

CERTIFICATION STATEMENT

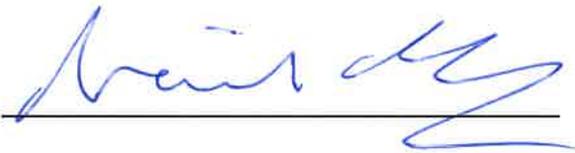
Ballarat City Council

I certify that I have reviewed this completed Budget Baseline Information template, and understand that it will be used by the Essential Services Commission for the Fair Go Rates System.

I confirm that this data represents fairly the forecast financial transactions and position of our council for the period specified and that the forecasts are made on reasonable grounds.

I confirm that this is public data, and that I have no objection to the Essential Services Commission using and publishing this data for the purposes of the Fair Go Rates System.

Signed:



Frank Dixon

7-Mar-16

0.0	TITLE OF REPORT	
	Division:	Business Services
	Director:	Glenn Kallio
	Author/Position:	Glenn Kallio - Chief Financial Officer

RECOMMENDATION

Council resolves to:

- 1. Submit the rate capping variation application to the Essential Services Commission, requesting a variation to the rate cap of 1.2% for the delivery of essential infrastructure works and funding of the revised Developers Contribution Scheme. The revised rate cap to be increased from 2.5% to 3.7%.**

EXECUTIVE SUMMARY

In December 2015, the Victoria State Government introduced rate capping for all Victorian local government. The rate cap set for the 2016/17 financial year is 2.5%.

This report seeks approval to put forward a rate cap variation of 1.2%.

RATIONALE

In December the Victoria State Government introduced rate capping for all Victorian local government. The rate cap set for the 2016/17 financial year is 2.5%.

This Council had set their Long Term Financial Strategy with a base rate increase of 5.5%. This was based on a cpi rate of 3%. Funds raised above cpi were to be put towards increased services, additional funding for infrastructure renewal works, and funding for major capital projects.

Following the introduction of rate capping, the operational budget for the City of Ballarat has been revised to forecast future rate increases and the base cpi rate at 2.5%.

Council is requesting to increase core infrastructure funding at the same levels as set down in the 2015/16 budget and long term financial strategy.

It is considered that to base the core capital works on the rate cap of 2.5% will result in the asset renewal gap widening at a greater rate each year. In the long term this will result in additional monies being expended due to the increased wear of the infrastructure assets. Past studies on asset management have indicated that if infrastructure is not maintained adequately there will be a long term cost associated with that decision.

Modelling has indicated that for a 0.53% increase in the rates allows Council to maintain its spend on infrastructure works as currently set down in the financial strategy.

In additional to this, last financial year Council put forward a loan borrowing strategy to deal with Council's liability in the implementation of the Developers Contribution Scheme. This liability required Council to borrow \$46 million over the next 20 years.

In the review of the DCP scheme and the subsequent indexation of the scheme, Council is required to provide an additional \$585,000 during the 2016/17 year.

The impact of the rate cap has resulted in Council having to change the timing of future borrowings to ensure appropriate levels of cashflow into the future, therefore Council does not have the capacity to absorb the \$585,000 through existing cashflows unless additional borrowings are taken out or rates are raised to fund these works.

Without increasing the borrowing levels Council will be able to accommodate the additional DCP liability with an additional rate increase of 0.67%.

Should Council approve the rate cap variation application, Council will request the Essential Services Commission to consider Council's application to lift the rate cap of 2.5% to 3.7%.

LEGISLATION, COUNCIL PLAN, STRATEGIES AND POLICY IMPACTS

- *Charter of Human Rights Act 2007;*
- *Victorian Charter of Human Rights and Responsibilities Act 2006;* and
- City of Ballarat Council Plan 2013-2017.
- Essential Services Commission – Fair Go Rates System

REPORTING AND COMPLIANCE STATEMENTS

Implications	Considered in Report?	Implications identified?
Human Rights	Yes	Yes
Social/Cultural	No	No
Environmental/Sustainability	No	No
Economic	No	No
Financial/Resources	Yes	Yes
Risk Management	No	No
Implementation and Marketing	No	No
Evaluation and Review	No	No

Human Rights - It is considered that this Report does not impact on any human rights identified in the *Charter of Human Rights Act 2007*.

Financial/Resources - "Start typing here"

CONSULTATION

"Start typing here"

OFFICER' DECLARATIONS OF INTEREST

Under section 80C of the Local Government Act 1989 officers providing advice to Council must disclose any interests, including the type of interest.

Chief Financial Officer – Glenn Kallio

In providing this advice as the Executive Manager and Author, I have no disclosable interests in this report.

REFERENCE DOCUMENTS

- Essential Services Commission – Fair Go Rates System

ATTACHMENTS

Essential Services Rate Variation Application



Budget 2015/16

Introductory text.....

How **important** do you feel following services are in Ballarat:

	Extremely Important	Very Important	Somewhat Important	Not Important
Waste Management				
Parking – on and off street parking				
Condition of Streets and Footpaths				
Presentation of streets and gardens				
Community and Cultural Activities				
Elderly Support Services				
Family Support Services				
Recreational Facilities				
Community Development				
Arts Centres and Libraries				
Business Development				
Tourism activities				
Public Events				
Community Engagement & Communication				
Lobbying Government				

How **affected** are you by the following services in Ballarat:

	Extremely Affected	Very Affected	Somewhat Important	Not Really Affected	Not At All Affected
Waste Management					
Parking – on and off street parking					
Condition of Streets and Footpaths					
Presentation of streets and gardens					
Community and Cultural Activities					
Elderly Support Services					
Family Support Services					
Recreational Facilities					
Community Development					
Arts Centres and Libraries					
Business Development					
Tourism activities					
Public Events					
Community Engagement & Communication					
Lobbying Government					

From preliminary budgeting Council has identified approximately \$4.5 million to put toward a range of projects across the city.

In your opinion, please order in priority (either your top 1-5 or all, from 1- 17) the potential projects below that you feel could best benefit the City of Ballarat.

Your Priority	Project Cost	Project
		Botanical Gardens - Fernery Redevelopment
		Her Majesty's Theatre Upgrades
		Sebastopol Library Redevelopment
		LED Street Lighting Replacement
		Motor Sports Development
		Lake Wendouree Lighting
		Botanical Gardens - All Of Us Garden
		Black Hill Reserve Upgrade
		Ballarat Art Gallery Upgrades
		ESS Implementation Projects
		Public Toilet Program Projects
		CBD Car Parking Developments
		Youth Strategy and Youth Space
		Community Garden Initiatives
		Mining Exchange Upgrades (Sound proofing)
		Rural Roads
		Howitzer

What is your favourite event that Council invests in :

Begonia Festival, Heritage Weekend, Summer Sundays, Christmas Decorations/Entertainment

What sporting events would you like to see more of in Ballarat :

AFL, Basketball, Motorsport, Soccer, Cricket, Cycling, Netball, Other _____

Your Suburb _____

Thanks.....

Do you want to register to receive further information by email on the budget and project processes : YES NO
 (By selecting yes you will receive email from the City of Ballarat and have an account created on myTownHall online)

Your name / desired screen name : _____

Your email address : _____

MEDIA RELEASE

Date: Monday 12 May 2014

Infrastructure and community projects highlights of City of Ballarat 2014/15 draft budget

Further investment in key infrastructure and the continuation of community building projects headline the City of Ballarat 2014 -15 draft budget.

The draft budget continues Council's commitment to strong investment in community infrastructure throughout Ballarat.

Highlights include \$13.44 million for roads, drains and footpath projects across the city, of which \$1.18 million will be dedicated to rural roads.

Major road renewal projects include \$381,000 for Middlin Street, Brown Hill; \$327,000 for Charlotte Street Sebastopol; and \$436,000 for Armstrong Street South, Ballarat Central.

\$500,000 will be allocated to drainage projects across the city, with more than \$311,000 for footpath construction, and \$230,000 for kerb and channel renewal.

\$1.3 million will be dedicated to the maintenance of Council building assets.

The 2014-15 draft budget also continues Council's major investment in grass roots projects and programs across Ballarat, with \$300,000 allocated to Council's Community Impact Grants Program.

A further \$400,000 is included for the Township Empowerment Program in Learmonth, Buninyong, Miners Rest, as well as other neighbourhood initiatives.

Other highlights include:

- \$1.25 million as part of Council's contribution to building more car parking in Ballarat's hospitals precinct.
- \$408,000 for city beautification projects at city entrances, Victoria Street, Sturt Street and the Ballarat Botanical Gardens.
- \$374,000 for the installation and preservation of the city's public monuments, street furniture and art installations.
- \$100,000 for the repair of heritage tram tracks at Lake Wendouree.
- \$240,000 dedicated investment in bicycle projects.
- \$571,000 for neighbourhood parks, including playgrounds.

The Draft Budget has been developed to ensure Ballarat remains in a strong financial position and manage one of regional Australia's fastest growing populations.

In line with its long term financial strategy, Council continues its commitment to sustainable financial management in the 2014-15 draft budget, with a proposed rate increase of 6.5 per cent.

Following consultation during the 2013-14 budget, and to further promote Ballarat as an attractive destination for investment, the draft budget also proposes a 2% reduction in the planned increase to the commercial rate, which will be lowered to a 4.5 per cent increase.

The reduction in the commercial rate is part of a 10-year strategy to make the Ballarat commercial rate level more competitive.

At an ordinary Council Meeting on Wednesday 14 May, Councillors will consider a report recommending the release of the Draft Budget and Draft Council Plan to the community for feedback and comment.

If approved for release, the documents will be available for 28 days from Monday 19 May 2014 via Council's website or to view in hard copy at the Phoenix Building or at Town Hall.

Residents will be encouraged to view the Draft Council Plan and Draft Budget and provide feedback to Council.

CITY OF BALLARAT BUDGET 2015 – 2016

This document contains the 2015 – 2016 Budget Summary for the
Ballarat City Council.

*2015 – 2016 Budget
1. Summary*

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BUILDING A | CITY OF
BETTER BALLARAT | **BALLARAT**

Mayors and CEO Message

This year's Draft Budget is a careful balance between being responsible with rate-payers money and maintaining, servicing and building Ballarat.

Each new project and each commitment of extra investment has been carefully considered. This Council is dedicated to delivering our projects on time and on budget and we are controlling costs of the business, including a reduction in management costs of \$1,000,000 this year.

This makes more funding available for the projects and services we know are a priority for the people of Ballarat, while keeping the rate rise as low as possible. At the same time we are delivering a 4% increase in core capital investment, which is critical in ensuring Ballarat continues to thrive.

The Draft Budget 2015/16 continues the clear direction and principles laid out in the Council Plan 2013-2017. The Plan was established by the current Council in 2013 and outlines the projects and services this Council has committed to delivering to the community.

Council is taking charge of maintaining Ballarat. We need to take care of what we have – our roads, our buildings, our parks and gardens, and sporting and recreational facilities.

Council is making key investments to keep our city up-to-date, and well placed for future growth, which means putting extra money into core infrastructure. A 4% increase in core capital investment is a key feature of this year's budget.



Maintaining Ballarat projects include:

- \$2.6 million to maintain Council buildings – an extra \$1.2 million on the previous year
- \$10 million for roads maintenance
- \$210,000 for bridge repairs
- \$1.02 million for city presentation projects including street furniture, city entrances, street irrigation and landscaping, public place recycling and bus shelters
- \$216,000 for public art and restoring city monuments
- \$318,000 for neighbourhood playgrounds
- \$281,000 for neighbourhood parks



This year's budget is also about delivering fundamental services for Ballarat. Council have locked in the necessary expenses to run its 100-plus services through the 2015/16 Budget.

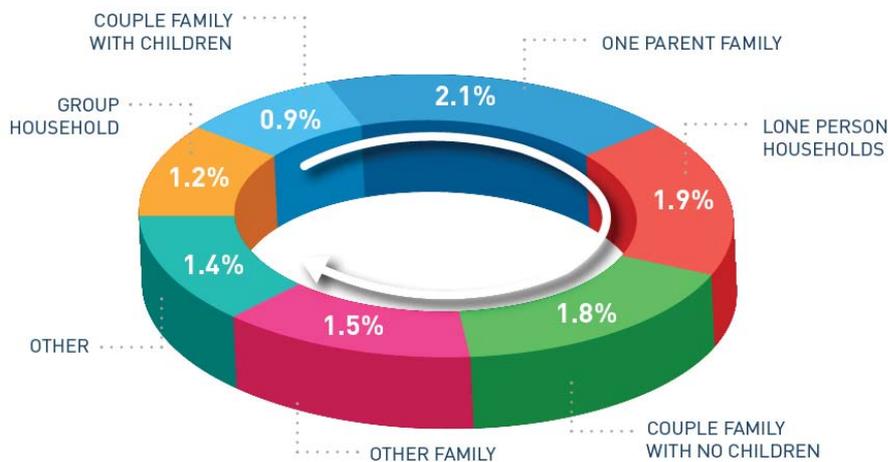
This budget delivers all the services that the community needs and use every day including roads maintenance, libraries, immunisation and collecting garbage. We know these services are important to residents and they are the core work of Council.

A selection of Servicing Ballarat projects include:

- \$13.63 million for road construction and renewal, including \$2 million for rural roads
- \$1.54 million for drainage projects
- \$1.65 million for Ballarat's three libraries and outreach service
- \$1.148 million for Bicycle Strategy projects and bicycle paths
- \$200,000 additional funding for community events including Christmas and Winterlude
- \$300,000 to the City of Ballarat Community Impact Grants Program
- \$375,000 to the Township Empowerment Programs

This year's budget continues the hard work of building for growth in Ballarat, including stimulating job growth and a stronger local economy. Extensive lobbying with the State Government has secured \$53 million to build a better Ballarat.

In 2040, the structure of families will be different to today



Forecast Annual % Change in family types 2013 - 2031

This year's Council Budget provides funding for critical major projects in partnership with the State Government:

Ballarat West Employment Zone

- \$5 million – City of Ballarat
- \$25 million – State Government

Wendouree Basketball and Sports Centre

- \$5 million – City of Ballarat
- \$9 million – State Government

Lucas Community Hub

- \$2.65 million – City of Ballarat
- \$1.6 million - State Government

In 2015/16, the City of Ballarat will also commence building the following projects, fully funded by the State Government:

Eureka Stadium AFL Upgrade

- \$15 million – State Government

CE Brown Reserve Clubrooms Upgrade

- \$2.5 million – State Government

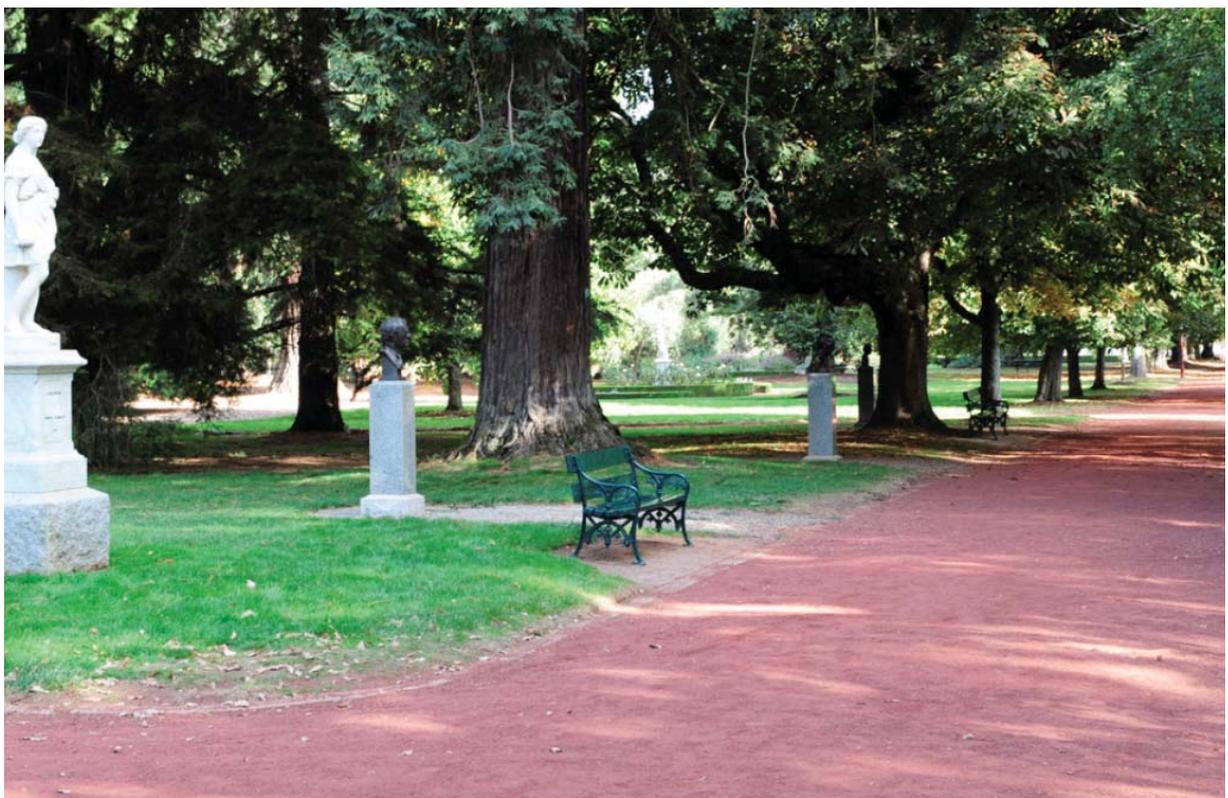
The City of Ballarat will also invest \$4.5 million in sports and recreation projects in 2015/16.

Council is dedicated to the Clean Ballarat initiative – providing an integrated approach to all of the city's environmental initiatives. This includes looking at how we manage and deal with the city's waste as well as innovative solution to our water and energy use.

Clean Ballarat projects included in the Draft Budget 2015/16:

- \$2.32 million for waste and recycling services and programs
- \$100,000 to deliver a priority action of the Environmental Sustainability Strategy
- \$25,000 to replacing street lighting with low energy use light fittings as part of a long term transition project
- Investigate innovative waste management, from street collection to transfer station and landfill.
- Progress options for bio energy within the Ballarat West Employment Zone.

The Clean Ballarat initiative is a careful response aimed at managing our business more effectively. A central focus of this will be a review of waste and landfill operations with a view to utilising these streams to generate energy and economic opportunity for our community.



Council will build a new public toilet in the entertainment precinct of the CBD, improve Her Majesty's Theatre and Art Gallery of Ballarat, and transform the Mining Exchange to a live music venue.

In local neighbourhoods, Council will deliver a modern community hub at Sebastopol Library, re-open the lookout at Black Hill lookout, build a new fernery at the Ballarat Botanical Gardens, and lay the groundwork for a new youth space and Regional Motor Sports Facility in Ballarat. Council will also make an important start on the big job of replacing all the street lighting in the City of Ballarat with low energy use light fittings and deliver a priority action of the Environmental Sustainability Strategy.

Council will deliver all of these great projects in 2015/2016, building a better Ballarat, for our local community and for visitors to the city. Funded projects include:

- **Fernery** – \$1.4 million
Design and build a new fernery and interactive experience at the Ballarat Botanical Gardens
- **Sebastopol Library** – \$1.25 million
Rejuvenation of the existing Sebastopol Library to provide a modern library and community hub
- **Her Majesty's Theatre** – \$1.148 million
Replace theatre seats and upgrade theatre amenity to provide a contemporary theatre experience
- **Public Toilet** – \$250,000
Construct an additional CBD Public Toilet in the entertainment precinct
- **Black Hill Reserve** – \$230,000
Re-open the lookout facility at Black Hill
- **Mining Exchange** – \$150,000
Install soundproofing and acoustic treatment to establish the Mining Exchange as a live music venue
- **Implementation of the Environmental Sustainability Strategy** – \$100,000
Funding to implement a priority action contained within the ESS
- **Motorsport Regional** – \$100,000
Secure land for a possible future motor sport complex
- **Art Gallery of Ballarat** – \$50,000
Renew the front foyer desk and install blackout curtains in the rear gallery
- **Youth Space** - \$50,000
Establish a new Youth Space at a location to be decided.
- **LED Street Lighting** – \$25,000
Replacement street lighting in the City of Ballarat with low energy use light fittings

In line with its long-term financial strategy, Council will continue its commitment to sustainable financial management with a proposed rate increase of 5.5 per cent. As part of a 10-year strategy to promote Ballarat as an attractive destination for commercial investment, the Draft Budget Council will continue with a 2 per cent reduction in the planned increase to the commercial rate which will be lowered to a 3.5 per cent increase.

In developing this Draft Budget we have maintained a strong commitment to making sure that Ballarat remains in a strong financial position to manage one of regional Australia's fastest growing populations.



CITY OF BALLARAT Budget 2015/16



SERVICING
Ballarat



MAINTAINING
Ballarat



BUILDING
Ballarat



CLEAN
Ballarat

**BUILDING A
BETTER BALLARAT** CITY OF
BALLARAT 



Cr John Phillips
Mayor



Anthony Schinck
CEO

What Does The Budget Deliver?

The services/projects a Council delivers can be categorised into three (3) components.

1. Those services that are utilised by the community every day.
2. Maintenance of community assets.
3. Provision of new community assets for future growth.

Council provides in excess of 100 services that will be utilised by a section of the community each day. These are:

SERVICING BALLARAT

Every day, the City of Ballarat is working to deliver more than 100 services to the community. Your rates fund these essential programs and we believe they are the core work of Council. The City of Ballarat's community services include:

After Hours Environmental and Public Health Emergency Service
Animal Control services
Art Gallery of Ballarat
Arts and Culture
Asset Management
Backspace Gallery
Ballarat Airport management
Ballarat Aquatic and Lifestyle Centre
Ballarat Botanical Gardens – Conservatory,
Robert Clark Centre
Ballarat Heritage Advisory Service
Ballarat Regional Tourism
Bicycle paths
Bridges
Building Permits
Buninyong Botanic Gardens
Business Investment Facilitation
Cemetery management
Childcare
Citizenship Ceremonies
City of Ballarat social media – facebook,
twitter and instagram
City of Ballarat website ballarat.vic.gov.au
Community Awards
Community Events
Community Grants
Community Halls
Community Policy and Development
Community Safety
Community Services
Cultural Diversity
Customer Service
Deaf Access
Disability Services
Drains, Kerb and Channel

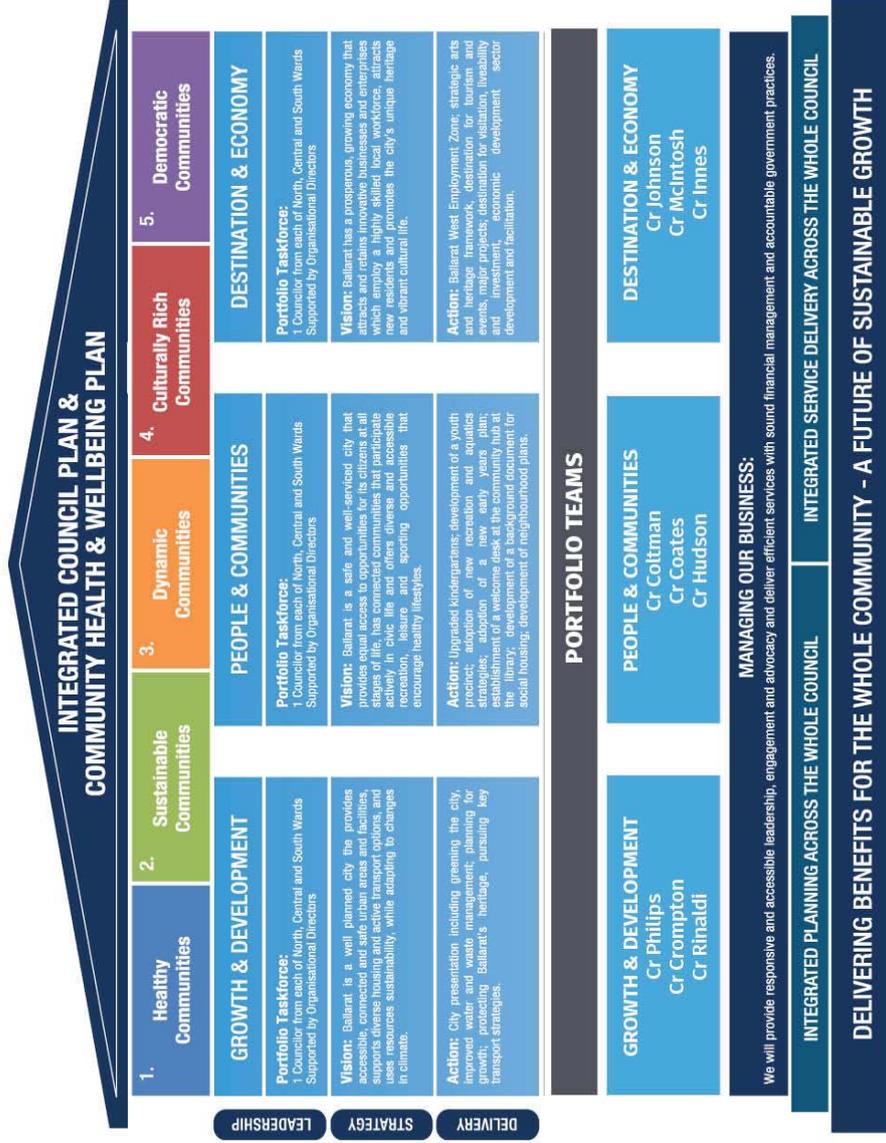
Economic Development
Engaging Communities Program
Environment
Environmental Health
Events Management
Family and Children's Services
Facility Maintenance
Family Day Care
Fire Prevention and control
Girrabanya Centre for Children and their
Families
Graffiti Removal
Her Majesty's Theatre
Home and Community Care Services
Immunisation
Infrastructure Delivery
Kindergartens
Kohinoor Community Centre and programs
Lake Burrambeet
Lake Esmond
Lake Learmonth
Lake Wendouree
Library Services – Sebastopol, Wendouree,
Ballarat and Outreach Library Van
Local Laws
M.A.D.E
Major projects
Maternal and Child Health
Meals on Wheels
Multicultural Services
Municipal Building Surveyor and Building
Services
Municipal Emergency Management
MyBallarat community magazine
New Residents Program
New subdivisions

Neighbourhood Planning and Engagement
Occasional Child Care
Outdoor Swimming Pools and Water Play
Parent Place
Parking
Parks and Gardens
Pet registrations
Planned Activity Groups
Planning Framework, Amendments,
Approvals and enforcement
Playgroups
Playspaces
Positive Ageing
Property leasing and licensing
Public Art
Public Toilets
Rates and Property valuations
Risk management
Roads
RuralAccess
School Crossings
Senior Citizens' Centres and Services
Sport and Recreation Planning and
Management
Statues and monuments
Statutory Planning
Strategic Planning
Street cleaning, furniture and lighting
Street trees – arboriculture services
Sustainability
Traffic management and amenity
Trees
Volunteers
Waste and recycling collection
Wendouree Children's Services
Youth Services

The delivery of these services is carried out by three (3) portfolio areas of Council. These are:

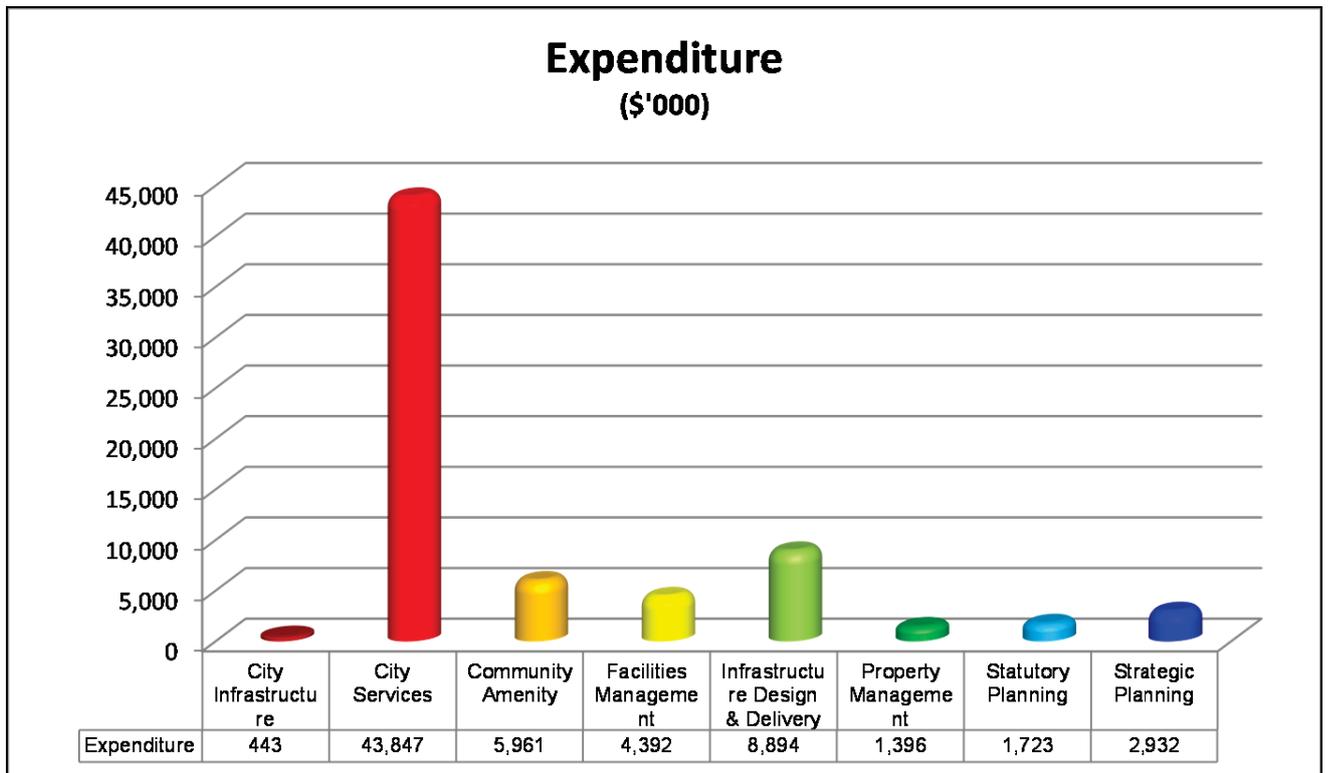


City of Ballarat - Council Structure

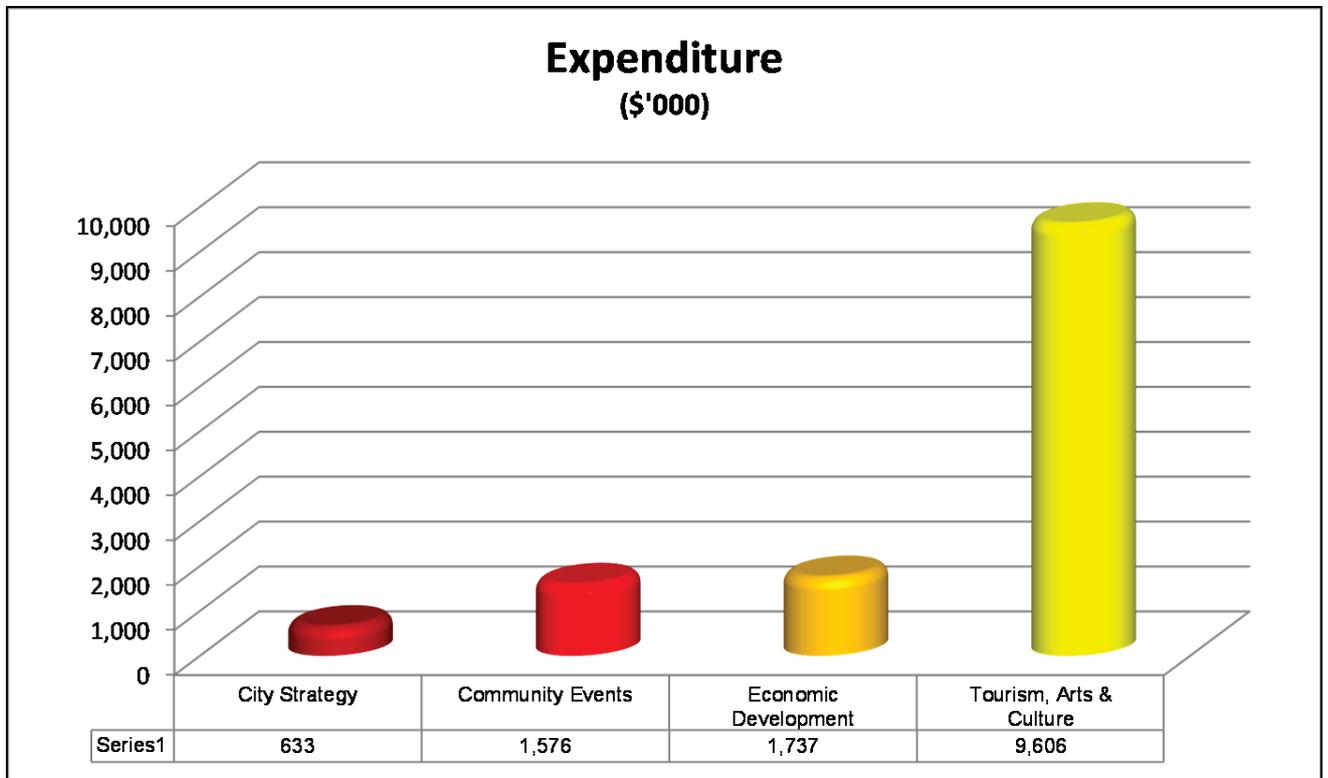


The financial resources are:

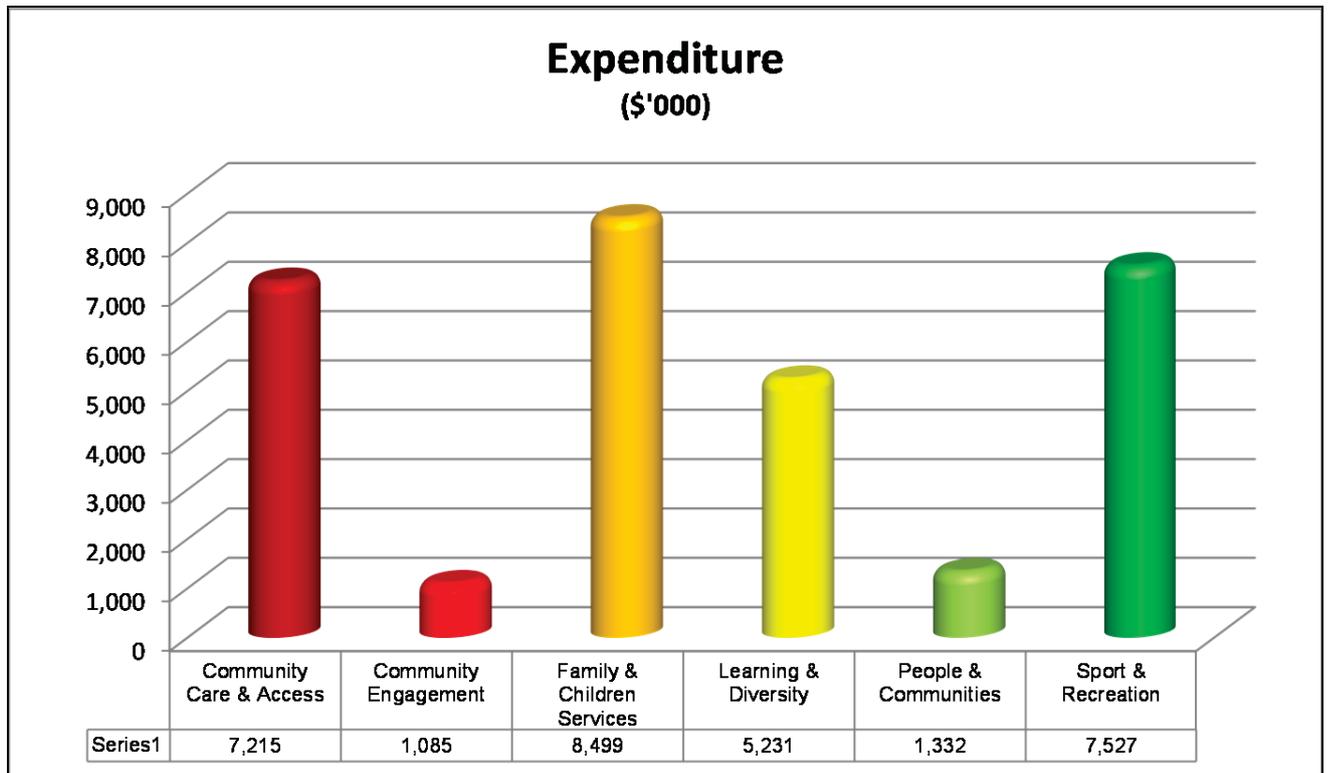
Growth & Development	Expenditure
	\$'000
City Infrastructure	443
City Services	43,847
Community Amenity	5,961
Facilities Management	4,392
Infrastructure Design & Delivery	8,894
Property Management	1,396
Statutory Planning	1,723
Strategic Planning	2,932
	69,588



Destination & Economy	Expenditure
	\$'000
City Strategy	633
Community Events	1,576
Economic Development	1,737
Tourism, Arts & Culture	9,606
	13,552



People & Communities	Expenditure
	\$'000
Community Care & Access	7,215
Community Engagement	1,085
Family & Children Services	8,499
Learning & Diversity	5,231
People & Communities	1,332
Sport & Recreation	7,527
	30,889



In addition to those 100 plus services delivered each year the following new initiatives have been funded for the 2015/16 financial year. In the formulation of the recurrent budget, those 100 plus services are costed and submissions are requested for increase in service levels, and/or new service provision. All these submissions are required to be linked to the Council Plan and must prove to in line with Council's strategy.

During the budget formulation phase \$10.4 million of requests were submitted with \$3.3 million of submission approved. The remaining \$7.1 million of submissions were unable to be funded due to the parameters of Council's financial strategy.

The summary of those submissions by division are:

City of Ballarat			
2015/16 Budget			
Recurrent Budget Submissions Summary			
Division	Approved	Not Approved	Totals
Business Services	530,692	50,000	580,692
CEO Policy and Support	503,265	1,034,344	1,537,609
City Infrastructure	268,630	2,217,636	2,486,266
City Strategy	1,578,206	2,949,359	4,527,565
People & Communities	460,031	809,908	1,269,939
	3,340,824	7,061,247	10,402,071

The lists of the submissions approved are:

City of Ballarat		
2015/16 Budget		
Recurrent Budget Submissions		
Division	Project Description	Amount \$
Business Services	Health and Safety Officer	85,692
Business Services	Valuations	425,000
Business Services	Land & Buildings Valuation	20,000
CEO Policy and Support	Positive Leadership program	30,000
CEO Policy and Support	NeuroScience of Leadership courses	45,000
CEO Policy and Support	Performance Leadership courses (Subsidised only)	20,000
CEO Policy and Support	Materials	60,000
CEO Policy and Support	Mobile Desktop Pilot	50,000
CEO Policy and Support	Aerial Image Capture	40,000
CEO Policy and Support	Customer Service SMS implementation project	3,000
CEO Policy and Support	Service Desk additional EFT	65,265
CEO Policy and Support	Systems Administrator Contractor	150,000
CEO Policy and Support	GIS & Open Data Progression	40,000
City Infrastructure	Stormwater and Urban Flood Taskforce Funding	50,000
City Infrastructure	NEW INITIATIVE Building Surveyor - Band 7 - EFT	88,630
City Infrastructure	Redan Wetlands soil bund	50,000
City Infrastructure	Active Women and Girls Strategy	55,000
City Infrastructure	DWMP Project Officer - New Initiative	25,000
City Strategy	Winter Fest	200,000
City Strategy	Additional Staff Community Events Member, Band 5A	79,206
City Strategy	Ballarat Strategy	25,000
City Strategy	Christmas	250,000
City Strategy	Arts & Culture Ballarat Live Music Delivery 15/16	90,000
City Strategy	Planning Scheme Rewrite	96,500
City Strategy	Summer Sundays	80,500
City Strategy	Sustainable Transport Strategy	13,000
City Strategy	Archibald Prize - Maximising Value for the CoB	220,000
City Strategy	Public Art Maintenance	30,000
City Strategy	BAPS Master Plan	40,000
City Strategy	Development Contributions Recurrent Costs	60,000
City Strategy	Health and Education Precinct	20,000
City Strategy	Drainage Expertise to facilitate Ballarat West	35,000
City Strategy	Victoria Park Master Plan	20,000
City Strategy	Lake Activation Strategy	20,000
City Strategy	CBD Street Activation Furniture Operations (in and	10,000
City Strategy	Townships and Rural Interface Areas Plans	105,500
City Strategy	Biodiversity Planning Overlays Review	48,000
City Strategy	Historic Urban Landscapes Implementation	20,000
City Strategy	Greenfield Investigation Areas Feasibility Study	115,500

City of Ballarat

2015/16 Budget

Recurrent Budget Submissions (continued)

Division	Project Description	Amount \$
People & Communit	1 4412 0055 Casual Staff Wendouree Library	8,300
People & Communit	Digital Hub continuation	67,883
People & Communit	1 1526 CEEP funding (note no project code as yet)	90,909
People & Communit	1 4411 0055 Casual Staffing Ballarat Library	11,500
People & Communit	1 4411 0030 Overtime Staffing Ballarat Library	28,000
People & Communit	1 4411 Ballarat Library Support of Community Event	10,000
People & Communit	Funding to implement the MEYP	60,000
People & Communit	1 0215 Subscriptions (All Libraries)	6,675
People & Communit	My Dad and Me - Dads Playgroup	12,000
People & Communit	1 1526 0330 65244 Contractors Koorie Engagement	5,300
People & Communit	1 1627 10610 0311 External Contractors FREEZA	6,500
People & Communit	Immunisation - Boostrix change in schedule schools	45,000
People & Communit	Long Day Care Professional Development Program	24,375
People & Communit	Replacement of outdated child scales in 3 MCH room	3,000
People & Communit	1 1627 65280 Engage UMM Project	41,668
People & Communit	1 4410 0655 Printing and Design Library Admin	16,921
People & Communit	Preventing Violence Against Women	10,000
People & Communit	1 1627 10604 0485 Contributions Other	12,000
		3,340,824

Council has a clear and strong strategy of increasing funding for the maintenance of community infrastructure. In the past sufficient funding for this essential maintenance was not always present. This Council has significantly increased this funding.

Council has recognised that the shortage of funding in the past has hindered the operation of community assets, which range from the traditional asset; roads, drainage, footpaths etc through to the local football oval and Ballarat's iconic Botanical gardens, and everything in between.

A cornerstone of Council's financial strategy is that this core capital funds required for the maintenance of community assets is increased yearly by 4%. Council has realised that there is a great deal of work to be done here thus the increased level of funding allocated.

Since 2013/14 Council has increased funding levels for the renewal of community infrastructure from a net spend of \$23.011 million to \$28.096 million, being an increase of \$5.085 million of 22.1%.

