	693	500	(193)
Audit Fees	190	190	280	90
Rate Adjustments	...	...	250	250
<b>Total Other Expenses</b>	<b>4,500</b>	<b>4,100</b>	<b>5,500</b>	<b>1,000</b>

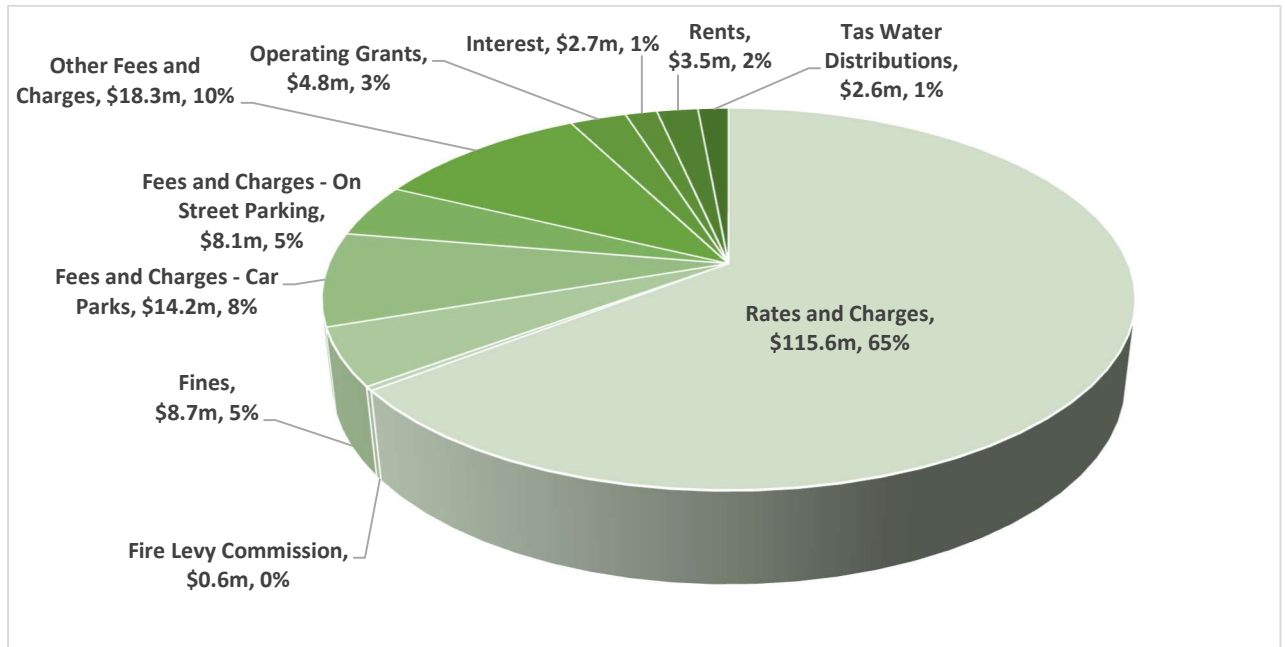
## Grants and Specific Purpose Benefits

The City supports a diverse range of community, cultural, economic, and environmental organisations and events. The City is expecting grants and sponsorship requirements to remain at its current level for 2024-25.

