



# Budget Estimates 2024 - 2025



Version: 1 – Date: June, 2024

from the **mountains** to the **sea** | [www.bodc.tas.gov.au](http://www.bodc.tas.gov.au)

## Table of Contents

<b>TABLE OF CONTENTS</b>	<b>1</b>
<b>INTRODUCTION – BUDGET 2024 – 2025</b>	<b>2</b>
<b>PROFIT AND LOSS</b>	<b>3</b>
<b>BUDGETED CASH FLOW STATEMENT</b>	<b>5</b>
<b>BUDGET BALANCE SHEET</b>	<b>7</b>
<b>CAPITAL BUDGET</b>	<b>9</b>
<b>CAPITAL WORKS BUDGET</b>	<b>10</b>

---

## Introduction – Budget 2024 – 2025

### Operating Overview

The Budget Estimates 2023-2024 present a strategic response to the multifaceted challenges confronting Council, the community, and the broader economy.

The draft Budget Estimates for 2024-2025 signify the culmination of an internal review process and collaborative workshops with Councillors. Through these efforts, we have reviewed expenditure across all departments, seeking cost savings without compromising essential services and infrastructure renewals. This commitment to prudent financial management has consistently delivered improvements to the financial sustainability of the Council while safeguarding asset renewals, service levels, and strategic projects aligned with our overarching plans.

However, persistent challenges arise from the high Consumer Price Index, which continues to impact operational costs, notably in materials, contract services, and wages. These factors inform our budget adjustments and funding allocations for the upcoming fiscal year.

Conversely, high interest rates over the past few years have supported strong returns on term deposits. This revenue stream has assisted in Council generating higher than expected returns. To that end, Council will pay down a portion of its existing borrowings sooner than projected. This has a strong flow on effect in minimising interest payment exposure over the next decade.

Moreover, adjustments in property valuations, overseen by the Valuer-General, directly influence revenue streams through rates. While residential and primary production properties have seen value increases, commercial and industrial properties remain stable.

In response, we propose a modest General Rate increase, roughly aligned with the Consumer Price Index for Hobart and LGAT Council Cost Index. Supplementary adjustments in minimum rates, rates for specific land uses, and Waste Charges are proposed to ensure fairness and sustainability in revenue collection.

Council is committed to fiscal responsibility and meeting community needs to the best of our ability within the constraints of the broader economic landscape. The budget reflects alignment with the Long Term Financial Plan (LTFP) and adherence to the Financial Management Strategy, underscoring our dedication to prudent long term financial stewardship.

# Profit and Loss

## Budget 2024-2025

Account	2024 Annual Budget	Forecast 2024	Budget 2025 Estimates
<b>Trading Income</b>			
Rates	11,845,314	11,920,727	13,385,406
User Fees	1,383,879	1,430,516	1,492,313
Operating Grants	3,897,036	3,637,552	4,335,239
Interest & Investment Income	816,457	1,368,440	1,133,512
Contributions	15,900	0	0
Other Revenue	88,550	223,257	93,907
<b>Total Trading Income</b>	<b>18,047,136</b>	<b>18,580,492</b>	<b>20,440,377</b>
<b>Gross Profit</b>	<b>18,047,136</b>	<b>18,580,492</b>	<b>20,440,377</b>
<b>Capital Grants</b>			
Grants - Commonwealth Capital	3,106,489	2,379,878	1,495,767
Grants - Roads to Recovery	647,000	647,000	854,579
Grants - State Capital	985,000	357,544	720,000
<b>Total Capital Grants</b>	<b>4,738,489</b>	<b>3,384,422</b>	<b>3,070,346</b>
<b>Other Non Operating Income</b>			
Net Gain/Loss on Disposal of Assets	120,000	(432,331)	100,000
<b>Total Other Non Operating Income</b>	<b>120,000</b>	<b>(432,331)</b>	<b>100,000</b>
<b>Total Non Operating Revenue</b>	<b>4,858,489</b>	<b>2,952,091</b>	<b>3,170,346</b>