The projects relating to the renewal of community infrastructure (core capital works) is listed below:

2015/16 Core Capital Program:

Year	Project Description	Gross	Grants	Other	Subdivision	Sale Funds	Net
2015/16	Home carers - Hand Held PDA	50,000	0	0	0	0	50,000
2015/16	Public Art Program	108,160	0	0	0	0	108,160
2015/16	Monument Renewal Program	108,160	0	0	0	0	108,160
2015/16	Playspace Planning Framework	270,400	0	270,400	0	0	0
2015/16	Facility Renewal Program	2,602,000	0	0	0	0	2,602,000
2015/16	Street Furniture Renewal Program	162,240	0	0	0	0	162,240
2015/16	Playground Improvement Program	48,384	0	48,384	0	0	0
2015/16	Subdivision Contribution	11,897,600	0	0	11,897,600	0	0
2015/16	Library Books	371,315	0	0	0	0	371,315
2015/16	Parking Meter Replacement Program	64,896	0	0	0	0	64,896
2015/16	School Crossing Supervisor Shelters	21,632	0	0	0	0	21,632
2015/16	Plant Replacement Program	3,126,800	0	0	0	375,000	2,751,800
2015/16	BAC Programmable Assets & Equipment	150,000	0	0	0	0	150,000
2015/16	Outdoor Pools	135,200	0	0	0	0	135,200
2015/16	Parks Development Program	281,216	0	281,216	0	0	0
2015/16	Recreation Capital Improvement Program	4,160,000	0	0	0	0	4,160,000
2015/16	IT System Development	795,675	0	0	0	0	795,675
2015/16	Land Development Council Contribution	81,120	0	0	0	0	81,120
2015/16	Major Rural Roads Infrastructure Works	1,235,187	0	0	0	0	1,235,187
2015/16	Federal Roads to Recovery Funding	1,000,000	1,000,000	0	0	0	0
2015/16	Federal Blackspot Funding	1,000,000	1,000,000	0	0	0	0
2015/16	Bicycle Strategy Projects	248,768	0	0	0	0	248,768
2015/16	Major New Capital Road Projects	500,000	0	0	0	0	500,000
2015/16	Bus Shelter repair and replacement	160,000	0	0	0	0	160,000
2015/16	Bridge Rehabilitation	210,000	0	0	0	0	210,000
2015/16	Bicycle Paths	360,000	0	0	0	0	360,000
2015/16	Kerb and channelling	440,000	0	0	0	0	440,000
2015/16	Footpath Works	540,000	0	0	0	0	540,000

2015/16 Core Capital Program (continued):

Year	Project Description	Gross	Grants	Other	Subdivision	Sale Funds	Net
2015/16	Minor Road improvements /upgrades	690,000	0	0	0	0	690,000
2015/16	Drainage Projects	1,100,000	0	0	0	0	1,100,000
2015/16	Road Renewal	7,571,141	0	0	0	0	7,571,141
2015/16	Ballarat Botanical Gardens - Asset Renewal Program	54,080	0	0	0	0	54,080
2015/16	City Entrances	162,240	0	0	0	0	162,240
2015/16	Street Irrigation Project	100,000	0	0	0	0	100,000
2015/16	Median Strip Landscaping Project	100,000	0	0	0	0	100,000
2015/16	Desktop Replacement Program	383,800	0	0	0	0	383,800
2015/16	IT Infrastructure Strategy	343,500	0	0	0	0	343,500
2015/16	Public Place Recycling	10,816	0	0	0	0	10,816
2015/16	Replacement Bins Program	324,480	0	0	0	0	324,480
2015/16	Landfill Upgrade	2,000,000	0	0	0	0	2,000,000
		42,968,810	2,000,000	600,000	11,897,600	375,000	28,096,210

The third component of the 2015/16 budget relates to new capital works for the creation of additional or improved community assets. The following table lists those works schedule for 2015/16.

Year	Project Description	Gross	Grants	Other	Subdivision	Sale Funds	Net
2015/16	DPCConstruction-WIK	1,640,481	0	1,640,481	0	0	0
2015/16	DCP-Land-WIK	451,850	0	451,850	0	0	0
2015/16	MOW Distribution Centre - 1525	250,000	0	0	0	0	250,000
2015/16	Relief/Recovery Centre Equipment	7,000	0	0	0	0	7,000
2015/16	Eureka Caravan Park Fire Service Upgrade	30,000	0	0	0	0	30,000
2015/16	Public Toilet	250,000	0	0	0	0	250,000
2015/16	Her Majesties Theatre	1,148,000	0	0	0	0	1,148,000
2015/16	Sebastopol Library	2,000,000	750,000	0	0	0	1,250,000
2015/16	Environmental Sustainability Strategy	100,000	0	0	0	0	100,000
2015/16	LED Street Lights	25,000	0	0	0	0	25,000
2015/16	Art Gallery of Ballarat	50,000	0	0	0	0	50,000
2015/16	Mining Exchange	150,000	0	0	0	0	150,000
2015/16	Black Hill Reserve	230,000	0	0	0	0	230,000
2015/16	Femery	1,400,000	0	0	0	0	1,400,000
2015/16	Regional Motorsport Facility	100,000	0	0	0	0	100,000
2015/16	Customer Service Front Area Improvement	30,000	0	0	0	0	30,000
2015/16	Furniture Replacement	100,000	0	0	0	0	100,000
2015/16	Lucas Community Hub	4,250,000	1,600,000	0	0	0	2,650,000
2015/16	Railway Precinct	100,000	0	0	0	0	100,000
2015/16	CE Brown Upgrade	2,500,000	2,500,000	0	0	0	0
2015/16	Ballarat Sports & Events Centre Upgrade	14,000,000	9,000,000	0	0	0	5,000,000
2015/16	Ballarat West Employment Zone	5,000,000	0	0	0	0	5,000,000
2015/16	Eureka Stadium AFL Upgrade	15,000,000	15,000,000	0	0	0	0
2015/16	Blinds for Ballarat Library children's section	6,500	0	0	0	0	6,500
2015/16	RFID maintenance	29,544	0	0	0	0	29,544
2015/16	Ballarat Regional Soccer Capital completion	250,000	0	0	0	0	250,000
2015/16	Covers Eureka Pool	65,000	0	0	0	0	65,000
2015/16	Kohinoor - Furniture & fittings replacement	16,000	0	0	0	0	16,000
2015/16	Street Guards in Sturt Street	250,000	0	0	0	0	250,000
2015/16	Air conditioning/split system Sebas MCH	2,500	0	0	0	0	2,500
2015/16	Redevelopment of Occasional Cares playground	50,000	0	0	0	0	50,000
2015/16	Wendouree Children's Centre grounds	50,000	0	0	0	0	50,000
2015/16	Replacement of outdated baby scales	3,000	0	0	0	0	3,000
2015/16	Immunisation - Fridge replacement	5,000	0	0	0	0	5,000
2015/16	Replacement of Blinds - Sebastopol MCH	2,500	0	0	0	0	2,500
2015/16	Buninyong Early Years Centre completion of yard	20,000	0	0	0	0	20,000
		49,562,376	28,850,000	2,092,331	0	0	18,620,044

How is the 2015/15 Budget Structured?

A number of challenges faced the Council in formulating the 2015/16 budget. Council was aware of the financial pressures on the community, whilst being aware of these pressures Council is aware of the financial liabilities facing the Council dealing with future growth, the delivery of services required by the community, and the maintenance of community assets.

When formulating a Council budget, the demands placed on Council always exceeds the revenue available to the Council. 2015/16 is no different in relation to this.

In addition to those submissions not approved in the recurrent budget Council faced the task of dealing with the size of the capital spend requested. Over the next 20 years there is currently a backlog of projects totalling in excess of \$84 million, this is in addition to the \$1.3 billion of works that is scheduled to be delivered over the next 20 years.

In addition to the demand for projects, the growth in Ballarat West has bought forward another set of financial liabilities. Under the Developers Contribution Scheme Council is liable for approximately \$40 million in infrastructure in dealing with that growth. Over the next 10 years the majority of the infrastructure is required with a significant amount of income due under the scheme not expected to be received until the next 10 years.

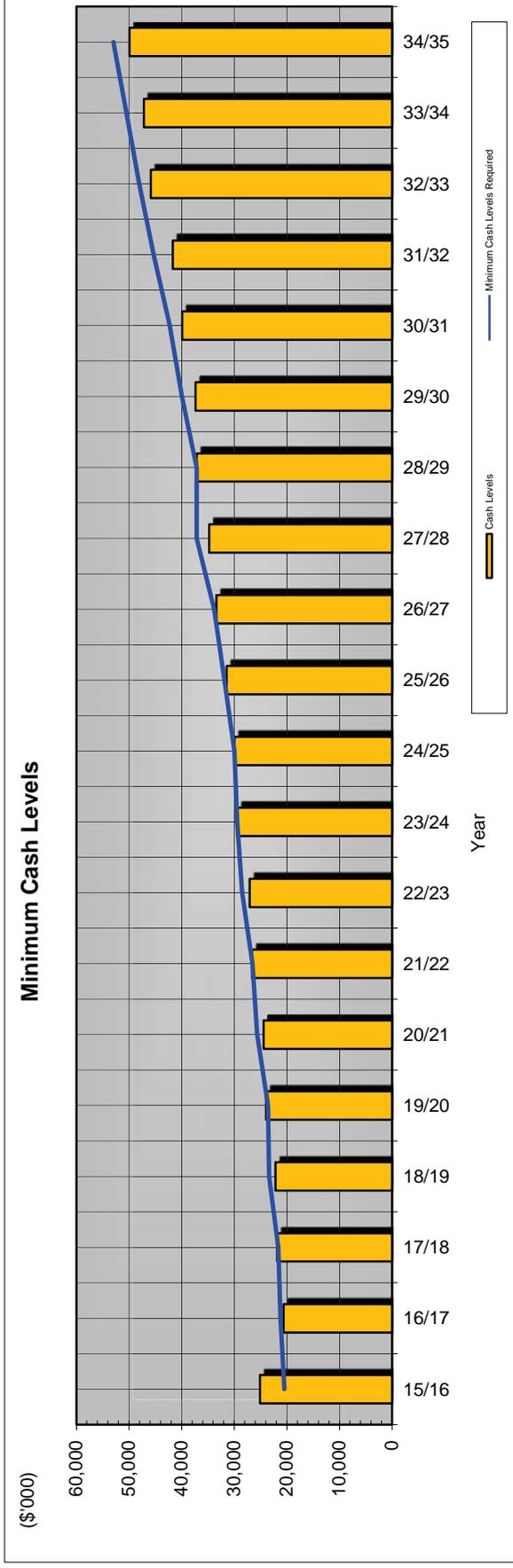
This has created Council with a significant cashflow shortage over the next 10 years. The only option available to Council was to embark on an aggressive borrowing program over the next few years. Council put together a new twenty (20) year Long Term Financial Strategy to ensuring the long term financial stability of the Council.

Although Council will borrow \$42 million over the next 8 years, raising the Council's debt levels to a maximum of \$75 million. Though debt will rise in the short-term, it is anticipated that Council's debt, at the end of this twenty (20) year strategy, will be reduced back to \$8.5 million in year 20.

Is Council's debt excessive?

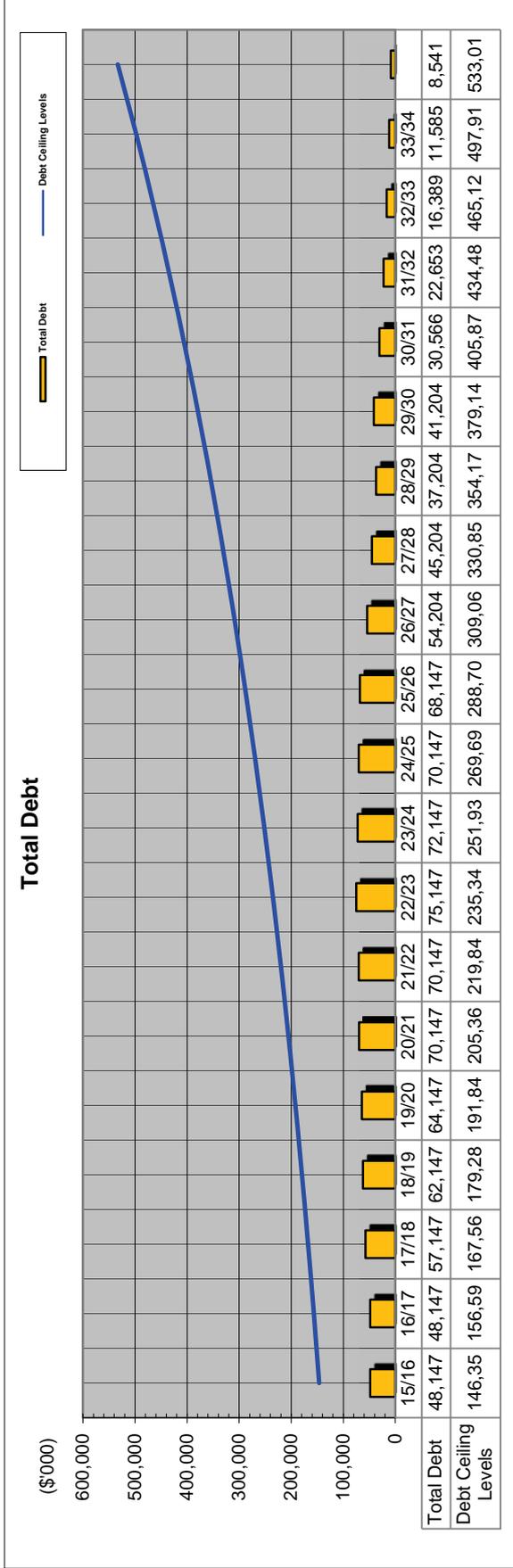
To determine how much debt is too much it is essential to compare debt levels to such things as total debt, level of debt to rate revenue, or debt to total revenue. In comparison to the average household, Council's debt, at the maximum level, compared to rate revenue will be 48%, or to total revenue will be 30%. Compared to the average household debt compared to with annual income was approximately 180% in December 2013. The source of these figures is Australian National Accounts: Financial Accounts, December Quarter 2013 (ABS cat. no. 5232.0); Australian National Accounts: National Income, Expenditure and Product, December Quarter 2013 (ABS cat. no. 5206.0)

The following graphs illustrate the key financial indicators for the Ballarat City Council:

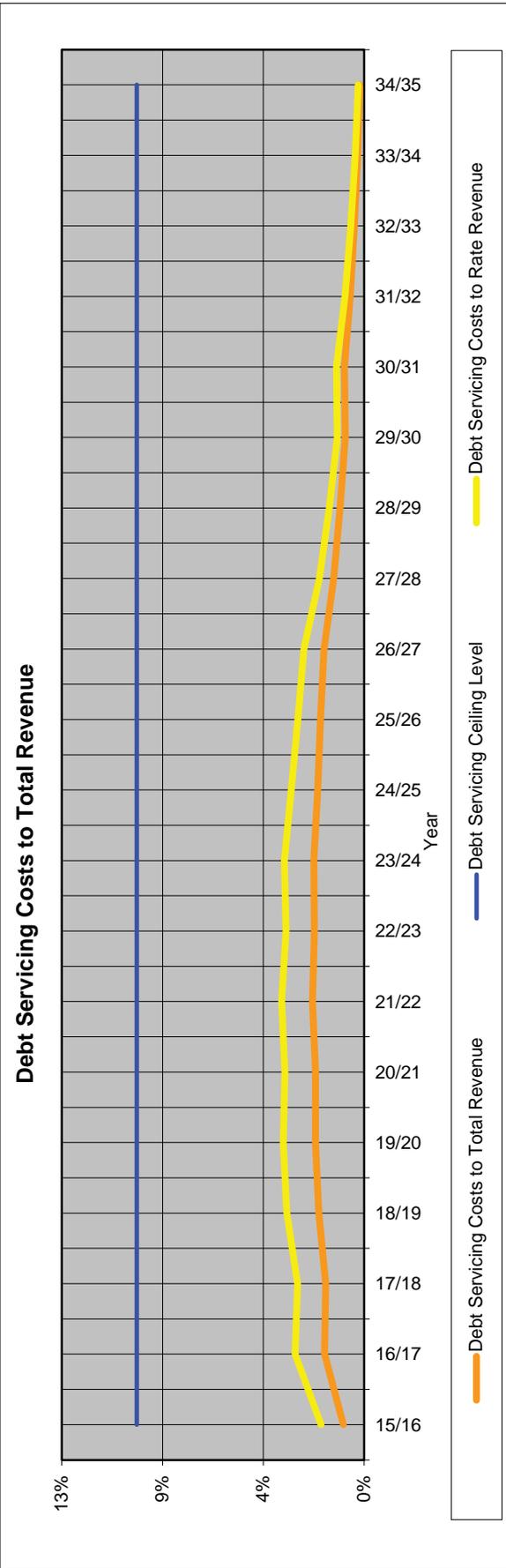


Council's receive the majority of their rate revenue from January to March each year. For the first six (6) months of the year a council will have net outflows for the whole of that period. In order not to operate within a bank overdraft and to be able to deliver essential services and capital projects the Ballarat City Council is required to have a set amount of funds available at 30 June each year.

The blue line indicates those levels of cash required each year whilst the orange bar indicates the expected level of actual cash to be held each year. The levels set in this twenty (20) year program have been set essentially at those levels.

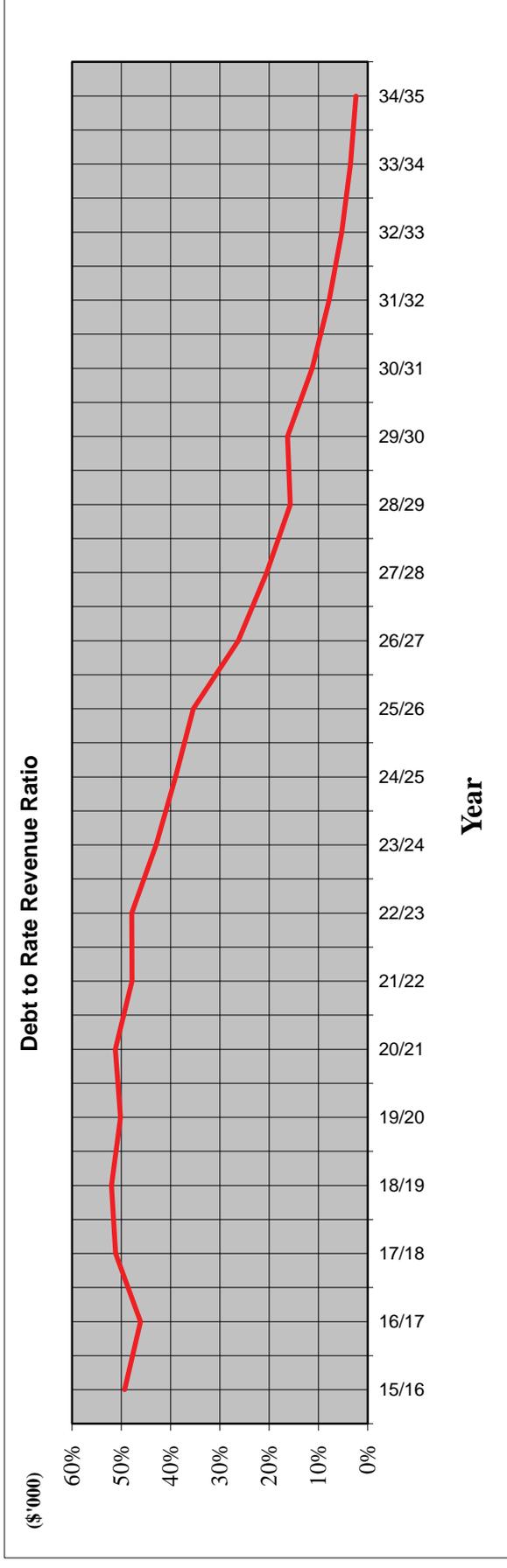


The Victoria State Government has set an indicator of maximum levels of cash a Council may borrow. This is represented by the “blue” line. The orange bars indicate the expected debt levels for the next twenty (20) years. As can be seen the Ballarat City Council’s total debt levels are significantly lower than the debt ceiling levels.



The Victoria State Government has set an indicator of maximum levels of debt servicing costs to revenue that a Council may incur. These being another target to ensure debt levels remain at appropriate levels.

Again the target set by the state government is identified by the "blue" line. The "yellow" line represents debt servicing costs to rate revenue whilst the orange line represents debt servicing costs to total revenue. Again it can be seen that the Ballarat City Council is well under the ceiling levels.



This graph illustrates the amount of Rate revenue that would be required to pay the total debt. For the Ballarat City Council the maximum amount of total. As can be seen the total level of debt to rate revenue is substantially lower than the average household debt is to household income.

This graph also illustrates the level of debt over the twenty (20) year financial strategy.

Rate Increases

Since rate capping was lifted in 1998 the Ballarat City Council has average a rate rise of 5.4%. During that time rates ranged between 3% and 7.5%. The constant changing of rates in the past has made it difficult to plan for the future and also provides difficulties for the community to plan ahead.

As a result the Council has put forward a rating strategy that will see constant rate increases of 5.5%, with the commercial rate being 2% lower to bring it into line with acceptable levels.

As mentioned the constant rate increase will enable better financial planning whilst providing the community certainty of future increases.

CITY OF BALLARAT BUDGET 2015 - 2016

This document contains the 2015 – 2016 Budget Introduction for the Ballarat City Council.

*Budget
2.Introduction*

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2015 – 2016 Budget Introduction

At the Council meeting held on 13 May 2015, Council considered and resolved to place on public submission the 2015 – 2016 budget.

Council advertised in the Ballarat Courier on Saturday 16 May 2015, that the 2015 – 2016 budget would be on public display at the Town Hall and Phoenix buildings, also would be available on the Ballarat City Council website for a period of 28 days. The public display period would be closed at 9.00 am on 15 June 2015.

During this period, members of the public can submit a written submission to Council on any matters contained within the budget. If a member of the public wishes to present to the Council at the Special Council meeting to be held on Wednesday 17 June 2015, at 7.00pm, then such request should be stated within their written submission.

At the Special Council Meeting to be held on 17 June 2015, Council will receive all submissions and hear from those members of the community that have indicated that they wish to have the opportunity to address the Council in support of their submission.

All written submissions will be presented to Council, where there are multiple copies of the same submission presented by members of the community; only one of those submissions will be presented to Council with a list all community members that presented the same submission.

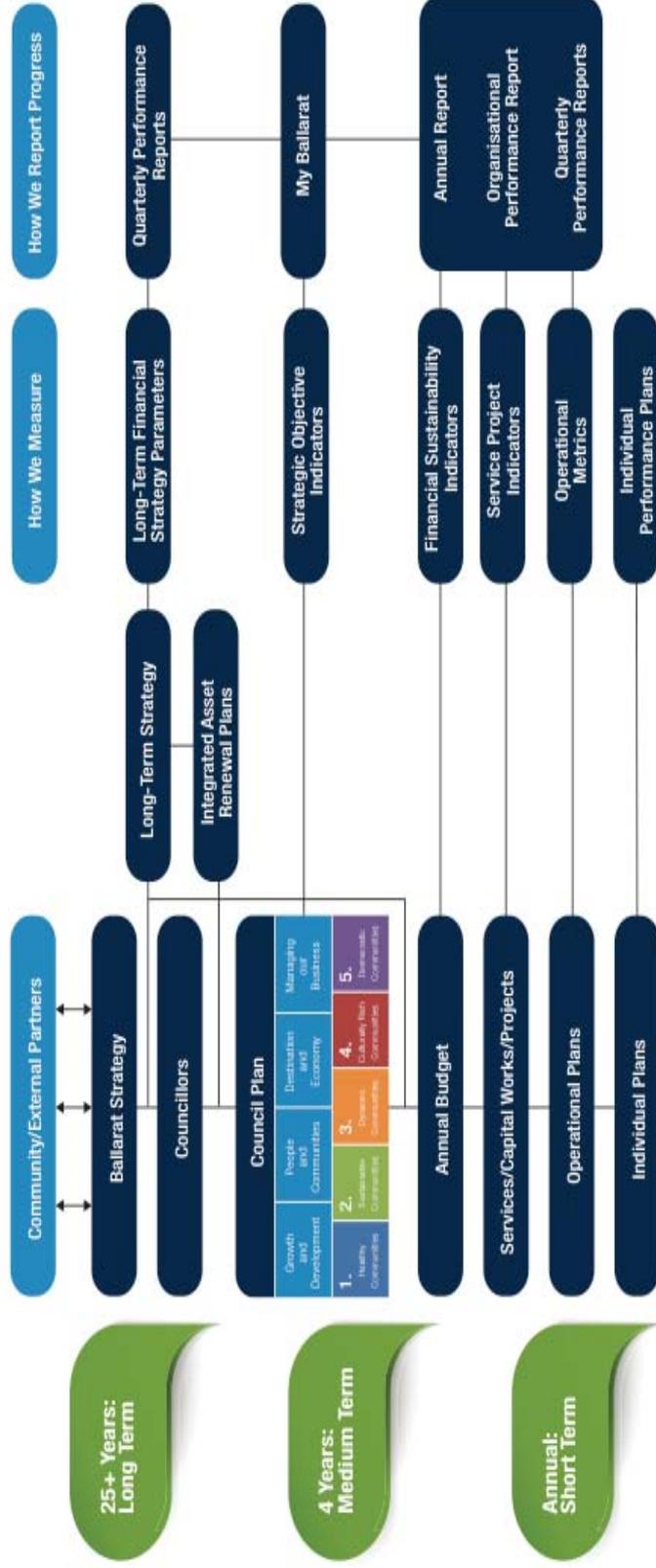
All submission are treated as confidential, as such, submissions will not be made available to the public or media and will be treated in confidence.

Strategic Planning Framework

The Annual Budget has been developed within an overall planning framework, which guides the Council in identifying community needs and aspirations over the long term (Community Plan), medium term (Council Plan) short term (Annual Budget) and then holding itself accountable (Audited Statements).

The Strategic Resource Plan, included in the Council Plan summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the objectives and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the strategic planning framework of the City of Ballarat.

Council's Planning Framework



The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Budget, and Council Plan, including the Strategic Resource Plan, is required to be completed by the 30th June following a general election and is reviewed each year by February to ensure that there is sufficient time for officers to develop their Activities and Initiatives and Key Strategic Activities in draft form prior to the commencement of the Annual Budget process in February. It also allows time for targets to be established during the long term financial planning process that has led to the development of the Long Term Financial Strategy. This process has guided the preparation of the Annual Budget.

Budget Process

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The preparation of the budget begins with Officers preparing the operating and capital components of the budget during January and February, including submissions that have been identified by officers and Councillors during the year.

The various components of the budget are then prepared and discussed with Council at informal briefings during March and April. A proposed budget is then prepared in accordance with the Act and the following steps followed to review and adopt the budget in June:

Step 1: Officers to prepare the annual budget in accordance with the Act and submit the “proposed” budget to Council for approval in “principle”.

Step 2: Council is then required to give 28 days’ notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices.

Step 3: Individuals have the right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

Step 4: Council is to formally adopt the budget after receiving and considering any submissions from interested parties.

The budget is required to be adopted by 30 June 2015. This is a new requirement under changes to the Local Government Act 1989, and the Local Government (Planning and Reporting) Regulations 2014.

The 2015/16 budget, which is included in this report, is for the year 1 July 2015 to 30 June 2016, and is prepared in accordance with the Act and Regulations. The budget includes standard statements:

- Budgeted Comprehensive Income Statement
- Budgeted Balance Sheet
- Budgeted Statement of Changes in Equity
- Budgeted Statement of Cash Flows
- Budgeted Statement of Capital Works

These statements have been prepared in accordance with Australian Accounting Standards, “Financial Reporting by Local Governments”, and other mandatory professional reporting requirements and inline with the Act and Regulations.

This report also includes detailed information about the rates and charges to be levied, and other financial information, which Council requires in order to make an informed decision about the adoption of the budget. The budget includes consideration of a number of long term strategies to assist Council in considering the Budget in a proper financial management context. These include:

- Strategic Resource Plan for the years 2015/16 to 2018/19
- Rating Strategy
- Borrowing Strategy

OUR MUNICIPALITY

HISTORY

The municipal district of the City of Ballaarat (historical spelling) was first created in 1856, followed shortly by the creation of the City of Ballaarat East in 1857.

These two municipalities merged in 1921 to form the City of Ballaarat. The City was surrounded by the Borough of Sebastopol and the Shires of Buninyong, Grenville, Bungaree and Ripon.

The present City of Ballarat was created by an Order of Parliament on 6 May 1994 under the Victorian Local Government Act and is the amalgamation of the previous Shire of Ballarat, City of Ballaarat, the Borough of Sebastopol, and parts of the shires of Bungaree, Buninyong, Grenville and Ripon.

WARDS

From 1996 to 2008 the municipality was divided into nine electoral wards, each represented by a single councillor.

During the 2006-07 financial year the Victorian Electoral Commission conducted a review of the electoral structure of the City of Ballarat and recommended, in the interests of fair and equitable representation, that the municipality be restructured into a three-ward electorate (North, Central and South wards), each represented by three councillors. The Minister for Local Government accepted the commission's recommendation and the transition to this new electoral structure occurred at the general election held on Saturday 29 November 2008. The second general election held under this structure occurred on Saturday 26 October 2012.

LOCATION

The City of Ballarat adjoins the municipalities of Moorabool Shire (to the east) which separates Ballarat from the outer suburbs of Melbourne; Hepburn Shire (to the north); Pyrenees Shire (to the west); and Golden Plains Shire (to the south) which separates Ballarat from Geelong.

Our Profile

Ballarat is one of Australia's leading regional cities, with its unique and compelling combination of strategic location, high liveability, a rich and proud history, a welcoming community and the infrastructure of a capital city.

Ballarat is currently the fastest growing Victorian regional centre and planning for significant projected population growth is well advanced, to ensure we maintain our enviable liveability while providing for a strong social and economic future.

LOCAL HISTORY

The City of Ballarat's total land area is just under 740 square kilometres and is part of an area of land under the traditional custodianship of the Wathaurong tribe. It is generally accepted that the origin of the name Ballarat came from two aboriginal words signifying a camping or resting place – "balla" meaning "elbow" or "reclining on the elbow" and "arat" meaning "place". Over many centuries the Wathaurong people lived in an area that stretched from Ballarat to Victoria's southern coastal area near Lorne, to the Werribee River. Today approximately 1,200 indigenous descendants live in the Ballarat area.

LIVEABILITY

Ballarat offers a compelling combination of lifestyle and location as well as world-class health and educational facilities. It is one of Australia's largest inland cities, offering the distinct advantage of having the infrastructure of a capital city with the lower cost base of a regional centre. Ballarat boasts all the artistic and cultural wealth that comes with its spectacular rise from a humble mining settlement to a world famous city with elegant architecture, broad tree-lined streetscapes and unique lifestyle. A vibrant café precinct and boutique retail add to the city's unique liveability. It is for these reasons that so many people are choosing to relocate to Ballarat.

POPULATION AND GROWTH

As population growth puts an increasing strain on capital cities, well-planned and resourced regional cities such as Ballarat provide a perfect alternative to increased urban sprawl and decreased housing affordability. Ballarat is currently the fastest growing Victorian regional centre with an annual growth rate of 1.95%. According to the 2011 Census, Ballarat's population is 95,007 and close to 2,000 new residents are choosing to move to the city each year as we rapidly approach 100,000 people. Conservative future estimates indicate that the city will increase by an additional third by 2026.

This significant annual growth rate figure, similar to that being experienced in Melbourne, is driving Council's planning. Council will continue to focus on the implications of growth and planning for how growth can be focussed in the optimal way to ensure the strengths of the Ballarat community are maintained from both an economic and social perspective. This will see Ballarat remain as an attractive and affordable alternative, providing all the services and facilities expected from a capital city but with a more relaxed lifestyle.

The Ballarat West Urban Growth Zone has been identified as the area that contains the key growth precincts for Ballarat that will cater for primarily residential growth and provide services and infrastructure for

new communities. The zone comprises 1,717 hectares of vacant land located to the west of Alfredton, Delacombe and Sebastopol. It will provide around 18,000 new houses at full development to accommodate Ballarat’s projected expanding population. It will also have the roads, schools, parks and community centres needed by the new communities.

Situated nearby the growth area, the Ballarat West Employment Zone (BWEZ) is an ideal site for future industry and employment activity. Through careful and responsive planning, BWEZ will create jobs, improve transport connections, generate investment and further enhance Ballarat as a growing and thriving regional centre. At full development BWEZ will accommodate up to 9,000 jobs and inject \$5 billion annually into the Ballarat economy.

	2006	2011	2016	2026	2031	2038	Ave Growth PA
VIF PLANNING BASELINE 1.4%	88,440	95,490	102,400	118,133	122,400	127,830	1.4%
MODERATE GROWTH SCENARIO 1.7%	88,440	96,930	105,210	121,490	128,720	135,340	1.7%
STRONG GROWTH SCENARIO 2.1%	88,440	98,720	108,720	128,190	136,810	144,730	2%

INDUSTRY

Ballarat has traditionally been a city that prospered on mineral and agricultural based resources, however this has changed over time with healthcare and social assistance (17.7%), retail trade (13.7%) and education and training (10.6%), all now key employment sectors in our city. These industries, along with professional, scientific and technical services are strengthening Ballarat’s role as a regional service hub.

Ballarat continues to positively contribute to Victoria’s strong growth in the information, communication and technology sector. Information technology is emerging as a significant industry within the region with strategic partnerships developing between the local ICT sector, tertiary institutions and industry partners, increasing Ballarat’s importance as a knowledge centre within Victoria. The rollout of the National Broadband Network provides a significant economic growth opportunity to business within our region and will improve connectivity and engagement with disadvantaged sections within our community.

Industry Sector	Jobs	%
Health Care & Social Assistance	6,849	17.70%
Retail Trade	5,299	13.70%
Manufacturing	4,646	12.00%
Education & Training	4,101	10.60%

EDUCATION AND HEALTH

Education is valued by the community and Ballarat offers an extensive range of quality public and private education options. There are good choices at all educational levels, including two universities and several other centres that provide learning opportunities for adults. Lifelong learning is also encouraged through a network of community-based learning organisations as well as the library services. Ballarat families have access to a large range of childcare options and aged residential care choices. Two major hospitals with more than 1,000 public and private hospital beds, nursing and hostel beds, a day procedure complex and more than 100 general medical practitioners are located in Ballarat to cater for the health needs of the community.

TOURISM

Ballarat is a major international and domestic tourist destination, attracting nearly two million visitors each year who boost the economy by over \$409 million per annum and support more than 2,000 jobs. It is one of regional Victoria's most diverse tourism destinations where the beauty of the central highlands, the rich goldfields heritage and vibrant community events come to life. It is also a gateway to the many attractions of western Victoria.

ARTS, CULTURE AND HISTORY

Arts, culture and history continue to be important to Ballarat and its sense of identity. It has a rich history and heritage with deep roots and connections across Australian society. Ballarat is home to the spirit of Eureka and the birthplace of Australian democracy. This legacy of an independent spirit remains strong. The gold rush transformed Ballarat and today that heritage is still evident in the striking streetscapes that are the envy of the rest of the country.

SPORT AND RECREATION

Sport and recreational facilities are plentiful in the municipality. Ballarat residents can choose to relax or exercise at one of the five aquatic facilities, 147 neighbourhood parks, 45 sportsgrounds, 35km of walking trails and cycling paths, or nine golf courses in the region.

OUR COUNCIL

Ballarat City Council is a public statutory body constituted under the Local Government Act 1989. The Act determines the purposes and objectives of Council and defines a number of functions and powers which Council is required to undertake in order to provide leadership and good governance for the municipal district and the local community. It is also responsible for determining the organisation's direction and overseeing its performance on behalf of the Ballarat community.

CURRENT MUNICIPALITY

The municipality of the City of Ballarat is divided into three municipal electorate wards, each represented by three councillors. Councillors are elected for a four-year term unless as the result of a by-election.

CURRENT COUNCILLORS

Nine councillors were elected at the general municipal election held on 27 October 2012. Cr John Burt was elected Mayor and Cr Samantha McIntosh was elected Deputy Mayor for the first year of the new Council. Three councillors were re-elected: Cr Samantha McIntosh, Cr John Philips and Cr Des Hudson.

Cr Glen Crompton was elected to Council in July 2014 following the resignation of Mr John Burt. Cr Jim Rinaldi was elected to Council in February 2015 following the resignation of Mr Joshua Morris.



City of Ballarat - Councillors

	GROWTH & DEVELOPMENT PORTFOLIO	PEOPLE & COMMUNITIES PORTFOLIO	DESTINATION & ECONOMY PORTFOLIO
NORTH WARD	 Cr John Phillips (Mayor) Elected 21 March 2008 0417 388 706 johnphillips@ballarat.vic.gov.au	 Cr Vicki Coltman Elected 27 October 2012 0418 357 712 vickicoltman@ballarat.vic.gov.au	 Cr Amy Johnson Elected 27 October 2012 0417 018 369 amyjohnson@ballarat.vic.gov.au
CENTRAL WARD	 Cr Glen Crompton Elected July 2014 0409 934 796 glencrompton@ballarat.vic.gov.au	 Cr Belinda Coates Elected 27 October 2012 0417 456 513 belindacoates@ballarat.vic.gov.au	 Cr Samantha McIntosh Elected 29 November 2008 0458 004 880 samanthamcintosh@ballarat.vic.gov.au
SOUTH WARD	 Cr Jim Rhaidl Elected February 2015 0407 325 693 jimrhaidl@ballarat.vic.gov.au	 Cr Des Hudson Elected 18 March 2002 0409 865 093 deshudson@ballarat.vic.gov.au	 Cr Peter Innes (Deputy Mayor) Elected 27 October 2012 0407 539 693 peterinnes@ballarat.vic.gov.au

Leading sustainable growth, strengthening our community and respecting our heritage.

Significant Influences

The preparation of the 2015/16 budget required consideration of a number of significant influences being:

- The Enterprise Bargaining Agreement
- Significant increases in utility costs.
- Provision for future calls for funding relating to the Defined Benefits Superannuation.
- Future growth of the municipality.
- Introduction of the Ballarat West Developers Contributions Scheme
- Ageing infrastructure.

Budget Principles

In response to influences, guidelines were prepared and distributed to all Council officers with budget responsibilities. The guidelines set out the key budget principles upon which the officers were to prepare their Business Plans and Budget.

The process of determining the 4 year recurrent budget has been a significant undertaking across the organisation. All budgets have been developed in conjunction with detailed business plans that capture every activity associated with providing services. This process was undertaken within the scope of the Long Term Financial Strategy (LTFS) and links directly to the financial objectives of the Council.

The key budget principles upon which the organisation prepared the 2015/16 budget included:

- Identification of Community Plan Priorities and Strategies, Council Plans and Strategies that drive the delivery of the activity
- Analysis of the rationale for providing the activity. This particularly examines the community need that each service fulfils, links to legislative requirements to provide services and whether the service can be provided by another organisation or mode of delivery.
- Analysis of resources required over the next five years, this includes staff, equipment etc.
- Existing fees and charges to be set at the medium range for the state and/or increased at 5.5%.
- Future infrastructure services levels to be increased during the life of the LTFS.
- Council to borrow funds to predominately deal with the funding shortfall of the Ballarat West Developers Contribution Scheme.
- Total of Employee Costs and Materials & Contracts to be capped at 5%.
- 2013/14 Rate Increase 7.5%
- 2014/15 Rate Increase 6.5% (proposed) Revised to 5.5%
- 2015/16 Rate Increase 6.0% (proposed) Revised to 5.5%
- 2016/17 Rate Increase 5.5% (proposed)

Key Financial Performance Indicators

As part of Council’s guiding principles in determining a budget for 2015/16 through to 2034/35 is to consolidate the financial position of the City of Ballarat. The key financial performance indicators are essential for the Council in adopting a budget which achieves this objective.

Risk indicators:

Year	Inflation	Rate %	Underlying Result %	Liquidity	Self Financing	Indebtedness	Investment Gap
Forecast	14/15	3.0%	5.5%	Medium	Medium	Low	Low
1	15/16	3.0%	5.5%	Low	Medium	Low	Low
2	16/17	3.0%	5.5%	Medium	Medium	Low	Low
3	17/18	3.0%	5.5%	Medium	Medium	Low	Low
4	18/19	3.0%	5.5%	Medium	Medium	Low	Low
5	19/20	3.0%	5.5%	Medium	Medium	Low	Low
6	20/21	3.0%	5.5%	Medium	Medium	Low	Low
7	21/22	3.0%	5.5%	Medium	Medium	Low	Low
8	22/23	3.0%	5.5%	Medium	Medium	Low	Low
9	23/24	3.0%	5.5%	Medium	Medium	Low	Low
10	24/25	3.0%	5.5%	Medium	Medium	Low	Low
11	25/26	3.0%	5.5%	Medium	Medium	Low	Low
12	26/27	3.0%	5.5%	Medium	Low	Low	Low
13	27/28	3.0%	5.5%	Low	Low	Low	Low
14	28/29	3.0%	5.5%	Low	Low	Low	Low
15	29/30	3.0%	5.5%	Low	Low	Low	Low
16	30/31	3.0%	5.5%	Low	Low	Low	Low
17	31/32	3.0%	5.5%	Low	Low	Low	Low
18	32/33	3.0%	5.5%	Low	Low	Low	Low
19	33/34	3.0%	5.5%	Low	Low	Low	Low
20	34/35	3.0%	5.5%	Low	Low	Low	Low

Underlying Result:

Measures the ability of the organisation to record a surplus ignoring non cash revenue.

Liquidity:

This measures the ability to pay existing liabilities in the next 12 months. A ratio of one or more means there is more cash or liquid assets than short term liabilities

Self Financing:

Measures the ability to replace assets using cash generated by their operations. The higher the percentage the more effectively this can be done.

Indebtedness:

The higher the percentage, the less able to cover non-current liabilities from the revenues they generate themselves.

Investment Gap:

Comparison of the rate of spending on infrastructure with its depreciation. Ratios higher than 1:1 indicates that spending is faster than the depreciating rate.

CITY OF BALLARAT BUDGET 2015 - 2016

This document contains the 2015 – 2016 Link to Council Plan for the Ballarat City Council.

*Link to Council
3. Plan*

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Link to Council Plan

Section 127 of the Local Government Act (1989) requires Councils to identify Key Strategic Activities for the financial year and performance targets and measures in relation to each key strategic activity. Councils must also describe the activities and initiatives to be funded in the budget.

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning and reporting framework. This framework guides the Council in identifying community needs and aspirations through the Council Plan and Annual Budget, and then holding itself accountable via the Annual Report.

Planning and Accountability Framework

The Annual Budget has been developed within an overall planning framework, which guides the Council in identifying community needs and aspirations over the long term (Ballarat Strategy), medium term (Council Plan) short term (Annual Budget) and then holding itself accountable (Audited Statements).

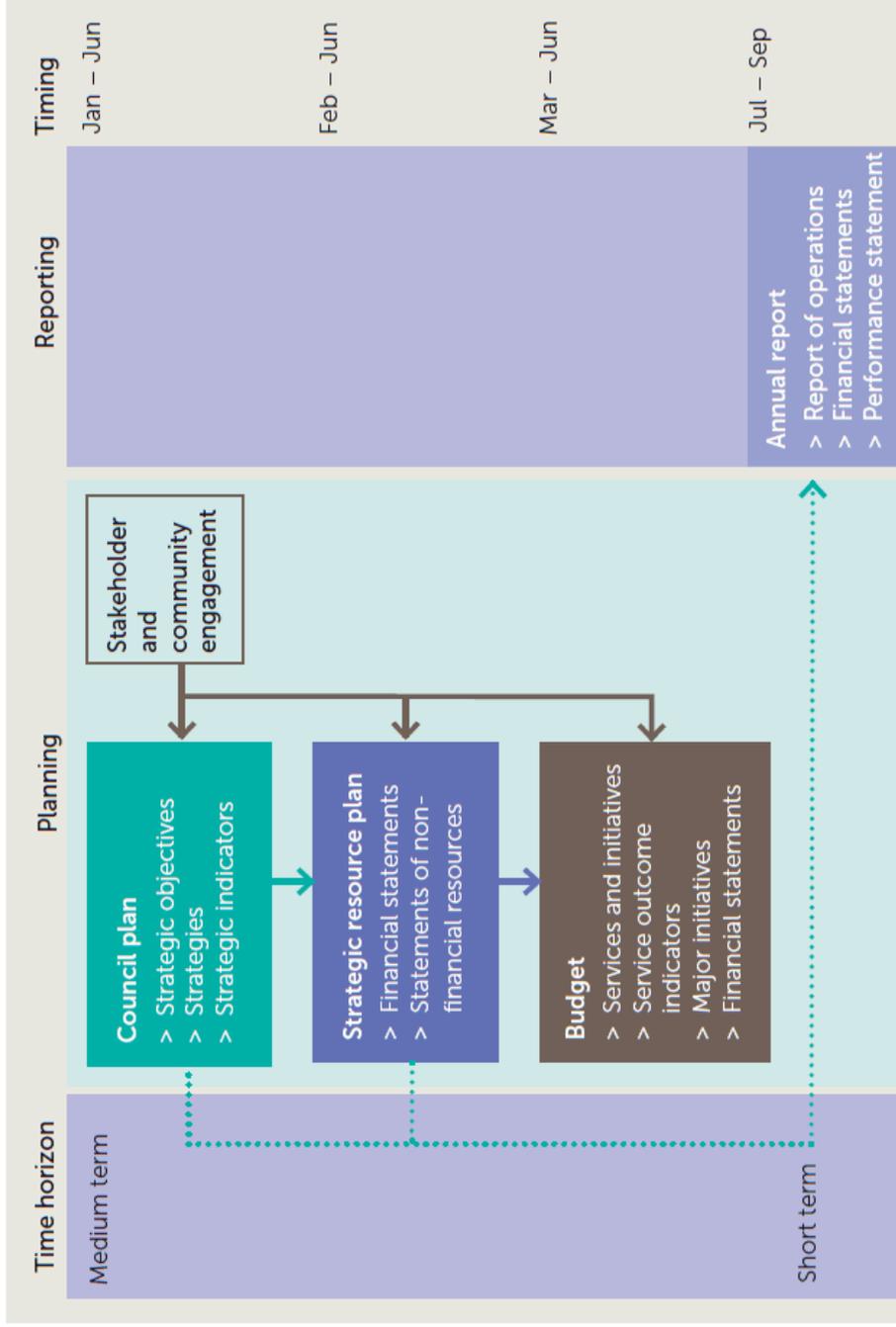
The Strategic Resource Plan, which is created alongside the Budget summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the objectives and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the strategic planning framework of the City of Ballarat.