## Chart Summary of 2024-25 Revenue and Expenses

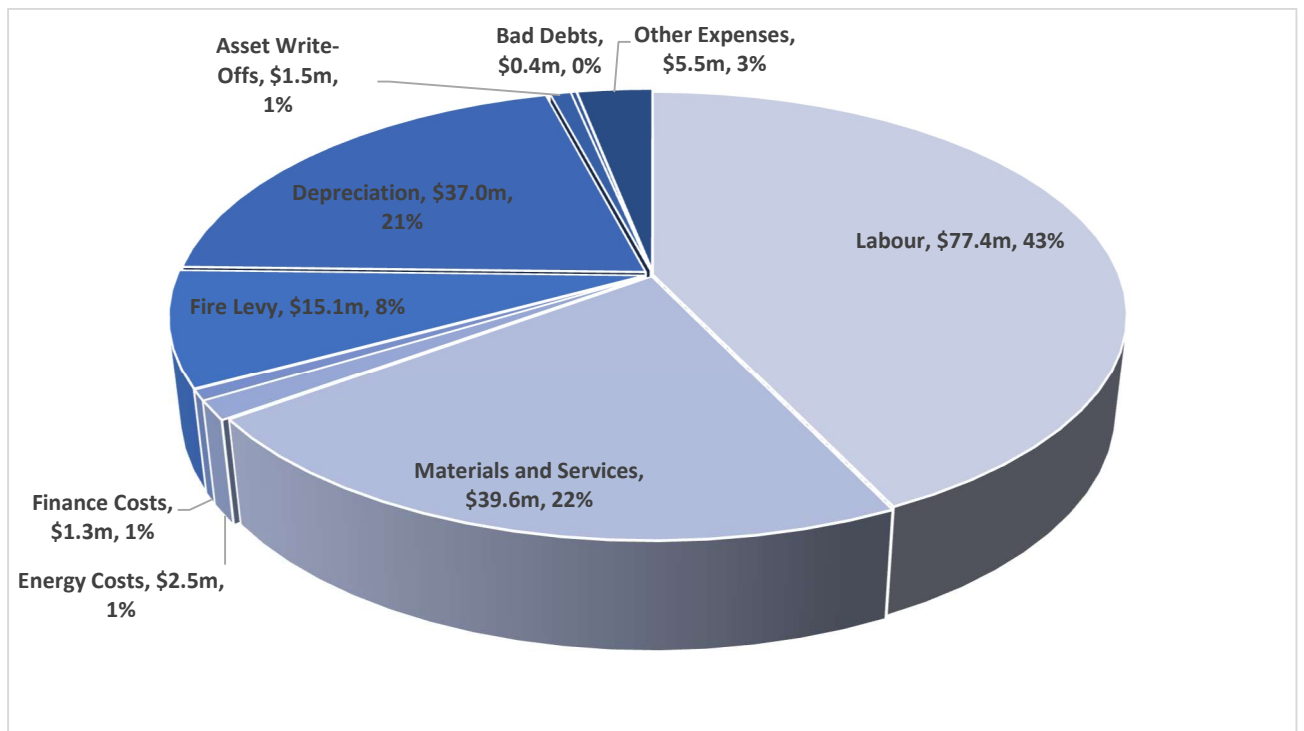
### Revenue

Chart 1 – Revenue Budget



### Expenses

Chart 2 – Expenditure Budget





## Capital Budget

### Overview

The 2024-25 Budget provides capital works funding of \$35.8 million. As summarised in Table 7 capital expenditure will consist of the following:

- Infrastructure, including new assets/upgrades and asset renewals; and
- Plant and Equipment.

*Table 7 – Capital Expenditure*

	2023-24 Budget	2023-24 Forecast	2024-25 Budget	Variance to 2023-24 Budget
	\$'000	\$'000	\$'000	\$'000
<b>New Assets/Upgrades</b>				
Infrastructure	18,038	14,000	12,116	(5,922)
<b>Asset Renewal</b>				
Infrastructure	12,731	11,000	20,135	7,404
<b>Plant &amp; Equipment</b>	4,231	2,500	3,500	(731)
<b>Total Capital Expenses</b>	<b>35,000</b>	<b>27,500</b>	<b>35,751</b>	<b>751</b>

Funding sources for the \$35.8 million program comprise:

- Capital Grants \$10.3 million; and
- City of Hobart Funding \$25.5 million.

*Table 8 – Total 2024-25 Capital Program*

	<b>2024-25 Budget</b>
	<b>\$'000</b>
Grant Funded Capital Works Program	10,251
City of Hobart Funded Capital Works Program	21,999
Plant & Equipment	<u>3,500</u>
<b>Total 2023-24 Capital Program</b>	<b><u><u>35,751</u></u></b>

Grant Funded 2024-25 Capital Program

*Table 9 – 2024-25 Grant Funded Capital Program<sup>1</sup>*

<b>Project</b>	<b>Amount</b>
	<b>\$'000</b>
<b>New Assets</b>	
Collins Street Streetscape Improvement	170
Greater Hobart Ferry Service Expansion	<u>4,250</u>
<b>Total New Assets</b>	<b><u>4,420</u></b>
<b>Asset Upgrades</b>	
Bus Stop DDA Upgrade	50
Huon Road Shoulder Sealing 2024-25	130
New Town Netball Courts Upgrade	1,341
Pedestrian Priority Phase - CBD Junction upgrades	160
Queenborough Oval Changerooms Redevelopment	<u>1,834</u>
<b>Total Asset Upgrades</b>	<b><u>3,515</u></b>

