
From: Tony Farrell
Sent: Monday, 8 July 2024 12:14 PM
To: State Development; Bjorn Lategan
Cc: Kerrie Walsh
Subject: CM: RE: Inquiry into the ability of local governments to fund infrastructure and services - Post-hearing responses - 3 June 2024

Good afternoon.

Transcript

Thank you for the opportunity to provide notes on the transcript of our presentation. I offer the following for your consideration:

1. On page 41, paragraph 4, the following is correctly recorded (highlighting added);

Externally restricted reserves are in the **high 180s** and internally restricted is close to about \$100 million at the moment.

For clarity that could be changed to “high 180 **millions** ...”

2. On page 41, paragraph 8, I say (highlighting added);

Our preference at the moment is to maintain **our new capital spend** each year at about \$100 million. We do accept that we'll have higher years than that if we have profit-earning investments to make or if we have significant one-off projects. At the moment, we're building a significant sports centre which is, overall, a \$52 million project, which is something that we would do

I should have said “our capital spend”, deleting the word “new”. The \$100 million limit is for our whole capital programme in a normal year and is inclusive of replacement, and new, capital.

3. On page 43, paragraph 8 (highlighting added);

Affording that depreciation cost and still hitting the required **FAC** zero operating result

Bjorn does not recall using the acronym “FAC”, and is unsure of its meaning in this context. We request you remove “FAC”.

4. On page 44, paragraph 6, you have recorded (highlighting added);

You can't get a budget **bit** up in our organisation unless we've got whole-of-life costs calculated and built into our long-term plan.

It should say “budget **bid**”

5. On page 45, paragraph 6, you have recorded (highlighting added);

\$180 million is **really coming down to the** externally restricted funds, most of which are the section 7.11 fundings that we hold

It would be clearer to state this as “\$180 million is comprised of these externally restricted funds”

6. On page 45, paragraph 8, you attribute the last words to Bjorn Lategan. They should be attributed to me, Tony Farrell.