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year in advance of the commencement of the Annual Budget process.

In addition to the above Council is developing a new long-term vision and strategy – The Ballarat Strategy will focus on sustainable growth and development, infrastructure investment and the health and wellbeing needs of the Ballarat community to ensure a high standard of liveability into the future.

The new Ballarat Strategy will address an emerging gap in the long-term planning for Ballarat's future – this gap is the result of Ballarat's greater than expected population growth in the past decade and strong projected population growth over the next 25 years.

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by the 30th June following a general election and is reviewed each year



Our Purpose

Leading sustainable growth, strengthening our community and respecting our heritage

The Ballarat City Council seeks to create a strong vibrant community, one which respects the foundations and heritage of the city whilst fostering growth essential for the community to grow and prosper.

The Council plan outlines the framework and strategies including the health and wellbeing outcomes for the organisation to support this purpose.

Principles of Practice

The Principles of Practice (sometimes known as the Mission Statement) are statements that articulate the values of Council and what principles and actions it will adopt in its decision making and conduct of business with the community and other stakeholders to achieve its Strategic Purpose.

Council will undertake its commitment to the community to achieve the Strategic Purpose by adhering to the following value-based principles.

1. Demonstrate clear, decisive, and consistent direction
2. Be financially responsible
3. Demonstrate to the community a transparent and consultative approach to key decisions
4. Advocate for Council's priorities and form partnerships to deliver the projects
5. Foster innovation and creativity in the delivery of results
6. Review core Council services in the context of our strategic intent
7. Bring rigour and an evidence-based approach to decision making

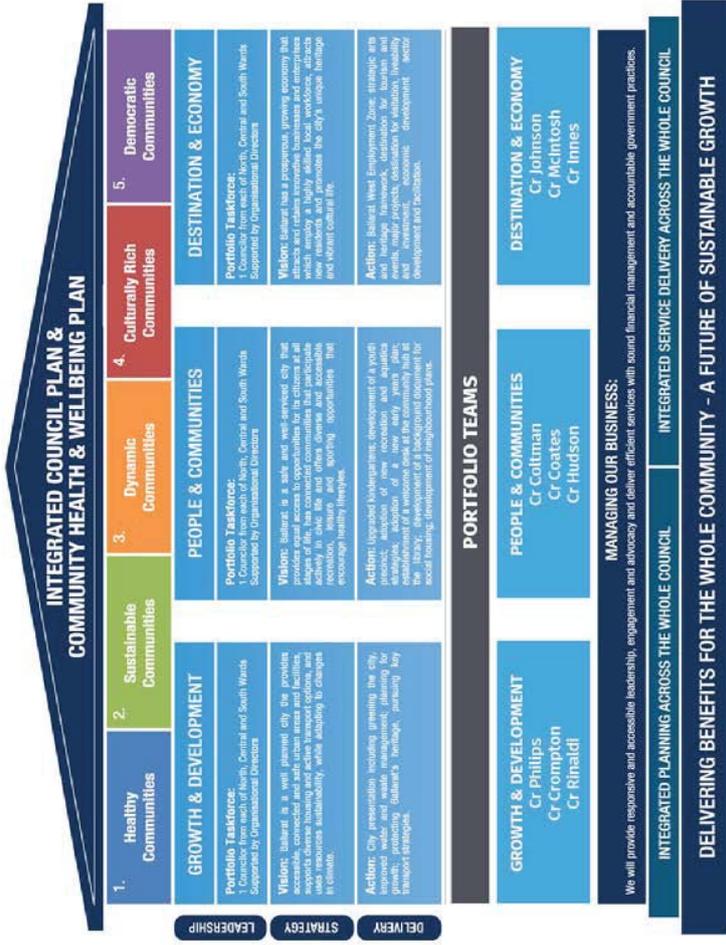
Strategic Objectives

Council delivers services and initiatives under 29 major service categories. Each contributes to the achievement of one of the six Strategic Objectives as set out in the Council Plan for the years 2014-18. Council has constructed the delivery of services under four major pillars. These being:

1. Growth and Development
2. People and Communities
3. Destination and Economy
4. Managing Our Business



City of Ballarat - Council Structure



STRATEGIC OBJECTIVES – GROWTH AND DEVELOPMENT

Plan for the future growth and development of Ballarat... through integrated land use initiatives and environmental, transport and community planning initiatives

Protect and improve the quality and character of the City's presentation... by applying sustainable planning and management practices to the public realm and undertaking an increased 'Greening the City' program



Provide for a wide range of housing choice, diversity, form and affordability... through greater emphasis on planning outcomes

Increase physical activity, social connection and access to services... through urban planning and by developing Ballarat's built environment



Address priority public health measures such as problem gambling and alcohol consumption... through appropriate regulatory and policy measures within the Ballarat Planning Scheme



Promote and pursue improved waste, water and energy management... by exploring green waste solutions, reducing waste to landfill and implementing stormwater harvesting solutions

Increase amenity... through infrastructure renewal of physical, environmental and recreational assets, including Ballarat's valuable heritage features



Recognise and respond to climate change... by implementing appropriate adaptation measures



Improve Ballarat's active transport modes... through integrated transport planning and by developing infrastructure that supports active transport

Continue to protect the health of Ballarat citizens... by proactively managing environmental health, building safety and health regulation programs



STRATEGIC OBJECTIVES – PEOPLE AND COMMUNITIES



Encourage people to actively participate in community life... through community development and capacity building initiatives



Support the health and wellbeing, lifelong learning and cultural needs of people at all stages of their lives... by delivering targeted programs and services

Plan for the health and wellbeing needs of the community... through social research, social planning and community engagement opportunities



Facilitate personal and community safety... through appropriate planning and design, and regulatory measures, including adaptation for climate change



Create resilient communities... that are able to protect life, property and the environment in emergency situations



Support the health and wellbeing of residents... by providing a variety of health prevention and promotion initiatives



STRATEGIC OBJECTIVES – DESTINATION AND ECONOMY

Destination and Economy



Improve Ballarat's tourism product... to foster competitiveness and sustainable outcomes

Promote sustainable economic development... to strengthen local communities and businesses and increase productivity and innovation



Support festivals and community events... to celebrate diversity and cultural expression and provide opportunities for community participation



Foster a diverse arts and culture sector... that contributes to a vibrant community



Initiate and support major infrastructure projects... that contribute to a prosperous economy



STRATEGIC OBJECTIVES – MANAGING OUR BUSINESS



Practise good governance and act with integrity, accountability and transparency

Provide effective lobbying and advocacy on behalf of the city

Provide regional leadership and collaborate with other organisations

Strengthen community engagement and participation in decision making,

Improve communication of Council information



Deliver Council services with a strong customer service focus

Establish and implement strategies to guide sustainable practice and development within Council



Ensure Council's exposure to climate change and carbon trading risks is minimised

Ensure Council services and projects are programmed within a sound financial management and reporting system



Position City of Ballarat as a healthy, safe workplace and an Employer of Choice

Facilitate change and continuous improvement by providing staff learning and development opportunities

Ensure information and systems are secure and available for use by the organisation

Strategic Objective – Resource Management

Growth & Development	Revenue	Expenditure	Surplus / (Deficit)
	\$'000	\$'000	\$'000
City Infrastructure	11,913	443	11,470
City Services	15,656	43,847	(28,191)
Community Amenity	8,187	5,961	2,226
Facilities Management	277	4,392	(4,115)
Infrastructure Design & Delivery	7,666	8,894	(1,228)
Property Management	904	1,396	(492)
Statutory Planning	735	1,723	(988)
Strategic Planning	1,065	2,932	(1,867)
	46,403	69,588	(23,185)

People & Communities	Revenue	Expenditure	Surplus / (Deficit)
	\$'000	\$'000	\$'000
Community Care & Access	7,354	7,215	139
Community Engagement	0	1,085	(1,085)
Family & Children Services	7,689	8,499	(810)
Learning & Diversity	1,890	5,231	(3,341)
People & Communities	131	1,332	(1,201)
Sport & Recreation	5,464	7,527	(2,063)
	22,528	30,889	(8,361)

Destination & Economy	Revenue	Expenditure	Surplus / (Deficit)
	\$'000	\$'000	\$'000
City Strategy	0	633	(633)
Community Events	0	1,576	(1,576)
Economic Development	0	1,737	(1,737)
Tourism, Arts & Culture	2,118	9,606	(7,488)
	2,118	13,552	(11,434)

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Managing Our Business	Revenue	Expenditure	Surplus / (Deficit)
	\$'000	\$'000	\$'000
Accounting Services	1,080	993	87
Financial Management	117,352	38,993	78,359
Financial Operations	309	1,611	(1,302)
Fleet Management	382	375	7
Governance & Information Services	44	7,296	(7,252)
Human Resources	0	1,263	(1,263)
Major Projects & Communications	29,400	4,323	25,077
Policy & Projects Strategist	6	1,426	(1,420)
Safety	0	866	(866)
	148,573	57,146	91,427

Reconciliation with Budgeted Operating Result

	Revenue	Expenditure	Surplus / (Deficit)
Growth & Development	46,403	69,588	(23,185)
Destination & Economy	2,118	13,552	(11,434)
People & Communities	22,528	30,889	(8,361)
Managing Our Business	148,573	57,146	91,427
	219,622	171,175	48,447

To view the major initiatives, initiatives, and services performance outcome indicators please refer to the Council Plan.

CITY OF BALLARAT BUDGET 2015 - 2016

This document contains the 2015 – 2016 Strategic Resource Plan for the Ballarat City Council.

*Strategic
4.Resource Plan*

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Strategic resource plan and financial performance indicators

1 Plan Development

Statutory requirements

“Section 125(1) of the Act requires councils to prepare a strategic resource plan and include this in the council plan”

Section 126 of the Act states that:

- the strategic resource plan is a plan of the resources required to achieve the council plan strategic objectives^x
- the strategic resource plan must include the financial statements describing the financial resources in respect of at least the next four financial years^{xi}
- the strategic resource plan must include statements describing the non-financial resources including human resources in respect of at least the next four financial years^{xii}
- the strategic resource plan must take into account services and initiatives contained in any plan adopted by council and if the council proposes to adopt a plan to provide services or take initiatives, the resources required must be consistent with the strategic resource plan^{xiii}
- council must review their strategic resource plan during the preparation of the council plan^{xiv}
- council must adopt the strategic resource plan not later than 30 June each year and a copy must be available for public inspection at the council office and internet website.^{xv}

In preparing the strategic resource plan, councils should comply with the principles of sound financial management as prescribed in the Act^{xvi} being to:

- prudently manage financial risks relating to debt, assets and liabilities
- provide reasonable stability in the level of rate burden
- consider the financial effects of council decisions on future generations
- provide full, accurate and timely disclosure of financial information.

The strategic resource plan is the key medium-term financial plan produced by council on a rolling basis that summarises the resourcing forecasts of a council for at least four years and forms part of the council plan.

Resource planning is important for ensuring that a council remains sustainable in the long term.

2 Financial Statements

Comprehensive Income Statement					
For the four years ending 30 June 2019					
	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue:					
Rates and charges	90,726	97,569	104,399	111,707	119,526
Statutory fees and fines	3,528	3,551	3,746	3,952	4,170
User fees	24,516	25,593	25,977	26,367	26,762
Grants - operating	23,841	23,600	24,308	25,037	25,788
Grants - capital	3,391	30,850	3,750	2,000	2,000
Contributions - monetary	1,587	5,197	5,081	8,449	9,305
Contributions - non-monetary	11,440	11,898	11,898	12,374	12,868
Net gain/(loss) on disposal or property, infrastructure, plant and equipment	0	0	0	0	0
Other Income	3,425	2,474	2,548	2,625	2,703
Total income	162,454	200,732	181,707	192,510	203,122
Expense:					
Employee costs	54,325	56,371	59,236	62,246	65,407
Materials and services	56,289	59,777	63,867	68,235	72,902
Bad and doubtful debts	527	515	530	546	563
Depreciation and amortisation	32,649	32,649	33,955	35,313	36,726
Borrowing costs	1,836	1,848	3,165	3,263	4,070
Other Expense	1,488	1,125	1,159	1,194	1,229
Total expenses	147,114	152,285	161,912	170,797	180,897
Surplus/(deficit) for the year	15,340	48,447	19,796	21,713	22,225
Other comprehensive income					
Items that will not be reclassified to surplus or deficit in future periods					
Net asset revaluation increment/(decrement)	0	0	0	0	0
Share of other comprehensive income of associates and joint ventures	0	0	0	0	0
Items that may be reclassified to surplus or deficit in future periods	0	0	0	0	0
Total comprehensive result	15,340	48,447	19,796	21,713	22,225

2015/16 Draft Budget

Balance Sheet					
For the four years ending 30 June					
2019					
	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Cash and cash equivalents	21,667	25,119	20,650	21,891	22,163
Trade and other receivables	9,066	9,554	10,077	10,634	11,232
Other financial assets	0	0	0	0	0
Inventories	411	411	411	411	411
Non-current assets classified as held for sale	0	0	0	0	0
Other assets	847	847	847	847	847
Total current assets	31,991	35,931	31,985	33,783	34,653
Non-current assets					
Trade and other receivables	172	172	172	172	172
Investments in associates and joint ventures	0	0	0	0	0
Property, infrastructure, plant & equipment	1,472,263	1,531,770	1,555,513	1,584,426	1,610,781
Investment property	7,612	7,612	7,612	7,612	7,612
Intangible assets	0	0	0	0	0
Total non-current assets	1,480,047	1,539,554	1,563,297	1,592,210	1,618,565
Total assets	1,512,038	1,575,485	1,595,282	1,625,993	1,653,218
Liabilities					
Current liabilities					
Trade and other payables	7,447	7,447	7,447	7,447	7,447
Trust funds and deposits	2,704	2,704	2,704	2,704	2,704
Provisions	11,617	11,617	11,617	11,617	11,617
Interest-bearing loans and borrowings	4,800	6,108	6,430	7,795	9,185
Total current liabilities	26,568	27,876	28,198	29,563	30,953
Non-current liabilities					
Provisions	2,821	2,821	2,821	2,821	2,821
Interest-bearing loans and borrowings	28,347	42,039	41,718	49,352	52,963
Total non-current liabilities	31,168	44,860	44,539	52,173	55,784
Total liabilities	57,736	72,736	72,736	81,736	86,736
Net assets	1,454,302	1,502,749	1,522,545	1,544,257	1,566,482
Equity					
Accumulated surplus	861,689	910,136	929,932	951,644	973,869
Reserves	592,613	592,613	592,613	592,613	592,613
Total equity	1,454,302	1,502,749	1,522,545	1,544,257	1,566,482

Statement of Changes in Equity					
For the four years ending 30 June					
2019					
		Total	Accumulated	Revaluation	Other
		\$'000	Surplus	Reserve	Reserves
			\$'000	\$'000	\$'000
2016					
Balance at beginning of the financial year		1,454,302	861,689	590,617	1,996
Surplus/(deficit) for the year		48,447	48,447	0	0
Net asset revaluation increment/(decrement)		0	0	0	0
Transfer to other reserves		0	(2,504)	0	2,504
Transfer from other reserves		0	0	0	0
Balance at end of the financial year		1,502,749	907,632	590,617	4,500
2017					
Balance at beginning of the financial year		1,502,749	907,632	590,617	4,500
Surplus/(deficit) for the year		19,796	19,796	0	0
Net asset revaluation increment/(decrement)		0	0	0	0
Transfer to other reserves		0	0	0	0
Transfer from other reserves		0	3,386	0	(3,386)
Balance at end of the financial year		1,522,545	930,814	590,617	1,114
2018					
Balance at beginning of the financial year		1,522,545	930,814	590,617	1,114
Surplus/(deficit) for the year		21,713	21,713	0	0
Net asset revaluation increment/(decrement)		0	0	0	0
Transfer to other reserves		0	0	0	0
Transfer from other reserves		0	0	0	0
Balance at end of the financial year		1,544,257	952,526	590,617	1,114
2019					
Balance at beginning of the financial year		1,544,257	952,526	590,617	1,114
Surplus/(deficit) for the year		22,225	22,225	0	0
Net asset revaluation increment/(decrement)		0	0	0	0
Transfer to other reserves		0	0	0	0
Transfer from other reserves		0	0	0	0
Balance at end of the financial year		1,566,482	974,751	590,617	1,114

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Statement of Cash Flows					
For the four years ending 30 June					
2019					
	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows	Inflows	Inflows	Inflows	Inflows
	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)
Cash flows from operating activities					
Rates and charges	89,929	97,081	103,877	111,148	118,929
Statutory fees and fines	3,525	3,551	3,746	3,952	4,170
User fees	24,516	25,593	25,977	26,367	26,762
Grants - operating	23,841	23,600	24,308	25,037	25,788
Grants - capital	3,391	30,850	3,750	2,000	2,000
Contributions - monetary	1,587	3,249	3,075	6,383	7,177
Interest received	1,891	1,948	2,006	2,066	2,128
Dividends received	0	0	0	0	0
Trust funds and deposits taken	0	0	0	0	0
Other receipts	1,534	2,474	2,548	2,625	2,703
Net GST refund / payment	0	0	0	0	0
Employee costs	(55,173)	(58,692)	(61,627)	(64,708)	(67,943)
Materials and services	(55,440)	(57,456)	(61,476)	(65,773)	(70,366)
Trust funds and deposits repaid	0	0	0	0	0
Other payments	(2,014)	(1,640)	(1,689)	(1,740)	(1,792)
Net cash provided by/(used in) operating activities	37,587	70,558	44,496	47,357	49,555
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	(65,484)	(80,633)	(46,215)	(52,227)	(50,573)
Proceeds from sale of property, infrastructure, plant and equipment	450	375	415	375	360
Payments for investments	0	0	0	0	0
Proceeds from sale of investments	0	0	0	0	0
Loan and advances made	0	0	0	0	0
Payments of loans and advances	0	0	0	0	0
Net cash provided by/ (used in) investing activities	(65,034)	(80,258)	(45,800)	(51,852)	(50,213)
Cash flows from financing activities					
Finance costs	(1,835)	(1,848)	(3,165)	(3,263)	(4,070)
Proceeds from borrowings	3,800	19,685	6,108	15,430	12,795
Repayment of borrowings	(4,800)	(4,685)	(6,108)	(6,430)	(7,795)
Net cash provided by/(used in) financing activities	(2,835)	13,152	(3,165)	5,737	930
Net increase/(decrease) in cash & cash equivalents	(30,282)	3,452	(4,469)	1,241	272
Cash and cash equivalents at the beginning of the financial year	51,949	21,667	25,119	20,650	21,891
Cash and cash equivalents at the end of the financial year	21,667	25,119	20,650	21,891	22,163

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Statement of Capital Works					
For the four years ending 30 June 2019					
	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
Property					
Land	0	552	2,204	780	1,719
Land improvements	0	0	0	0	0
Total land	0	552	2204	780	1719
Buildings	0	4,500	0	8,697	7,937
Heritage buildings	0	0	0	0	0
Building improvements	13,084	18,822	2,706	2,814	2,927
Leasehold improvements	0	0	0	0	0
Total buildings	13,084	23,322	2,706	11,511	10,864
Total property	13,084	23,874	4,910	12,291	12,583
Plant and equipment					
Heritage plant and equipment	0	0	0	0	0
Plant, machinery and equipment	6,695	3,357	3,039	2,697	2,737
Fixtures, fittings and furniture	44	1,506	0	0	0
Computers and telecommunications	2,195	1,603	1,600	1,753	1,779
Library books	562	371	382	394	406
Total plant and equipment	9,496	6,837	5,021	4,844	4,922
Infrastructure					
Roads	11,832	13,637	24,259	22,606	20,104
Bridges	210	210	218	227	236
Footpaths and cycleways	1,138	1,149	1,195	1,243	1,292
Drainage	1,539	1,540	1,602	1,666	1,732
Recreational, leisure and community facilities	20,098	22,110	4,467	4,646	4,832
Waste management	3,792	2,424	2,337	2,411	2,487
Parks, open space and streetscapes	2,501	2,657	1,063	1,105	1,150
Aerodromes	0	0	0	0	0
Off street car parks	0	0	0	0	0
Other infrastructure	1,794	6,196	667	694	721
Total infrastructure	42,904	49,923	35,808	34,598	32,554
Total capital works expenditure	65,484	80,634	45,739	51,733	50,059
Represented by:					
New asset expenditure	4,696	17,289	16,424	21,679	18,976
Asset renewal expenditure	21,281	23,458	22,647	23,611	24,479
Asset expansion expenditure	17,783	0	0	0	0
Asset upgrade expenditure	21,724	39,887	6,668	6,443	6,604
Total capital works expenditure	65,484	80,634	45,739	51,733	50,059

2015/16 Draft Budget

Statement of Human Resources					
For the four years ending 30 June					
2019					
	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs - operating	54,325	56,371	59,236	62,246	65,407
Employee costs - capital	1,908	2,321	2,391	2,462	2,536
Total staff expenditure	56,233	58,692	61,627	64,708	67,943
	FTE	FTE	FTE	FTE	FTE
Staff numbers					
- Full Time	421.00	426.00	430.00	434.00	438.00
- Part Time	154.64	163.62	165.00	167.00	169.00
- Casual	16.65	16.52	16.52	16.52	16.52
Total staff numbers	592.29	606.14	611.52	617.52	623.52

2015/16 Draft Budget
3 Other Information

For the four years ending 30 June 2019													
Summary of planned capital works expenditure													
		Asset Expenditure Types						Funding Sources					
	Total	New	Renewal	Upgrade	Expansion	Grants	Contributions	Council Cash	Borrowings				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000				
2015/16													
Property													
Land	552	552	0	0	0	0	452	100	0				
Land improvements	0	0	0	0	0	0	0	0	0				
Total land	552	552	0	0	0	0	452	100	0				
Buildings	4,500	4,500	0	0	0	1,600	0	1,698	1,202				
Heritage buildings	0	0	0	0	0	0	0	0	0				
Building improvements	18,822	120	2,602	16,100	0	9,750	0	2,822	6,250				
Leasehold improvements	0	0	0	0	0	0	0	0	0				
Total buildings	23,322	4,620	2,602	16,100	0	11,350	0	4,520	7,452				
Total property	23,874	5,172	2,602	16,100	0	11,350	452	4,620	7,452				
Plant and equipment													
Heritage plant and equipment	0	0	0	0	0	0	0	0	0				
Plant, machinery and equipment	3,357	0	230	3,127	0	0	0	3,357	0				
Fixtures, fittings and furniture	1,506	3	1,287	216	0	0	0	358	1,148				
Computers and telecommunications	1,603	0	807	796	0	0	0	1,603	0				
Library books	371	371	0	0	0	0	0	371	0				
Total plant and equipment	6,837	374	2,324	4,139	0	0	0	5,689	1,148				
Infrastructure													
Roads	13,637	3,140	9,806	690	0	2,000	1,640	9,997	0				
Bridges	210	0	210	0	0	0	0	210	0				
Footpaths and cycleways	1,149	249	900	0	0	0	0	1,149	0				
Drainage	1,540	0	1,540	0	0	0	0	1,540	0				
Recreational, leisure and community facilities	22,110	2,565	4,545	15,000	0	17,500	0	4,610	0				
Waste management	2,424	100	324	2,000	0	0	0	2,424	0				
Parks, open space and streetscapes	2,657	0	746	1,911	0	0	600	657	1,400				
Aerodromes	0	0	0	0	0	0	0	0	0				
Off street car parks	0	0	0	0	0	0	0	0	0				
Other infrastructure	6,196	5,689	460	47	0	0	0	1,196	5,000				
Total infrastructure	49,923	11,743	18,531	19,648	0	19,500	2,240	21,783	6,400				
Total capital works expenditure	80,634	17,289	23,457	39,887	0	30,850	2,692	32,092	15,000				

For the four years ending 30 June 2019														
Summary of planned capital works expenditure (continued)														
	Total \$'000	Asset Expenditure Types				Funding Sources				Borrowings \$'000				
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000						
2016/17														
Property														
Land	2,204	2204	0	0	0	0	0	0	0	0	0	2,204	0	0
Land improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total land	2204	2204	0	0	0	0	0	0	0	0	0	2204	0	0
Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Heritage buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Building improvements	2,706	0	2,706	0	0	0	0	0	0	0	0	2,706	0	0
Leasehold improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total buildings	2,706	0	2,706	0	0	0	0	0	0	0	0	2,706	0	0
Total property	4,910	2,204	2,706	0	0	0	0	0	0	0	0	4,910	0	0
Plant and equipment														
Heritage plant and equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant, machinery and equipment	3,039	0	223	2,816	0	0	0	0	0	0	0	3,039	0	0
Fixtures, fittings and furniture	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Computers and telecommunications	1,600	0	780	820	0	0	0	0	0	0	0	1,600	0	0
Library books	382	382	0	0	0	0	0	0	0	0	0	382	0	0
Total plant and equipment	5,021	382	1,003	3,636	0	0	0	0	0	0	0	5,021	0	0
Infrastructure														
Roads	24,259	13,382	10,159	718	0	0	0	0	0	2,000	1,777	20,482	0	0
Bridges	218	0	218	0	0	0	0	0	0	0	0	218	0	0
Footpaths and cycleways	1,195	259	936	0	0	0	0	0	0	0	0	1,195	0	0
Drainage	1,602	0	1,602	0	0	0	0	0	0	0	0	1,602	0	0
Recreational, leisure and community facilities	4,467	0	4,467	0	0	0	0	0	0	0	0	4,467	0	0
Waste management	2,337	0	337	2,000	0	0	0	0	0	0	0	2,337	0	0
Parks, open space and streetscapes	1,063	0	771	292	0	0	0	0	0	0	619	444	0	0
Aerodromes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Off street car parks	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other infrastructure	667	197	448	22	0	0	0	0	0	0	0	667	0	0
Total infrastructure	35,808	13,838	18,938	3,032	0	0	0	0	0	2,000	2,396	31,412	0	0
Total capital works expenditure	45,739	16,424	22,647	6,668	0	0	0	0	0	2,000	2,396	41,343	0	0

For the four years ending 30 June 2019		Summary of planned capital works expenditure (continued)										
	Total \$'000	Asset Expenditure Types				Funding Sources				Borrowings \$'000		
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000				
2017/18 Property												
Land	780	780	0	0	0	0	0	0	0	0	780	0
Land improvements	0	0	0	0	0	0	0	0	0	0	0	0
Total land	780	780	0	0	0	0	0	0	0	0	780	0
Buildings	8,697	8,697	0	0	0	0	0	0	0	0	4,197	4,500
Heritage buildings	0	0	0	0	0	0	0	0	0	0	0	0
Building improvements	2,814	0	2,814	0	0	0	0	0	0	0	2,814	0
Leasehold improvements	0	0	0	0	0	0	0	0	0	0	0	0
Total buildings	11,511	8,697	2,814	0	0	0	0	0	0	0	7,011	4,500
Total property	12,291	9,477	2,814	0	0	0	0	0	0	0	7,791	4,500
Plant and equipment												
Heritage plant and equipment	0	0	0	0	0	0	0	0	0	0	0	0
Plant, machinery and equipment	2,697	0	232	2,465	0	0	0	0	0	0	2,697	0
Fixtures, fittings and furniture	0	0	0	0	0	0	0	0	0	0	0	0
Computers and telecommunications	1,753	0	909	844	0	0	0	0	0	0	1,753	0
Library books	394	394	0	0	0	0	0	0	0	0	394	0
Total plant and equipment	4,844	394	1,141	3,309	0	0	0	0	0	0	4,844	0
Infrastructure												
Roads	22,606	11,335	10,525	746	0	0	0	0	0	2,000	16,106	4,500
Bridges	227	0	227	0	0	0	0	0	0	0	227	0
Footpaths and cycleways	1,243	270	973	0	0	0	0	0	0	0	1,243	0
Drainage	1,666	0	1,666	0	0	0	0	0	0	0	1,666	0
Recreational, leisure and community facilities	4,646	0	4,646	0	0	0	0	0	0	0	4,646	0
Waste management	2,411	0	351	2,060	0	0	0	0	0	0	2,411	0
Parks, open space and streetscapes	1,105	0	801	304	0	0	0	0	0	643	462	0
Aerodromes	0	0	0	0	0	0	0	0	0	0	0	0
Off street car parks	0	0	0	0	0	0	0	0	0	0	0	0
Other infrastructure	694	205	466	23	0	0	0	0	0	0	694	0
Total infrastructure	34,598	11,810	19,655	3,133	0	0	0	0	0	2,000	27,455	4,500
Total capital works expenditure	51,733	21,681	23,610	6,442	0	0	0	0	0	2,000	40,090	9,000

For the four years ending 30 June 2019		Summary of planned capital works expenditure (continued)										
	Total \$'000	Asset Expenditure Types				Funding Sources				Borrowings \$'000		
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000				
2018/19 Property												
Land	1,719	1,719	0	0	0	0	0	0	0	0	1,719	0
Land improvements	0	0	0	0	0	0	0	0	0	0	0	0
Total land	1,719	1,719	0	0	0	0	0	0	0	0	1,719	0
Buildings	7,937	7,937	0	0	0	0	0	0	0	0	5,437	2,500
Heritage buildings	0	0	0	0	0	0	0	0	0	0	0	0
Building improvements	2,927	0	2,927	0	0	0	0	0	0	0	2,927	0
Leasehold improvements	0	0	0	0	0	0	0	0	0	0	0	0
Total buildings	10,864	7,937	2,927	0	0	0	0	0	0	0	8,364	2,500
Total property	12,583	9,656	2,927	0	0	0	0	0	0	0	10,083	2,500
Plant and equipment												
Heritage plant and equipment	0	0	0	0	0	0	0	0	0	0	0	0
Plant, machinery and equipment	2,737	0	242	2,495	0	0	0	0	0	0	2,737	0
Fixtures, fittings and furniture	0	0	0	0	0	0	0	0	0	0	0	0
Computers and telecommunications	1,779	0	910	869	0	0	0	0	0	0	1,779	0
Library books	406	406	0	0	0	0	0	0	0	0	406	0
Total plant and equipment	4,922	406	1,152	3,364	0	0	0	0	0	0	4,922	0
Infrastructure												
Roads	20,104	8,422	10,906	776	0	0	0	0	0	2,000	15,604	2,500
Bridges	236	0	236	0	0	0	0	0	0	0	236	0
Footpaths and cycleways	1,292	280	1,012	0	0	0	0	0	0	0	1,292	0
Drainage	1,732	0	1,732	0	0	0	0	0	0	0	1,732	0
Recreational, leisure and community facilities	4,832	0	4,832	0	0	0	0	0	0	0	4,832	0
Waste management	2,487	0	365	2,122	0	0	0	0	0	0	2,487	0
Parks, open space and streetscapes	1,150	0	834	316	0	0	0	0	0	669	481	0
Aerodromes	0	0	0	0	0	0	0	0	0	0	0	0
Off street car parks	0	0	0	0	0	0	0	0	0	0	0	0
Other infrastructure	721	213	484	24	0	0	0	0	0	0	721	0
Total infrastructure	32,554	8,915	20,401	3,238	0	0	0	0	0	2,000	27,385	2,500
Total capital works expenditure	50,059	18,977	24,480	6,602	0	0	0	0	0	2,000	42,390	5,000

4 Human Resource Expenditure

Summary of planned human resource expenditure				
	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000
Staff expenditure				
CEO Policy & Support	4,962	5,006	5,050	5,095
Business Services	4,801	4,844	4,887	4,930
City Infrastructure	25,857	26,088	26,319	26,552
City Strategy	7,166	7,230	7,294	7,359
People & Communities	15,906	16,047	16,189	16,333
	58,692	59,215	59,739	60,269
	2015/16	2016/17	2017/18	2018/19
	FTE	FTE	FTE	FTE
CEO Policy & Support				
- Full Time	36.00	36.00	36.74	36.74
- Part Time	9.10	9.10	8.36	8.36
- Casual	0.58	0.58	0.58	0.58
	45.68	45.68	45.68	45.68
Business Services				
- Full Time	34.00	34.00	34.57	34.57
- Part Time	5.62	5.62	5.05	5.05
- Casual	0.00	0.00	0.00	0.00
	39.62	39.62	39.62	39.62
City Infrastructure				
- Full Time	242.00	246.00	252.00	257.00
- Part Time	23.97	24.35	24.35	24.35
- Casual	1.56	1.56	2.56	3.56
	267.53	271.91	278.91	284.91
City Strategy				
- Full Time	51.00	51.00	51.00	51.00
- Part Time	10.59	10.59	10.59	10.59
- Casual	9.25	9.25	9.25	9.25
	70.84	70.84	70.84	70.84
People & Communities				
- Full Time	62.00	63.00	62.12	62.12
- Part Time	115.34	115.34	115.22	115.22
- Casual	5.13	5.13	5.13	5.13
	182.47	183.47	182.47	182.47
	606.14	611.52	617.52	623.52

CITY OF BALLARAT DRAFT BUDGET 2015 - 2016

This document contains the 2015– 2016 Budgeted Statements for the Ballarat City Council.

*6. Budgeted
Statements*

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Budgeted Statements

This appendix presents information in regard to the Budgeted Financial Statements and Statement of Human Resources. The budget information for the years 2015/16 to 2018/19 has been extracted from the Strategic Resource Plan.

At the end of each financial year Council is required to include in the Financial Statements in its Annual Report a comparison of actual income and expenditure compared with the income and expenditure in the financial statements in the Budget,

The appendix includes the following budgeted information:

- Budgeted Comprehensive Income Statement
- Budgeted Balance Sheet
- Budgeted Statement of Changes in Equity
- Budgeted Statement of Cash Flows
- Budgeted Statement of Capital Works
- Budgeted Statement of Human Resources

2015/16 Draft Budget

Comprehensive Income Statement					
For the four years ending 30 June					
2019					
	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue:					
Rates and charges	90,726	97,569	104,399	111,707	119,526
Statutory fees and fines	3,528	3,551	3,746	3,952	4,170
User fees	24,516	25,593	25,977	26,367	26,762
Grants - operating	23,841	23,600	24,308	25,037	25,788
Grants - capital	3,391	30,850	3,750	2,000	2,000
Contributions - monetary	1,587	5,197	5,081	8,449	9,305
Contributions - non-monetary	11,440	11,898	11,898	12,374	12,868
Net gain/(loss) on disposal or property, infrastructure, plant and equipment	0	0	0	0	0
Other Income	3,425	2,474	2,548	2,625	2,703
Total income	162,454	200,732	181,707	192,510	203,122
Expense:					
Employee costs	54,325	56,371	59,236	62,246	65,407
Materials and services	56,289	59,777	63,867	68,235	72,902
Bad and doubtful debts	527	515	530	546	563
Depreciation and amortisation	32,649	32,649	33,955	35,313	36,726
Borrowing costs	1,836	1,848	3,165	3,263	4,070
Other Expense	1,488	1,125	1,159	1,194	1,229
Total expenses	147,114	152,285	161,912	170,797	180,897
Surplus/(deficit) for the year	15,340	48,447	19,796	21,713	22,225
Other comprehensive income					
Items that will not be reclassified to surplus or deficit in future periods					
Net asset revaluation increment/(decrement)	0	0	0	0	0
Share of other comprehensive income of associates and joint ventures	0	0	0	0	0
Items that may be reclassified to surplus or deficit in future periods	0	0	0	0	0
Total comprehensive result	15,340	48,447	19,796	21,713	22,225

2015/16 Draft Budget

Balance Sheet					
For the four years ending 30 June					
2019					
	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Cash and cash equivalents	21,667	25,119	20,650	21,891	22,163
Trade and other receivables	9,066	9,554	10,077	10,634	11,232
Other financial assets	0	0	0	0	0
Inventories	411	411	411	411	411
Non-current assets classified as held for sale	0	0	0	0	0
Other assets	847	847	847	847	847
Total current assets	31,991	35,931	31,985	33,783	34,653
Non-current assets					
Trade and other receivables	172	172	172	172	172
Investments in associates and joint ventures	0	0	0	0	0
Property, infrastructure, plant & equipment	1,472,263	1,531,770	1,555,513	1,584,426	1,610,781
Investment property	7,612	7,612	7,612	7,612	7,612
Intangible assets	0	0	0	0	0
Total non-current assets	1,480,047	1,539,554	1,563,297	1,592,210	1,618,565
Total assets	1,512,038	1,575,485	1,595,282	1,625,993	1,653,218
Liabilities					
Current liabilities					
Trade and other payables	7,447	7,447	7,447	7,447	7,447
Trust funds and deposits	2,704	2,704	2,704	2,704	2,704
Provisions	11,617	11,617	11,617	11,617	11,617
Interest-bearing loans and borrowings	4,800	6,108	6,430	7,795	9,185
Total current liabilities	26,568	27,876	28,198	29,563	30,953
Non-current liabilities					
Provisions	2,821	2,821	2,821	2,821	2,821
Interest-bearing loans and borrowings	28,347	42,039	41,718	49,352	52,963
Total non-current liabilities	31,168	44,860	44,539	52,173	55,784
Total liabilities	57,736	72,736	72,736	81,736	86,736
Net assets	1,454,302	1,502,749	1,522,545	1,544,257	1,566,482
Equity					
Accumulated surplus	861,689	910,136	929,932	951,644	973,869
Reserves	592,613	592,613	592,613	592,613	592,613
Total equity	1,454,302	1,502,749	1,522,545	1,544,257	1,566,482

2015/16 Draft Budget

Statement of Changes in Equity					
For the four years ending 30 June					
2019					
		Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
		\$'000	\$'000	\$'000	\$'000
2016					
Balance at beginning of the financial year		1,454,302	861,689	590,617	1,996
Surplus/(deficit) for the year		48,447	48,447	0	0
Net asset revaluation increment/(decrement)		0	0	0	0
Transfer to other reserves		0	(2,504)	0	2,504
Transfer from other reserves		0	0	0	0
Balance at end of the financial year		1,502,749	907,632	590,617	4,500
2017					
Balance at beginning of the financial year		1,502,749	907,632	590,617	4,500
Surplus/(deficit) for the year		19,796	19,796	0	0
Net asset revaluation increment/(decrement)		0	0	0	0
Transfer to other reserves		0	0	0	0
Transfer from other reserves		0	3,386	0	(3,386)
Balance at end of the financial year		1,522,545	930,814	590,617	1,114
2018					
Balance at beginning of the financial year		1,522,545	930,814	590,617	1,114
Surplus/(deficit) for the year		21,713	21,713	0	0
Net asset revaluation increment/(decrement)		0	0	0	0
Transfer to other reserves		0	0	0	0
Transfer from other reserves		0	0	0	0
Balance at end of the financial year		1,544,257	952,526	590,617	1,114
2019					
Balance at beginning of the financial year		1,544,257	952,526	590,617	1,114
Surplus/(deficit) for the year		22,225	22,225	0	0
Net asset revaluation increment/(decrement)		0	0	0	0
Transfer to other reserves		0	0	0	0
Transfer from other reserves		0	0	0	0
Balance at end of the financial year		1,566,482	974,751	590,617	1,114

2015/16 Draft Budget

Statement of Cash Flows					
For the four years ending 30 June					
2019					
	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows	Inflows	Inflows	Inflows	Inflows
	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)
Cash flows from operating activities					
Rates and charges	89,929	97,081	103,877	111,148	118,929
Statutory fees and fines	3,525	3,551	3,746	3,952	4,170
User fees	24,516	25,593	25,977	26,367	26,762
Grants - operating	23,841	23,600	24,308	25,037	25,788
Grants - capital	3,391	30,850	3,750	2,000	2,000
Contributions - monetary	1,587	3,249	3,075	6,383	7,177
Interest received	1,891	1,948	2,006	2,066	2,128
Dividends received	0	0	0	0	0
Trust funds and deposits taken	0	0	0	0	0
Other receipts	1,534	2,474	2,548	2,625	2,703
Net GST refund / payment	0	0	0	0	0
Employee costs	(55,173)	(58,692)	(61,627)	(64,708)	(67,943)
Materials and services	(55,440)	(57,456)	(61,476)	(65,773)	(70,366)
Trust funds and deposits repaid	0	0	0	0	0
Other payments	(2,014)	(1,640)	(1,689)	(1,740)	(1,792)
Net cash provided by/(used in) operating activities	37,587	70,558	44,496	47,357	49,555
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	(65,484)	(80,633)	(46,215)	(52,227)	(50,573)
Proceeds from sale of property, infrastructure, plant and equipment	450	375	415	375	360
Payments for investments	0	0	0	0	0
Proceeds from sale of investments	0	0	0	0	0
Loan and advances made	0	0	0	0	0
Payments of loans and advances	0	0	0	0	0
Net cash provided by/ (used in) investing activities	(65,034)	(80,258)	(45,800)	(51,852)	(50,213)
Cash flows from financing activities					
Finance costs	(1,835)	(1,848)	(3,165)	(3,263)	(4,070)
Proceeds from borrowings	3,800	19,685	6,108	15,430	12,795
Repayment of borrowings	(4,800)	(4,685)	(6,108)	(6,430)	(7,795)
Net cash provided by/(used in) financing activities	(2,835)	13,152	(3,165)	5,737	930
Net increase/(decrease) in cash & cash equivalents	(30,282)	3,452	(4,469)	1,241	272
Cash and cash equivalents at the beginning of the financial year	51,949	21,667	25,119	20,650	21,891
Cash and cash equivalents at the end of the financial year	21,667	25,119	20,650	21,891	22,163

2015/16 Draft Budget

Statement of Capital Works					
For the four years ending 30 June					
2019					
	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
Property					
Land	0	552	2,204	780	1,719
Land improvements	0	0	0	0	0
Total land	0	552	2204	780	1719
Buildings	0	4,500	0	8,697	7,937
Heritage buildings	0	0	0	0	0
Building improvements	13,084	18,822	2,706	2,814	2,927
Leasehold improvements	0	0	0	0	0
Total buildings	13,084	23,322	2,706	11,511	10,864
Total property	13,084	23,874	4,910	12,291	12,583
Plant and equipment					
Heritage plant and equipment	0	0	0	0	0
Plant, machinery and equipment	6,695	3,357	3,039	2,697	2,737
Fixtures, fittings and furniture	44	1,506	0	0	0
Computers and telecommunications	2,195	1,603	1,600	1,753	1,779
Library books	562	371	382	394	406
Total plant and equipment	9,496	6,837	5,021	4,844	4,922
Infrastructure					
Roads	11,832	13,637	24,259	22,606	20,104
Bridges	210	210	218	227	236
Footpaths and cycleways	1,138	1,149	1,195	1,243	1,292
Drainage	1,539	1,540	1,602	1,666	1,732
Recreational, leisure and community facilities	20,098	22,110	4,467	4,646	4,832
Waste management	3,792	2,424	2,337	2,411	2,487
Parks, open space and streetscapes	2,501	2,657	1,063	1,105	1,150
Aerodromes	0	0	0	0	0
Off street car parks	0	0	0	0	0
Other infrastructure	1,794	6,196	667	694	721
Total infrastructure	42,904	49,923	35,808	34,598	32,554
Total capital works expenditure	65,484	80,634	45,739	51,733	50,059
Represented by:					
New asset expenditure	4,696	17,289	16,424	21,679	18,976
Asset renewal expenditure	21,281	23,458	22,647	23,611	24,479
Asset expansion expenditure	17,783	0	0	0	0
Asset upgrade expenditure	21,724	39,887	6,668	6,443	6,604
Total capital works expenditure	65,484	80,634	45,739	51,733	50,059

2015/16 Draft Budget

Statement of Human Resources					
For the four years ending 30 June					
2019					
	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs - operating	54,325	56,371	59,236	62,246	65,407
Employee costs - capital	1,908	2,321	2,391	2,462	2,536
Total staff expenditure	56,233	58,692	61,627	64,708	67,943
	FTE	FTE	FTE	FTE	FTE
Staff numbers					
- Full Time	421.00	426.00	430.00	434.00	438.00
- Part Time	154.64	163.62	165.00	167.00	169.00
- Casual	16.65	16.52	16.52	16.52	16.52
Total staff numbers	592.29	606.14	611.52	617.52	623.52

CITY OF BALLARAT BUDGET 2014 – 2015

This document contains the 2014 – 2015 Budget Summary for the
Ballarat City Council.