*Table 9 – 2024-25 Grant Funded Capital Program (continued)*

<b>Project</b>	<b>Amount</b>
	<b>\$'000</b>
<b>Renewals</b>	
2024-25 Civil Reconstruction Program 2	685
Battery Sq - Hampden to McGregor - Correction Coat & Overlay - VRUP	115
Hill St - Faraday to Lansdowne - Ash RFP & K&C	203
Kooyong Glen-Romilly to Deadend Revitalisation	57
Marlyn Rd Bridge	101
New Town Rivulet Estuary Restoration Project	415
Pipeline Track Extension - connecting city to mountain	182
Pottery Rd & Doyle Ave Junction FP KC Overlay	150
Queens Walk Bridge	162
Roope St-Swanston to Pirie-L&R Ash FP & Pavement	247
<b>Total Renewals</b>	<b><u>2,317</u></b>
<b>Total Grant Funded Capital Program</b>	<b><u><u>10,252</u></u></b>

Note 1: The table above only shows the external grant funded component of the Capital Program. Where the City contributes to the above projects it will be shown in Table 10.

## City of Hobart Funded 2024-25 Capital Program

*Table 10 – 2024-25 City of Hobart Funded Capital Program*

Project	Amount
	\$'000
<b>New Assets</b>	
144 New Town Road - land aquisition	13
Argyle and Campbell Bicycle Facilities	4
Collins Street Streetscape Improvement	170
Crowther Reinterpreted - Interpretive Commission	30
DKHAC Tile 50m concourse	150
Greater Hobart Ferry Service Expansion	250
Knocklofty to McRobies Gully Connector	210
McRobies Outlet GPT Installation	600
Parliament Square Slide	140
Park and Street tree planting 2024-25	100
Workplace Health and Safety System	100
<b>Total New Assets</b>	<b>1,627</b>
<b>Asset Upgrades</b>	
2024-25 Bridge Safety Upgrades	206
Asset management software upgrade	100
Bus Stop DDA Upgrade	50
Enterprise Road Rock Face Stabilisation	40
Huon Road Shoulder Sealing 2024-25	20
Olinda Grove Roundabout - Partial Signalisation	150
Parking meters upgrade 3G to 4G	488
Queenborough Oval Changerooms Redevelopment	1,500
<b>Total Asset Upgrades</b>	<b>2,554</b>

Table 10 – 2024-25 City of Hobart Funded Capital Program (continued)

Project	Amount
	\$'000
<b>Asset Renewals</b>	
225 Harrington & 250 Murray pipeline	350
2024-25 Civil Reconstruction Program 1	501
2024-25 Civil Reconstruction Program 2	972
2024-25 Footpath Program 1	858
2024-25 Overlay Program 1	1,246
2024-25 Reseal Prep Program 1	1,141
2024-25 Reseal Prep Program 2	1,090
2024-25 Reseals (Slurry) Program 1	1,141
2024-25 Reseals (Slurry) Program 2	800
2024-25 Spray Seal Program	400
Argyle St Car Park Concrete Remediation L4 & 5	100
Battery Sq - Hampden to Mcgregor - Correction Coat & Overlay - VRUP	240
Booker Highway (Adj ABC Building) - DP24202	90
Building Disability Upgrades 2024-25	20
Bushland Fund	50
Bushland Infrastructure Asset Renewal (Signs, Bins, Seats, Bollards & Picnic Assets)	45
Castray Esplanade Light Pole Replacement	454
CCTV and Safe City Infrastructure Maintenance	50
Council Centre - Lift Number 1 and 2 Renewal	260
Crowther Reinterpreted Stage3&4 - bronze remove	20
DKHAC 50m Pool UV filter replacement	170
DKHAC Chemical Delivery Area/Vehicle Bay Fitout Re	42
DKHAC Condition & Compliance Upgrades	421
DKHAC Expansion Joints Renewal-pools & grandstand	39
DKHAC Filter Internals Replacement	115
DKHAC Heat Pump Compressor Unit Renewal	75
DKHAC Moveable Bulkhead	632
Domain Athletic Centre - Partial Replacement and Linemark	125
Elizabeth Midtown Refresh	10
Fire Trail Renewal	180
Harbroe Ave	30
Hobart Rivulet - Gore Street Debris Irons Renewal	200
Hobart Rivulet Wall Repair Left Bank 82-84 Liverpool	70
Inner City Cycle Way Concrete Repairs	22
Liverpool Street 286 - DP30005 - Minor repairs	30
Marieville Esplanade Car Park - Partial surface replacement	30
Market Place - Minor Renewals - Pit Lid and Short Pipe	50