**Operating Expenses**

Employee Costs	6,114,089	6,098,454	6,511,010
Materials & Services	7,026,009	7,332,611	8,715,003
Interest Expense	247,910	247,909	143,732
Depreciation	4,657,790	4,616,243	4,786,700
Other Expenses	269,008	282,552	294,211
<b>Total Operating Expenses</b>	<b>18,314,806</b>	<b>18,577,769</b>	<b>20,450,655</b>
<b>Operating Net Profit</b>	<b>(267,670)</b>	<b>2,723</b>	<b>(10,278)</b>
<b>Net Profit (Including Non Operating Revenue)</b>	<b>4,590,819</b>	<b>2,954,814</b>	<b>3,160,068</b>

# Budgeted Cash Flow Statement

## Budget 2024-2025

Account	2022/2023	Forecast 2024	Budget 2025 Estimates
<b>Operating Activities</b>			
Receipts from customers	1,409,618	1,760,569	1,464,725
Receipts from rates	10,670,679	11,920,727	13,385,406
Receipts from Operational Grants	4,840,072	3,495,581	4,335,239
Contributions	155,057	0	0
Interest received	546,447	903,440	668,512
Dividends received	465,600	465,000	465,000
Payments to employees	(5,738,665)	(5,830,874)	(6,439,721)
Payments to suppliers	(6,976,112)	(6,375,148)	(8,669,403)
Finance Costs	(343,938)	(247,909)	(143,732)
Cash receipts from other operating activities	232,623	223,257	93,907
Cash payments from other operating activities	421	(282,552)	(294,211)
<b>Net Cash Flows from Operating Activities</b>	<b>5,261,801</b>	<b>6,032,090</b>	<b>4,865,723</b>

### Investing Activities

Payment for property, plant and equipment	(4,394,745)	(7,274,158)	(6,890,898)
Capital Grants received	1,987,754	1,477,821	3,070,346
Proceeds from sale of property, plant and equipment	86,000	90,000	100,000
Transfers to financial assets	(7,616,000)	(684,000)	0
<b>Net Cash Flows from Investing Activities</b>	<b>(9,936,991)</b>	<b>(6,390,337)</b>	<b>(3,720,552)</b>

### Financing Activities

Proceeds of trust funds and deposits	57,599	0	0
Repayment of loans	(389,024)	(1,647,400)	(278,055)
Repayment of lease liabilities	12,131	(55,977)	(56,320)
<b>Net Cash Flows from Financing Activities</b>	<b>(319,294)</b>	<b>(1,703,377)</b>	<b>(334,375)</b>

<b>Net Cash Flows</b>	<b>(4,994,484)</b>	<b>(2,061,624)</b>	<b>810,796</b>
-----------------------	--------------------	--------------------	----------------

### Cash and Cash Equivalents

Cash and cash equivalents at beginning of period	11,813,436	6,818,952	4,757,327
Net change in cash for period	(4,994,484)	(2,061,624)	810,796
Cash and cash equivalents at end of period	6,818,952	4,757,327	5,568,124

# Budget Balance Sheet

## Budget 2024-2025

Account	31-Mar-24	Forecast 2024	Budget 2025 Estimates
<b>Assets</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	15,773,182	4,757,327	5,568,124
Trade & Other Receivables	2,047,767	726,000	753,588
Investments		8,300,000	8,300,000
Inventory	193,124	200,000	207,600
Other Assets		2,838	2,838
<b>Total Current Assets</b>	<b>18,014,072</b>	<b>13,983,327</b>	<b>14,829,312</b>
<b>Non-current Assets</b>			
Trade and Other Receivables	14391.78	14,392	14,392
Property, Plant & Equipment	189,652,257	215,110,891	227,970,634
Right of Use Asset	792,141	741,882	685,905
Intangible Assets	27,225	20,917	0
Investment in Water Corporation	33,959,804	35,657,794	37,440,684
Other Investments	30,000	30,000	30,000
<b>Total Non-current Assets</b>	<b>224,461,428</b>	<b>251,575,877</b>	<b>266,141,615</b>
<b>Total Assets</b>	<b>242,475,500</b>	<b>265,559,204</b>	<b>280,970,926</b>