*2014 – 2015 Budget
Summary*

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Mayors and CEO Message

It is with great pleasure that we present the Budget 2013-14. This important document supports our vision outlined in the Council Plan 2013-17 to deliver key projects and services needed to build a strong and vibrant community and give the current and future residents of Ballarat the best possible lifestyle and economic opportunities.

We are extremely proud of our achievements in the first year of this Council's term and the positive outcomes that have been delivered for our residents.

This Budget outlines our commitment to continue significant short-term investment that will stimulate long-term growth and create jobs. It supports our commitment to build stronger communities with major investment in grass roots community led projects and programs across Ballarat. And it includes investment in projects that will improve the presentation of our city, create a more vibrant, vital and sustainable community, and make sure our existing assets and infrastructure are maintained at the best standard possible.

We will balance these priorities with careful financial management so that we maintain our current strong financial position into the future.

Our focus in the year ahead will be on six main areas:

- Stimulating job growth and a stronger economy
- Building stronger communities
- Creating a more vibrant city
- Beautifying our city
- Managing our assets
- Working towards innovative waste, water and energy solutions

Highlights of this Budget include:

- \$13.44 million for roads, drains and footpath projects across the city – \$1.18 million of this is for rural roads.
- Major road renewal projects: \$381,000 for Middlin Street, Brown Hill, \$327,000 for Charlotte Street Sebastopol and \$436,000 for Armstrong Street South, Ballarat Central.
- \$500,000 for drainage projects across the city; more than \$311,000 for footpath construction; and \$230,000 for kerb and channel renewal.
- \$1.3 million for the maintenance of Council's building assets.
- \$300,000 for the Council's Community Impact Grants Program.
- \$400,000 for the Township Empowerment Program in Learmonth, Buninyong, Miners Rest as well as other neighbourhood initiatives.
- \$1.25 million (Council's contribution) to build more car parking spaces in Ballarat's hospital precinct.
- \$408,000 for city beautification projects including Ballarat's five major entrances, Victoria Street, Sturt Street and the Ballarat Botanical Gardens.
- \$374,000 to install and preserve the city's public monuments, street furniture and art installations.
- \$100,000 to repair the heritage tram tracks at Lake Wendouree.
- \$240,000 for bicycle projects.

- \$571,000 for neighbourhood parks, including playgrounds.

In line with its long-term financial strategy, Council will continue its commitment to sustainable financial management with a proposed rate increase of 5.5 per cent. As part of a 10-year strategy to promote Ballarat as an attractive destination for commercial investment, the Budget also proposes a 2 per cent reduction in the planned increase to the commercial rate which will be lowered to a 3.5 per cent increase.

In developing this Budget we have maintained a strong commitment to making sure that Ballarat remains in a strong financial position to manage one of regional Australia's fastest growing populations.



Cr Joshua Morris
Mayor



Anthony Schinck
CEO

2014 – 2015 Budget Summary

Budget Parameters

In formulating the 2014/15 budget and Strategic Resource Plan the following parameters were used:

- Rate increases over the Council term are proposed at:
 - 2013/14 7.5%
 - 2014/15 6.5% Revised to 5.5%
 - 2015/16 6.0%
 - 2016/17 5.5%
- Garbage Charge to increase to \$260.
- Council pension rebate to be increased to \$85.
- Council to continue the debt reduction strategy of repaying debt at \$1 million per year from 2014/15.
- Rebate for Recreation 1 ratepayers to be granted, effectively removing all rates payable for this category.
- Provision of a minimum \$1 million per year to a “Growth Fund”, this fund will finance new infrastructure works required to cater for the growth of the municipality.
- Provision of a minimum \$450k per year for the provision of improved service levels.
- Provision of additional funds to maintain Council facilities.
- Continued increase in funding for Council’s infrastructure work to combat the asset renewal gap.
- Continue the provision of \$1 million per year to set aside funds in the event that the Council is called up to again provide funding for any future shortfall in the defined benefits superannuation fund.

Budget Highlights

In the formulation of the budget, an emphasis has been put on funding additional efficiencies to fund new projects in the 2014/15 year. As part of a revised budget process all costs were reworked using zero based budgeting. This process has limited the gross expenditure to only an increase of 0.76%.

Further investment in key infrastructure and the continuation of community building projects headline the City of Ballarat 2014 -15 budget.

The budget continues Council's commitment to strong investment in community infrastructure throughout Ballarat.

Highlights include \$13.44 million for roads, drains and footpath projects across the city, of which \$1.18 million will be dedicated to rural roads.

Major road renewal projects include \$381,000 for Middlin Street, Brown Hill; \$327,000 for Charlotte Street Sebastopol; and \$436,000 for Armstrong Street South, Ballarat Central.

\$500,000 will be allocated to drainage projects across the city, with more than \$311,000 for footpath construction, and \$230,000 for kerb and channel renewal.

\$1.3 million will be dedicated to the maintenance of Council building assets.

The 2014-15 budget also continues Council's major investment in grass roots projects and programs across Ballarat, with \$300,000 allocated to Council's Community Impact Grants Program.

A further \$400,000 is included for the Township Empowerment Program in Learmonth, Buninyong, Miners Rest, as well as other neighbourhood initiatives.

Other highlights include:

- \$1.25 million as part of Council's contribution to building more car parking in Ballarat's hospitals precinct.
- \$408,000 for city beautification projects at city entrances, Victoria Street, Sturt Street and the Ballarat Botanical Gardens.
- \$374,000 for the installation and preservation of the city's public monuments, street furniture and art installations.
- \$100,000 for the repair of heritage tram tracks at Lake Wendouree.
- \$240,000 dedicated investment in bicycle projects.
- \$571,000 for neighbourhood parks, including playgrounds.

The Budget has been developed to ensure Ballarat remains in a strong financial position and manage one of regional Australia's fastest growing populations.

In line with its long term financial strategy, Council continues its commitment to sustainable financial management in the 2014-15 budget; with a proposed rate increase of 5.5 per cent.

Following consultation during the 2013-14 budget, and to further promote Ballarat as an attractive destination for investment, the budget also proposes a 2% reduction in the planned increase to the commercial rate, which will be lowered to a 3.5 per cent increase.

The reduction in the commercial rate is part of a 10-year strategy to make the Ballarat commercial rate level more competitive.

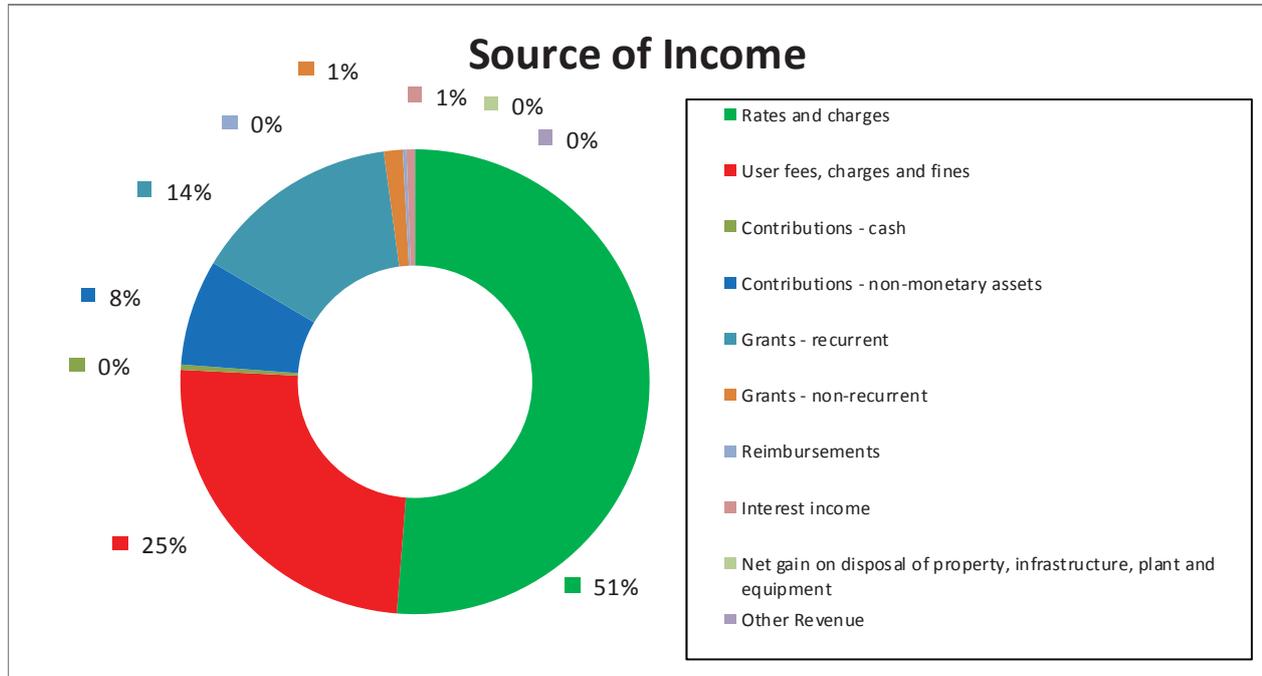
At an ordinary Council Meeting on Wednesday 28 May, Councillors considered a report recommending the release of the Budget to the community for feedback and comment.

If approved for release, the documents will be available for 28 days from Monday 2 June 2014 via Council's website or to view in hard copy at the Phoenix Building or at Town Hall.

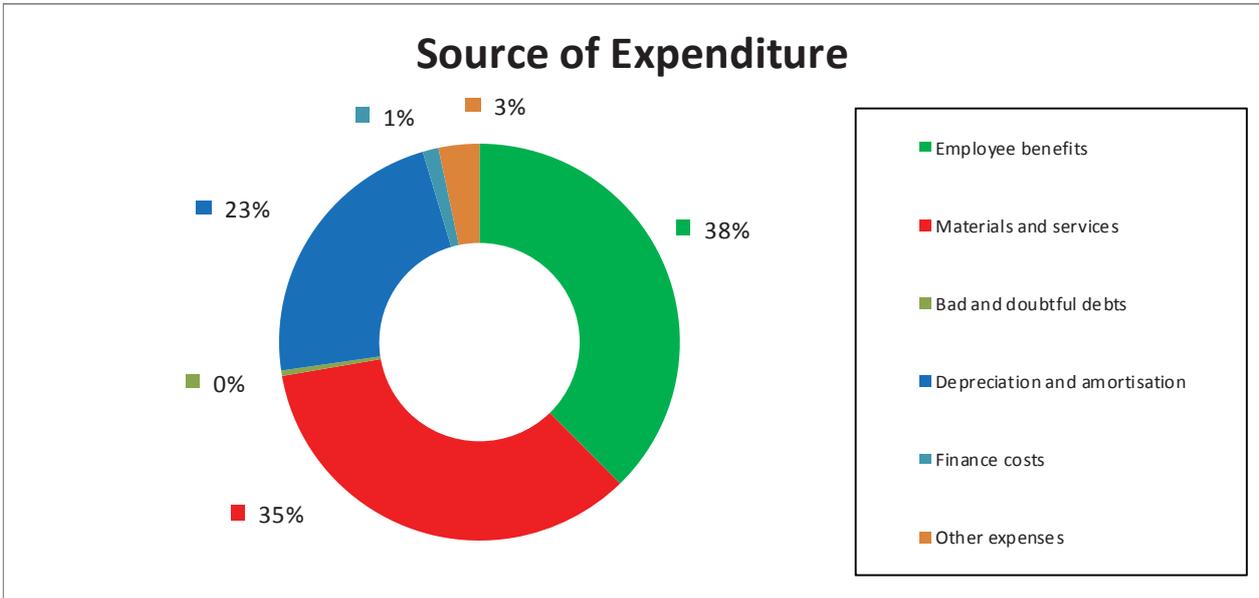
Residents will be encouraged to view the Council Plan and Budget and provide feedback to Council.

Financial Overview

Operating revenue and expenditure sources for the 2014/15 budget are shown below:

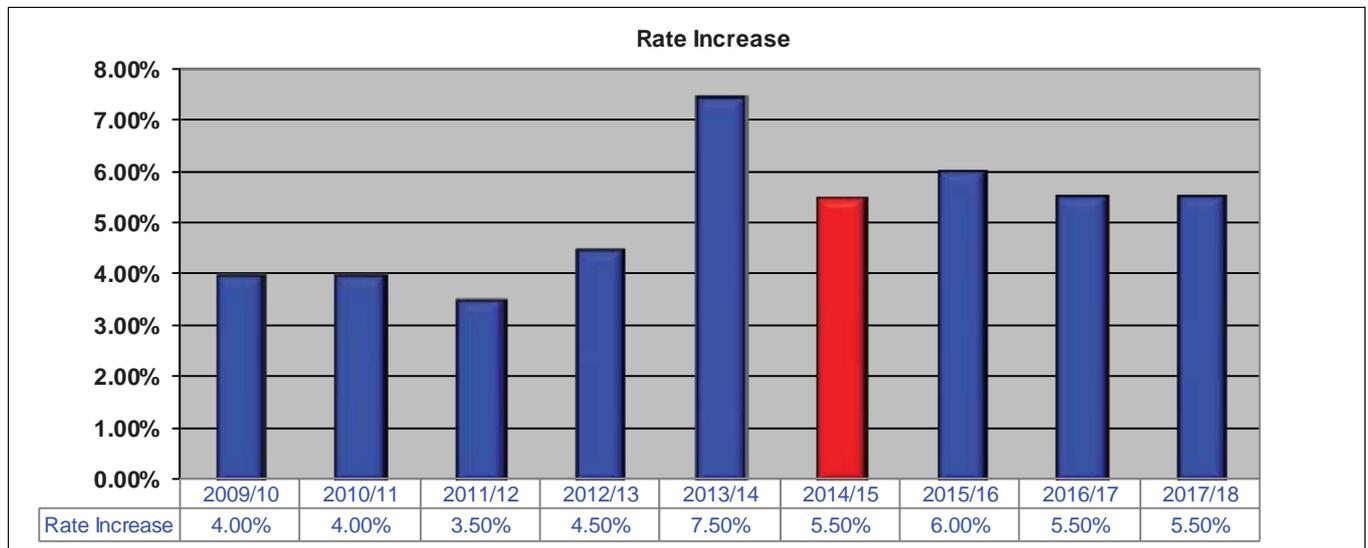


Source of Income	(\$'000)	
Rates and charges	79,699	51%
User fees, charges and fines	38,226	25%
Contributions - cash	550	0%
Contributions - non-monetary assets	11,440	7%
Grants - recurrent	22,289	14%
Grants - non-recurrent	2,016	1%
Reimbursements	391	0%
Interest income	916	1%
Net gain on disposal of property, infrastructure, plant and equipment	0	0%
Other Revenue	0	0%
	155,527	



Source of Expenditure	(\$'000)	
Employee benefits	54,044	38%
Materials and services	49,752	35%
Bad and doubtful debts	636	0%
Depreciation and amortisation	32,649	23%
Finance costs	1,835	1%
Other expenses	4,723	3%
	143,639	

Rate Revenue



Council has continued the strategy of providing the community certainty of future rate increases for their term. The 2014/1 year represents a rate increase of 6.5%. Last year Council signalled the rate increase for its term to provisionally be:

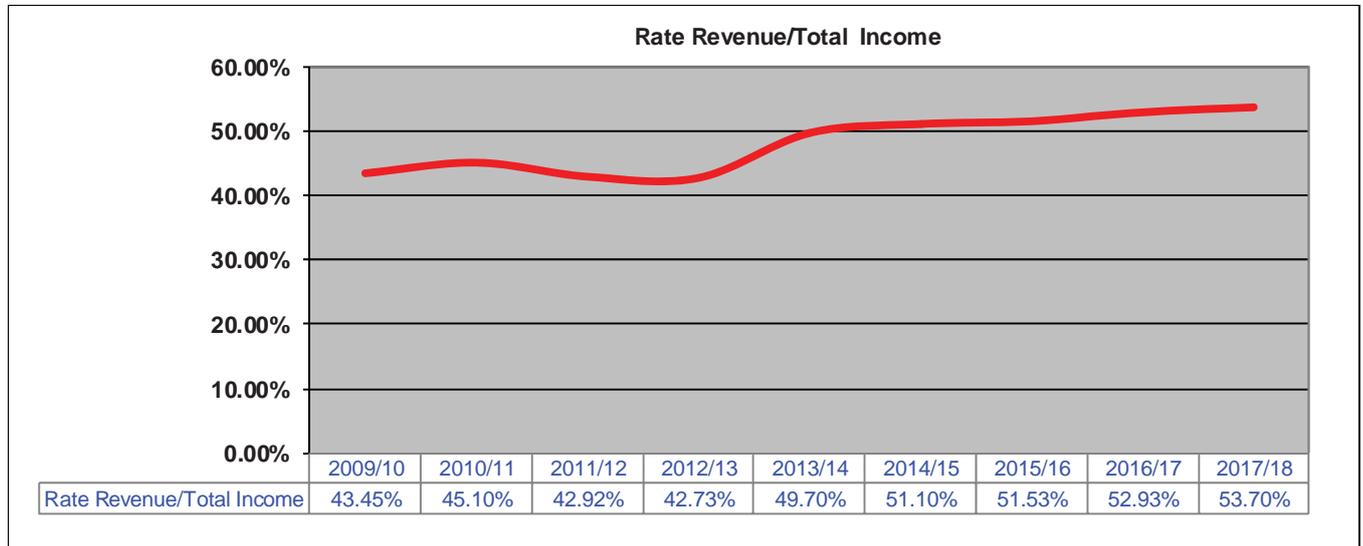
- 2013/14 7.5%
- 2014/15 6.5% Revised to 5.5%
- 2015/16 6.0%
- 2016/17 5.5%

During the current budget process the Council reviewed submissions from the 2013/14 year and consultation that had occurred with commercial entities. As a result Council has put forward a ten (10) year strategy to move the commercial rate similar to levels of other regional centres.

Over the next ten (10) years it is proposed that the ratio of the commercial rate to that of the residential rate will be:

Year	Commercial to Residential Rate	Year	Commercial to Residential Rate
13/14	2.57	19/20	2.29
14/15	2.52	20/21	2.25
15/16	2.47	21/22	2.21
16/17	2.43	22/23	2.16
17/18	2.38	23/24	2.12
18/19	2.34	24/25	2.08

Rate revenue to total income

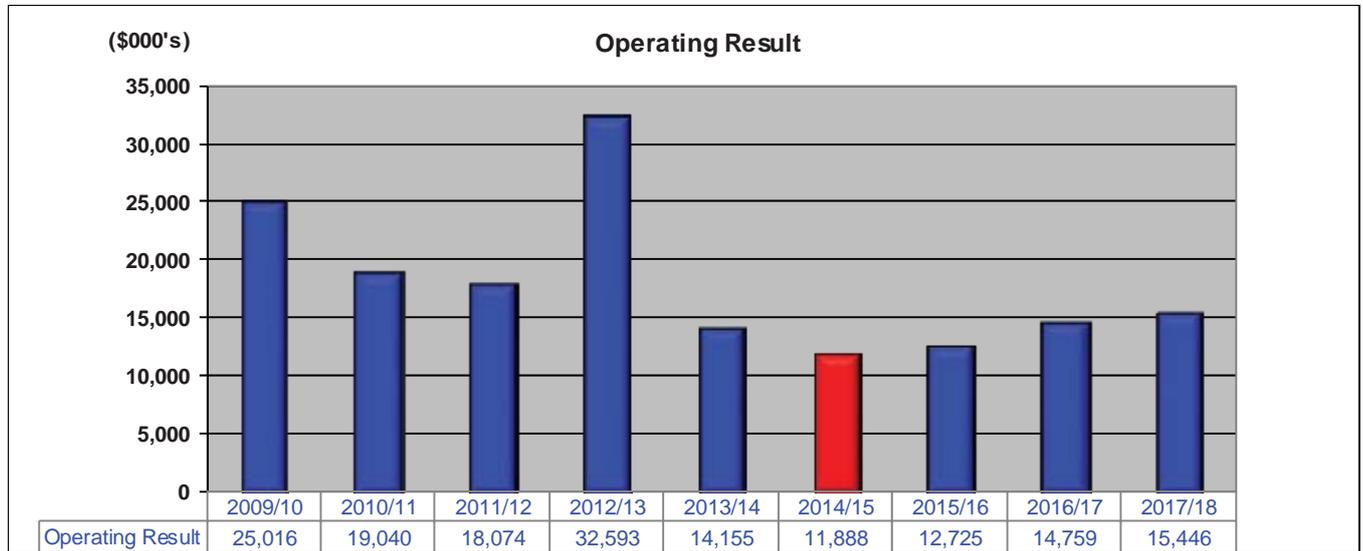


The reliance on rate revenue to fund all services and the capital works program is forecast to increase over the period to 2017/18.

The main reason behind this increase is:

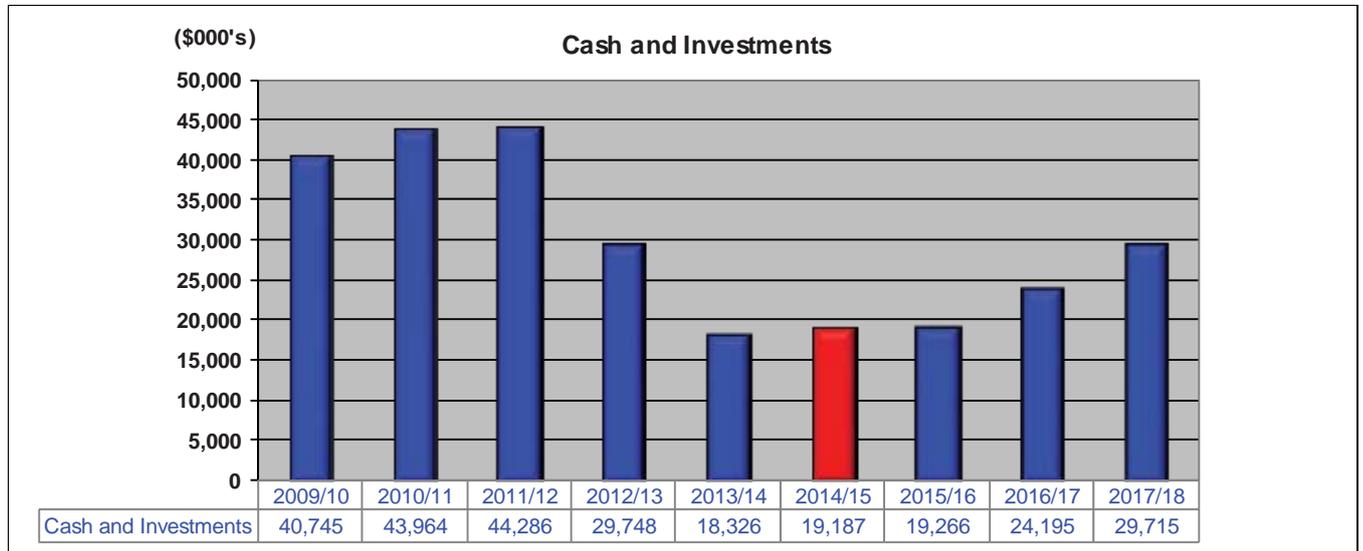
- Increased number and levels of services expected by the community.
- Grants received by other government levels do not match the increase in costs to deliver those services.
- Reduction in the expected levels of grants expected for the delivery of the various capital works projects.

Operating result



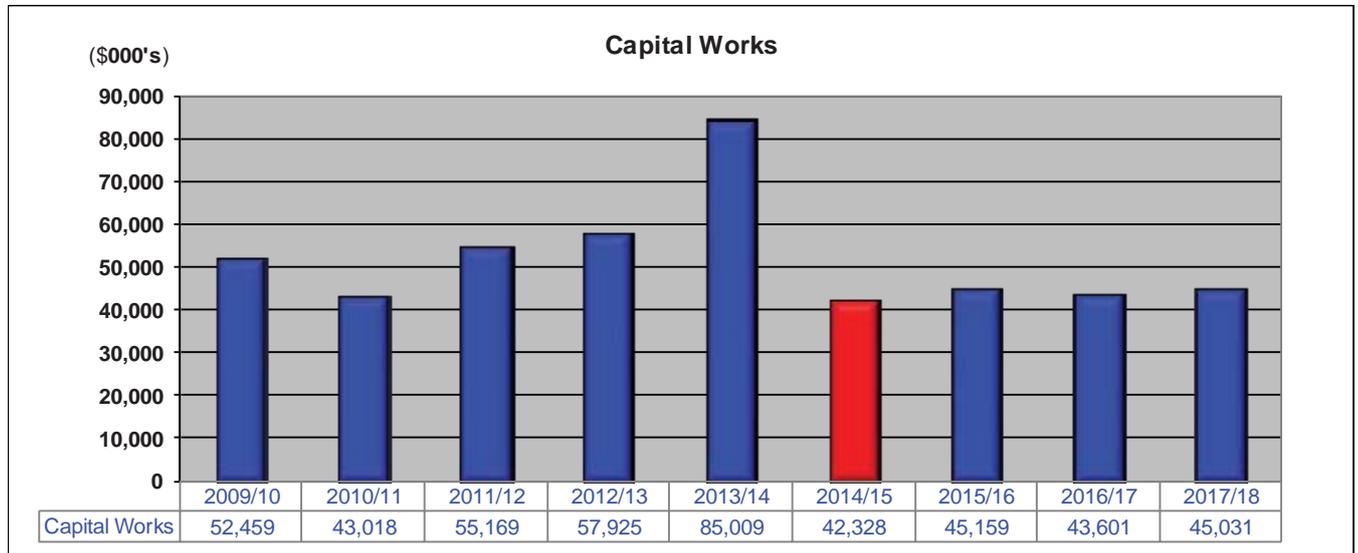
Due to the ambitious program of works, both recurrent and capital proposed by Council, there is a delay in funding being achieved to match the level of expenditure. This delay has been allowed for however, it can be seen with both the operating result and cashflow projections that there is a lower expected result in the initial years until revenue growth is achieved. In subsequent years it can be seen that both the operating result and the cash and investment balance are forecast to increase over time.

Cash and Investments



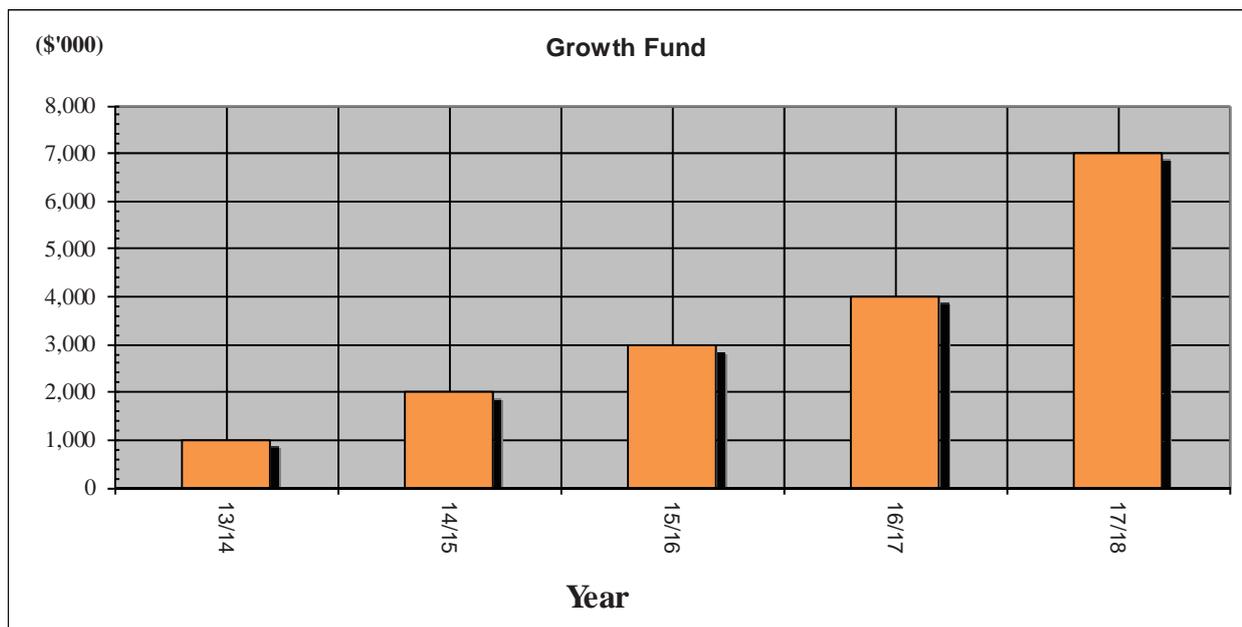
As per the forecast operating results, during the initial years there is a reduction in cash available due to the significant scale of the budget implemented. These levels increase over time as the revenue base is increased to fund the budget program.

Capital Budget

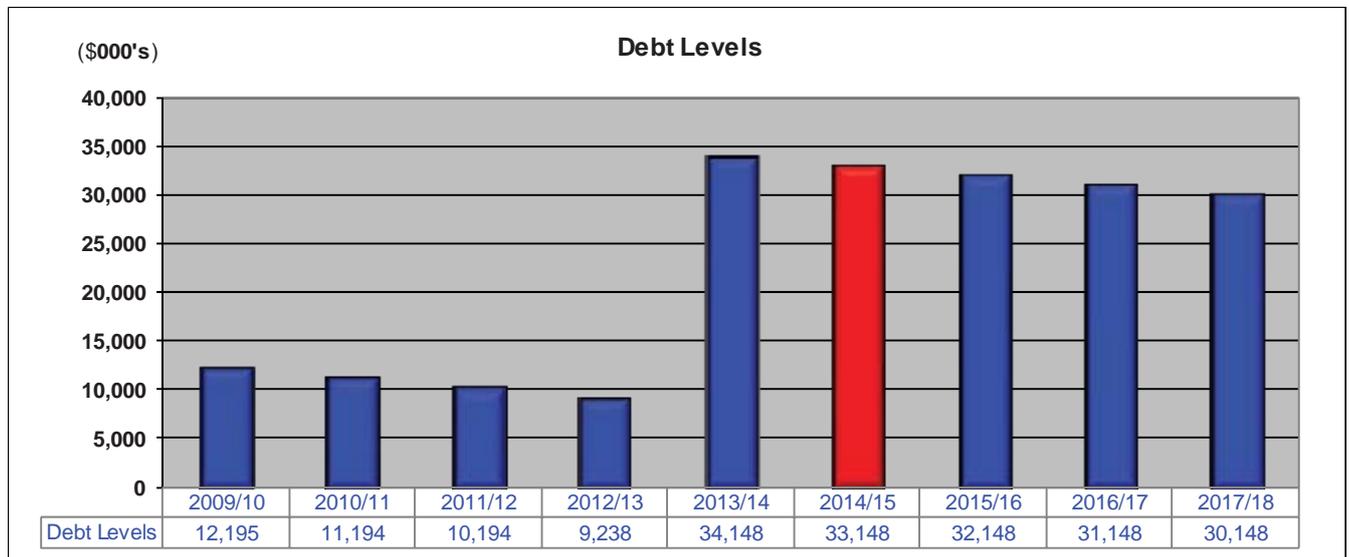


Over the last few year, especially during 2013/14, there has been a significant investment in major projects. Moving forward the emphasis is on providing constant increases in funding for essential infrastructure works and services levels provided by Council. In addition, Council has set the long term financial strategy to deal with the future growth of Ballarat in advance. Additional funds will be saved to cope with the expected spike in expenditure required in the new growth zones.

To view total funds being allowed for in future years, to deal with both the future growth of the City and additional funds required to maintain infrastructure, the level of funds being set aside in the Growth Funds needs to be taken into account. The graph below sets out the anticipated funds being set aside for non programmed capital works. These funds are classified as the Growth Fund.



Debt Levels



A major part of the 2013/14 budget was the borrowing of \$25 million for the Civic Hall and Aquatics Projects, which included the building of a 50m indoor heated pool to be located at the Ballarat Aquatic Centre.

As part of successive Council budgets, the aim is to reduce debt so that when significant funding is required for major projects, including infrastructure projects, the Council of the day would be in a position whereby it has the capacity to borrow the funds.

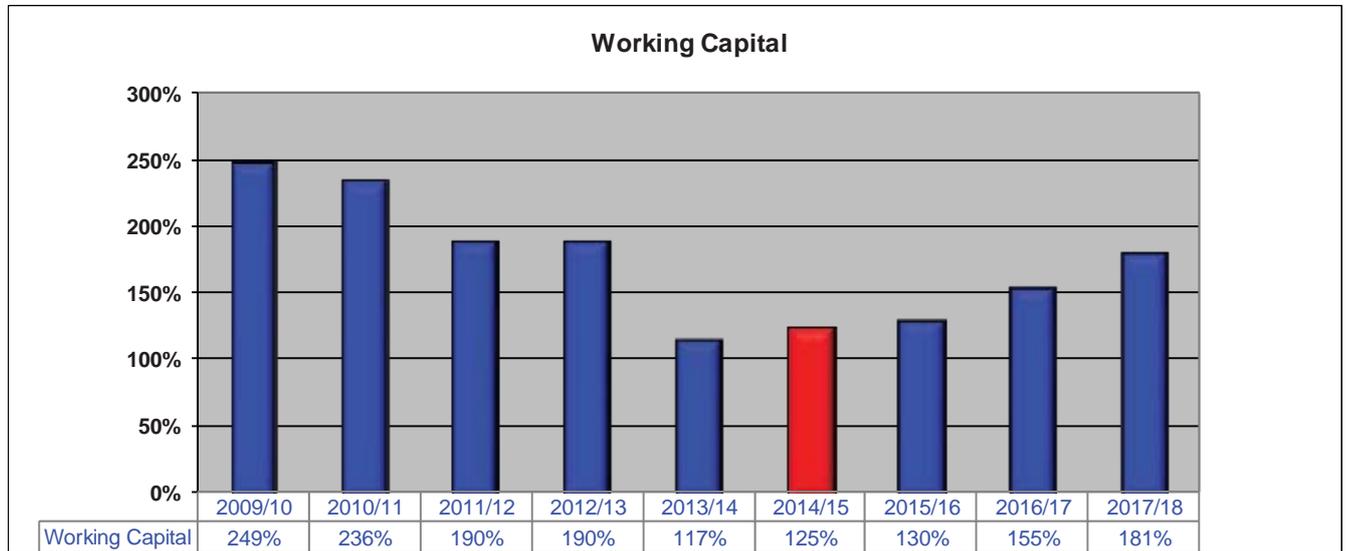
Council resolved that last year it was the right time to borrow funds for the two projects mentioned above. From 2014/15 onwards, the financial strategy reverts back to the constant repaying the debt.

Council has also decided to initiate a more flexible debt arrangement in the case where surplus funds become available, and the economic climate is appropriate, then that surplus cash will be used to reduce debt at a quicker rate. In subsequent years, should that surplus cash be required, then Council will borrow funds up to the set debt level for that year. For example the debt level for 2016/17 is \$31.148 million. Under this arrangement Council can borrow funds up to that level if required.

This arrangement will enable the utilisation of surplus funds in a more efficient manner, if the circumstances are correct then the debt will be reduced later with the ability for Council to borrow the funds to the debt limits set at a later date if the cash was required.

This arrangement could be used with funds from the Growth Fund, funds set aside for the repayment of the superannuation liability.

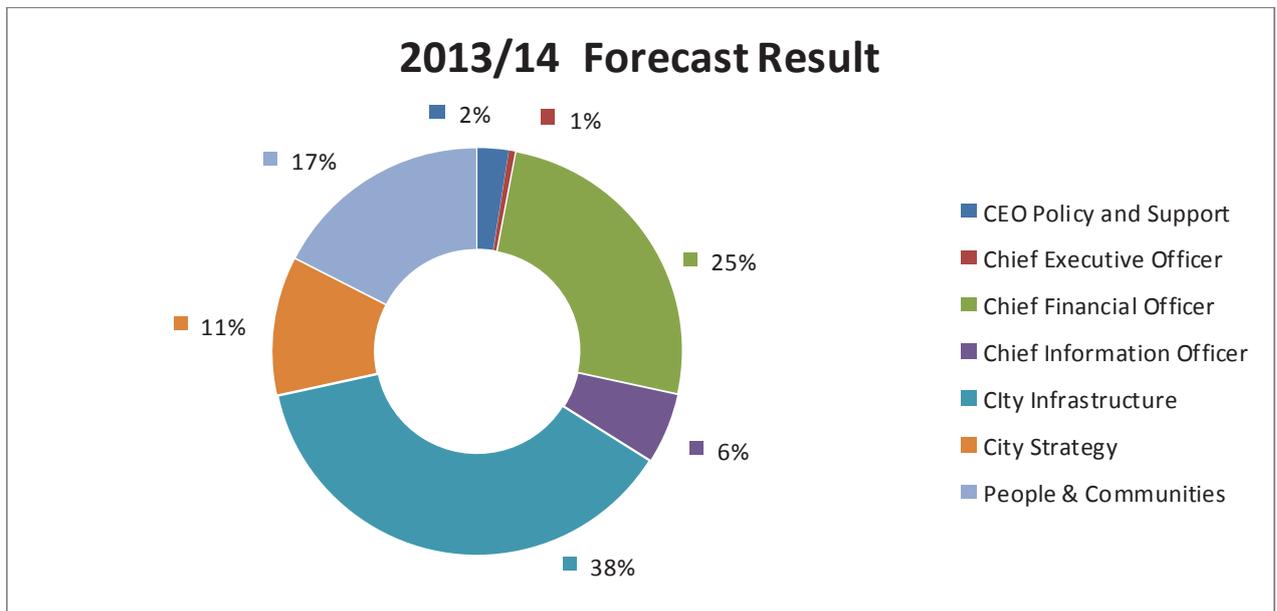
Working Capital

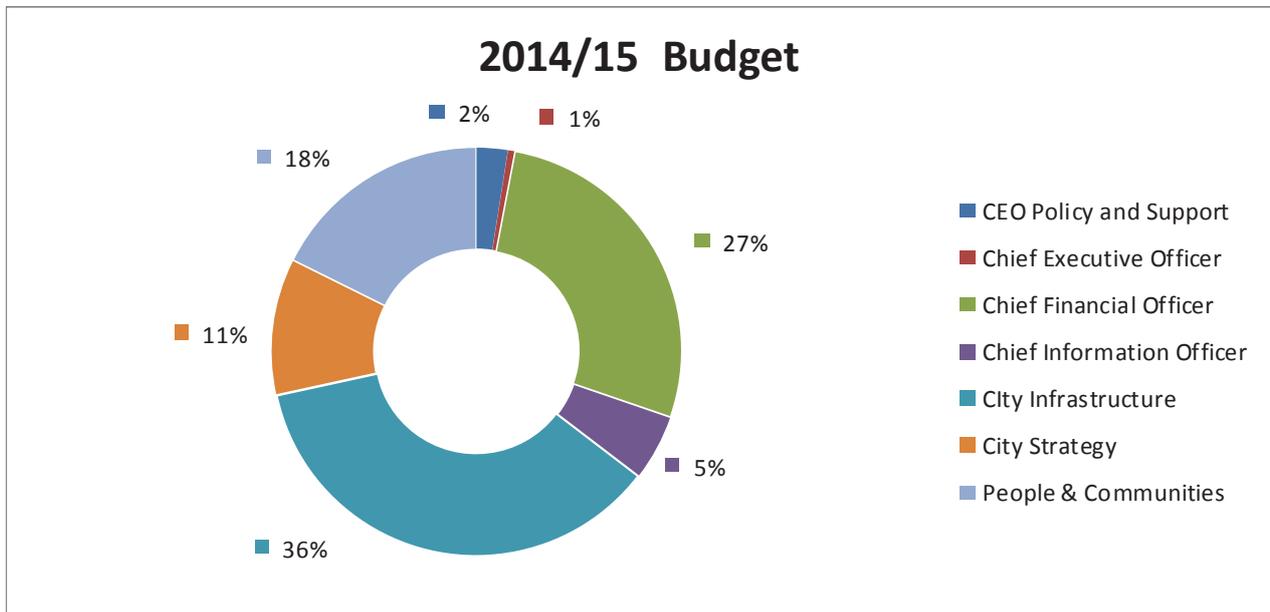


With all of Council’s financial arrangements it is essential that the organisation has sufficient working capital available to implement Council’s services and projects.

Similar to the operating surplus and cash results, the indicator is low in the early years until the revenue raised reaches the appropriate levels, thus the working capital increase in future years. As stated previously, Council has been fully aware of the effects of implementing such a large program early in its term however this has been fully allowed for in all the planning.