Table 10 – 2024-25 City of Hobart Funded Capital Program (continued)

Project	Amount
	\$'000
Marlyn Rd Bridge	21
Marlyn Road Fire Trail	70
Murray St stormwater relining and new pipe	160
New Town Rivulet Estuary Restoration Project	1,737
New Town Rd Bridge	494
North Hobart Oval Ryde Street Steps	50
Parks Bins	25
Parks Fences, Walls and Edging	30
Parks - Pavements 2024-25	10
Parks Playground Equipment Renewal	200
Parks Seating & BBQ's	48
Pinnacle Road Guard Rail Stage 3	100
Pipeline Track Extension - connecting city to mountain	317
Pipeline Track Resurface	190
PMO365 Maintenance Iteration	107
Program Contingency	701
Queens Walk Bridge	19
Reservoir Tank Fire Trail Renewal	60
Sandy Bay Rd 747-751 SW connections Renewal	110
Soldiers Memorial Oval Drainage Replacement	550
TH Annexe Car Park Surface & Drainage Renewal	400
Uninterruptible power supply (UPS) replacement	30
Upgrade of Council Chambers	128
Yelgun Place - Girrabong to Head - Conc FP & K&C	52
<b>Total Asset Renewals</b>	<b>17,818</b>
<b>Total City of Hobart Funded Capital Program</b>	<b>21,999</b>

## Plant and Equipment

The City's plant and equipment budget comprises:

- Vehicle fleet, major and minor plant; and
- General plant including office equipment and information technology items.

The City's vehicle fleet, major plant items and information technology equipment are normally subject to a rolling replacement program. In each case, forward estimates are compiled to aid replacement decision-making.

As summarised in Table 11, capital expenditure on plant and equipment will total \$3.5 million in 2024-25.

*Table 11 – Plant and Equipment*

	<b>2023-24 Budget</b>	<b>2023-24 Forecast</b>	<b>2024-25 Budget</b>	<b>Variance to 2023-24 Budget</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Vehicle fleet, major and minor plant	3,231	1,500	2,800	(431)
General plant including office equipment and IT equipment	1,000	1,000	700	(300)
<b>Total Plant and Equipment</b>	<b>4,231</b>	<b>2,500</b>	<b>3,500</b>	<b>(731)</b>

## Financing

The City's debt levels, actual and forecast are:

30 June 2023	\$50 million (Actual)
30 June 2024	\$39.9 million (Forecast)
30 June 2025	\$35.8 million (Forecast)

The City is not entering into any new borrowings in 2024-25. The City will also repay \$4.1 million of existing debt during 2024-25.



## Commercial Like Undertakings

### Off-Street Parking

Table 12 – Off-Street Parking

	2023-24 Budget	2023-24 Forecast	2024-25 Budget	Variance to 2023-24 Budget
	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>				
Other Fees and Charges	13,562	13,562	14,240	678
Rents	460	460	524	64
<b>Total Revenue</b>	<b>14,022</b>	<b>14,022</b>	<b>14,764</b>	<b>742</b>
<b>Expenses</b>				
Labour	698	723	639	(59)
Energy Costs	157	157	157	0
Materials and Services	2,289	3,000	3,241	952
Land Tax	606	606	606	0
Overheads	813	813	813	0
Depreciation	1,646	1,646	1,646	0
<b>Total Expenses</b>	<b>6,209</b>	<b>6,945</b>	<b>7,102</b>	<b>893</b>
<b>Operating Surplus/(Deficit)</b>	<b>7,813</b>	<b>7,077</b>	<b>7,662</b>	<b>(151)</b>