<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	817,213	1,000,000	1,038,000
Contract Liabilities	0	0	0
Lease Liability	60,783	60,783	55,977
Interest Bearing Loans & Borrowings	180,259	332,660	269,695
Provisions	947,362	985,256	1,024,667
Trust Funds and Deposits	748,330	748,330	748,330
<b>Total Current Liabilities</b>	<b>2,753,947</b>	<b>3,127,030</b>	<b>3,136,669</b>
<b>Non-current Liabilities</b>			
Lease Liabilities	741,882	681,099	625,122
Interest Bearing Loans & Borrowings	5,459,137	3,340,768	3,071,073
Provisions	766,323	796,976	828,855
<b>Total Non-current Liabilities</b>	<b>6,967,342</b>	<b>4,818,843</b>	<b>4,525,050</b>
<b>Total Liabilities</b>	<b>9,721,289</b>	<b>7,945,873</b>	<b>7,661,719</b>
<b>Net Assets</b>			
	<b>232,754,211</b>	<b>257,613,332</b>	<b>273,309,207</b>
<b>Equity</b>			
Accumulated Surplus	43,768,628	46,619,848	49,779,915
Reserves	189,002,814	210,993,484	223,529,292
<b>Total Equity</b>	<b>232,771,441</b>	<b>257,613,332</b>	<b>273,309,207</b>

## Capital Budget

### Capital Works - Summary

Break O'Day Council  
Budget 2024-2025

	2025	Grant Funded	Council Funded	New	Renewal
Plant & Equipment	1,337,000		1,337,000	30,000	1,307,000
Furniture & IT	-		-	-	-
Buildings	775,589	450,000	325,589	763,589	12,000
Parks, Reserves & Other	967,267	640,767	326,500	817,267	150,000
Roads					
Roads - Streetscapes	87,500	-	87,500	87,500	-
Roads - Footpaths	160,000	-	160,000	160,000	-
Roads - Kerb & Channel	-	-	-	-	-
Roads - Resheeting	510,000	54,579	455,421	-	510,000
Roads - Reseals	555,084	500,000	55,084	-	555,084
Roads - Construction, Digouts & Other	1,275,000	1,000,000	275,000	400,000	875,000
<b>Totals Roads &amp; Footpaths</b>	<b>2,587,584</b>	<b>1,554,579</b>	<b>1,033,005</b>	<b>647,500</b>	<b>1,940,084</b>
Bridges	540,977	-	540,977	-	540,977
Stormwater	432,481	-	432,481	282,481	150,000
Waste Management	250,000	-	250,000	250,000	-
<b>Total Capital Works</b>	<b>6,890,898</b>	<b>2,645,346</b>	<b>4,245,552</b>	<b>2,790,837</b>	<b>4,100,061</b>

# Capital Works Budget

DRAFT Budget 2024-2025

Project Details	Estimated Carried Forward 30/06/2024	New Budget Items	Budget Estimates 2024/2025	Comments
<b>Plant &amp; Equipment</b>				
Replace 1358 H66ZW - Kia Sportage	40,000	-	40,000	Vehicle for Assistant Works Operations Manager
Replace 1404 - K70GB Works Operations Manager		50,000	50,000	
Replace 1374 - I65JH Animal Control Vehicle		40,000	40,000	
Replace 1269 - Coastal Crew truck		170,000	170,000	
Replace 1099 - Mack truck		300,000	300,000	
Vehicle Management Tracking System	30,000		30,000	
Small Plant - VARIOUS		45,000	45,000	
Replace 1360 - Dmax 4x4 Crew Cab with HIHAB lift		60,000	60,000	
Replace 1226 - WTS Ute		35,000	35,000	
Replace 1022 - Small tipper truck		140,000	140,000	
Replace Turf mower		27,000	27,000	
Waste collection truck		400,000	400,000	Contingency amount at this point in time - March 2024. Further discussion required....
<b>Total Plant &amp; Equipment</b>	<b>70,000</b>	<b>1,267,000</b>	<b>1,337,000</b>	
<b>Furniture &amp; IT</b>				
<b>Total Furniture &amp; IT</b>			-	