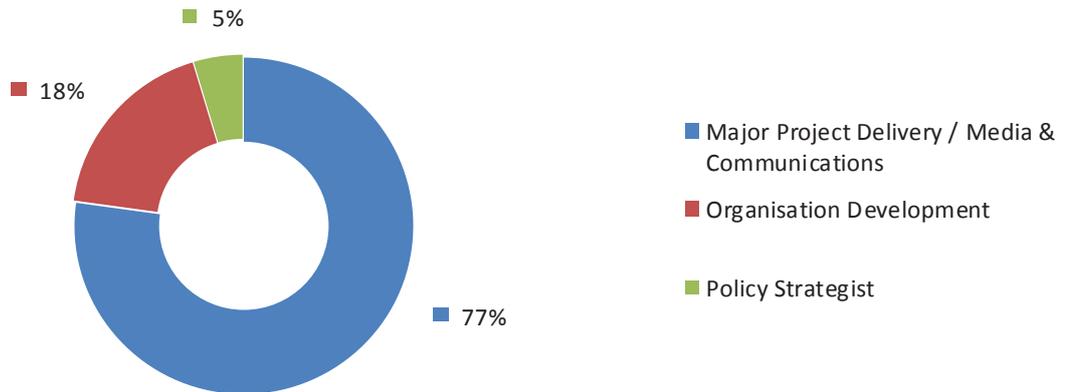
Budgeted Comprehensive Income Statement				
By Division				
For period ending 30 June 2015				
	Forecast	Forecast		Budget
	Actual	Share		Share
	2013/14	2013/14		2014/15
Gross Expenditure	\$	%		\$
				%
CEO Policy and Support	3,807,246	2.5%		3,942,715
Chief Executive Officer	743,417	0.5%		789,291
Chief Financial Officer	39,291,465	25.5%		43,599,192
Chief Information Officer	8,551,307	5.5%		8,257,319
City Infrastructure	57,986,663	37.6%		57,709,662
City Strategy	16,964,343	11.0%		17,224,658
People & Communities	26,928,200	17.5%		28,147,982
	154,272,641	100.0%		159,670,819
				100.0%



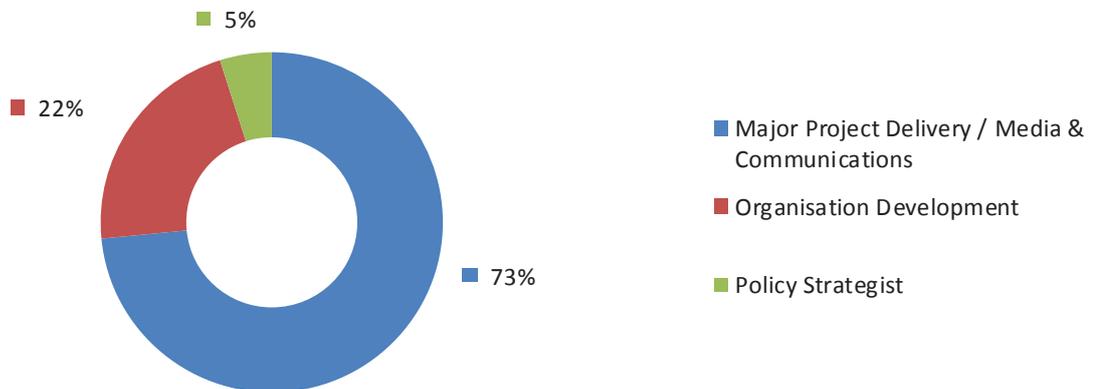


Budgeted Comprehensive Income Statement				
By Business Unit				
For period ending 30 June 2015				
	Forecast	Forecast		Budget
CEO Policy and Support	Actual	Share	Budget	Share
	2013/14	2013/14	2014/15	2014/15
Gross Expenditure	\$	%	\$	%
Major Project Delivery / Media & Communications	2,938,549	77.2%	2,896,914	73.5%
Organisation Development	691,442	18.2%	852,536	21.6%
Policy Strategist	177,255	4.7%	193,265	4.9%
	3,807,246	100.0%	3,942,715	100.0%

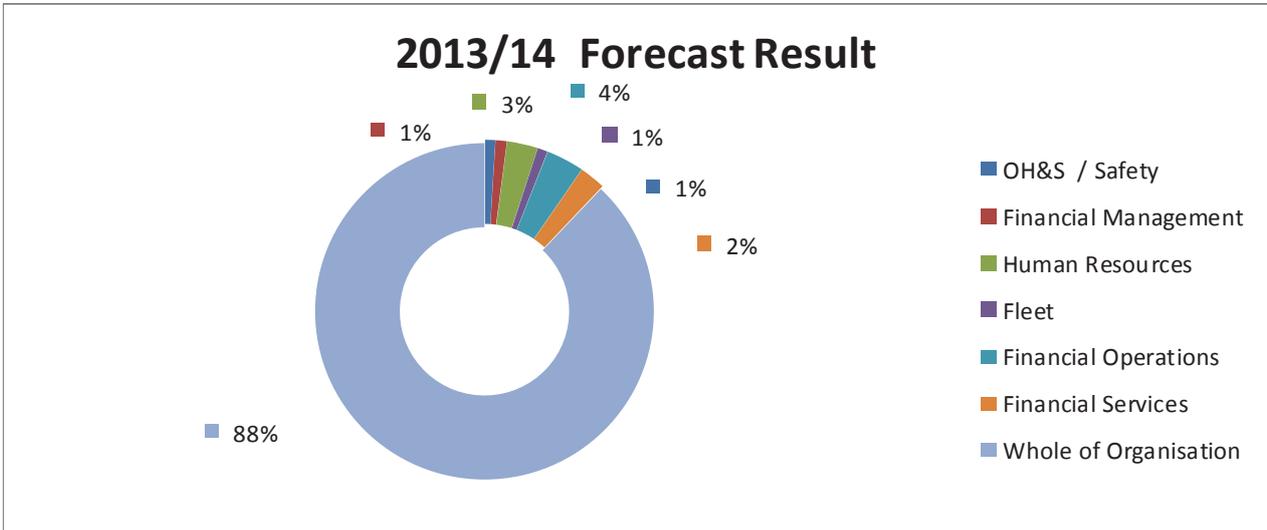
2013/14 Forecast Result

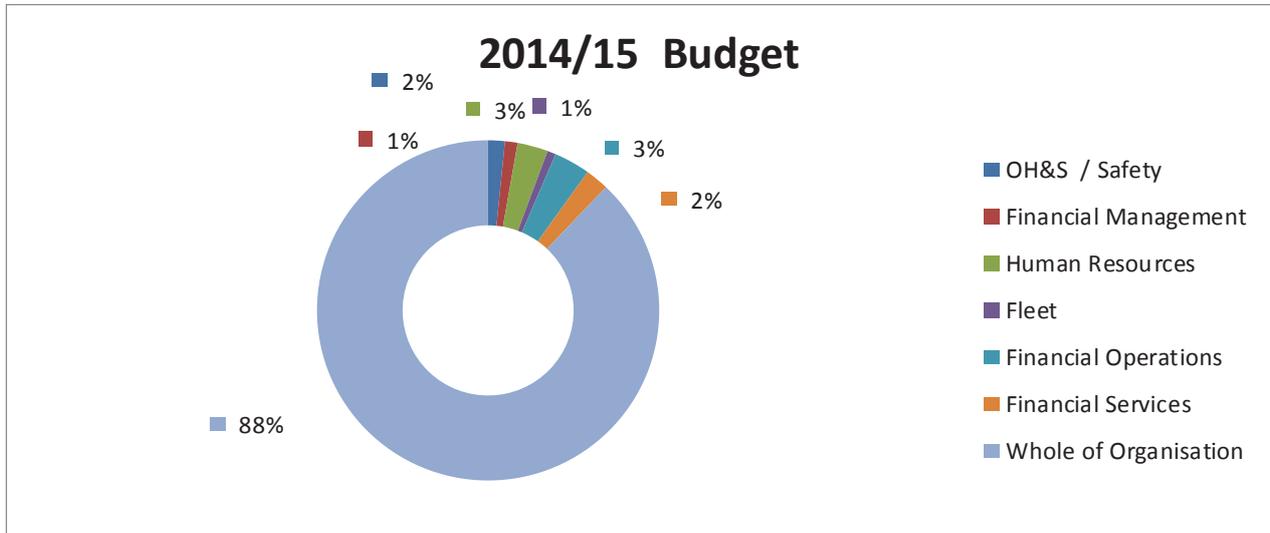


2014/15 Budget



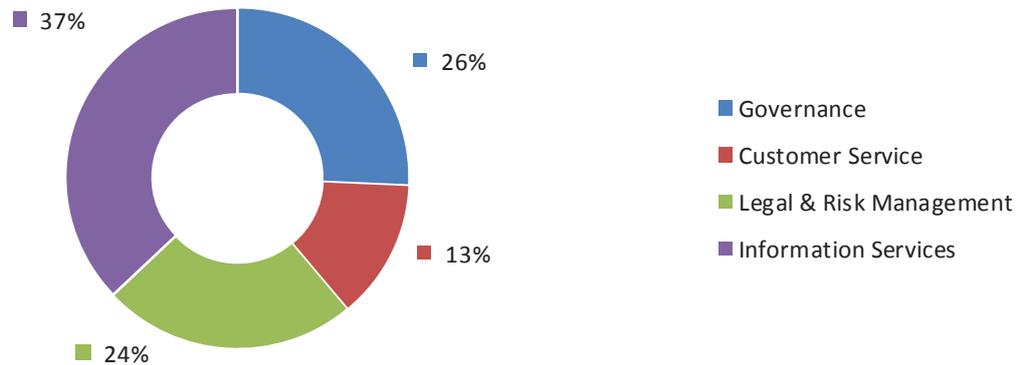
Budgeted Comprehensive Income Statement				
By Business Unit				
For period ending 30 June 2015				
	Forecast	Forecast	Budget	Budget
Chief Financial Officer	Actual	Share	Budget	Share
	2013/14	2013/14	2014/15	2014/15
Gross Expenditure	\$	%	\$	%
OH&S / Safety	378,639	1.0%	684,182	1.6%
Financial Management	423,623	1.1%	519,427	1.2%
Human Resources	1,156,932	2.9%	1,263,762	2.9%
Fleet	379,057	1.0%	350,458	0.8%
Financial Operations	1,420,369	3.6%	1,489,928	3.4%
Financial Services	980,215	2.5%	966,627	2.2%
Whole of Organisation	34,552,630	87.9%	38,324,808	87.9%
	39,291,465	100.0%	43,599,192	100.0%



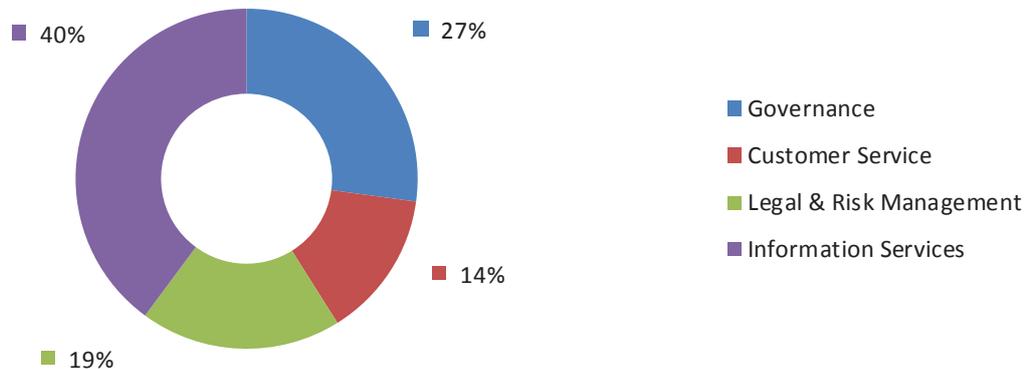


Budgeted Comprehensive Income Statement				
By Business Unit				
For period ending 30 June 2015				
	Forecast	Forecast		Budget
Chief Information Officer	Actual	Share	Budget	Share
	2013/14	2013/14	2014/15	2014/15
Gross Expenditure	\$	%	\$	%
Governance	2,197,113	25.7%	2,241,870	27.2%
Customer Service	1,129,569	13.2%	1,151,637	13.9%
Legal & Risk Management	2,054,277	24.0%	1,570,143	19.0%
Information Services	3,170,348	37.1%	3,293,668	39.9%
	8,551,307	100.0%	8,257,319	100.0%

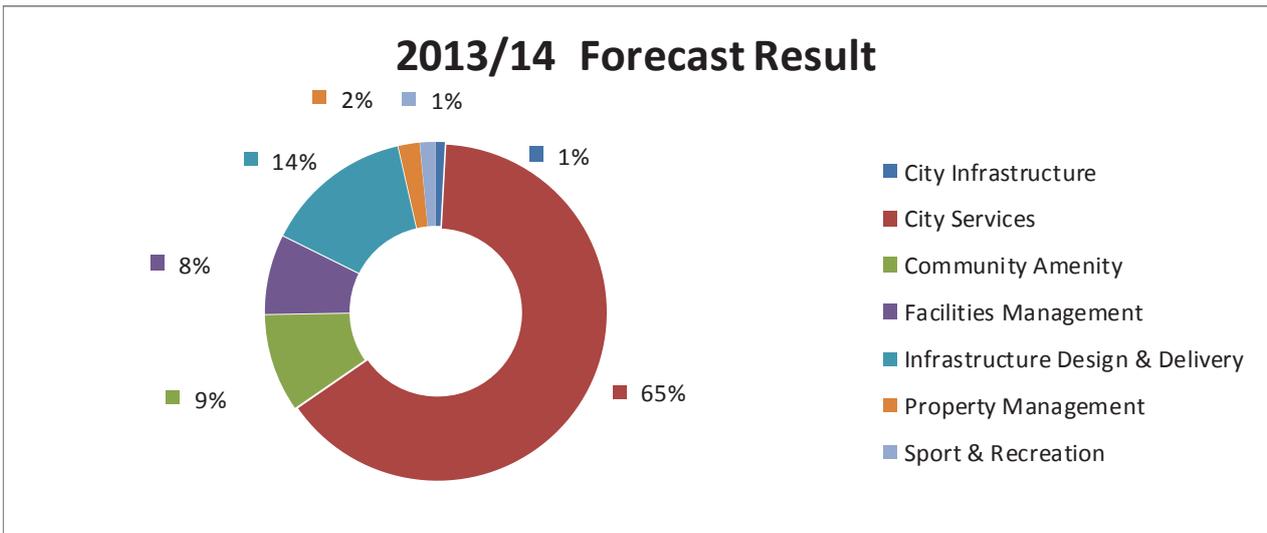
2013/14 Forecast Result

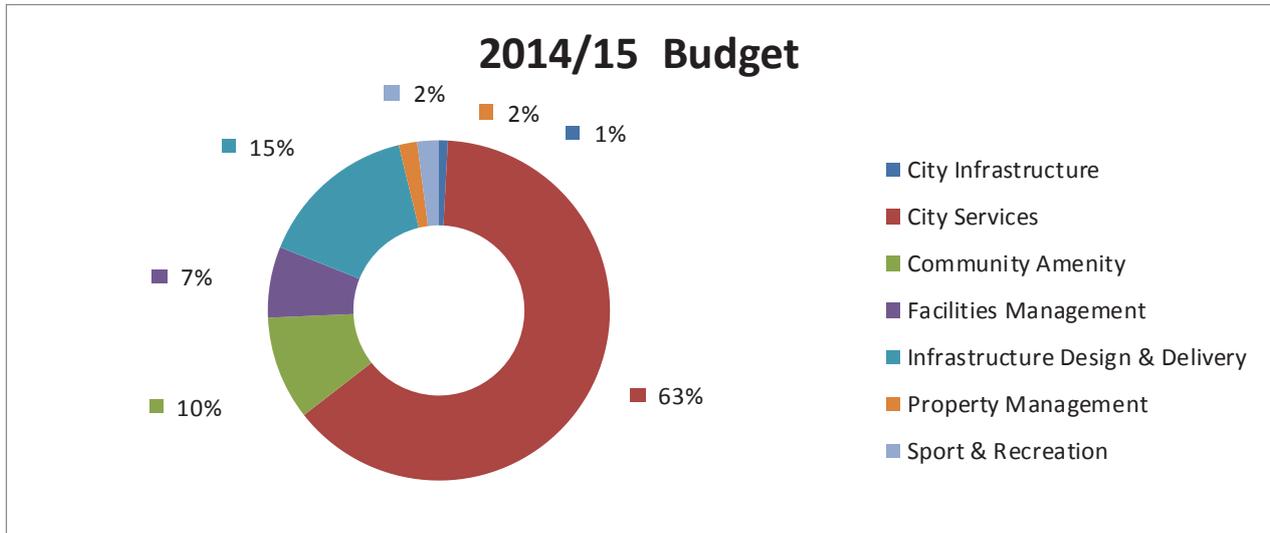


2014/15 Budget

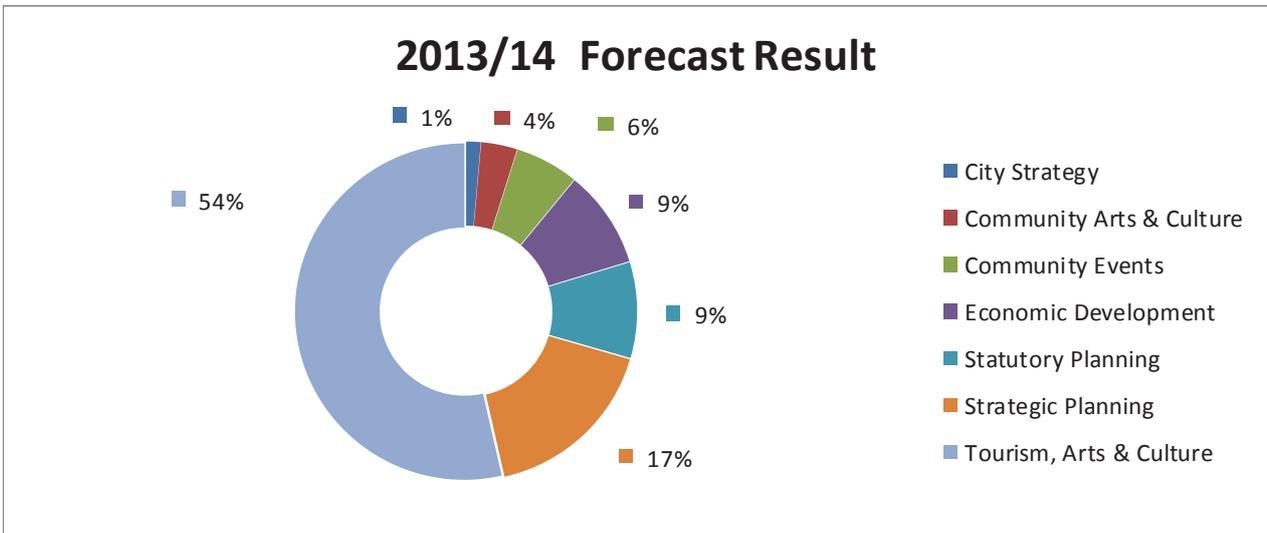


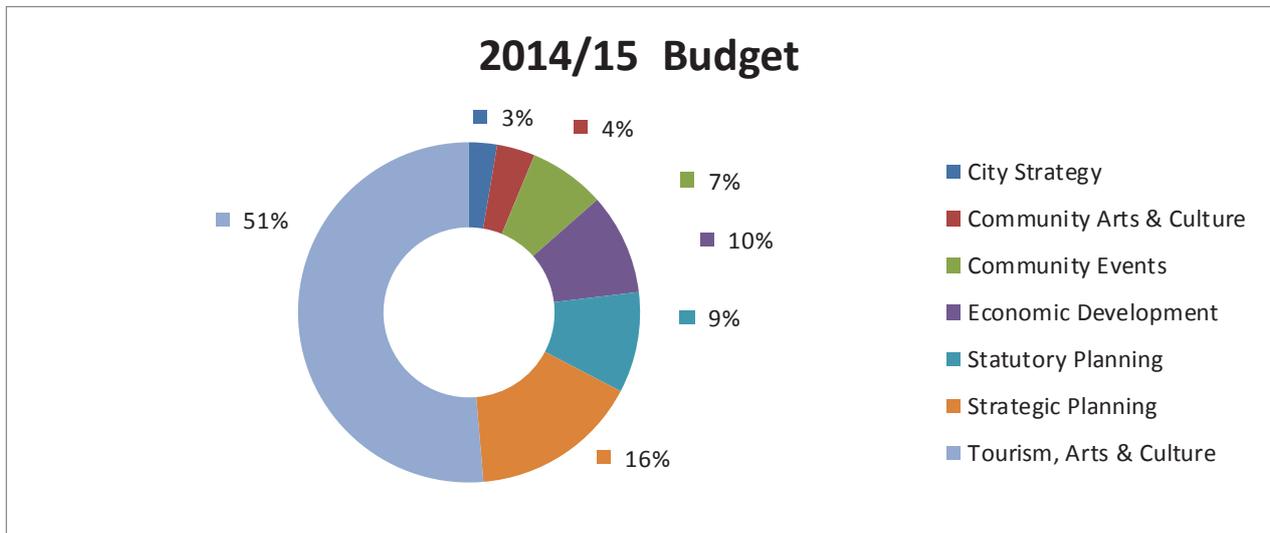
Budgeted Comprehensive Income Statement				
By Business Unit				
For period ending 30 June 2015				
	Forecast	Forecast		Budget
City Infrastructure	Actual	Share	Budget	Share
	2013/14	2013/14	2014/15	2014/15
Gross Expenditure	\$	%	\$	%
City Infrastructure	487,487	0.8%	483,036	0.8%
City Services	37,416,589	64.5%	36,711,118	63.6%
Community Amenity	5,433,598	9.4%	5,691,234	9.9%
Facilities Management	4,415,901	7.6%	3,898,622	6.8%
Infrastructure Design & Delivery	8,182,625	14.1%	8,744,595	15.2%
Property Management	1,174,008	2.0%	1,004,288	1.7%
Sport & Recreation	876,455	1.5%	1,176,770	2.0%
	57,986,663	100.0%	57,709,662	100.0%



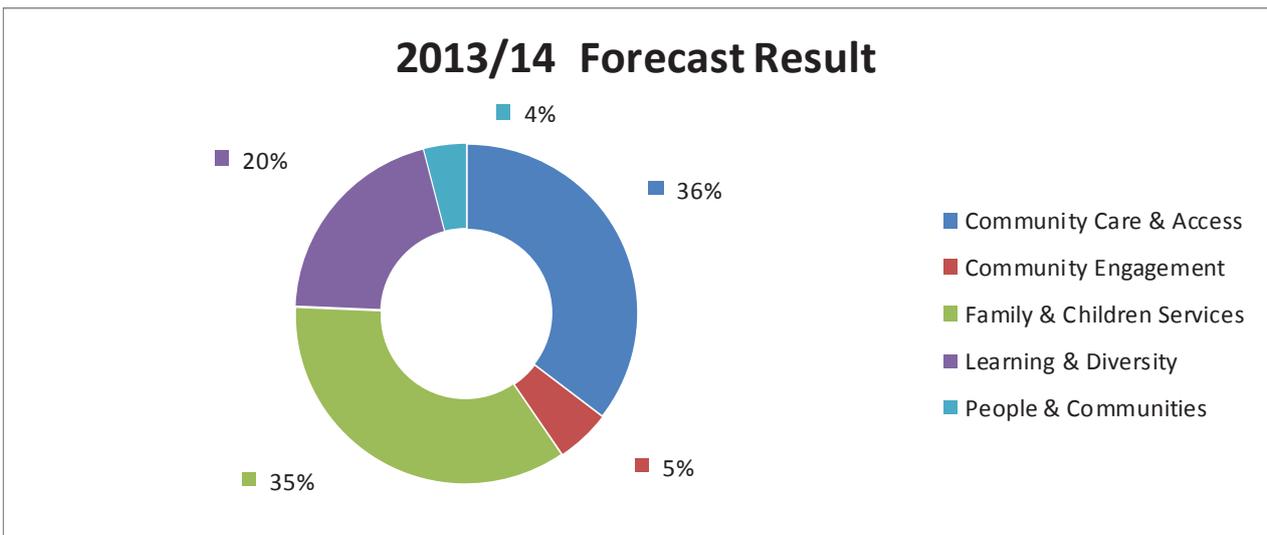


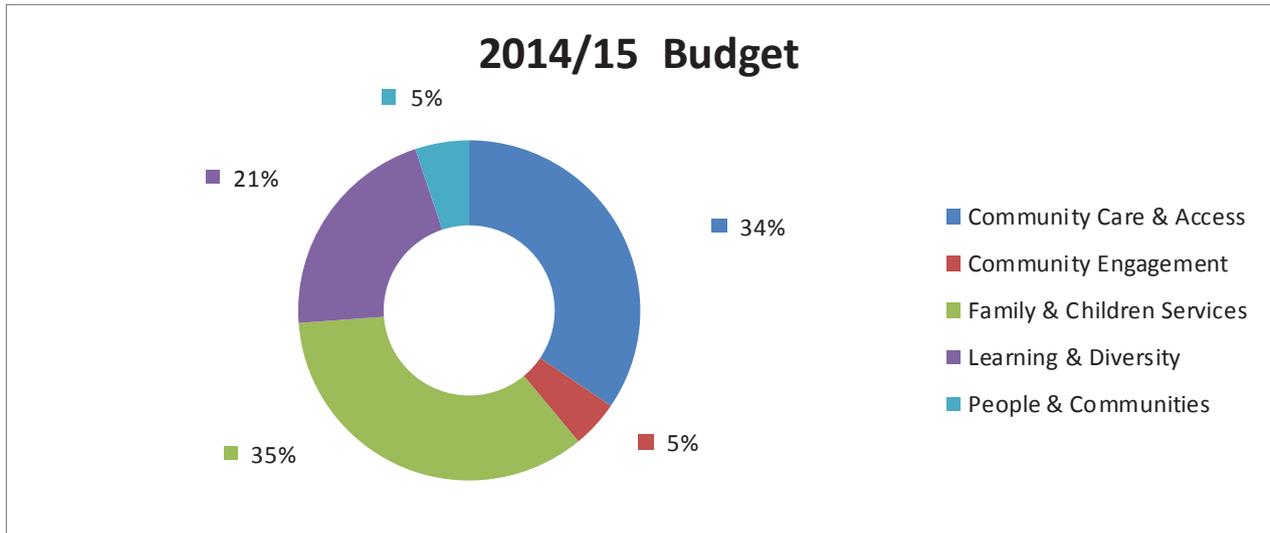
Budgeted Comprehensive Income Statement				
By Business Unit				
For period ending 30 June 2015				
	Forecast	Forecast		Budget
City Strategy	Actual	Share	Budget	Share
	2013/14	2013/14	2014/15	2014/15
Gross Expenditure	\$	%	\$	%
City Strategy	236,932	1.4%	454,992	2.6%
Community Arts & Culture	585,436	3.5%	620,765	3.6%
Community Events	1,026,756	6.1%	1,243,952	7.2%
Economic Development	1,589,827	9.4%	1,654,770	9.6%
Statutory Planning	1,561,690	9.2%	1,650,641	9.6%
Strategic Planning	2,881,567	17.0%	2,755,421	16.0%
Tourism, Arts & Culture	9,082,135	53.5%	8,844,117	51.3%
	16,964,343	100.0%	17,224,658	100.0%





Budgeted Comprehensive Income Statement				
By Business Unit				
For period ending 30 June 2015				
	Forecast	Forecast		Budget
People & Communities	Actual	Share	Budget	Share
	2013/14	2013/14	2014/15	2014/15
Gross Expenditure	\$	%	\$	%
Community Care & Access	7,916,991	35.4%	8,084,294	34.5%
Community Engagement	1,139,764	5.1%	1,058,131	4.5%
Family & Children Services	7,870,672	35.2%	8,168,073	34.8%
Learning & Diversity	4,550,203	20.3%	4,942,445	21.1%
People & Communities	890,752	4.0%	1,195,863	5.1%
	22,368,382	100.0%	23,448,806	100.0%





CITY OF BALLARAT BUDGET 2014 - 2015

This document contains the 2014 – 2015 Budget Introduction for the Ballarat City Council.

*Budget
Introduction*

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2014 – 2015 Budget Introduction

At the Council meeting held on 28 May 2014, Council considered and resolved to place on public submission the 2014 – 2015 budget. At this meeting Council resolved to modify the original budget by reducing all differential rates by 1%.

Council advertised in the Ballarat Courier on Saturday 31 May 2014, that the 2014 – 2015 budget would be on public display at the Town Hall and Phoenix buildings, also was available on the Ballarat City Council website for a period of 28 days. The public display period would be closed at 9.00 am on 30 June 2014.

During this period, members of the public can submit a written submission to Council on any matters contained within the budget. If a member of the public wishes to present to the Council at the Special Council meeting to be held on Wednesday 2 July 2014, at 7.00pm, then such request should be stated within their written submission.

At the Special Council Meeting to be held on 2 July 2014, Council will receive all submissions and hear from those members of the community that have indicated that they wish to have the opportunity to address the Council in support of their submission.

All written submissions will be presented to Council, where there are multiple copies of the same submission presented by members of the community; only one of those submissions will be presented to Council with a list all community members that presented the same submission.

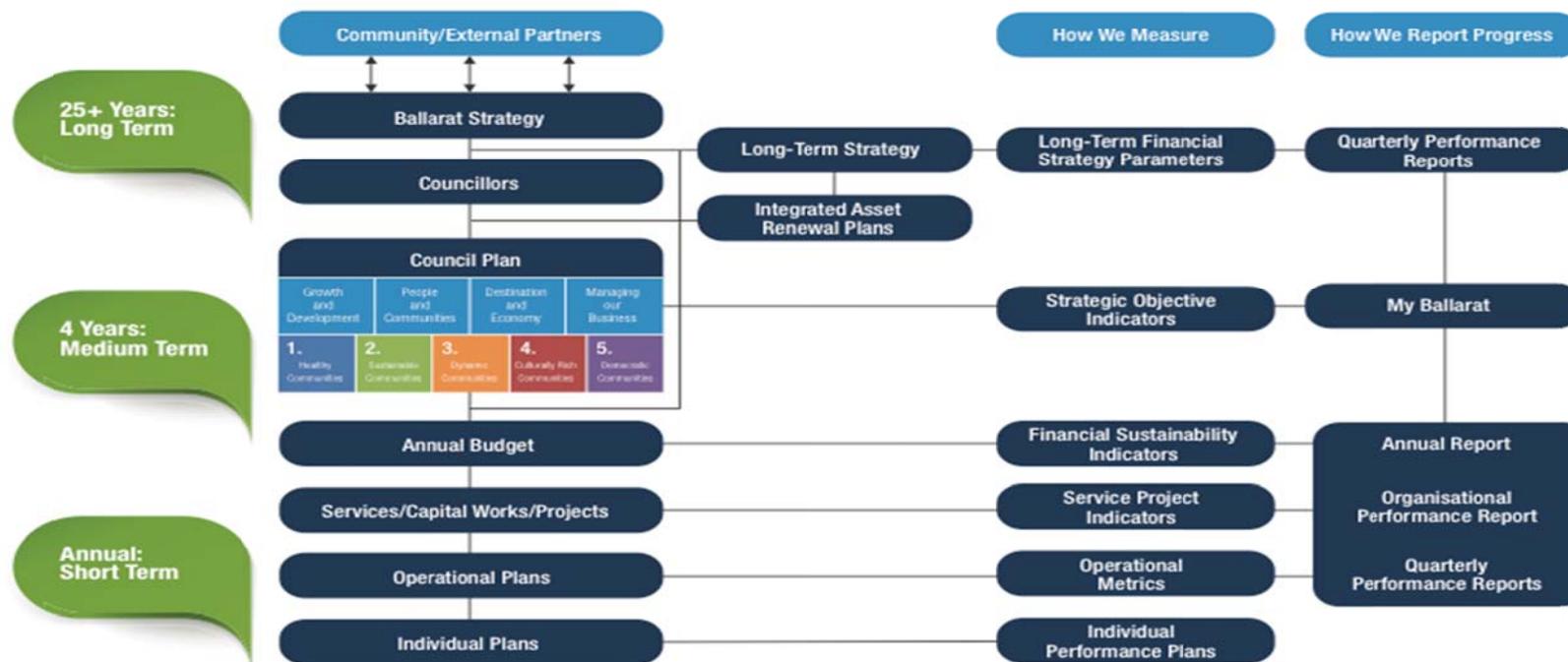
All submission are treated as confidential, as such, submissions will not be made available to the public or media and will be treated in confidence.

Strategic Planning Framework

The Annual Budget has been developed within an overall planning framework, which guides the Council in identifying community needs and aspirations over the long term (Community Plan), medium term (Council Plan) short term (Annual Budget) and then holding itself accountable (Audited Statements).

The Strategic Resource Plan, included in the Council Plan summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the objectives and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the strategic planning framework of the City of Ballarat.

Council's Planning Framework



The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by the 30th June following a general election and is reviewed each year by February to ensure that there is sufficient time for officers to develop their Activities and Initiatives and Key Strategic Activities in draft form prior to the commencement of the Annual Budget process in February. It also allows time for targets to be established during the long term financial planning process that has led to the development of the Long Term Financial Strategy. This process has guided the preparation of the Annual Budget.

Budget Process

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The preparation of the budget begins with Officers preparing the operating and capital components of the budget during January and February. The various components of the budget is then prepared and discussed with Council at informal briefings during March and April. A proposed budget is then prepared in accordance with the Act and the following steps followed to review and adopt the budget in June:

Step 1: Officers to prepare the annual budget in accordance with the Act and submit the “proposed” budget to Council for approval in “principle”.

Step 2: Council is then required to give 28 days” notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices.

Step 3: Individuals have the right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

Step 4: Council is to formally adopt the budget after receiving and considering any submissions from interested parties.

The budget is required to be adopted and a copy submitted to the Minister by 31 August each year. The 2014/15 budget, which is included in this report, is for the year 1 July 2014 to 30 June 2015, and is prepared in accordance with the Act and Regulations. The budget includes standard statements:

- Budgeted Comprehensive Income Statement
- Budgeted Balance Sheet
- Budgeted Statement of Changes in Equity
- Budgeted Statement of Cash Flows
- Budgeted Statement of Cash Flows

These statements have been prepared in accordance with Australian Accounting Standards, “Financial Reporting by Local Governments”, and other mandatory professional reporting requirements and in with the Act and Regulations.

This report also includes detailed information about the rates and charges to be levied, and other financial information, which Council requires in order to make an informed decision about the adoption of the budget. The budget includes consideration of a number of long term strategies to assist Council in considering the Budget in a proper financial management context. These include:

- Strategic Resource Plan for the years 2014/15 to 2017/18
- Rating Strategy
- Borrowing Strategy

OUR MUNICIPALITY

HISTORY

The municipal district of the City of Ballarat (historical spelling) was first created in 1856, followed shortly by the creation of the City of Ballarat East in 1857.

These two municipalities merged in 1921 to form the City of Ballarat. The City was surrounded by the Borough of Sebastopol and the Shires of Buninyong, Grenville, Bungaree and Ripon.

The present City of Ballarat was created by an Order of Parliament on 6 May 1994 under the Victorian Local Government Act and is the amalgamation of the previous Shire of Ballarat, City of Ballarat, the Borough of Sebastopol, and parts of the shires of Bungaree, Buninyong, Grenville and Ripon.

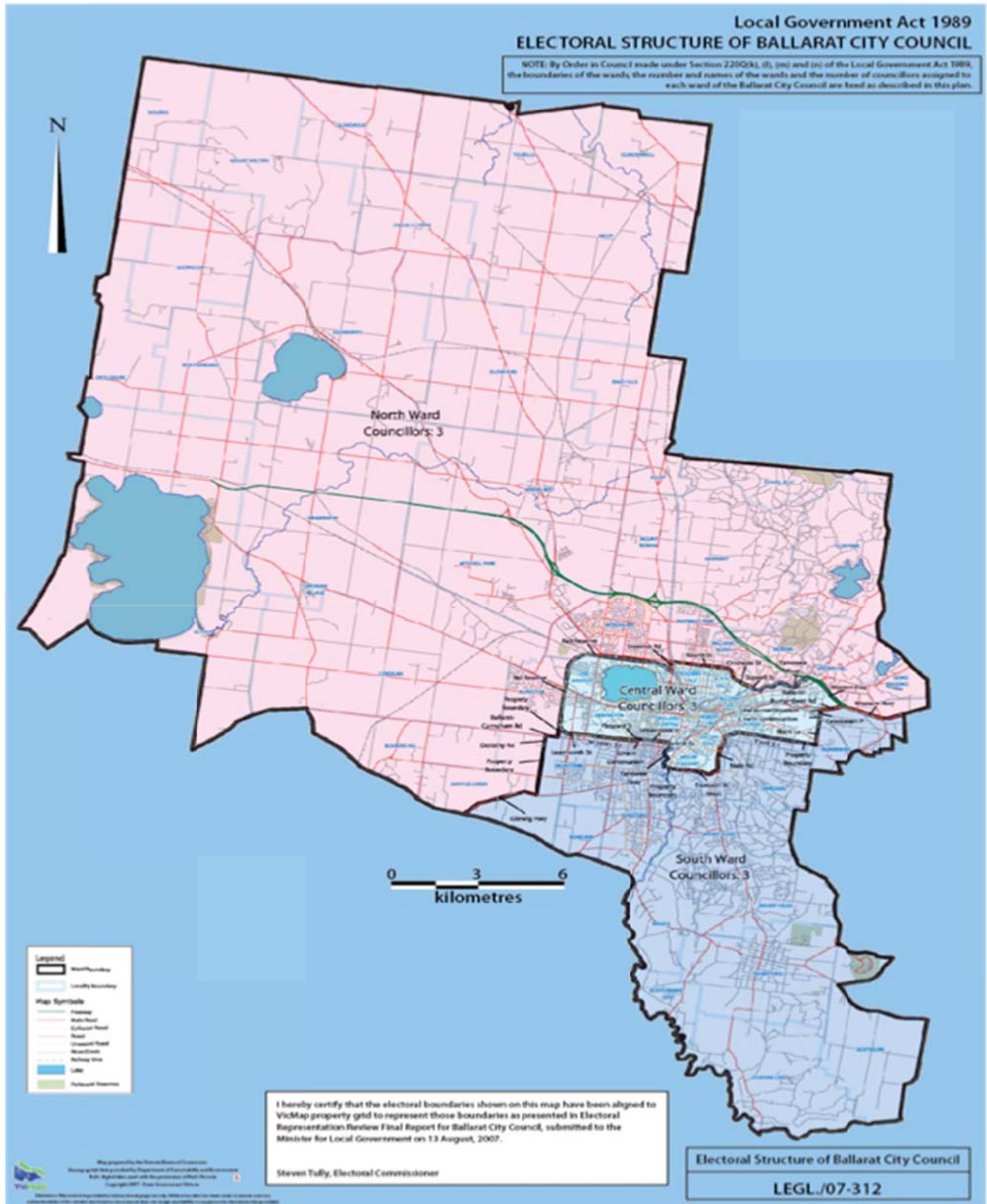
WARDS

From 1996 to 2008 the municipality was divided into nine electoral wards, each represented by a single councillor.

During the 2006-07 financial year the Victorian Electoral Commission conducted a review of the electoral structure of the City of Ballarat and recommended, in the interests of fair and equitable representation, that the municipality be restructured into a three-ward electorate (North, Central and South wards), each represented by three councillors. The Minister for Local Government accepted the commission's recommendation and the transition to this new electoral structure occurred at the general election held on Saturday 29 November 2008. The second general election held under this structure occurred on Saturday 26 October 2012.

LOCATION

The City of Ballarat adjoins the municipalities of Moorabool Shire (to the east) which separates Ballarat from the outer suburbs of Melbourne; Hepburn Shire (to the north); Pyrenees Shire (to the west); and Golden Plains Shire (to the south) which separates Ballarat from Geelong.



Our Profile

Ballarat is one of Australia's leading regional cities, with its unique and compelling combination of strategic location, high liveability, a rich and proud history, a welcoming community and the infrastructure of a capital city.

Ballarat is currently the fastest growing Victorian regional centre and planning for significant projected population growth is well advanced, to ensure we maintain our enviable liveability while providing for a strong social and economic future.

LOCAL HISTORY

The City of Ballarat's total land area is just under 740 square kilometres and is part of an area of land under the traditional custodianship of the Wathaurong tribe. It is generally accepted that the origin of the name Ballarat came from two aboriginal words signifying a camping or resting place – "balla" meaning "elbow" or "reclining on the elbow" and "arat" meaning "place". Over many centuries the Wathaurong people lived in an area that stretched from Ballarat to Victoria's southern coastal area near Lorne, to the Werribee River. Today approximately 1,200 indigenous descendants live in the Ballarat area.

LIVEABILITY

Ballarat offers a compelling combination of lifestyle and location as well as world-class health and educational facilities. It is one of Australia's largest inland cities, offering the distinct advantage of having the infrastructure of a capital city with the lower cost base of a regional centre. Ballarat boasts all the artistic and cultural wealth that comes with its spectacular rise from a humble mining settlement to a world famous city with elegant architecture, broad tree-lined streetscapes and unique lifestyle. A vibrant café precinct and boutique retail add to the city's unique liveability. It is for these reasons that so many people are choosing to relocate to Ballarat.

POPULATION AND GROWTH

As population growth puts an increasing strain on capital cities, well-planned and resourced regional cities such as Ballarat provide a perfect alternative to increased urban sprawl and decreased housing affordability. Ballarat is currently the fastest growing Victorian regional centre with an annual growth rate of 1.95%. According to the 2011 Census, Ballarat's population is 95,007 and close to 2,000 new residents are choosing to move to the city each year as we rapidly approach 100,000 people. Conservative future estimates indicate that the city will increase by an additional third by 2026.

This significant annual growth rate figure, similar to that being experienced in Melbourne, is driving Council's planning. Council will continue to focus on the implications of growth and planning for how growth can be focussed in the optimal way to ensure the strengths of the Ballarat community are maintained from both an economic and social perspective. This will see Ballarat remain as an attractive and affordable alternative, providing all the services and facilities expected from a capital city but with a more relaxed lifestyle.

The Ballarat West Urban Growth Zone has been identified as the area that contains the key growth precincts for Ballarat that will cater for primarily residential growth and provide services and infrastructure for new communities. The zone comprises 1,717 hectares of vacant land located to the west of Alfredton, Delacombe and Sebastopol. It will provide around 18,000 new houses at full development to accommodate Ballarat's projected expanding population. It will also have the roads, schools, parks and community centres needed by the new communities.

Situated nearby the growth area, the Ballarat West Employment Zone (BWEZ) is an ideal site for future industry and employment activity. Through careful and responsive planning, BWEZ will create jobs, improve transport connections, generate investment and further enhance Ballarat as a growing and thriving regional centre. At full development BWEZ will accommodate up to 9,000 jobs and inject \$5 billion annually into the Ballarat economy.

	2006	2011	2016	2026	2031	2038	Ave Growth PA
VIF PLANNING BASELINE 1.4%	88,440	95,490	102,400	118,133	122,400	127,830	1.4%
MODERATE GROWTH SCENARIO 1.7%	88,440	96,930	105,210	121,490	128,720	135,340	1.7%
STRONG GROWTH SCENARIO 2.1%	88,440	98,720	108,720	128,190	136,810	144,730	2%

INDUSTRY

Ballarat has traditionally been a city that prospered on mineral and agricultural based resources, however this has changed over time with healthcare and social assistance (17.7%), retail trade (13.7%) and education and training (10.6%), all now key employment sectors in our city. These industries, along with professional, scientific and technical services are strengthening Ballarat's role as a regional service hub.

Ballarat continues to positively contribute to Victoria's strong growth in the information, communication and technology sector. Information technology is emerging as a significant industry within the region with strategic partnerships developing between the local ICT sector, tertiary institutions and industry partners, increasing Ballarat's importance as a knowledge centre within Victoria. The rollout of the National Broadband Network provides a significant economic growth opportunity to business within our region and will improve connectivity and engagement with disadvantaged sections within our community.

Industry Sector	Jobs	%
Health Care & Social Assistance	6,849	17.70%
Retail Trade	5,299	13.70%
Manufacturing	4,646	12.00%
Education & Training	4,101	10.60%

EDUCATION AND HEALTH

Education is valued by the community and Ballarat offers an extensive range of quality public and private education options. There are good choices at all educational levels, including two universities and several other centres that provide learning opportunities for adults. Lifelong learning is also encouraged through a network of community-based learning organisations as well as the library services. Ballarat families have access to a large range of childcare options and aged residential care choices. Two major hospitals with more than 1,000 public and private hospital beds, nursing and hostel beds, a day procedure complex and more than 100 general medical practitioners are located in Ballarat to cater for the health needs of the community.

TOURISM

Ballarat is a major international and domestic tourist destination, attracting nearly two million visitors each year who boost the economy by over \$409 million per annum and support more than 2,000 jobs. It is one of regional Victoria's most diverse tourism destinations where the beauty of the central highlands, the rich goldfields heritage and vibrant community events come to life. It is also a gateway to the many attractions of western Victoria.

ARTS, CULTURE AND HISTORY

Arts, culture and history continue to be important to Ballarat and its sense of identity. It has a rich history and heritage with deep roots and connections across Australian society. Ballarat is home to the spirit of Eureka and the birthplace of Australian democracy. This legacy of an independent spirit remains strong. The gold rush transformed Ballarat and today that heritage is still evident in the striking streetscapes that are the envy of the rest of the country.

SPORT AND RECREATION

Sport and recreational facilities are plentiful in the municipality. Ballarat residents can choose to relax or exercise at one of the five aquatic facilities, 147 neighbourhood parks, 45 sportsgrounds, 35km of walking trails and cycling paths, or nine golf courses in the region.

OUR COUNCIL

Ballarat City Council is a public statutory body constituted under the Local Government Act 1989. The Act determines the purposes and objectives of Council and defines a number of functions and powers which Council is required to undertake in order to provide leadership and good governance for the municipal district and the local community. It is also responsible for determining the organisation's direction and overseeing its performance on behalf of the Ballarat community.

CURRENT MUNICIPALITY

The municipality of the City of Ballarat is divided into three municipal electorate wards, each represented by three councillors. Councillors are elected for a four-year term unless as the result of a by-election.

CURRENT COUNCILLORS

Nine councillors were elected at the general municipal election held on 27 October 2012. Cr John Burt was elected Mayor and Cr Samantha McIntosh was elected Deputy Mayor for the first year of the new Council. Three councillors were re-elected: Cr Samantha McIntosh, Cr John Philips and Cr Des Hudson.

City of Ballarat - Councillors



	GROWTH & DEVELOPMENT PORTFOLIO	PEOPLE & COMMUNITIES PORTFOLIO	DESTINATION & ECONOMY PORTFOLIO
CENTRAL WARD	 Cr John Burt (Mayor) Elected 27 October 2012 5320 5528 johnburt@ballarat.vic.gov.au	 Cr Belinda Coates Elected 27 October 2012 0417 456 513 belindacoates@ballarat.vic.gov.au	 Cr Samantha McIntosh (Deputy Mayor) Elected 29 November 2008 0458 004 880 samanthamcintosh@ballarat.vic.gov.au
NORTH WARD	 Cr Vicki Coltman Elected 27 October 2012 0418 357 712 vickicoltman@ballarat.vic.gov.au	 Cr John Phillips Elected 21 March 2008 0417 388 706 johnphillips@ballarat.vic.gov.au	 Cr Amy Johnson Elected 27 October 2012 0417 018 369 amyjohnson@ballarat.vic.gov.au
SOUTH WARD	 Cr Joshua Morris Elected 27 October 2012 0407 325 693 joshuamorris@ballarat.vic.gov.au	 Cr Des Hudson Elected 18 March 2002 0409 865 093 deshudson@ballarat.vic.gov.au	 Cr Peter Innes Elected 27 October 2012 0407 539 683 peterinnes@ballarat.vic.gov.au

Leading sustainable growth, strengthening our community and respecting our heritage.