## On-Street Parking

*Table 13 – On-Street Parking*

	<b>2023-24 Budget</b>	<b>2023-24 Forecast</b>	<b>2024-25 Budget</b>	<b>Variance to 2023-24 Budget</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>				
Other Fees and Charges	7,694	7,694	8,079	385
Fines	8,320	6,800	8,736	416
<b>Total Revenue</b>	<b>16,014</b>	<b>14,494</b>	<b>16,815</b>	<b>801</b>
<b>Expenses</b>				
Labour	3,276	3,276	3,342	66
Materials and Services	1,237	1,237	1,237	0
Bad Debts	350	350	400	50
Overheads	703	703	703	0
Depreciation	550	550	550	0
<b>Total Expenses</b>	<b>6,116</b>	<b>6,116</b>	<b>6,232</b>	<b>116</b>
<b>Operating Surplus/(Deficit)</b>	<b>9,898</b>	<b>8,378</b>	<b>10,583</b>	<b>685</b>

## The Doone Kennedy Hobart Aquatic Centre

Table 14 – The Doone Kennedy Hobart Aquatic Centre

	2023-24 Budget \$'000	2023-24 Forecast \$'000	2024-25 Budget \$'000	Variance to 2023-24 Budget \$'000
<b>Revenue</b>				
Fees and Charges	6,747	6,346	6,663	(84)
Other	6	0	0	(6)
<b>Total Revenue</b>	<b>6,753</b>	<b>6,346</b>	<b>6,663</b>	<b>(90)</b>
<b>Expenses</b>				
Labour	4,894	4,419	4,801	(93)
Energy Costs	484	484	484	0
Materials and Services	1,761	1,761	1,792	31
Depreciation	1,010	1,010	1,010	0
Finance Costs	63	47	47	(16)
<b>Total Expenses</b>	<b>8,212</b>	<b>7,721</b>	<b>8,134</b>	<b>(78)</b>
<b>Operating Surplus/(Deficit)</b>	<b>(1,459)</b>	<b>(1,375)</b>	<b>(1,471)</b>	<b>(12)</b>

## Tasmanian Travel and Information Centre

Table 15 – Tasmanian Travel and Information Centre

	2023-24 Budget	2023-24 Forecast	2024-25 Budget	Variance to 2023-24 Budget
	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>				
Commission	270	350	270	0
Other Fees and Charges	300	500	500	200
Grants	150	150	150	0
<b>Total Revenue</b>	<b>720</b>	<b>1,000</b>	<b>920</b>	<b>200</b>
<b>Expenses</b>				
Labour	1,020	900	1,050	30
Materials and Services	172	300	153	(19)
Energy Costs	10	9	10	0
Depreciation	9	9	9	0
Other	2	2	2	0
<b>Total Expenses</b>	<b>1,213</b>	<b>1,220</b>	<b>1,224</b>	<b>11</b>
<b>Operating Surplus/(Deficit)</b>	<b>(493)</b>	<b>(220)</b>	<b>(304)</b>	<b>189</b>

## Salamanca Market

Table 16 – Salamanca Market

	2023-24 Budget	2023-24 Forecast	2024-25 Budget	Variance to 2023-24 Budget
	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>				
Other Fees and Charges	27	27	27	0
Rents	1,485	1,500	1,535	50
<b>Total Revenue</b>	<b>1,512</b>	<b>1,527</b>	<b>1,562</b>	<b>50</b>
<b>Expenses</b>				
Labour	906	706	933	27
Materials and Services	358	358	360	2
Energy Costs	12	12	12	0
<b>Total Expenses</b>	<b>1,276</b>	<b>1,076</b>	<b>1,305</b>	<b>29</b>
<b>Operating Surplus/(Deficit)</b>	<b>236</b>	<b>451</b>	<b>257</b>	<b>21</b>

## Waste and Recycling

Table 17 – Waste and Recycling

	2023-24 Budget	2023-24 Forecast	2024-25 Budget	Variance to 2023-24 Budget
	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>				
Rates and Charges	1,451	1,726	2,188	737
Other Fees and Charges	2,506	3,000	3,407	901
Rents	66	66	140	74
<b>Total Revenue</b>	<b>4,023</b>	<b>4,792</b>	<b>5,735</b>	<b>1,712</b>
<b>Expenses</b>				
Labour	2,883	3,608	3,048	165
Materials and Services	3,367	3,997	6,103	2,736
Energy Costs	14	14	29	15
Other	6	6	6	0
<b>Total Expenses</b>	<b>6,270</b>	<b>7,625</b>	<b>9,186</b>	<b>2,916</b>
<b>Operating Surplus/(Deficit)</b>	<b>(2,247)</b>	<b>(2,833)</b>	<b>(3,451)</b>	<b>(1,204)</b>