<b>Buildings</b>				
Fingal Community Shed (Old Tas Hotel)	50,000		50,000	BSBR Grant - need to carry forward all remaining budget
St Marys Indoor Recreation Facility	150,000	250,000	400,000	BSBR Grant - need to carry forward all remaining budget
Portland Hall Upgrades	10,000	10,000	20,000	\$20K Total for Rerender and Repaint
Scamander Sports Complex		80,000	80,000	\$60K Public Toilets, \$20K Commence Design Phase for Additions/Alterations
Council Chambers additions and improvements	20,000	10,000	30,000	Continuation of Building improvements, Painting outside, front counter alterations, Heat pumps
Falmouth - New Toilet design		10,000	10,000	Design, Approval Phase only - Construction in 25/26
Falmouth Community Centre - Internal Alterations		5,000	5,000	
Pyengana Recreation Ground Improvements			-	Defer works to 25/26
Binalong Bay - Village Green BBQ Replacements		60,000	60,000	Demolition & Made Good, Electrical, Pathways & new Structure
Memorial Park Toilet Block Replacement		15,000	15,000	Design, Approval Phase only - Construction in 25/26
Water Fountains (memorial Park plus other locations)		15,000	15,000	
St Marys Sports Complex - Small Shed & Security System		30,000	30,000	Sports Centre 5 year plan priorities
St Helens Sports Complex - Athletics Building	48,589		48,589	
History Room Upgrades		12,000	12,000	
<b>Total Buildings</b>	<b>278,589</b>	<b>497,000</b>	<b>775,589</b>	

<b>Parks, Reserves &amp; Other</b>				
Special Project: Scamander Coastal Hazards Project	98,349	128,151	226,500	Total grant \$145k, balance Council contribution
Rec trails strategy implementation - stage 1		100,000	100,000	
Fingal Youth Playground/recreation hub	345,767		345,767	BSBR Grant
Pump Track/s	150,000		150,000	State Gov't Grant
Playground equipment replacement program	44,378	5,622	50,000	Other sites - individual equipment pieces
Dog exercise area St Helens Improvements	1,913	3,087	5,000	Shelter and water fountain station
St Marys Dog Park	6,546	13,454	20,000	Community engagement to be undertaken prior to install - need to establish new site.
St Helens Cemetery Master Plan improvements		50,000	50,000	
St Helens Rec Ground water meters		20,000	20,000	
<b>Totals Parks, Reserves &amp; Other</b>	<b>646,953</b>	<b>320,314</b>	<b>967,267</b>	
<b>Roads - Streetscapes</b>				
Cecilia Street/Georges Bay Esplanade junction	37,500		37,500	Land acquisition needed for junction upgrade. Refer to decision of Council 12/23.4.1.CC CFWD as spend occurs after junction upgrade works are completed.
Quail St Parking Bay	50,000		50,000	Traffic risk mitigation project

<b>Total Streetscapes</b>	87,500	-	87,500	
<b>Roads - Footpaths</b>				
Footpath - segment replacement various locations		30,000	30,000	Footpath upgrade gravel to concrete
Lindsay Parade to Sunny Bank Close		30,000	30,000	Footpath upgrade gravel to concrete
Binalong Bay Footpaths internal thoroughfares		100,000	100,000	Footpath upgrade gravel to concrete
<b>Total Footpaths</b>	-	160,000	160,000	
<b>Roads - Kerb &amp; Channel</b>				
<b>Total Kerb &amp; Channel</b>				
<b>Roads - Resheeting</b>				
24/25 Road Resheeting to be confirmed		510,000	510,000	
<b>Total Resheeting</b>	-	510,000	510,000	
<b>Roads - Reseals</b>				
St Marys - Story Street Esk Main Road to Groom Street	55,084		55,084	Subject to State Growth resealing Story St
24/25 Reseals TBC		500,000	500,000	TBC
<b>Totals Reseals</b>	55,084	500,000	555,084	