Significant Influences

The preparation of the 2014/15 budget required consideration of a number of significant influences being:

- A new Enterprise Bargaining Agreement
- Significant increases in utility costs.
- Provision for future calls for funding relating to the Defined Benefits Superannuation.
- Future growth of the municipality.
- Ageing infrastructure.
- Insurance costs for councils continue to escalate at a significant pace.
- Consumer Price Index of approximately 2.5%.

Budget Principles

In response to influences, guidelines were prepared and distributed to all Council officers with budget responsibilities. The guidelines set out the key budget principles upon which the officers were to prepare their Business Plans and Budget.

The process of determining the 4 year recurrent budget has been a significant undertaking across the organisation. All budgets have been developed in conjunction with detailed business plans that capture every activity associated with providing services. This process was undertaken within the scope of the Long Term Financial Strategy (LTFS) and links directly to the financial objectives of the Council.

The key budget principles upon which the organisation prepared the 2014/15 budget included:

- Identification of Community Plan Priorities and Strategies, Council Plans and Strategies that drive the delivery of the activity
- Analysis of the rationale for providing the activity. This particularly examines the community need that each service fulfils, links to legislative requirements to provide services and whether the service can be provided by another organisation or mode of delivery.
- Analysis of resources required over the next five years, this includes staff, equipment etc.
- Existing fees and charges to be set at the medium range for the state and/or increased at 4.0%.
- Future infrastructure services levels to be increased during the life of the LTFS.
- Council to create a “Growth Fund” that will fund future infrastructure requirements for the City as a result of the future growth for the municipality.
- Resume the debt reduction strategy of \$1 million per year commencing in 2014/15.
- Total of Employee Costs and Materials & Contracts to be capped at 5%.
- 2013/14 Rate Increase 7.5%

- 2014/15 Rate Increase 6.5% (proposed) Revised to 5.5%
- 2015/16 Rate Increase 6.0% (proposed)
- 2016/17 Rate Increase 5.5% (proposed)

Key Financial Performance Indicators

As part of Council's guiding principles in determining a budget for 2013/14 is to consolidate the financial position of the City of Ballarat in a sound financial state. The key financial performance indicators are essential for the Council in adopting a budget which achieves this objective.

Risk indicators:

Year	Inflation	Rate %	Underlying Result %	Liquidity	Self Financing	Indebtedness	Investment Gap
Forecast 13/14	3.0%	7.50%	Low	Medium	Low	Low	Low
1 14/15	3.0%	5.50%	Low	Medium	Low	Low	Medium
2 15/16	3.0%	6.00%	Low	Medium	Low	Low	Medium
3 16/17	3.0%	5.50%	Low	Low	Low	Low	Medium
4 17/18	3.0%	5.50%	Low	Low	Low	Low	Medium
5 18/19	3.0%	5.50%	Medium	Low	Low	Low	Medium
6 19/20	3.0%	5.50%	Low	Low	Low	Low	Medium
7 20/21	3.0%	5.50%	Low	Low	Low	Low	Medium
8 21/22	3.0%	5.50%	Low	Low	Low	Low	Medium
9 22/23	3.0%	5.50%	Low	Low	Low	Low	Medium
10 23/24	3.0%	5.50%	Low	Low	Low	Low	Medium
11 24/25	3.0%	5.50%	Low	Low	Low	Low	Medium
12 25/26	3.0%	5.50%	Low	Low	Low	Low	Medium
13 26/27	3.0%	5.50%	Low	Low	Low	Low	Medium
14 27/28	3.0%	5.50%	Low	Low	Low	Low	Medium
15 28/29	3.0%	5.50%	Low	Low	Low	Low	Medium
16 29/30	3.0%	5.50%	Low	Low	Low	Low	Medium
17 30/31	3.0%	5.50%	Low	Low	Low	Low	Medium
18 31/32	3.0%	5.50%	Low	Low	Low	Low	Medium
19 32/33	3.0%	5.50%	Low	Low	Low	Low	Medium

Underlying Result:

Measures the ability of the organisation to record a surplus ignoring non cash revenue.

Liquidity:

This measures the ability to pay existing liabilities in the next 12 months. A ratio of one or more means there is more cash or liquid assets than short term liabilities

Self Financing:

Measures the ability to replace assets using cash generated by their operations. The higher the percentage the more effectively this can be done.

Indebtedness:

The higher the percentage, the less able to cover non-current liabilities from the revenues they generate themselves.

Investment Gap:

Comparison of the rate of spending on infrastructure with its depreciation. Ratios higher than 1:1 indicates that spending is faster than the depreciating rate.

CITY OF BALLARAT BUDGET 2015 - 2016

This document contains the 2015 – 2016 Link to Council Plan for the Ballarat City Council.

*Link to Council
3. Plan*

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Link to Council Plan

Section 127 of the Local Government Act (1989) requires Councils to identify Key Strategic Activities for the financial year and performance targets and measures in relation to each key strategic activity. Councils must also describe the activities and initiatives to be funded in the budget.

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning and reporting framework. This framework guides the Council in identifying community needs and aspirations through the Council Plan and Annual Budget, and then holding itself accountable via the Annual Report.

Planning and Accountability Framework

The Annual Budget has been developed within an overall planning framework, which guides the Council in identifying community needs and aspirations over the long term (Ballarat Strategy), medium term (Council Plan) short term (Annual Budget) and then holding itself accountable (Audited Statements).

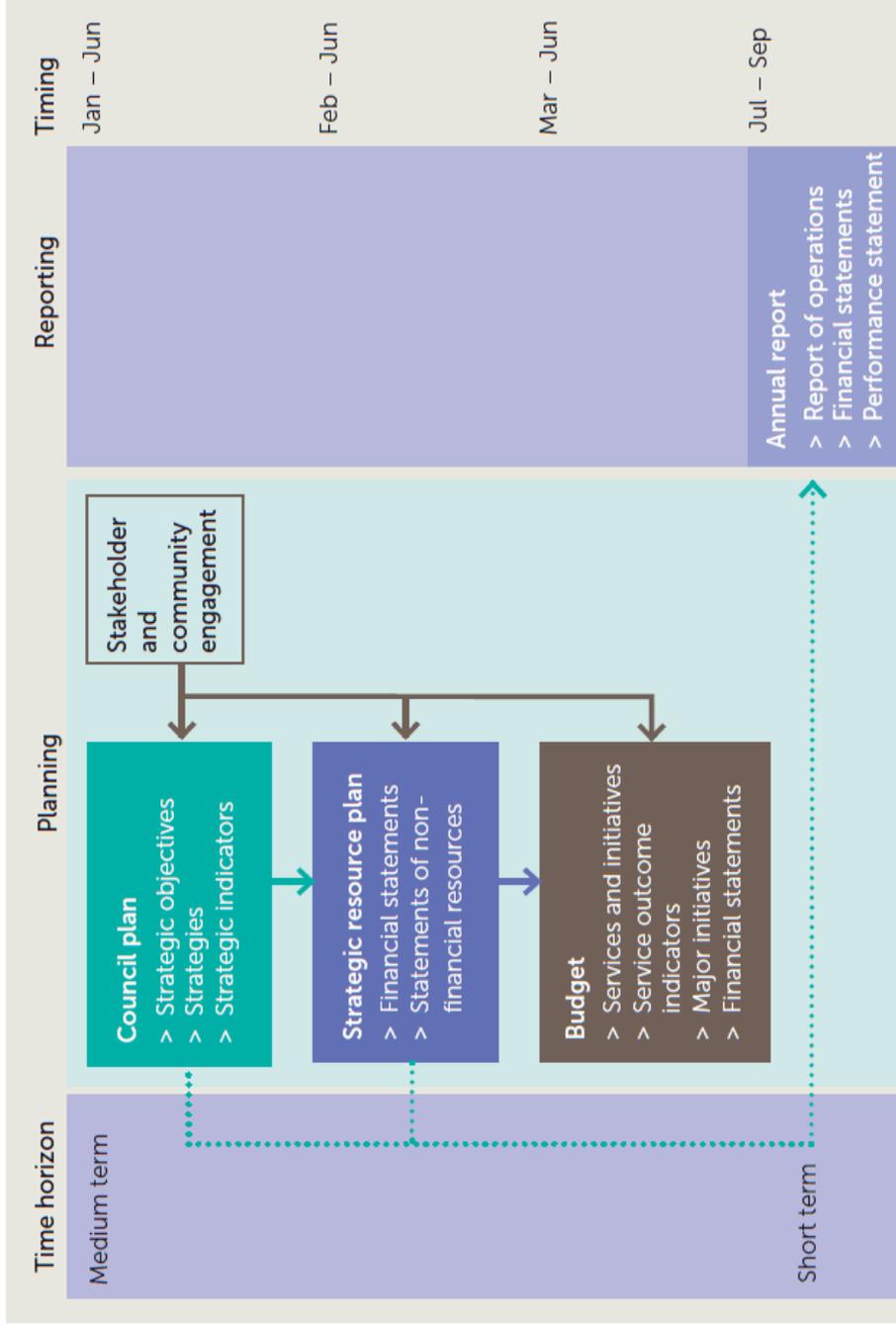
The Strategic Resource Plan, which is created alongside the Budget summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the objectives and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the strategic planning framework of the City of Ballarat.

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year in advance of the commencement of the Annual Budget process.

In addition to the above Council is developing a new long-term vision and strategy – The Ballarat Strategy will focus on sustainable growth and development, infrastructure investment and the health and wellbeing needs of the Ballarat community to ensure a high standard of liveability into the future.

The new Ballarat Strategy will address an emerging gap in the long-term planning for Ballarat's future – this gap is the result of Ballarat's greater than expected population growth in the past decade and strong projected population growth over the next 25 years.

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by the 30th June following a general election and is reviewed each year



Our Purpose

Leading sustainable growth, strengthening our community and respecting our heritage

The Ballarat City Council seeks to create a strong vibrant community, one which respects the foundations and heritage of the city whilst fostering growth essential for the community to grow and prosper.

The Council plan outlines the framework and strategies including the health and wellbeing outcomes for the organisation to support this purpose.

Principles of Practice

The Principles of Practice (sometimes known as the Mission Statement) are statements that articulate the values of Council and what principles and actions it will adopt in its decision making and conduct of business with the community and other stakeholders to achieve its Strategic Purpose.

Council will undertake its commitment to the community to achieve the Strategic Purpose by adhering to the following value-based principles.

1. Demonstrate clear, decisive, and consistent direction
2. Be financially responsible
3. Demonstrate to the community a transparent and consultative approach to key decisions
4. Advocate for Council's priorities and form partnerships to deliver the projects
5. Foster innovation and creativity in the delivery of results
6. Review core Council services in the context of our strategic intent
7. Bring rigour and an evidence-based approach to decision making

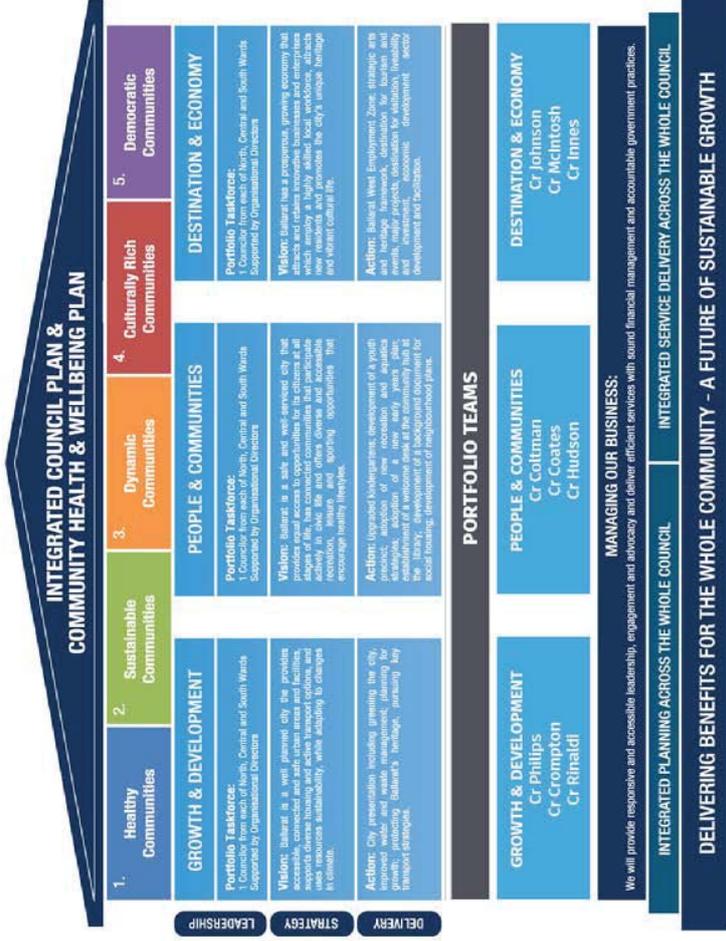
Strategic Objectives

Council delivers services and initiatives under 29 major service categories. Each contributes to the achievement of one of the six Strategic Objectives as set out in the Council Plan for the years 2014-18. Council has constructed the delivery of services under four major pillars. These being:

1. Growth and Development
2. People and Communities
3. Destination and Economy
4. Managing Our Business



City of Ballarat - Council Structure



STRATEGIC OBJECTIVES – GROWTH AND DEVELOPMENT

Plan for the future growth and development of Ballarat... through integrated land use initiatives and environmental, transport and community planning initiatives

Protect and improve the quality and character of the City's presentation... by applying sustainable planning and management practices to the public realm and undertaking an increased 'Greening the City' program



Provide for a wide range of housing choice, diversity, form and affordability... through greater emphasis on planning outcomes

Increase physical activity, social connection and access to services... through urban planning and by developing Ballarat's built environment



Address priority public health measures such as problem gambling and alcohol consumption... through appropriate regulatory and policy measures within the Ballarat Planning Scheme



Promote and pursue improved waste, water and energy management... by exploring green waste solutions, reducing waste to landfill and implementing stormwater harvesting solutions

Increase amenity... through infrastructure renewal of physical, environmental and recreational assets, including Ballarat's valuable heritage features



Recognise and respond to climate change... by implementing appropriate adaptation measures



Improve Ballarat's active transport modes... through integrated transport planning and by developing infrastructure that supports active transport

Continue to protect the health of Ballarat citizens... by proactively managing environmental health, building safety and health regulation programs



STRATEGIC OBJECTIVES – PEOPLE AND COMMUNITIES



Encourage people to actively participate in community life... through community development and capacity building initiatives



Support the health and wellbeing, lifelong learning and cultural needs of people at all stages of their lives... by delivering targeted programs and services

Plan for the health and wellbeing needs of the community... through social research, social planning and community engagement opportunities



Create resilient communities... that are able to protect life, property and the environment in emergency situations



Support and facilitate physical activity and community connectedness... by providing diverse and accessible sporting and recreational infrastructure



Support the health and wellbeing of residents... by providing a variety of health prevention and promotion initiatives



STRATEGIC OBJECTIVES – DESTINATION AND ECONOMY

Destination and Economy



Improve Ballarat's tourism product... to foster competitiveness and sustainable outcomes

Promote sustainable economic development... to strengthen local communities and businesses and increase productivity and innovation



Support festivals and community events... to celebrate diversity and cultural expression and provide opportunities for community participation



Foster a diverse arts and culture sector... that contributes to a vibrant community



Initiate and support major infrastructure projects... that contribute to a prosperous economy



STRATEGIC OBJECTIVES – MANAGING OUR BUSINESS



Practise good governance and act with integrity, accountability and transparency

Provide effective lobbying and advocacy on behalf of the city

Provide regional leadership and collaborate with other organisations

Strengthen community engagement and participation in decision making,

Improve communication of Council information



Deliver Council services with a strong customer service focus

Establish and implement strategies to guide sustainable practice and development within Council



Ensure Council's exposure to climate change and carbon trading risks is minimised

Ensure Council services and projects are programmed within a sound financial management and reporting system



Position City of Ballarat as a healthy, safe workplace and an Employer of Choice

Facilitate change and continuous improvement by providing staff learning and development opportunities

Ensure information and systems are secure and available for use by the organisation

Strategic Objective – Resource Management

Growth & Development	Revenue	Expenditure	Surplus / (Deficit)
	\$'000	\$'000	\$'000
City Infrastructure	11,913	443	11,470
City Services	15,656	43,847	(28,191)
Community Amenity	8,187	5,961	2,226
Facilities Management	277	4,392	(4,115)
Infrastructure Design & Delivery	7,666	8,894	(1,228)
Property Management	904	1,396	(492)
Statutory Planning	735	1,723	(988)
Strategic Planning	1,065	2,932	(1,867)
	46,403	69,588	(23,185)

People & Communities	Revenue	Expenditure	Surplus / (Deficit)
	\$'000	\$'000	\$'000
Community Care & Access	7,354	7,215	139
Community Engagement	0	1,085	(1,085)
Family & Children Services	7,689	8,499	(810)
Learning & Diversity	1,890	5,231	(3,341)
People & Communities	131	1,332	(1,201)
Sport & Recreation	5,464	7,527	(2,063)
	22,528	30,889	(8,361)

Destination & Economy	Revenue	Expenditure	Surplus / (Deficit)
	\$'000	\$'000	\$'000
City Strategy	0	633	(633)
Community Events	0	1,576	(1,576)
Economic Development	0	1,737	(1,737)
Tourism, Arts & Culture	2,118	9,606	(7,488)
	2,118	13,552	(11,434)

2015/16 Draft Budget

Managing Our Business	Revenue	Expenditure	Surplus / (Deficit)
	\$'000	\$'000	\$'000
Accounting Services	1,080	993	87
Financial Management	117,352	38,993	78,359
Financial Operations	309	1,611	(1,302)
Fleet Management	382	375	7
Governance & Information Services	44	7,296	(7,252)
Human Resources	0	1,263	(1,263)
Major Projects & Communications	29,400	4,323	25,077
Policy & Projects Strategist	6	1,426	(1,420)
Safety	0	866	(866)
	148,573	57,146	91,427

Reconciliation with Budgeted Operating Result

	Revenue	Expenditure	Surplus / (Deficit)
Growth & Development	46,403	69,588	(23,185)
Destination & Economy	2,118	13,552	(11,434)
People & Communities	22,528	30,889	(8,361)
Managing Our Business	148,573	57,146	91,427
	219,622	171,175	48,447

To view the major initiatives, initiatives, and services performance outcome indicators please refer to the Council Plan.

CITY OF BALLARAT BUDGET 2014 - 2015

This document contains the 2014 – 2015 Strategic Resource Plan for the Ballarat City Council.

*Strategic
Resource Plan*

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Strategic resource plan and financial performance indicators

1 Plan Development

Council is required by the Act to prepare a Strategic Resource Plan covering both financial and non-financial resources, for at least the next four years to support the Council Plan. The Act also requires Council to comply with the following *Principles of Sound Financial Management*:

- Prudently manage financial risks relating to debt, assets and liabilities;
- Provide reasonable stability in the level of rate burden;
- Consider the financial effects of Council decisions on future generations; and
- Provide full, accurate and timely disclosure of financial information.

The key objective, which underlines the development of the Strategic Resource Plan, is financial sustainability in the medium to long term, while still achieving Council's strategic objectives as specified in the Council Plan.

Long Term Financial Strategy

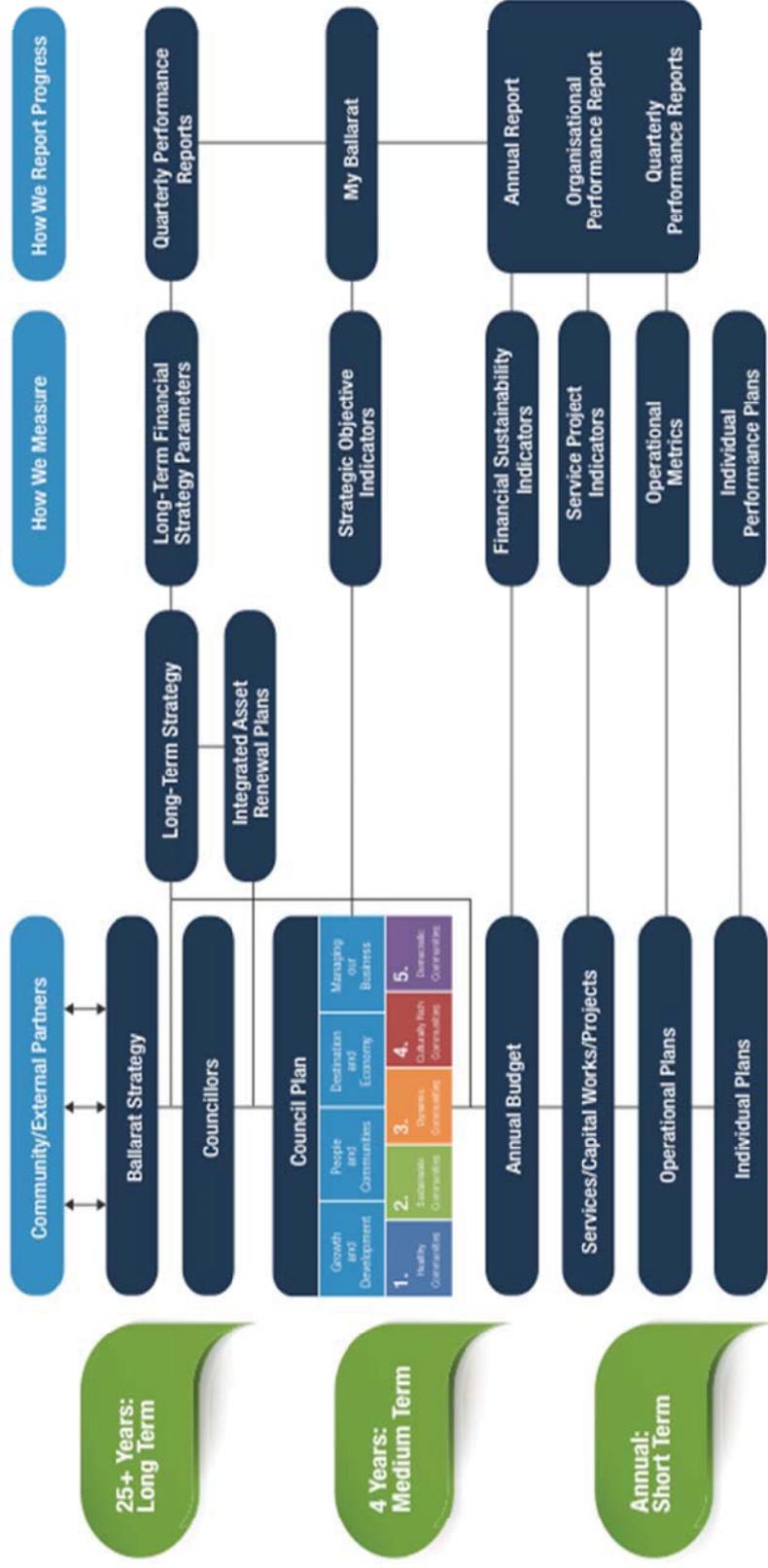
A key component of the Strategic Resource Plan is the Long Term Financial Strategy. Council models financial scenario over a 20 year period and incorporates this information into a four year Long Term Financial Strategy, being for the period 2014/15 to 2017/18, as part of Council's ongoing financial planning to assist Council in adopting a budget within a longer term framework.

The key objective, which underlines the development of the plan, is the financial stability in the medium to long term, whilst still achieving Council's corporate goals. The key financial objectives, which underpin the Long Term Financial Strategy, are:

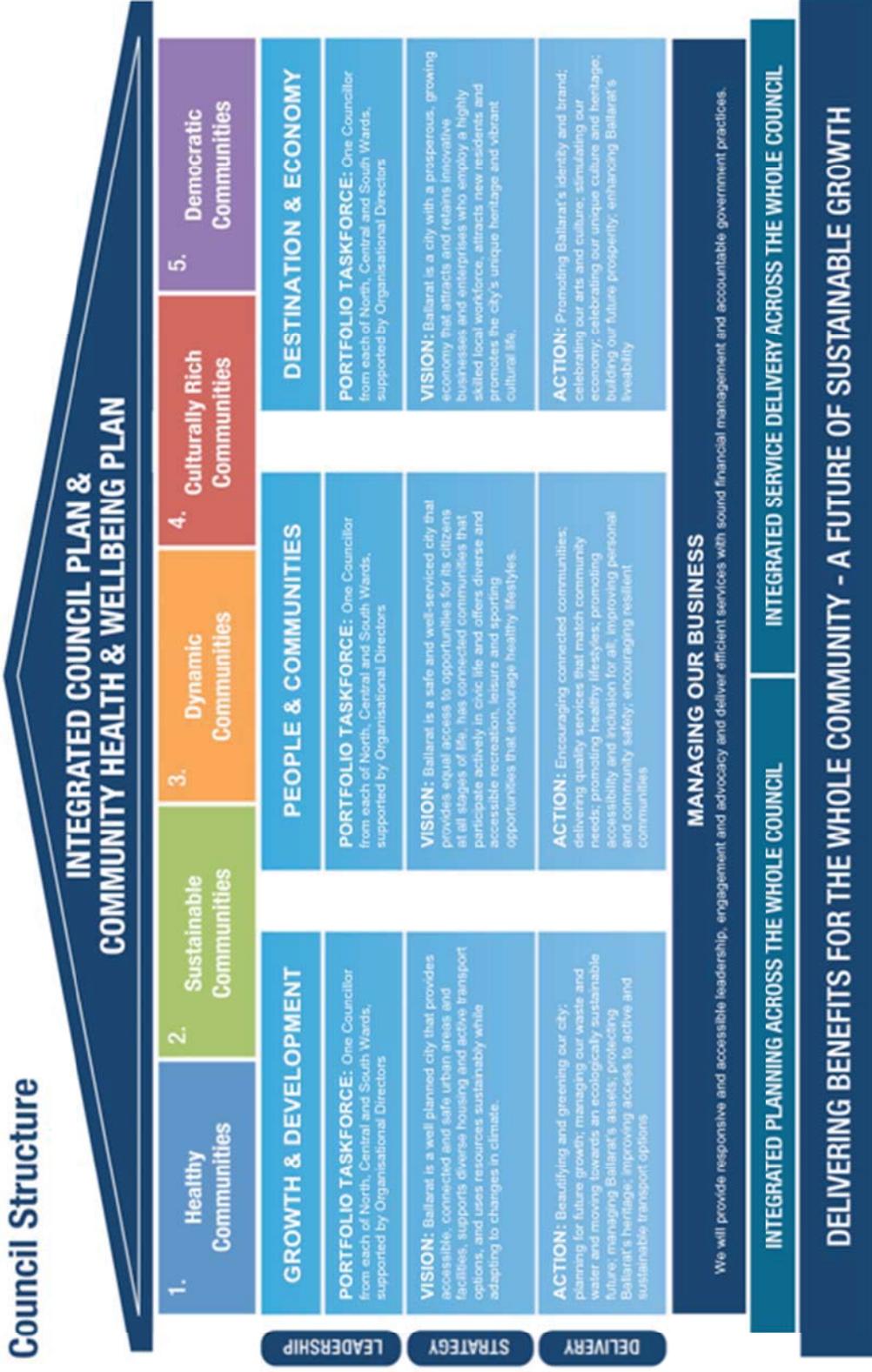
- Improve infrastructure service levels
- Achieve Council's borrowing strategy.
- Maintain a positive operating result.
- Achieve spending levels on infrastructure that will reduce the infrastructure gap.
- Maintain a working a positive working capital ratio, greater than 125%.
- Maintain a total debt to revenue ratio of less than 150%.
- Maintain debt servicing costs to total revenue of less than 10%.
- Maintain a minimum cash level that will service Council activities free from using overdraft facilities.

Council's planning framework is:

Council's Planning Framework



Council's Structure

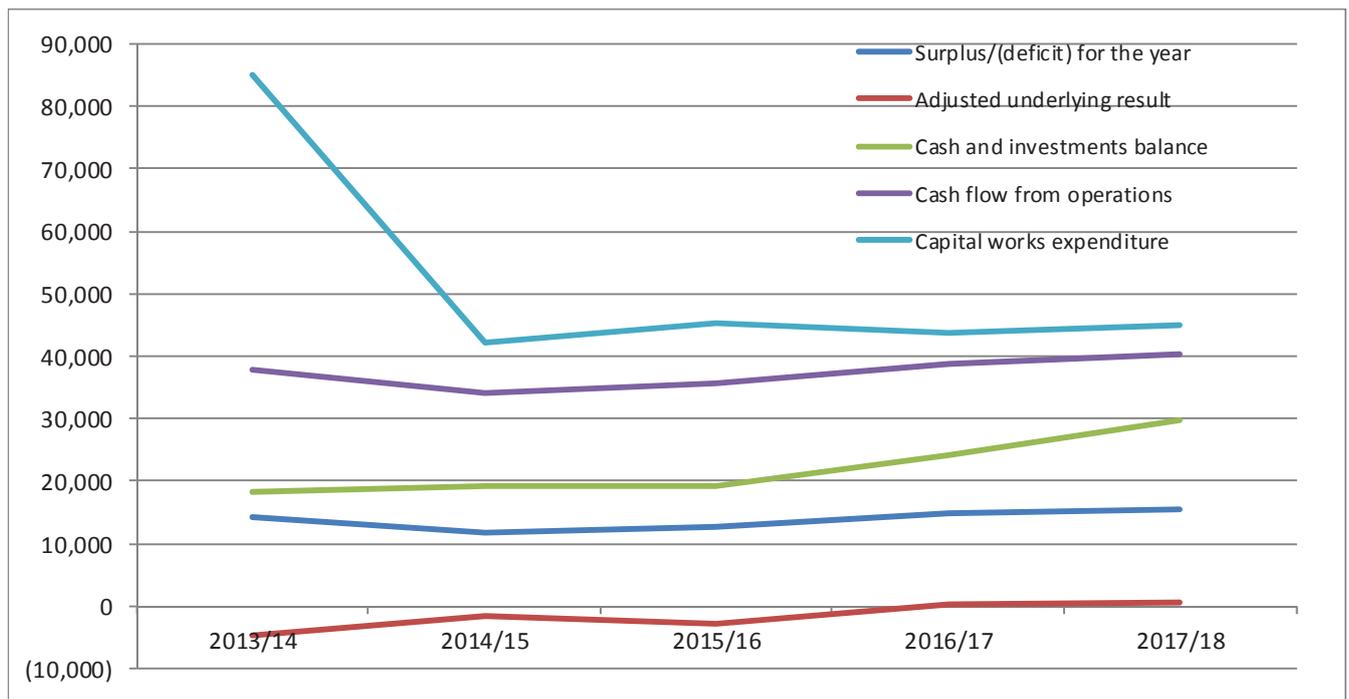


2 Financial Resources

The following table summarises the key financial results for the next four years as set out in the SRP for years 2014/15 to 2017/18. More detailed financial statements are included at the end of this document.

	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Surplus/(deficit) for the year	14,155	11,888	12,725	14,759	15,446
Adjusted underlying result	(4,712)	(1,568)	(2,923)	385	578
Cash and investments balance	18,326	19,188	19,266	24,195	29,715
Cash flow from operations	37,963	34,135	35,805	38,689	40,241
Capital works expenditure	85,009	42,328	45,159	43,601	45,031

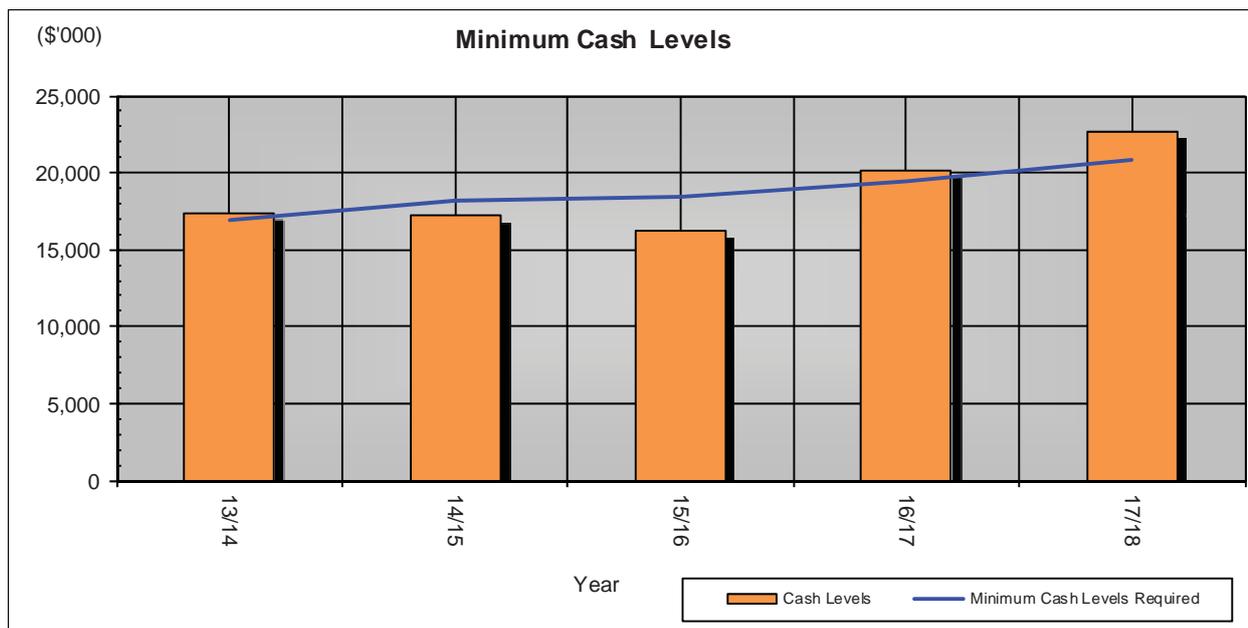
The following graph shows the general financial indicators over the four year period.



The key outcomes of the Strategic Resource Plan are:

Cash and Investments

This graph is used alongside the working capital ratios to ensure that Council’s financial strategy maintains sufficient cash to ensure financial stability. Council budgets ensure that there is sufficient cash available to operate efficiently each year. Council does not want to lower cash so that its overdraft facility is called upon to maintain operations until sufficient revenue is collected each year.



The graph illustrates that cash in the first years of Council's term is lower than anticipated minimum cash levels. As part of Council's infrastructure strategy of allocating more funds to both operational and capital infrastructure needs. This strategy has been put into place to deal with the infrastructure renewal gap that faces all of local government, and to deal with the extra growth currently being experienced in the Ballarat region.

Over the four (4) year term cash levels improve, this is taking into account funds being set aside each year for future calls of cash for the meeting of Council's obligations in relation to the defined superannuation scheme. Council has a legislated obligation to ensure this funds is able to meet all its obligations. As such, Council has included in the long term financial strategy the payment of \$3 million every three (3) years. Should the funds not be required at the end of each three (3) year term then Council will then have additional funds to allocate towards appropriate funds.

Debt

This graph illustrates the level of Council's debt compared to the debt ceiling level as determined by the Victorian Government.

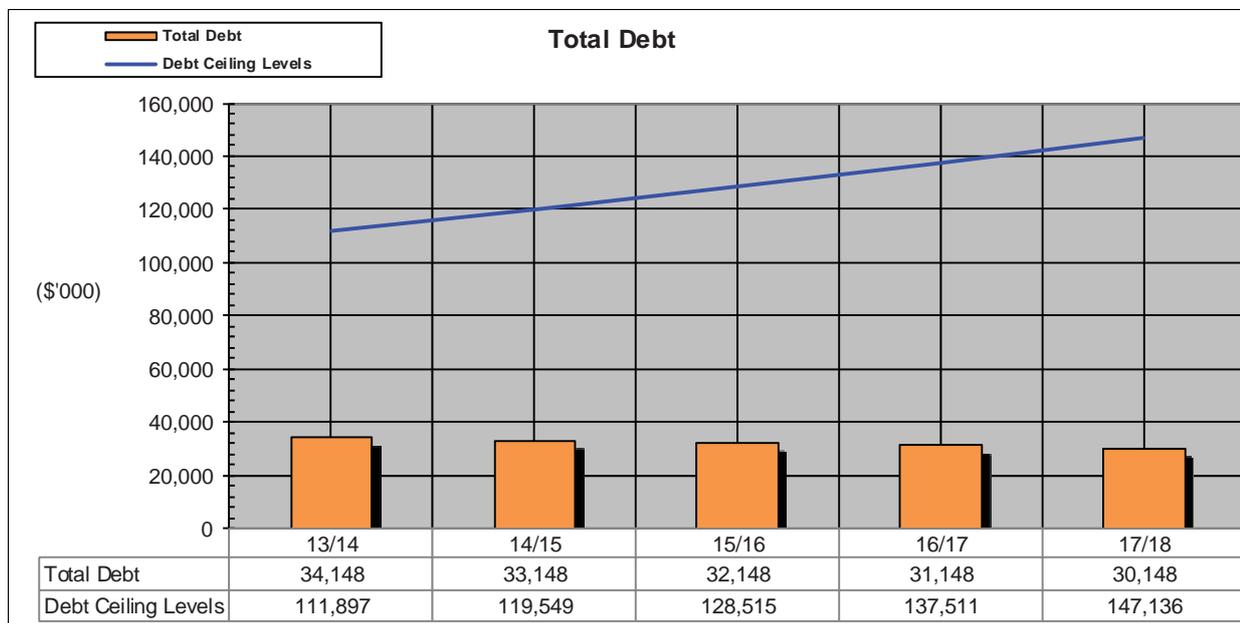
In 1996/97 the Council was burdened by the size of its debt within the level of debt being in excess of the debt ceiling level. Since that time successive Councils have implemented a debt reduction strategy to tackle this issue. Successive Councils maintained a debt reduction program to provide the ability to borrow in the future for either major projects and/or significant infrastructure works.

This Council determined the time was right to borrow funds for major projects. Council borrowed \$25 million during 2013/14 to provide funding for the Civic Hall and aquatic projects, including a 50m indoor heated swimming pool.

As can be seen Council debt after borrow these funds remains well under Councils debt ceiling level, also finance costs of this borrow also remains well within acceptable levels.

Council has modified its debt strategy leading into the future. Although Council maintains committed in the payment of \$1 million per year unless a business case is put forward for further borrowings, Council has determined that should surplus cash be achieved in any financial year, assuming the financial climate is favourable, the surplus cash will be allocated to the reducing debt levels further. Council will still be able to borrow back to the respective debt targets set for each year.

Based on the debt strategy of repaying debt at the rate of \$1 million per year, debt levels are:



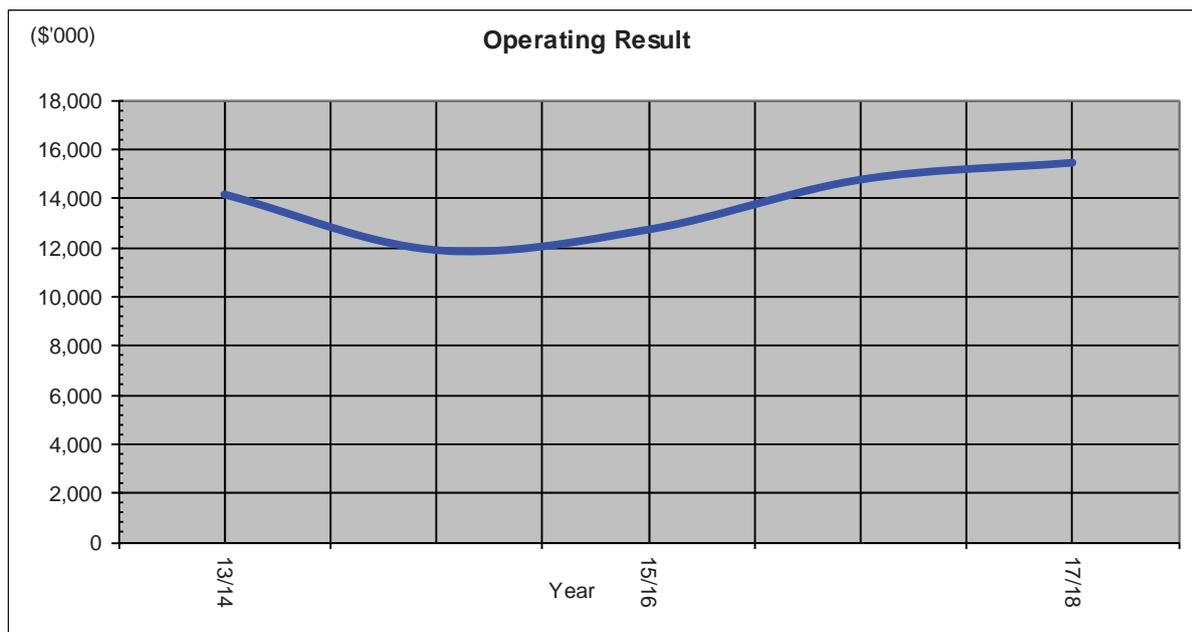
Operating Result

In the past the Council has struggled with delivering constant results in the budget, part due to the large fluctuations in rate increases, and the subsequent short term planning for the delivery of services. Council has acknowledged that attempting to hold down costs to an unreasonable level will only be a short term solution; history has shown that large increases follow. Council has adopted the strategy of modest increases over the life of the financial strategy, thus putting certainty into the financial operations.

After the record budget of 2013/14, the 2014/15 budget is focussing on the delivery of basic services and projects, focusing on the delivery of infrastructure projects, the delivery of more community based projects, and the increased expenditure on maintenance of Council’s assets.

The formulation of the operating budget included a 6.5% rate increase as signalled in 2013/14. Council has modified the rate increase in respect of the commercial rate. Following public submissions on the 2013/14 budget, and continued discussions with the commercial sector, Council has structured a ten (10) year plan to bring the commercial rate in line with other regional centres.

The operating result for the term of this strategic resource plan is set out in the following graph.

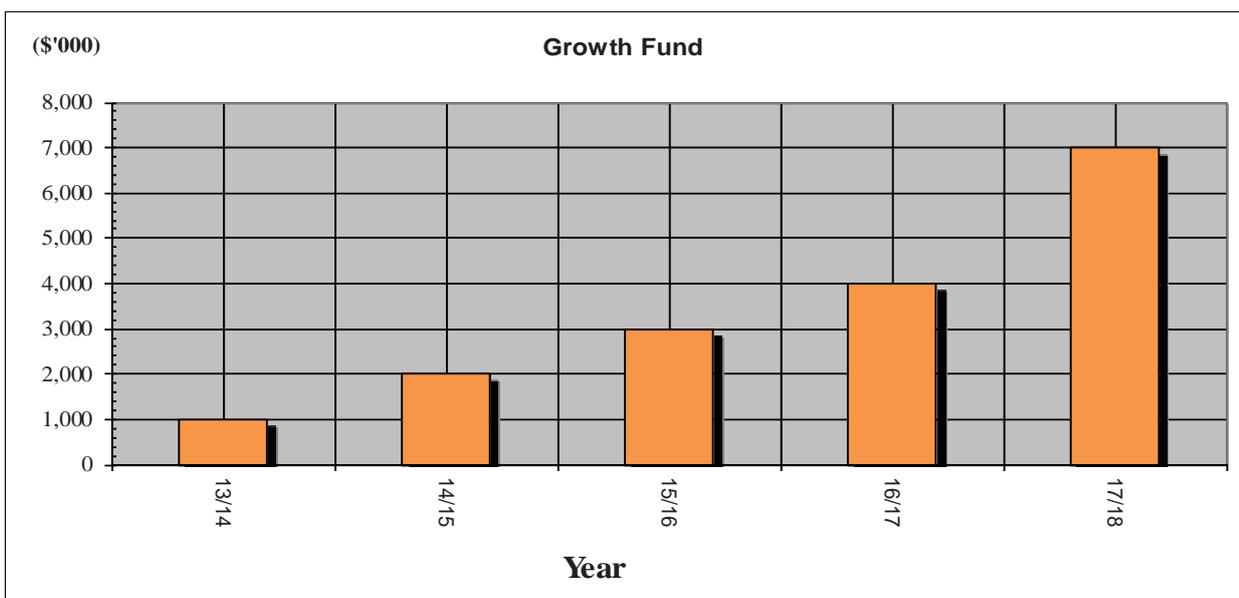
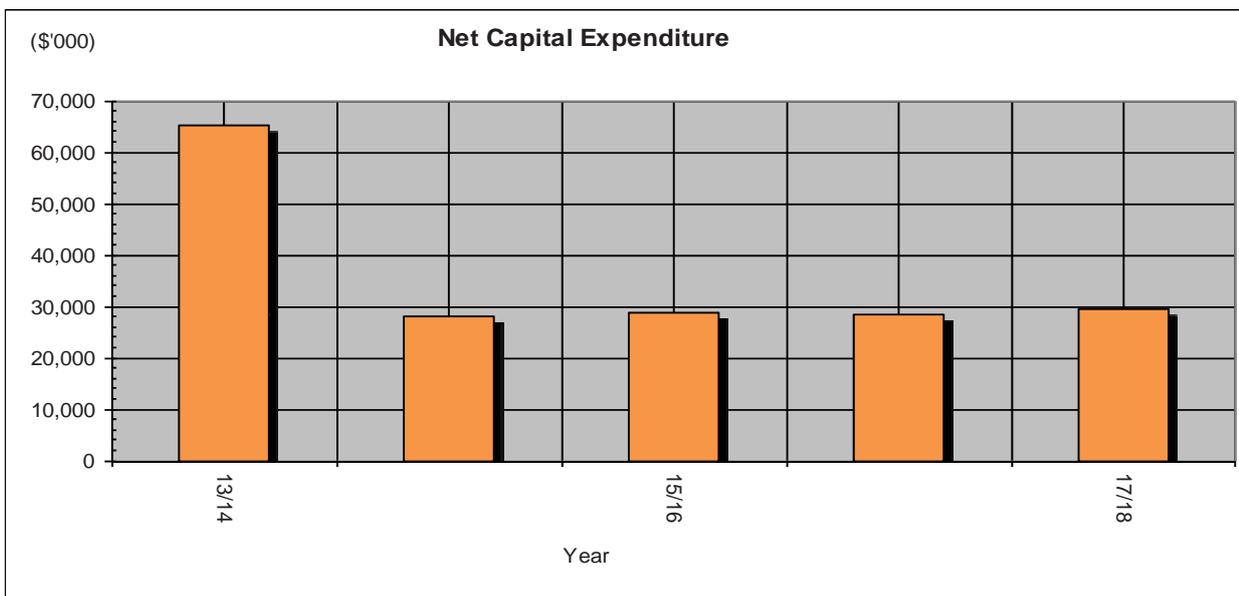


The debt in the operating performance seen in this graph illustrates the time lag between borrowing funds for major projects, and the allocating of additional funds for the maintenance of Council assets combined with the allocation of additional funds to deal with the infrastructure renewal gap, and the time when the additional funds are raised from the set rate increases. This lag in the operating result is similar to the dip in cash and investments and the subsequent recover in cash levels.

Capital Expenditure

Council is continuing the strategy of increasing funds to the capital works program. The combination of Council’s infrastructure gap and the need for new projects in the community has made this a cornerstone of the financial strategy.

Council has modified the Long Term Strategy for the 2014/15 year and onwards by providing more funding for capital works in recognition of the \$1.5 billion of assets that the Council is custodian for and the subsequent need to provide sufficient funding to maintain these assets. The increase in funds for capital works is signalled by the increase in net capital expenditure and monies provided for Councils “Growth Fund”.

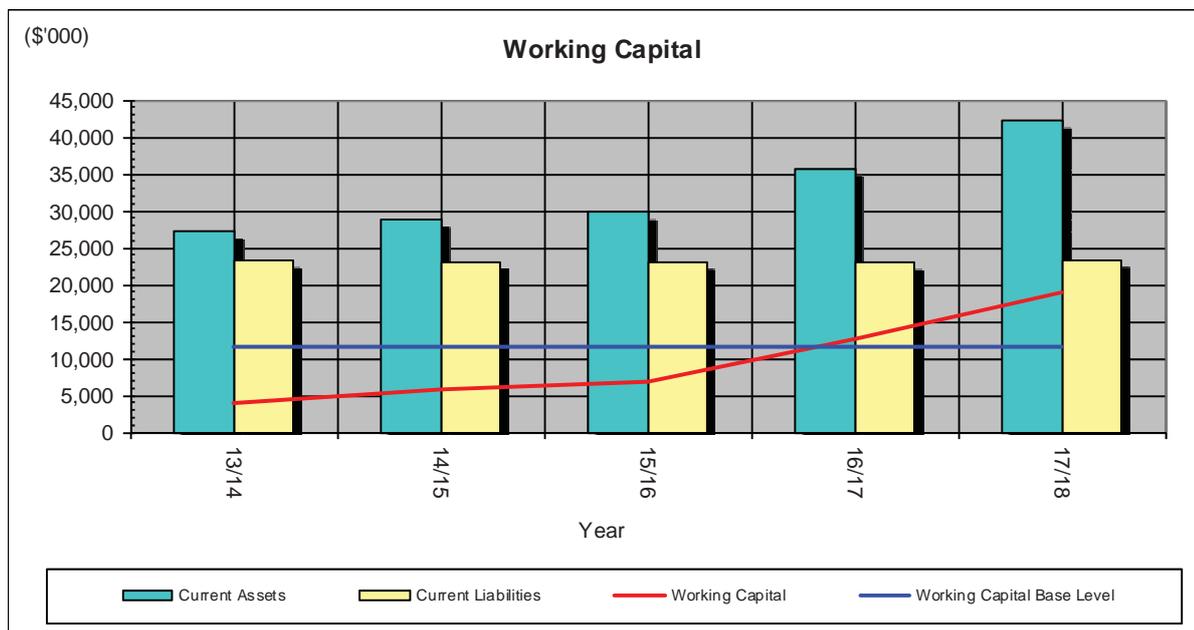


Working Capital

Within the financial strategy of Council, the principal parameters have been to reduce excess cash levels, minimise rate increases, and provide additional funds for capital projects. Though Council is forecasting to reduce cash levels, these levels will not be reduced to a level which will jeopardise the financial stability of the organisation.

As can be seen by the working capital graph, at all times Council has budgeted to maintain a healthy working capital level to ensure financial security into the future.

Council has planned for future increases in capital spend whilst ensuring financial stability into the future.



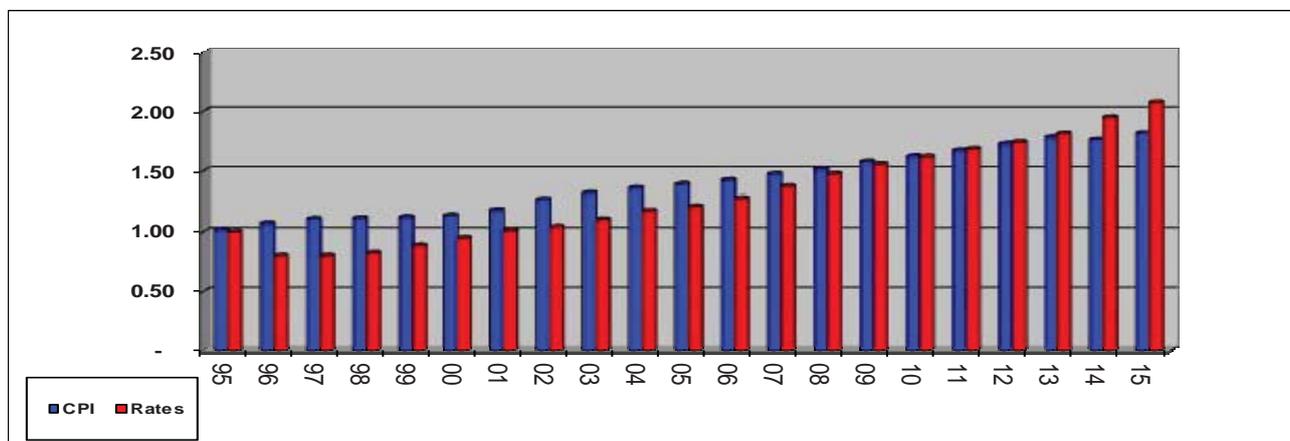
Rating Strategy

In developing the Long Term Financial Strategy, rates were identified as an important source of revenue, accounting for 56% of the total revenue received by Council in 2014/15. Planning for future rate increases has therefore been an important component of the Long Term Financial Planning process.

It is also important to balance the importance of rate revenue as a funding source with community sensitivity to further increases.

The following table shows a comparison since amalgamation of Councils in 1994 and predates the rates freeze and 20% across the board rate reduction it compares the actual rate movement against a calculated outcome, incorporating Consumer Price Index (CPI) movement:

Year	CPI Changes			Rate Changes		
	% Movement	Factor	Index Value	% Movement	Factor	Index Value
			1.00			1.00
95	1.90%	1.019	1.02	0.00%	1.000	1.00
96	5.00%	1.050	1.07	-20.00%	0.800	0.80
97	3.60%	1.036	1.11	0.00%	1.000	0.80
98	0.40%	1.004	1.11	3.10%	1.031	0.82
99	0.80%	1.008	1.12	7.50%	1.075	0.89
00	1.30%	1.013	1.14	7.00%	1.070	0.95
01	3.90%	1.039	1.18	6.50%	1.065	1.01
02	7.60%	1.076	1.27	3.00%	1.030	1.04
03	3.80%	1.038	1.32	6.00%	1.060	1.10
04	3.00%	1.030	1.36	6.50%	1.065	1.17
05	2.40%	1.024	1.39	3.00%	1.030	1.21
06	2.40%	1.024	1.42	5.50%	1.055	1.28
07	3.50%	1.035	1.47	7.50%	1.075	1.37
08	2.75%	1.028	1.51	7.50%	1.075	1.48
09	4.10%	1.041	1.58	5.50%	1.055	1.56
10	2.90%	1.029	1.62	4.00%	1.040	1.62
11	3.00%	1.030	1.67	4.00%	1.040	1.68
12	3.30%	1.033	1.73	3.50%	1.035	1.74
13	3.10%	1.031	1.78	4.00%	1.040	1.81
14	2.05%	1.021	1.76	7.50%	1.075	1.95
15	2.05%	1.021	1.82	5.50%	1.055	2.06



The table and graph provides the history of rate increases and inflation rates for each year since 1994.

The significant drop in rate increases in 1995/96 was a result of the State Government initiative to reduce rates by 20%.

Current year rate increase

The 2014/15 rate increase was signalled in Council's plan set down in 2013/14. The increase for this year and the next three (3) years are:

2014/15	6.5%	Revised to 5.5%
2015/16	6.0%	
2016/17	5.5%	
2017/18	5.5%	

Rating structure

Council's rating structure is comprised of two elements. These are:

- Property values, which reflect capacity to pay; and
- User pays component to reflect usage of services provided by Council.

Council makes an additional distinction within the property value component of rates based on the purpose for which the property is used. The distinction is based on the concept the individual sections should pay a fair and equitable contribution to rates.

The existing rating structure comprises differential rates (Residential, Commercial, Industrial, Rural Residential, Recreation Land, and Farming Land) and a rate concession for recreational land.

As set down in the Ministerial rating guidelines, Council reviewed the differential rates, considering the relevance of all categories, including the need for a differential rate for Retirement Villages.

Council has decided to maintain the current rating structure, Council has varied the future rate increases for commercial rates. Recognising that this rate was out of portion with the remaining differential rates, Council has set down a ten (10) year strategy to bring these rates in line with other regional centres.

The ration of commercial rates to the residential rate has been forecast to be reduced as follows:

Year	Commercial to Residential rate	Year	Commercial to Residential rate
13/14	2.57	19/20	2.29
14/15	2.52	20/21	2.25
15/16	2.47	21/22	2.21
16/17	2.43	22/23	2.16
17/18	2.38	23/24	2.12
18/19	2.34	24/25	2.08

Infrastructure Strategy

This strategy will set down the requirements for the next 10 years for each class of assets and is a key input into the Long Term Financial Plan. The key aspects of the process are:

- Long term capital planning process which integrates with the Council Plan, Long Term Financial Plan and /annual Budget process;
- Listing of all known capital projects, prioritised within classes on the basis of evaluation criteria;
- Transparent process for evaluating and prioritising capital projects;
- Methodology for allocating annual funding to classes of capital projects;
- Business Case template for officers to document capital project submissions.

The ultimate aim of this strategy is to ensure that resident's infrastructure needs will be properly funded and met into the future. Council in conjunction with the Municipal Association of Victoria (MAV) has completed extensive asset management plans for each class of asset for the Council. These plans will enhance Council's infrastructure strategy to assist with decision making to determine future levels of funding required for asset renewal and also to assist in determining where the expenditure of those funds will maximise the outcome to the community for the funds available.

During the 2005-06 budget process the Council commissioned work to determine the infrastructure renewal gap (IRG). Though Council is allocating additional funds to deal with the issue of the IRG, there still exists a short fall of funds required. As part of Council's rating strategy additional funds will be raised to meet these needs. From 2013/14 onwards Council budgeted to provide appropriate levels of funding that will meet Council's infrastructure renewal needs.

In relation to maintenance levels, Council is allocating additional funds each year to combat the maintenance levels. The appropriate levels will not be achieved in year 1 however; by providing additional funding each year it is expected Council will meet this need over the next five years.

A key objective of the Infrastructure Strategy is to maintain and preserve those assets that are required to deliver Council's services to the community. If sufficient funds are not allocated to assets preservation then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.

Employee Resources

The City of Ballarat currently employs 582.06 equivalent full time (EFT) staff.

With the development of a sound recruitment and selection policy and practices, Council now needs to change the focus to identifying its future recruitment and development needs to ensure it can effectively meet an unpredictable and unseen future.

As the labour shortages impact further on Council, an emphasis will be placed on more targeted recruitment programs including a graduate development program. Further, Council will be developing strategies to address the ageing workforce, succession planning and attraction and retention of skilled employees.

Council will focus on increasing its status of an employer of choice through implementing social responsibility and health and wellbeing programs as well as promoting flexible modes of employment and diversity in the workplace.

With the ageing population affecting the Australian workforce, Council needs to concentrate on labour force planning to minimise the potential impact of retiring staff creating further skill shortages. A greater emphasis needs to be placed on recruiting and developing future leaders through structured graduate recruitment programs and ensuring development of careers through succession planning.

As a regional location the City of Ballarat needs to raise the awareness of the diverse employment streams it offers through its multidiscipline career options. Council needs to be seen in the community marketing the benefits of working for local government through career fairs, on-campus information sessions, its website content for prospective employees, print and electronic branding and through promoting its flexible work practices.

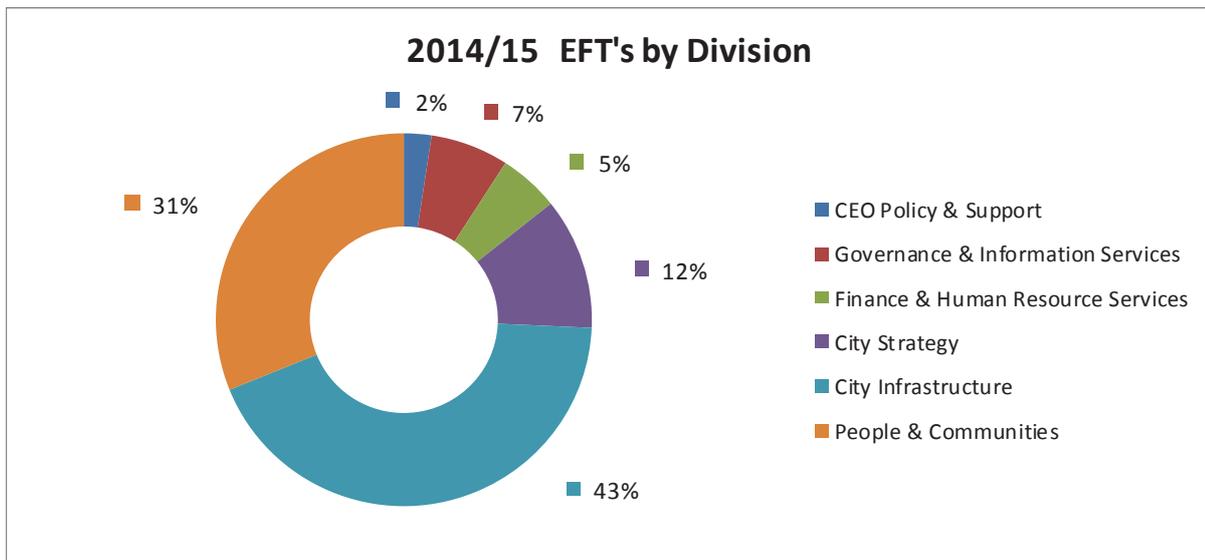
The key to ensuring the successful recruitment, development and retention of resources in the future is workforce planning and ensuring Council's place in the market as an Employer of Choice is established now.

The following table summarises the number (EFT) and costs of employees over the next four years.

	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2016/17
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Staffing Costs					
- Operating	50,189	54,044	59,896	59,741	62,728
- Capital	1,128	1,179	1,238	1,300	1,365
Employee numbers (eft)	582.06	592.29	600.58	608.99	617.52

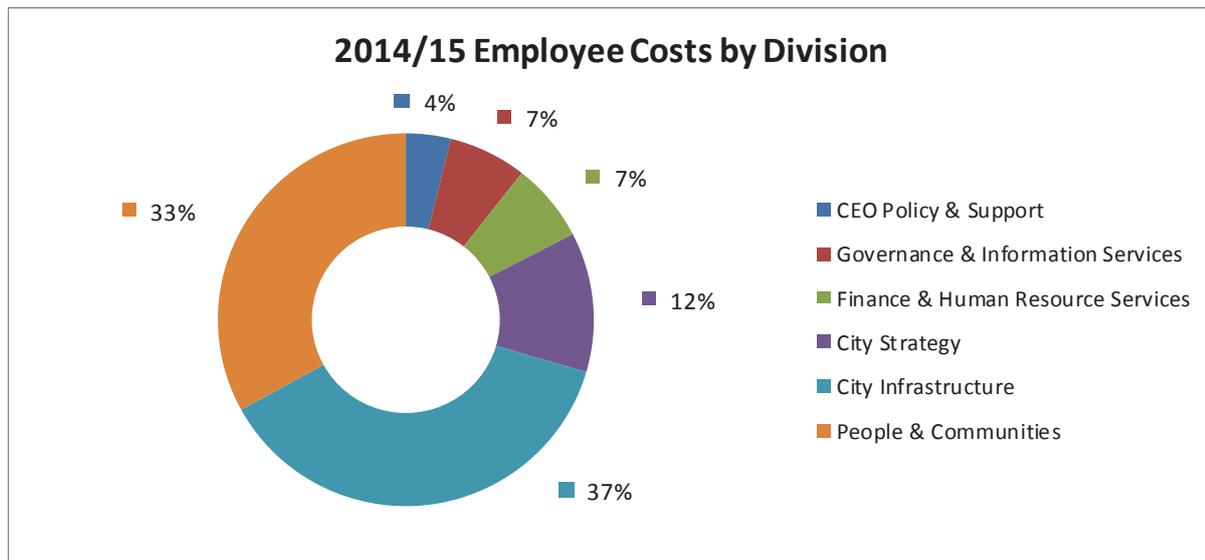
The following tables and graph sets out the total eft's by divisions:

	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2016/17
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Total Employee numbers (eft)					
CEO Policy & Support	14.42	14.00	14	14	15
Governance & Information Services	40.15	39.90	40	41	42
Finance & Human Resource Services	29.62	30.80	31	32	32
City Strategy	66.92	67.44	68	69	70
City Infrastructure	250.27	255.82	259	263	267
People & Communities	180.68	184.33	187	190	192
	582.06	592.29	600.58	608.99	617.52



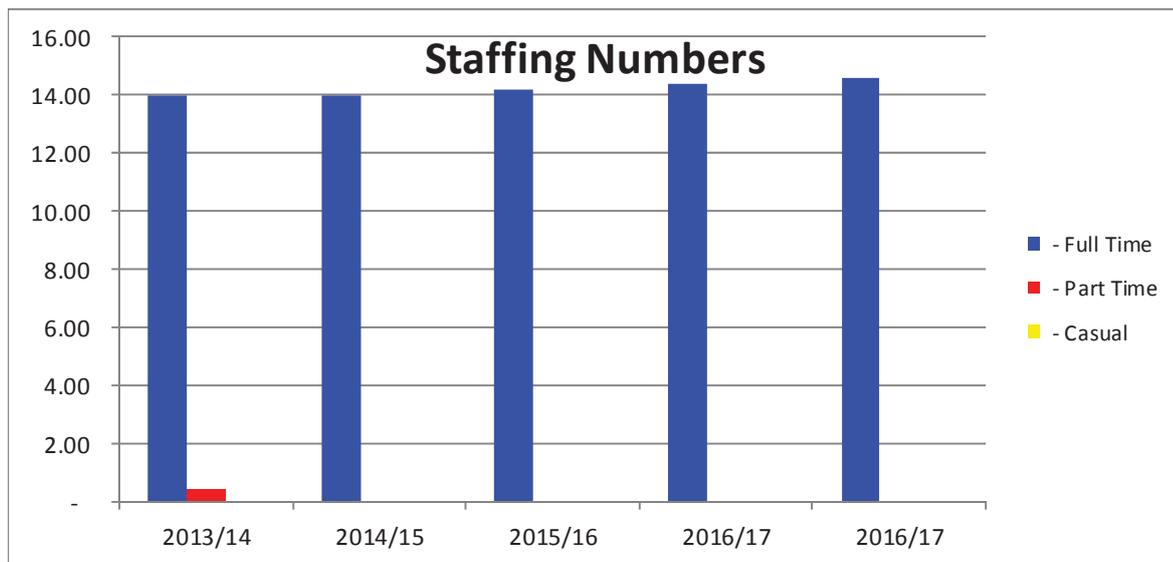
The following table and graph set out the total employee costs by division:

	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2016/17
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Total Employee Costs					
CEO Policy & Support	2,094	2,128	2,234	2,346	2,463
Governance & Information Services	3,586	3,719	3,905	4,100	4,305
Finance & Human Resource Services	2,873	3,768	3,956	4,154	4,362
City Strategy	6,291	6,692	7,027	7,378	7,747
City Infrastructure	18,953	20,682	21,716	22,802	23,942
People & Communities	17,520	18,235	19,147	20,104	21,109
	51,317.00	55,224.00	57,985.20	60,884.46	63,928.68

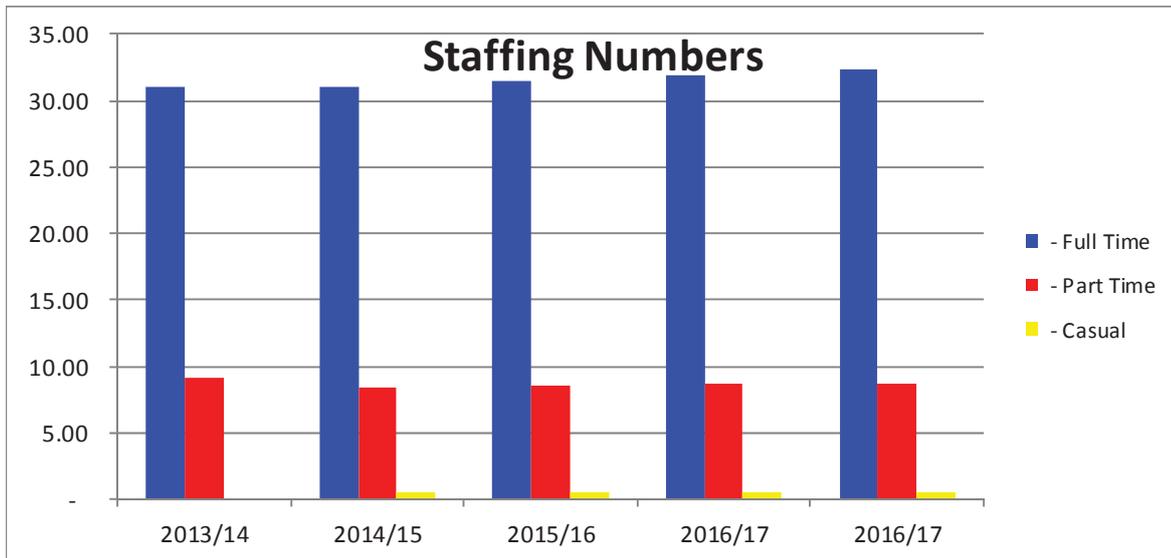


The following tables breaks down staffing numbers and cost by divisions.

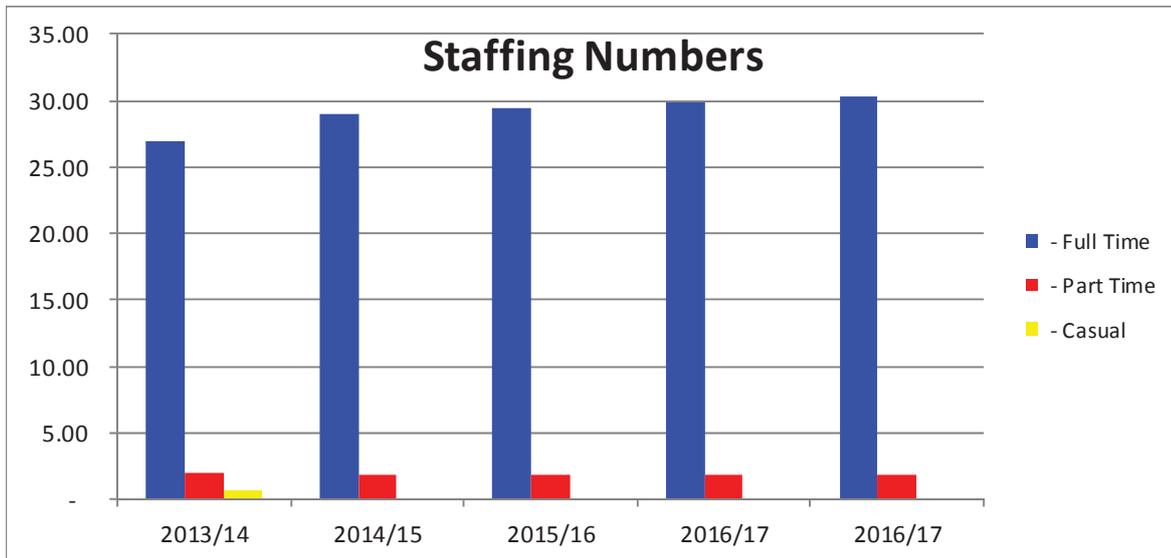
CEO Policy & Support					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2016/17
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Employee numbers (eft)					
- Full Time	14.00	14.00	14.20	14.39	14.60
- Part Time	0.42	-	-	-	-
- Casual	-	-	-	-	-
Total Employee numbers (eft)	14.42	14.00	14.20	14.39	14.60
Staffing Costs	2,094	2,128	2,234	2,346	2,463



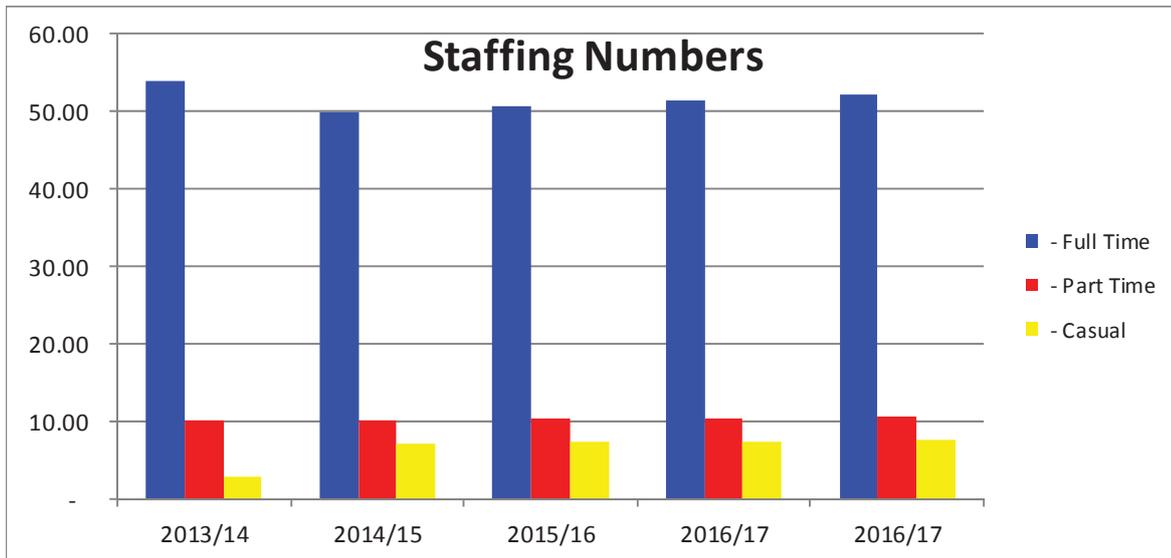
Governance & Information Services					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2016/17
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Employee numbers (eft)					
- Full Time	31.00	31.00	31.43	31.87	32.32
- Part Time	9.15	8.40	8.52	8.64	8.76
- Casual	-	0.50	0.51	0.51	0.52
Total Employee numbers (eft)	40.15	39.90	40.46	41.03	41.60
Staffing Costs	3,586	3,719	3,905	4,100	4,305



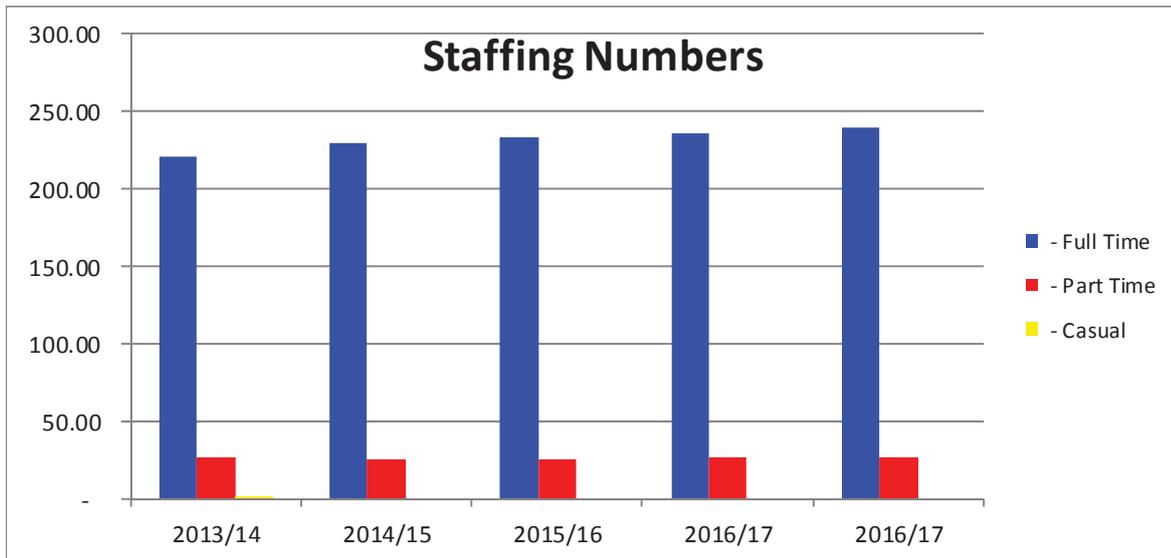
Finance & Human Resource Services					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2016/17
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Employee numbers (eft)					
- Full Time	27.00	29.00	29.41	29.82	30.24
- Part Time	1.98	1.80	1.83	1.85	1.88
- Casual	0.64	-	-	-	-
Total Employee numbers (eft)	29.62	30.80	31.23	31.67	32.11
Staffing Costs	2,873	3,768	3,956	4,154	4,362



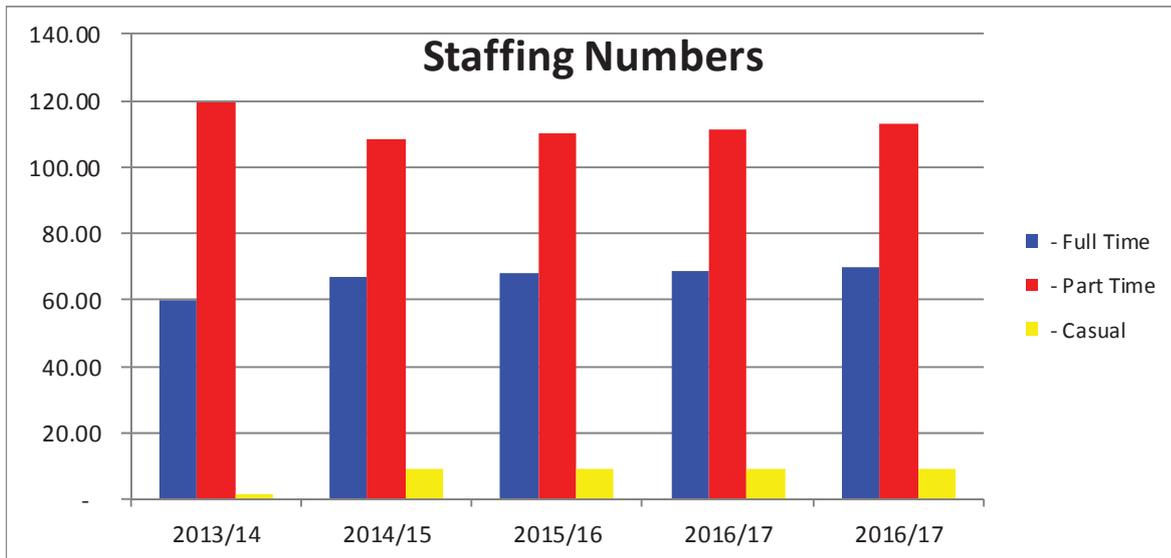
City Strategy	Forecast				
	Actual	Budget	Strategic Resource Plan		
	2013/14	2014/15	2015/16	2016/17	2016/17
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Employee numbers (eft)					
- Full Time	54.00	50.00	50.70	51.41	52.13
- Part Time	10.13	10.19	10.33	10.48	10.62
- Casual	2.79	7.25	7.35	7.45	7.56
Total Employee numbers (eft)	66.92	67.44	68.38	69.34	70.31
Staffing Costs	6,291	6,692	7,027	7,378	7,747



City Infrastructure	Forecast				
	Actual	Budget	Strategic Resource Plan		
	2013/14	2014/15	2015/16	2016/17	2016/17
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Employee numbers (eft)					
- Full Time	221.00	230.00	233.22	236.49	239.80
- Part Time	27.49	25.82	26.18	26.55	26.92
- Casual	1.78	-	-	-	-
Total Employee numbers (eft)	250.27	255.82	259.40	263.03	266.72
Staffing Costs	18,953	20,682	21,716	22,802	23,942



People & Communities	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2016/17
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Employee numbers (eft)					
- Full Time	60.00	67.00	67.94	68.89	69.85
- Part Time	119.37	108.43	109.95	111.49	113.05
- Casual	1.31	8.90	9.02	9.15	9.28
Total Employee numbers (eft)	180.68	184.33	186.91	189.53	192.18
Staffing Costs	17,520	18,235	19,147	20,104	21,109



Budgeted Comprehensive Income Statement					
For the four years ending 30 June 2018					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Income					
Rates and charges	74,598	79,699	85,676	91,674	98,091
User fees, charges and fines	36,031	38,226	39,755	41,345	42,999
Contributions - cash	550	550	567	583	601
Grants - recurrent	16,886	22,289	22,958	23,646	24,356
Reimbursements	948	391	391	391	391
Interest income	1,285	916	859	813	1,010
Net gain on disposal of property, infrastructure, plant and equipment	470	0	0	0	0
Total income	130,768	142,071	150,206	158,453	167,448
Expenses					
Employee benefits	50,189	54,044	59,896	59,741	62,728
Materials and services	46,834	49,752	51,877	55,421	59,642
Bad and doubtful debts	646	636	655	675	695
Depreciation and amortisation	31,393	32,649	33,955	35,313	36,726
Finance costs	1,225	1,835	1,881	1,908	1,918
Other expenses	5,193	4,723	4,865	5,011	5,161
Total expenses	135,480	143,639	153,129	158,069	166,869
Surplus/(deficit)	(4,712)	(1,568)	(2,923)	385	578
Other comprehensive income					
Contributions - non-monetary assets	11,000	11,440	11,898	12,374	12,868
Grants - non-recurrent	7,867	2,016	3,750	2,000	2,000
Total comprehensive result	14,155	11,888	12,725	14,759	15,446

Budgeted Balance Sheet					
For the four years ending 30 June 2018					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Current Assets					
Cash	18,326	19,187	19,266	24,195	29,715
Receivables	7,851	8,648	9,506	10,421	11,402
Other	1,040	1,040	1,040	1,040	1,040
Total Current Assets	27,217	28,875	29,812	35,657	42,158
Current Liabilities					
Creditors	6,130	6,130	6,130	6,130	6,130
Other Creditors	2,357	2,357	2,357	2,357	2,357
Borrowings	4,655	4,524	4,401	4,388	4,709
Provisions	10,121	10,121	10,121	10,121	10,121
Total Current Liabilities	23,263	23,132	23,009	22,996	23,317
Net Current Assets	3,954	5,743	6,803	12,661	18,841
Non-Current Assets					
Capital Assets	1,440,528	1,449,757	1,460,546	1,468,459	1,476,404
Receivables	246	246	246	246	246
Investments	0	0	0	0	0
Total Non-Current Assets	1,440,774	1,450,003	1,460,792	1,468,705	1,476,650
Non-Current Liabilities					
Borrowings	29,493	28,624	27,746	26,760	25,439
Provisions	2,878	2,878	2,878	2,878	2,878
Total Non-Current Liabilities	32,371	31,502	30,624	29,638	28,317
Net Assets	1,412,357	1,424,245	1,436,970	1,451,728	1,467,174
Accumulated Surplus	773,546	785,434	798,159	812,917	828,363
Other Reserves	407	407	407	407	407
Asset Revaluation Reserve	638,404	638,404	638,404	638,404	638,404
Total Equity	1,412,357	1,424,245	1,436,970	1,451,728	1,467,174

Budgeted Statement of Changes in Equity				
For the four years ending 30 June 2018				
	Total	Accumulated Surplus	Revaluation Reserve	Other Reserve
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
2015				
Balance at beginning of the financial year	1,412,357	773,546	638,404	407
Adjustment on change in accounting policy	0	0	0	0
Comprehensive result	11,888	11,888	0	0
Transfer to reserves	(270)	0	0	(270)
Transfer from reserves	270	0	0	270
Balance at end of the financial year	1,424,245	785,434	638,404	407
2016				
Balance at beginning of the financial year	1,424,245	785,434	638,404	407
Adjustment on change in accounting policy	0	0	0	0
Comprehensive result	12,725	12,725	0	0
Transfer to reserves	(281)	0	0	(281)
Transfer from reserves	281	0	0	281
Balance at end of the financial year	1,436,970	798,159	638,404	407
2017				
Balance at beginning of the financial year	1,436,970	798,159	638,404	407
Adjustment on change in accounting policy	0	0	0	0
Comprehensive result	14,759	14,759	0	0
Transfer to reserves	(292)	0	0	(292)
Transfer from reserves	292	0	0	292
Balance at end of the financial year	1,451,728	812,917	638,404	407
2018				
Balance at beginning of the financial year	1,451,728	812,917	638,404	407
Adjustment on change in accounting policy	(1)	(1)	0	0
Comprehensive result	15,446	15,446	0	0
Transfer to reserves	(304)	0	0	(304)
Transfer from reserves	304	0	0	304
Balance at end of the financial year	1,467,174	828,363	638,404	407

Budgeted Statement of Cash Flows					
For the four years ending 30 June 2018					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash Flows from Operating Activities					
Receipts					
General Rates	75,114	78,902	84,819	90,757	97,110
Government Grants	24,753	24,305	26,708	25,646	26,356
User Charges	37,529	38,226	39,755	41,345	42,999
Net GST Refund	0	0	0	0	0
Interest	1,285	916	859	813	1,010
Reimbursements	948	391	391	391	391
Other revenue	550	550	567	583	601
	140,179	143,290	153,098	159,536	168,467
Payments					
Employee costs	(50,189)	(55,223)	(61,134)	(61,041)	(64,093)
Materials and contracts	(46,834)	(48,573)	(50,639)	(54,121)	(58,277)
Interest and other costs of finance	0	0	0	0	0
Other expenses	(5,193)	(5,359)	(5,520)	(5,685)	(5,856)
	(102,216)	(109,155)	(117,293)	(120,847)	(128,226)
Net Cash Flows from Operating Activities	37,963	34,135	35,805	38,689	40,241
Cash Flow from Investing Activities					
Payments for:					
Capital Payments	(74,009)	(30,888)	(33,261)	(31,227)	(32,163)
Loans and Advances	0	0	0	0	0
Proceeds from:					
Sale of Assets	940	450	415	375	360
Investments	0	0	0	0	0
Loans and Advances	0	0	0	0	0
Net Cash Flow from Investing Activities	(73,069)	(30,438)	(32,846)	(30,852)	(31,803)
Cash Flow from Financing Activities					
Proceeds from borrowings	29,145	3,655	3,524	3,401	3,388
Repayment of superannuation liability	0	0	0	0	0
Repayment of borrowings	(4,236)	(4,655)	(4,524)	(4,401)	(4,388)
Interest and other costs of finance	(1,225)	(1,835)	(1,881)	(1,908)	(1,918)
Net Cash Flow from Financing Activities	23,684	(2,835)	(2,881)	(2,908)	(2,918)
Net Increase/(Decrease) in Cash Held	(11,422)	862	78	4,929	5,520
Cash at Beginning of Period	29,748	18,326	19,188	19,266	24,195
Cash at End of Period	18,326	19,188	19,266	24,195	29,715

Budgeted Statement of Capital Works					
For the four years ending 30 June 2018					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Capital Works Areas					
Buildings	12,801	0	3,555	0	0
Facilities	1,702	1,425	2,732	2,841	2,955
Infrastructure	33,605	29,585	28,429	30,338	31,347
Land	38	200	0	0	0
Plant & Equipment	8,924	6,296	5,429	5,207	5,305
Recreation	27,939	4,822	5,014	5,215	5,424
Total Capital Works	85,009	42,328	45,159	43,601	45,031
Represented By:					
New	50,049	14,656	14,268	14,793	15,338
Renewal	18,143	20,408	25,823	23,090	24,072
Upgrade	16,817	7,264	5,068	5,718	5,621
Total Capital Works	85,009	42,328	45,159	43,601	45,031