<b>Roads - Construction, Digouts &amp; Other</b>				
Digouts and road edge remediation to be allocated		250,000	250,000	Multiple failures on sealed road network
Road Network - Sign Replacement		25,000	25,000	Annual allocation
<b>LRCI Program - Phase 4 Projects</b>				
- LRCI 4: Rehabilitation of Alexander Street - Cornwall		300,000	300,000	A 2024/2025 project at cost of \$300,000. \$215,000 from LRCI and \$85,000 from Council
- LRCI 4: Ansons Bay Road Sealing	223,438	126,562	350,000	Total project cost is \$350,000. LRCI-4 funding contribution is \$223,438 in 2023-2024. Council contribution is \$126,562 in 2024-2025. Project delayed to 24/25 due to Feb 24 storm event i/s damage
- LRCI 4: Gray Road - Pathway Extension		50,000	50,000	Project cost is \$50,000 and fully funded for delivery of the project in 2024-2025.
Mangana Road - Rehabilitation/reconstruction		300,000	300,000	
<b>Totals - Roads Construction, Digouts &amp; Other</b>	<b>223,438</b>	<b>1,051,562</b>	<b>1,275,000</b>	
<b>Totals Roads &amp; Footpaths</b>	<b>366,022</b>	<b>2,221,562</b>	<b>2,587,584</b>	
<b>Bridges</b>				
B2293 - Cecilia St	156,785		156,785	Design and materials order in 23/24 at \$60,000 and construct in 24/25 with balance of funds
B7027 - Mathina Plains Road	40,000	10,000	50,000	Deferred from prior year. Revised Engineering solution is the installation of traffic crash barrier rather than extend the culvert length. Potential part grant funding.
Culvert 5539 - Mathinna Road	40,000		40,000	Culvert barrier installation required due to the high skew between the road and the culvert and a sweeping corner on the approach to the culvert. Potential part grant funding.
B2809 - Argyle St - replacement		294,192	294,192	
<b>Total Bridges</b>	<b>236,785</b>	<b>304,192</b>	<b>540,977</b>	

<b>Stormwater</b>				
Minor stormwater Jobs		150,000	150,000	Increase in minor storm water system capital works identified for 24/25 as a result of the Feb 2024 severe storm event - to be listed soon
Osprey Drive	10,000		10,000	Design only
Beaumaris Ave to Tasman Highway SW pipe		30,000	30,000	
Penelope Street	76,002	16,479	92,481	Stormwater Main - frontage of caravan park. Design and material purchase in 23/24. Construction in 24/25 due to deferral of works because of Feb 2024 storm event) with additional \$16,479 needed to complete installation.
Aulichs Lane, St Marys		80,000	80,000	New stormwater line - Design & Approvals in 23/24 and construct in 24/25
Tully Street / Northern end of Cecilia St Stormwater System Upgrade		70,000	70,000	Design only
<b>Total Stormwater</b>	<b>86,002</b>	<b>346,479</b>	<b>432,481</b>	
<b>Waste Management</b>				
Ansons Bay WTS - Bulk Bin Loading Ramp Upgrade		30,000	30,000	Public safety and efficiency gain project
Scamander WTS - Waste Compactor	10,000	50,000	60,000	Develop specifications for replacement compactor; 23/24 expected expenditure is \$10K and in 24/25 estimate is \$20K
Scamander WTS - Inert Landfill study	2,976	157,024	160,000	CFWD and New budget item for next stage - detailed design work in 24/25.
<b>Total Waste Management</b>	<b>12,976</b>	<b>237,024</b>	<b>250,000</b>	
<b>Total Capital</b>	<b>1,697,327</b>	<b>5,193,571</b>	<b>6,890,898</b>	