Summary of planned capital work expenditure and funding sources							
2014/15							
Category	New / renewal	PROJECT DESCRIPTION	Cost	Grants	Other	Subdivisi	Sale
Buildings	Renewal	Her Majesty's Theatre Renewal	0	0	0	0	0
Buildings	Upgrade	Permanent Visitor Information Centre (VIC)	0	0	0	0	0
Facilities	Renewal	Facility Renewal Program	1,300	0	0	0	0
Facilities	Renewal	Monument Renewal Program	104	0	0	0	0
Facilities	Upgrade	School Crossing Supervisor Shelters	21	0	0	0	0
Facilities	Upgrade	Major Projects Facilities Budget	0	0	0	0	0
Infrastructure	New	Federal Blackspot Funding	1,000	1,000	0	0	0
Infrastructure	New	Land Development Council Contribution	78	0	0	0	0
Infrastructure	New	Major New Capital Road Projects	607	0	0	0	0
Infrastructure	New	Public Art Program	104	0	0	0	0
Infrastructure	New	Subdivision Contribution	11,440	0	0	11,440	0
Infrastructure	Renewal	Entrances	156	0	0	0	0
Infrastructure	Renewal	Federal Roads to Recovery Funding	1,000	1,000	0	0	0
Infrastructure	Renewal	Major Infrastructure Renewal Projects	10,645	0	0	0	0
Infrastructure	Renewal	Major Rural Roads Infrastructure Works	1,188	0	0	0	0
Infrastructure	Renewal	Street Furniture Renewal Program	156	0	0	0	0
Infrastructure	Upgrade	Landfill Upgrade	3,000	0	0	0	0
Infrastructure	Upgrade	Public Place Recycling	10	0	0	0	0
Infrastructure	Upgrade	Sturt Street Irrigation Upgrade	100	0	0	0	0
Infrastructure	Upgrade	Victoria Street Median Landscaping Project	100	0	0	0	0
Land	New	Land - Arch of Victory	200	0	0	0	0
Plant & Equipment	New	Library Books	361	0	0	0	0
Plant & Equipment	New	Library - Equity - Book Stock	236	0	0	0	0
Plant & Equipment	New	RFID Implementation - Ballarat Libraries	391	0	0	0	0
Plant & Equipment	Renewal	BAC Programmable Assets & Equipment	83	0	0	0	0
Plant & Equipment	Renewal	Desktop Replacement Program	421	0	0	0	0
Plant & Equipment	Renewal	Home Care Service hand held pPC replacement program	50	0	0	0	0
Plant & Equipment	Renewal	IT Infrastructure Strategy	437	0	0	0	0
Plant & Equipment	Renewal	Outdoor Pools	130	0	0	0	0
Plant & Equipment	Renewal	Parking Meter Replacement Program	62	0	0	0	0
Plant & Equipment	Renewal	Playground Improvement Program	42	0	0	0	0
Plant & Equipment	Renewal	Replacement Bins Program	312	0	0	0	0
Plant & Equipment	Upgrade	Fleet	3,200	0	0	0	450
Plant & Equipment	Upgrade	IT System Development	573	0	0	0	0

2014/15										
Category	New / renewal	PROJECT DESCRIPTION	Cost	Grants	Other	Subdivision	Sale			
Recreation	New	Bicycle Strategy Projects	239	0	0	0	0			
Recreation	Renewal	Ballarat Botanical Gardens - Asset Renewal Program	52	0	0	0	0			
Recreation	Renewal	Parks Development Program	270	0	270	0	0			
Recreation	Renewal	Recreation Capital Improvement Program	4,000	0	0	0	0			
Recreation	Upgrade	Playspace Planning Framework	260	0	0	0	0			
			42,328	2,000	270	11,440	450			

2015/16													
Category	New / renewal	PROJECT DESCRIPTION	Cost	Grants	Other	Subdivision	Sale						
Buildings	Renewal	Her Majesty's Theatre Renewal	3,555	1,750	0	0	0						
Facilities	Renewal	Facility Renewal Program	2,602	0	0	0	0						
Facilities	Renewal	Monument Renewal Program	108	0	0	0	0						
Facilities	Upgrade	School Crossing Supervisor Shelters	22	0	0	0	0						
Facilities	Upgrade	Major Projects Facilities Budget	0	0	0	0	0						
Infrastructure	New	Federal Blackspot Funding	1,000	1,000	0	0	0						
Infrastructure	New	Land Development Council Contribution	81	0	0	0	0						
Infrastructure	New	Major New Capital Road Projects	500	0	0	0	0						
Infrastructure	New	Public Art Program	108	0	0	0	0						
Infrastructure	New	Subdivision Contribution	11,898	0	0	11,898	0						
Infrastructure	Renewal	Entrances	162	0	0	0	0						
Infrastructure	Renewal	Federal Roads to Recovery Funding	1,000	1,000	0	0	0						
Infrastructure	Renewal	Major Infrastructure Renewal Projects	11,071	0	0	0	0						
Infrastructure	Renewal	Major Rural Roads Infrastructure Works	1,235	0	0	0	0						
Infrastructure	Renewal	Street Furniture Renewal Program	162	0	0	0	0						
Infrastructure	Upgrade	Landfill Upgrade	1,000	0	0	0	0						
Infrastructure	Upgrade	Public Place Recycling	11	0	0	0	0						
Infrastructure	Upgrade	Sturt Street Irrigation Upgrade	100	0	0	0	0						
Infrastructure	Upgrade	Victoria Street Median Landscaping Project	100	0	0	0	0						
Plant & Equipment	New	Library Books	371	0	0	0	0						
Plant & Equipment	New	RFID Implementation - Ballarat Libraries	61	0	0	0	0						
Plant & Equipment	Renewal	BAC Programmable Assets & Equipment	87	0	0	0	0						
Plant & Equipment	Renewal	Desktop Replacement Program	384	0	0	0	0						
Plant & Equipment	Renewal	Home Care Service hand held pPC replacement program	50	0	0	0	0						
Plant & Equipment	Renewal	IT Infrastructure Strategy	344	0	0	0	0						
Plant & Equipment	Renewal	Outdoor Pools	135	0	0	0	0						
Plant & Equipment	Renewal	Parking Meter Replacement Program	65	0	0	0	0						
Plant & Equipment	Renewal	Playground Improvement Program	43	0	0	0	0						
Plant & Equipment	Renewal	Replacement Bins Program	324	0	0	0	0						
Plant & Equipment	Upgrade	Fleet	2,769	0	0	0	415						
Plant & Equipment	Upgrade	IT System Development	796	0	0	0	0						

2015/16										
Category	New / renewal	PROJECT DESCRIPTION	Cost	Grants	Other	Subdivision	Sale			
Recreation	New	Bicycle Strategy Projects	249	0	0	0	0			
Recreation	Renewal	Ballarat Botanical Gardens - Asset Renewal Program	54	0	0	0	0			
Recreation	Renewal	Parks Development Program	281	0	281	0	0			
Recreation	Renewal	Recreation Capital Improvement Program	4,160	0	0	0	0			
Recreation	Upgrade	Playspace Planning Framework	270	0	0	0	0			
			45,158	3,750	281	11,898	415			

2016/17												
Category	New / renewal	PROJECT DESCRIPTION	Cost	Grants	Other	Subdivision	Sale					
Facilities	Renewal	Facility Renewal Program	2,706	0	0	0	0					
Facilities	Renewal	Monument Renewal Program	112	0	0	0	0					
Facilities	Upgrade	School Crossing Supervisor Shelters	22	0	0	0	0					
Facilities	Upgrade	Major Projects Facilities Budget	0	0	0	0	0					
Infrastructure	New	Federal Blackspot Funding	1,000	1,000	0	0	0					
Infrastructure	New	Land Development Council Contribution	84	0	0	0	0					
Infrastructure	New	Major New Capital Road Projects	520	0	0	0	0					
Infrastructure	New	Public Art Program	112	0	0	0	0					
Infrastructure	New	Subdivision Contribution	12,374	0	0	12,374	0					
Infrastructure	Renewal	Entrances	169	0	0	0	0					
Infrastructure	Renewal	Federal Roads to Recovery Funding	1,000	1,000	0	0	0					
Infrastructure	Renewal	Major Infrastructure Renewal Projects	11,514	0	0	0	0					
Infrastructure	Renewal	Major Rural Roads Infrastructure Works	1,285	0	0	0	0					
Infrastructure	Renewal	Street Furniture Renewal Program	169	0	0	0	0					
Infrastructure	Upgrade	Landfill Upgrade	2,000	0	0	0	0					
Infrastructure	Upgrade	Public Place Recycling	11	0	0	0	0					
Infrastructure	Upgrade	Victoria Street Median Landscaping Project	100	0	0	0	0					
Plant & Equipment	New	Library Books	382	0	0	0	0					
Plant & Equipment	New	RFID Implementation - Ballarat Libraries	61	0	0	0	0					
Plant & Equipment	Renewal	BAC Programmable Assets & Equipment	90	0	0	0	0					
Plant & Equipment	Renewal	Desktop Replacement Program	413	0	0	0	0					
Plant & Equipment	Renewal	Home Care Service hand held pPC replacement program	50	0	0	0	0					
Plant & Equipment	Renewal	IT Infrastructure Strategy	318	0	0	0	0					
Plant & Equipment	Renewal	Outdoor Pools	141	0	0	0	0					
Plant & Equipment	Renewal	Parking Meter Replacement Program	67	0	0	0	0					
Plant & Equipment	Renewal	Playground Improvement Program	45	0	0	0	0					
Plant & Equipment	Renewal	Replacement Bins Program	337	0	0	0	0					
Plant & Equipment	Upgrade	Fleet	2,483	0	0	0	0				375	
Plant & Equipment	Upgrade	IT System Development	820	0	0	0	0				0	0

2016/17										
Category	New / renewal	PROJECT DESCRIPTION	Cost	Grants	Other	Subdivision	Sale			
Recreation	New	Bicycle Strategy Projects	259	0	0	0	0			
Recreation	Renewal	Ballarat Botanical Gardens - Asset Renewal Program	56	0	0	0	0			
Recreation	Renewal	Parks Development Program	292	0	292	0	0			
Recreation	Renewal	Recreation Capital Improvement Program	4,326	0	0	0	0			
Recreation	Upgrade	Playspace Planning Framework	281	0	0	0	0			
			43,599	2,000	292	12,374	375			

2017/18												
Category	New / renewal	PROJECT DESCRIPTION	Cost	Grants	Other	Subdivision	Sale					
Facilities	Renewal	Facility Renewal Program	2,814	0	0	0	0					
Facilities	Renewal	Monument Renewal Program	117	0	0	0	0					
Facilities	Upgrade	School Crossing Supervisor Shelters	23	0	0	0	0					
Facilities	Upgrade	Major Projects Facilities Budget	0	0	0	0	0					
Infrastructure	New	Federal Blackspot Funding	1,000	1,000	0	0	0					
Infrastructure	New	Land Development Council Contribution	88	0	0	0	0					
Infrastructure	New	Major New Capital Road Projects	541	0	0	0	0					
Infrastructure	New	Public Art Program	117	0	0	0	0					
Infrastructure	New	Subdivision Contribution	12,868	0	0	12,868	0					
Infrastructure	Renewal	Entrances	175	0	0	0	0					
Infrastructure	Renewal	Federal Roads to Recovery Funding	1,000	1,000	0	0	0					
Infrastructure	Renewal	Major Infrastructure Renewal Projects	11,975	0	0	0	0					
Infrastructure	Renewal	Major Rural Roads Infrastructure Works	1,336	0	0	0	0					
Infrastructure	Renewal	Street Furniture Renewal Program	175	0	0	0	0					
Infrastructure	Upgrade	Landfill Upgrade	2	0	0	0	0					
Infrastructure	Upgrade	Public Place Recycling	12	0	0	0	0					
Plant & Equipment	New	Library Books	394	0	0	0	0					
Plant & Equipment	New	RFID Implementation - Ballarat Libraries	61	0	0	0	0					
Plant & Equipment	Renewal	BAC Programmable Assets & Equipment	94	0	0	0	0					
Plant & Equipment	Renewal	Desktop Replacement Program	431	0	0	0	0					
Plant & Equipment	Renewal	Home Care Service hand held pPC replacement program	50	0	0	0	0					
Plant & Equipment	Renewal	IT Infrastructure Strategy	428	0	0	0	0					
Plant & Equipment	Renewal	Outdoor Pools	146	0	0	0	0					
Plant & Equipment	Renewal	Parking Meter Replacement Program	70	0	0	0	0					
Plant & Equipment	Renewal	Playground Improvement Program	47	0	0	0	0					
Plant & Equipment	Renewal	Replacement Bins Program	351	0	0	0	0					
Plant & Equipment	Upgrade	Fleet	2,389	0	0	0	0				360	
Plant & Equipment	Upgrade	IT System Development	844	0	0	0	0				0	

2017/18										
Category	New / renewal	PROJECT DESCRIPTION	Cost	Grants	Other	Subdivision	Sale			
Recreation	New	Bicycle Strategy Projects	269	0	0	0	0			
Recreation	Renewal	Ballarat Botanical Gardens - Asset Renewal Program	58	0	0	0	0			
Recreation	Renewal	Parks Development Program	304	0	304	0	0			
Recreation	Renewal	Recreation Capital Improvement Program	4,499	0	0	0	0			
Recreation	Upgrade	Playspace Planning Framework	292	0	0	0	0			
			42,970	2,000	304	12,868	360			

Financial Performance Indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

Indicator	Measure	Notes	Forecast		Budget	Strategic Resource Plan			
			Actual	2013/14		2014/15	2015/16	2016/17	2017/18
Operating position									
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-3.60%		-1.10%		-1.95%	0.24%	0.35%
Liquidity									
Working capital	Current assets / Current liabilities	2	117%		125%		130%	155%	181%
Unrestricted cash	Unrestricted cash / Current liabilities		69%		73%		73%	95%	117%
Obligations									
Loans and borrowings	Interest bearing loans and borrowings / Rate revenue	3	46%		42%		38%	34%	31%
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / Rate revenue		7%		8%		7%	7%	6%
Indebtedness	Non-current liabilities / Own source revenue		25%		24%		23%	23%	22%
Asset Renewal	Asset renewal expenses / Depreciation	4	58%		63%		76%	65%	66%

Indicator	Measure	Notes	Forecast Actual 2013/14	Budget 2014/15	Strategic Resource Plan Projections			
					2015/16	2016/17	2017/18	
Stability								
Rates concentration	Rate revenue / Adjusted underlying revenue	5	57%	56%	57%	58%	59%	
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.49%	0.50%	0.54%	0.58%	0.62%	
Efficiency								
Expenditure level	Total expenditure / no. property assessments		281%	298%	318%	329%	347%	
Revenue level	Residential rate revenue / No. of residential property assessments		1,152	1,152	1,152	1,152	1,152	
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		9.3%	9.12%	8.99%	8.87%	8.74%	

- 1 Adjusted underlying result** – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period, although continued losses means reliance on Council's cash reserves or increased debt to maintain services.
- 2 Working Capital** – The proportion of current liabilities represented by current assets. Working capital is forecast to decrease significantly in 2014/15 year due to a run down in cash reserves to fund the capital program. The trend in later years is to remain steady at an acceptable level.
- 3 Debt compared to rates** - Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.
- 4 Asset renewal** - This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.
- 5 Rates concentration** - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become more reliant on rate revenue compared to all other revenue sources.

CITY OF BALLARAT BUDGET 2014 - 2015

This document contains the 2014 – 2015 Budgeted Statements for the Ballarat City Council.

*Budgeted
Statements*

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Budgeted Statements

This appendix presents information in regard to the Budgeted Financial Statements and Statement of Human Resources. The budget information for the years 2014/15 to 2017/18 has been extracted from the Strategic Resource Plan.

At the end of each financial year Council is required to include in the Financial Statements in its Annual Report a comparison of actual income and expenditure compared with the income and expenditure in the financial statements in the Budget,

The appendix includes the following budgeted information:

- Budgeted Comprehensive Income Statement
- Budgeted Balance Sheet
- Budgeted Statement of Changes in Equity
- Budgeted Statement of Cash Flows
- Budgeted Statement of Capital Works
- Budgeted Statement of Human Resources

Budgeted Comprehensive Income Statement					
For the four years ending 30 June 2018					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Income					
Rates and charges	74,598	79,699	85,676	91,674	98,091
User fees, charges and fines	36,031	38,226	39,755	41,345	42,999
Contributions - cash	550	550	567	583	601
Grants - recurrent	16,886	22,289	22,958	23,646	24,356
Reimbursements	948	391	391	391	391
Interest income	1,285	916	859	813	1,010
Net gain on disposal of property, infrastructure, plant and equipment	470	0	0	0	0
Total income	130,768	142,071	150,206	158,453	167,448
Expenses					
Employee benefits	50,189	54,044	59,896	59,741	62,728
Materials and services	46,834	49,752	51,877	55,421	59,642
Bad and doubtful debts	646	636	655	675	695
Depreciation and amortisation	31,393	32,649	33,955	35,313	36,726
Finance costs	1,225	1,835	1,881	1,908	1,918
Other expenses	5,193	4,723	4,865	5,011	5,161
Total expenses	135,480	143,639	153,129	158,069	166,869
Surplus/(deficit)	(4,712)	(1,568)	(2,923)	385	578
Other comprehensive income					
Contributions - non-monetary assets	11,000	11,440	11,898	12,374	12,868
Grants - non-recurrent	7,867	2,016	3,750	2,000	2,000
Total comprehensive result	14,155	11,888	12,725	14,759	15,446

Budgeted Balance Sheet					
For the four years ending 30 June 2018					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Current Assets					
Cash	18,326	19,187	19,266	24,195	29,715
Receivables	7,851	8,648	9,506	10,421	11,402
Other	1,040	1,040	1,040	1,040	1,040
Total Current Assets	27,217	28,875	29,812	35,657	42,158
Current Liabilities					
Creditors	6,130	6,130	6,130	6,130	6,130
Other Creditors	2,357	2,357	2,357	2,357	2,357
Borrowings	4,655	4,524	4,401	4,388	4,709
Provisions	10,121	10,121	10,121	10,121	10,121
Total Current Liabilities	23,263	23,132	23,009	22,996	23,317
Net Current Assets	3,954	5,743	6,803	12,661	18,841
Non-Current Assets					
Capital Assets	1,440,528	1,449,757	1,460,546	1,468,459	1,476,404
Receivables	246	246	246	246	246
Investments	0	0	0	0	0
Total Non-Current Assets	1,440,774	1,450,003	1,460,792	1,468,705	1,476,650
Non-Current Liabilities					
Borrowings	29,493	28,624	27,746	26,760	25,439
Provisions	2,878	2,878	2,878	2,878	2,878
Total Non-Current Liabilities	32,371	31,502	30,624	29,638	28,317
Net Assets	1,412,357	1,424,245	1,436,970	1,451,728	1,467,174
Accumulated Surplus	773,546	785,434	798,159	812,917	828,363
Other Reserves	407	407	407	407	407
Asset Revaluation Reserve	638,404	638,404	638,404	638,404	638,404
Total Equity	1,412,357	1,424,245	1,436,970	1,451,728	1,467,174

Budgeted Statement of Changes in Equity				
For the four years ending 30 June 2018				
	Total	Accumulated Surplus	Revaluation Reserve	Other Reserve
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
2015				
Balance at beginning of the financial year	1,412,357	773,546	638,404	407
Adjustment on change in accounting policy	0	0	0	0
Comprehensive result	11,888	11,888	0	0
Transfer to reserves	(270)	0	0	(270)
Transfer from reserves	270	0	0	270
Balance at end of the financial year	1,424,245	785,434	638,404	407
2016				
Balance at beginning of the financial year	1,424,245	785,434	638,404	407
Adjustment on change in accounting policy	0	0	0	0
Comprehensive result	12,725	12,725	0	0
Transfer to reserves	(281)	0	0	(281)
Transfer from reserves	281	0	0	281
Balance at end of the financial year	1,436,970	798,159	638,404	407
2017				
Balance at beginning of the financial year	1,436,970	798,159	638,404	407
Adjustment on change in accounting policy	0	0	0	0
Comprehensive result	14,759	14,759	0	0
Transfer to reserves	(292)	0	0	(292)
Transfer from reserves	292	0	0	292
Balance at end of the financial year	1,451,728	812,917	638,404	407
2018				
Balance at beginning of the financial year	1,451,728	812,917	638,404	407
Adjustment on change in accounting policy	(1)	(1)	0	0
Comprehensive result	15,446	15,446	0	0
Transfer to reserves	(304)	0	0	(304)
Transfer from reserves	304	0	0	304
Balance at end of the financial year	1,467,174	828,363	638,404	407

Budgeted Statement of Cash Flows					
For the four years ending 30 June 2018					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash Flows from Operating Activities					
Receipts					
General Rates	75,114	78,902	84,819	90,757	97,110
Government Grants	24,753	24,305	26,708	25,646	26,356
User Charges	37,529	38,226	39,755	41,345	42,999
Net GST Refund	0	0	0	0	0
Interest	1,285	916	859	813	1,010
Reimbursements	948	391	391	391	391
Other revenue	550	550	567	583	601
	140,179	143,290	153,098	159,536	168,467
Payments					
Employee costs	(50,189)	(55,223)	(61,134)	(61,041)	(64,093)
Materials and contracts	(46,834)	(48,573)	(50,639)	(54,121)	(58,277)
Interest and other costs of finance	0	0	0	0	0
Other expenses	(5,193)	(5,359)	(5,520)	(5,685)	(5,856)
	(102,216)	(109,155)	(117,293)	(120,847)	(128,226)
Net Cash Flows from Operating Activities	37,963	34,135	35,805	38,689	40,241
Cash Flow from Investing Activities					
Payments for:					
Capital Payments	(74,009)	(30,888)	(33,261)	(31,227)	(32,163)
Loans and Advances	0	0	0	0	0
Proceeds from:					
Sale of Assets	940	450	415	375	360
Investments	0	0	0	0	0
Loans and Advances	0	0	0	0	0
Net Cash Flow from Investing Activities	(73,069)	(30,438)	(32,846)	(30,852)	(31,803)
Cash Flow from Financing Activities					
Proceeds from borrowings	29,145	3,655	3,524	3,401	3,388
Repayment of superannuation liability	0	0	0	0	0
Repayment of borrowings	(4,236)	(4,655)	(4,524)	(4,401)	(4,388)
Interest and other costs of finance	(1,225)	(1,835)	(1,881)	(1,908)	(1,918)
Net Cash Flow from Financing Activities	23,684	(2,835)	(2,881)	(2,908)	(2,918)
Net Increase/(Decrease) in Cash Held	(11,422)	862	78	4,929	5,520
Cash at Beginning of Period	29,748	18,326	19,188	19,266	24,195
Cash at End of Period	18,326	19,188	19,266	24,195	29,715

Budgeted Statement of Capital Works					
For the four years ending 30 June 2018					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Capital Works Areas					
Buildings	12,801	0	3,555	0	0
Facilities	1,702	1,425	2,732	2,841	2,955
Infrastructure	33,605	29,585	28,429	30,338	31,347
Land	38	200	0	0	0
Plant & Equipment	8,924	6,296	5,429	5,207	5,305
Recreation	27,939	4,822	5,014	5,215	5,424
Total Capital Works	85,009	42,328	45,159	43,601	45,031
Represented By:					
New	50,049	14,656	14,268	14,793	15,338
Renewal	18,143	20,408	25,823	23,090	24,072
Upgrade	16,817	7,264	5,068	5,718	5,621
Total Capital Works	85,009	42,328	45,159	43,601	45,031

Capital Works Program for the year ended 30 June 2015

PROJECT DESCRIPTION	Cost (\$'000's)	Funding Source				
		Grants (\$'000's)	Contributions (\$'000's)	Subdivision (\$'000's)	Borrowings (\$'000's)	Sale of Assets (\$'000's)
New Works						
Infrastructure						
Federal Blackspot Funding	1,000	1,000	0	0	0	0
Land Development Council Contribution	78	0	0	0	0	0
Major New Capital Road Projects	607	0	0	0	0	0
Public Art Program	104	0	0	0	0	0
Subdivision Contribution	11,440	0	0	11,440	0	0
	13,229	1,000	0	11,440	0	0
Land						
Land - Arch of Victory	200	0	0	0	0	0
Plant & Equipment						
Library Books	361	0	0	0	0	0
Library - Equity - Book Stock	236	0	0	0	0	0
RFID Implementation - Ballarat Libraries	391	0	0	0	0	0
	988	0	0	0	0	0
Recreation						
Bicycle Strategy Projects	239	0	0	0	0	0
New Works	14,656	1,000	0	11,440	0	0

PROJECT DESCRIPTION	Cost (\$'000's)	Funding Source				
		Grants (\$'000's)	Contributions (\$'000's)	Subdivision (\$'000's)	Borrowings (\$'000's)	Sale of Assets (\$'000's)
Renewal						
Facilities						
Facility Renewal Program	1,300	0	0	0	0	0
Monument Renewal Program	104	0	0	0	0	0
	1,404	0	0	0	0	0
Infrastructure						
Entrances	156	0	0	0	0	0
Federal Roads to Recovery Funding	1,000	1,000	0	0	0	0
Major Infrastructure Renewal Projects	10,645	0	0	0	0	0
Major Rural Roads Infrastructure Works	1,188	0	0	0	0	0
Street Furniture Renewal Program	156	0	0	0	0	0
	13,145	1,000	0	0	0	0
Plant & Equipment						
BAC Programmable Assets & Equipment	83	0	0	0	0	0
Desktop Replacement Program	421	0	0	0	0	0
Home Care Service personal computer replacement program	50	0	0	0	0	0
IT Infrastructure Strategy	437	0	0	0	0	0
Outdoor Pools	130	0	0	0	0	0
Parking Meter Replacement Program	62	0	0	0	0	0
Playground Improvement Program	42	0	0	0	0	0
Replacement Bins Program	312	0	0	0	0	0
	1,537	0	0	0	0	0
Recreation						
Ballarat Botanical Gardens - Asset Renewal Program	52	0	0	0	0	0
Parks Development Program	270	0	270	0	0	0
Recreation Capital Improvement Program	4,000	0	0	0	0	0
	4,322	0	270	0	0	0
Renewal Works	20,408	1,000	270	0	0	0

PROJECT DESCRIPTION	Cost (\$'000's)	Funding Source				
		Grants (\$'000's)	Contributions (\$'000's)	Subdivision (\$'000's)	Borrowings (\$'000's)	Sale of Assets (\$'000's)
Upgrade						
Facilities						
School Crossing Supervisor Shelters	21	0	0	0	0	0
Infrastructure						
Landfill Upgrade	3,000	0	0	0	0	0
Public Place Recycling	10	0	0	0	0	0
Sturt Street Irrigation Upgrade	100	0	0	0	0	0
Victoria Street Median Landscaping Project	100	0	0	0	0	0
	3,210	0	0	0	0	0
Plant & Equipment						
Fleet	3,200	0	0	0	0	450
IT System Development	573	0	0	0	0	0
	3,773	0	0	0	0	450
Recreation						
Playspace Planning Framework	260	0	0	0	0	0
Upgrade Works	7,264	0	0	0	0	450
Capital Works Program	42,328	2,000	270	11,440	0	450

PROJECT DESCRIPTION	Cost (\$'000's)	Funding Source				
		Grants (\$'000's)	Contributions (\$'000's)	Subdivision (\$'000's)	Borrowings (\$'000's)	Sale of Assets (\$'000's)
Summary						
Infrastructure	29,584	2,000	0	11,440	0	0
Land	200	0	0	0	0	0
Plant & Equipment	6,298	0	0	0	0	450
Recreation	4,821	0	270	0	0	0
Facilities	1,425	0	0	0	0	0
	42,328	2,000	270	11,440	0	450
Represented By:						
New	14,656	1,000	0	11,440	0	0
Renewal	20,408	1,000	270	0	0	0
Upgrade	7,264	0	0	0	0	450
	42,328	2,000	270	11,440	0	450

Budgeted Statement of Human Resources					
For the four years ending 30 June 2018					
	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2016/17
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Staffing Costs					
- Operating	50,189	54,044	59,896	59,741	62,728
- Capital	1,128	1,179	1,238	1,300	1,365
Employee numbers (eft)	582.06	592.29	600.58	608.99	617.52

City of Ballarat

2013/14 Budget Document



2nd May 2012

Budget Process

At a Special Council meeting held 15 May 2013, Council resolved to put the 2013/14 Draft Budget on public Display. On Saturday 18 May 2013 Council advertised that the 2013/14 Draft Budget will be on public display from Monday 20 May 2013/14.

The draft budget was on public display for at least 28 days. During that time members of the public had the opportunity to review the draft budget and provide submissions in writing to the Council on any matters pertaining to the draft budget.

Council resolved that the submission period closed at 9.00am on Tuesday 18 June 2013. All submissions received within the specified period were be presented to Council at a Special Council Meeting held on Wednesday 19 June 2013.

The Special Council Meeting received all written submissions and heard from those people that had provided a written submission, and indicated in their written submission that they wished to present to Council.

Council then deliberated over the next week, at the Council meeting held on Wednesday 26 June 2013 Council resolved to adopt the 2013/14 Budget.

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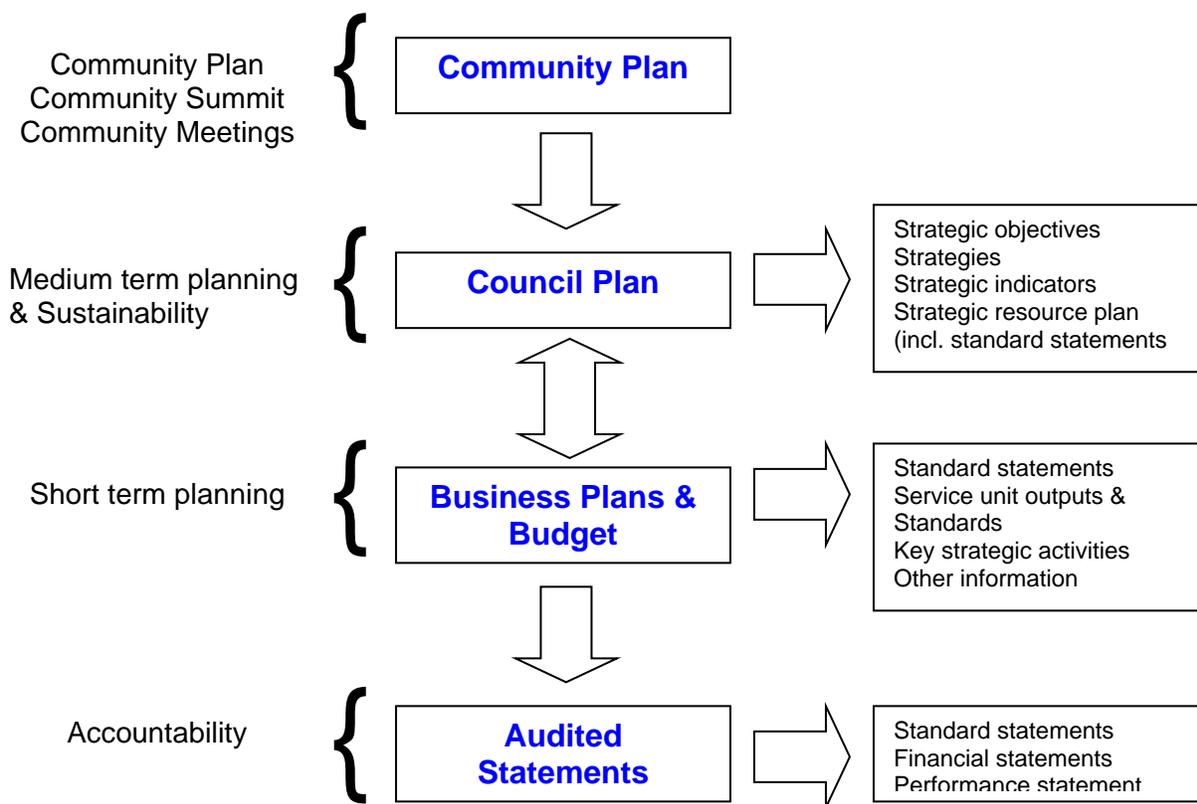
My Ballarat Budget 2013/14 AND Council Plan Liftout

1. Introduction:

Strategic Planning Framework

The Annual Budget has been developed within an overall planning framework, which guides the Council in identifying community needs and aspirations over the long term (Community Plan), medium term (Council Plan) short term (Annual Budget) and then holding itself accountable (Audited Statements).

The Strategic Resource Plan, included in the Council Plan summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the objectives and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the strategic planning framework of the City of Ballarat.



The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by the 30th June following a general election and is reviewed each year by February to ensure that there is sufficient time for officers to develop their Activities and Initiatives and Key Strategic Activities in draft form prior to the commencement of the Annual Budget process in February. It also allows time for targets to be established during the long term financial planning process that has led to the development of the Long Term Financial Strategy. This process has guided the preparation of the Annual Budget.

Budget Process

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The preparation of the budget begins with Officers preparing the operating and capital components of the budget during January and February. The various components of the budget is then prepared and discussed with Council at informal briefings during March and April. A proposed budget is then prepared in accordance with the Act and the following steps followed to review and adopt the budget in June:

Step 1: Officers to prepare the annual budget in accordance with the Act and submit the “proposed” budget to Council for approval in “principle”.

Step 2: Council is then required to give 28 days’ notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices.

Step 3: Individuals have the right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

Step 4: Council is to formally adopt the budget after receiving and considering any submissions from interested parties.

The budget is required to be adopted and a copy submitted to the Minister by 31 August each year.

The 2013/14 budget, which is included in this report, is for the year 1 July 2013 to 30 June 2014, and is prepared in accordance with the Act and Regulations. The budget includes standard statements:

- Income Statement
- Balance Sheet
- Cash Flows
- Capital Works

These statements have been prepared in accordance with Australian Accounting Standards, “Financial Reporting by Local Governments”, and other mandatory professional reporting requirements and in with the Act and Regulations.

This report also includes detailed information about the rates and charges to be levied, and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

The budget includes consideration of a number of long term strategies to assist Council in considering the Budget in a proper financial management context. These include:

- Strategic Resource Plan for the years 2013/14 to 2017/18
- Rating Strategy
- Borrowing Strategy

The key dates for the budget process are summarised below:

Budget submitted to Council for approval in principle	15 May 2013
Public notice advising intention to adopt budget	18 May 2013
Budget available for public inspection & comment	20 May 2013
Submissions period closes	18 June 2013
Submissions considered by Council	19 June 2013
Council formally adopts budget	26 June 2013
Copy of adopted budget submitted to the Minister by	31 August 2013

Budget Influences

Snapshot of the City of Ballarat:

Ballarat can lay claim to being Australia's leading regional city with a proud history, a progressive community, and set for a vibrant future. It is a community big enough to offer the best education, health, employment and lifestyle options but friendly enough to care about its people and its environment.

It is no surprise then that Ballarat is one of Australia's fastest growing inland regional centres. Residents enjoy world-class health and educational facilities and the infrastructure of a capital city, but with the lower cost base of a regional centre. Ballarat is a city poised for growth, offering a sustainable future, an affordable and enjoyable lifestyle, a robust economy, a distinctive climate, and a rich and proud history.

Only one hour's travel from the outskirts of Melbourne and the international airport at Tullamarine, it is situated in the gently undulating midland plains of the central highlands, with its natural beauty and rich agriculture. The climate is temperate and Ballarat enjoys four distinct seasons; a warm summer, a golden autumn, a bracing winter and a vivid spring. The lifestyle options enjoyed by residents include small villages and country towns, as well as the main cityscape of central Ballarat, with its combination of modern urban living in the midst of heritage architecture of national significance and international renown.

The municipality's total land area is just less than 740 square kilometres and is part of an area of land under the traditional custodianship of the Wathaurong tribe. It is generally accepted that the origin of the name came from two aboriginal words signifying a camping or resting place – "balla" meaning "elbow" or "reclining on the elbow" and "arat" meaning "place". Over many centuries the Wathaurong people lived in an area that stretched from Ballarat to Victoria's southern coastal area near Lorne, to the Werribee River. Today approximately 600 indigenous descendants live in the Ballarat area.

Ballarat is a major international and domestic tourist destination, attracting nearly two million visitors each year worth over \$330 million per annum to the region's economy. It is one of regional Victoria's most diverse tourism destinations where the beauty of the central highlands, the rich gold fields heritage vibrant community events come to life. It is also a gateway to the many attractions of western Victoria.

Arts, culture and history continue to be important to the community and our sense of who we are. We have a rich history and heritage with deep roots and connections across Australian society. Ballarat is home to the spirit of Eureka and the birthplace of Australian democracy. This legacy of a strong independent spirit remains strong. The gold rush transformed Ballarat and today that heritage is still evident in the striking architectural streetscapes that are the envy of the rest of the country. A typical example is Her Majesty's

Theatre – one of the country’s best preserved theatre buildings – which showcases every kind of amateur and professional on stage performance imaginable. The Art Gallery of Ballarat is the nation’s first and largest regional art gallery. It has an enviable permanent collection and regularly welcomes exhibitions from around the world.

The past is a potent and still strong influence on what Ballarat is today, but it is our future that most excites people. Population growth projections for the 20+ year period to 2030 range from 106,000 to over 130,000, driven by Ballarat’s liveability, affordable housing and connection by rail and road to Melbourne.

Home ownership is more affordable in Ballarat. Based on average house prices it costs nearly \$200,000 less to buy a house in Ballarat compared to Melbourne. Education is valued by the community and Ballarat offers an extensive range of quality public and private education options. There are good choice at all educational levels, including two universities and several other centres which provide learning opportunities for adults. Lifelong learning is also encouraged through a network of community-based learning organisations. Ballarat families have access to a range of child care facilities and aged residential care options. Two major hospitals, a day procedure complex, more than 100 general medical practitioners and more than 1,000 public and private, hospital, nursing and hostel beds cater for the health needs of the community.

Sport and recreational facilities are plentiful in the municipality. Ballarat residents can choose to relax or exercise at one of the 147 neighbourhood parks, 45 sporting grounds, 35km of walking trails, cycling paths, indoor and outdoor swimming pools, or test their skills on one of nine golf courses in the region. The Lake Wendouree rowing course is currently undergoing works which will bring it to a standard to host national events.

Ballarat is a vibrant regional economic centre offering a variety of career and employment opportunities, from advanced manufacturing to servicing the health needs of the region. Situated in a key strategic position at the centre of some of Victoria’s most important freight, tourist and commuter transport routes, Ballarat is home to a diverse range of industries. The tourism and hospitality, construction, education, government administration and information technology services sectors are all enjoying steady growth.

The agricultural sector, while small in employment numbers, is an extremely important sector given the fertile land and natural attributes of the region. The City of Ballarat itself had total agricultural output in the order of \$53.6million in 2006 data according to ABS data, with the main commodities being potatoes, milk, wool, pastures and cereals. The sector generates large multipliers for the broader region, with the total value of agricultural production in the Central Highlands being in excess of \$260million per year, and up to \$1.2billion when the Western District is included. Major commodities in the Central Highlands region include potatoes, sheep and lamb, meat cattle, wool, milk, barley, canola, oilseeds and grapes. With increased land values, new farming techniques and water supply constraints, there is a trend towards more boutique sectors such as canola, Chinese vegetable, grapes, organic wheat, berries etc. The agricultural resource generates substantial downstream opportunities in the food manufacturing sector, and this is evident with major investment in Ballarat by Masterfoods, McCains, Hakubaku and others.

The University of Ballarat Technology Park hosts local start-up enterprises as well as international corporations. Ballarat is also home to businesses in the automotive components sector, industrial machinery specialists, food processing operations, a growing number of niche manufacturers and global companies. More than 30 per cent of Ballarat industry and businesses are involved in export. Ballarat exports more than \$3.6 billion in local goods and services and generates more than \$9.5 billion in gross output every year.

With a population of around 90,000 people, Ballarat has a labour workforce of close to 45,000. The region hosts more than 8,000 registered businesses that service the domestic and export markets. New investment is actively encouraged. Ballarat has high workforce retention rates, even in sectors with traditionally high staff turnover. The city's major industry sector employers include retail trade (18%); manufacturing (14.9%); health and community services (15.3%); education (9.9%) and property and business services (8%). And Ballarat is increasingly being recognised for its competitive advantage in information and communications technology (ICT) and has one of the most comprehensive and competitive telecommunications systems in regional Australia.

And for those who wish to commute to Melbourne for work, or recreation, the completion of the Deer Park bypass has further reduced the travel time by around ten minutes. Additionally the Ballarat-Melbourne fast rail service and coach link also provides a quality service to visitors and commuters. Around 250 passenger rail services run between Ballarat and Melbourne each week and Tullamarine International Airport is just over an hour away.

Excellent transport connections extend beyond just those with Melbourne. Ballarat is the gateway to western Victoria and is an important regional hub in the State's road transport network with the Western Freeway, Midland, Glenelg and Sunraysia Highways servicing all parts of Victoria. These four main highways connect Ballarat to Melbourne and Adelaide, the regional cities of Bendigo, Mildura, Geelong and Portland, and agricultural areas in the Mallee and Wimmera.

All in all Ballarat has the unique combination of people, skills, location, infrastructure, natural beauty and pioneering spirit to realise its potential as one of Australia's leading regional centres. It is our commitment and focus to help the community achieve it.

OUR MUNICIPALITY

The municipal district of the City of Ballaarat (historical spelling) was first created in 1856, followed shortly by the creation of the City of Ballaarat East in 1857.

These two municipalities merged in 1921 to form the City of Ballaarat. The City was surrounded by the Borough of Sebastopol and the Shires of Ballarat, Buninyong, Grenville, Bungaree and Ripon.

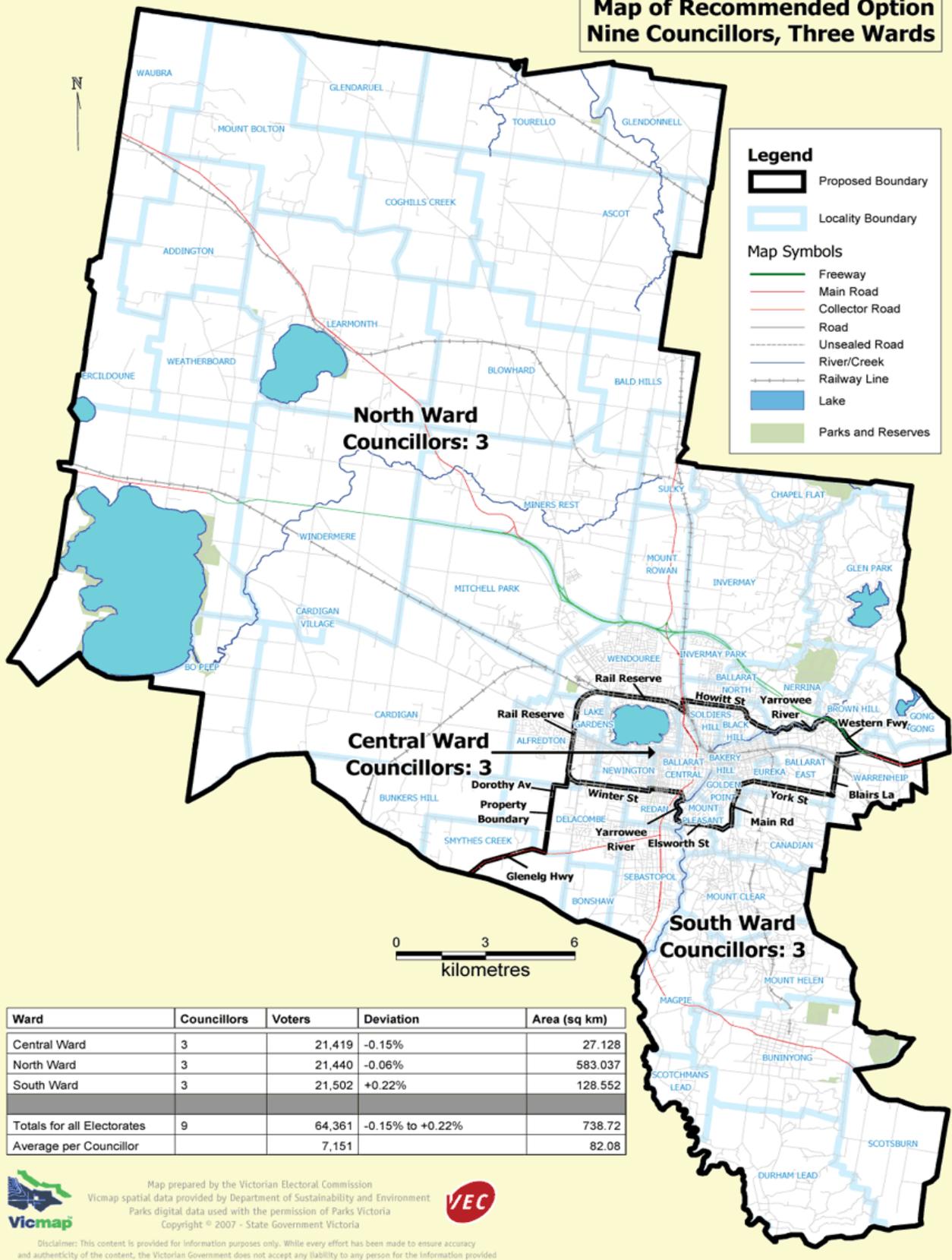
The present City of Ballarat was created by an Order of Parliament on 6 May 1994 under the Victorian Local Government Act and is the amalgamation of the previous Shire of Ballarat, City of Ballaarat, the Borough of Sebastopol, and parts of the Shires of Ballarat, Bungaree, Buninyong, Grenville and Ripon.

From 1996 to 2008 the municipality was divided into nine electoral wards, each represented by a single councillor. During the 2006/07 financial year the Victorian Electoral Commission conducted a review of the electoral structure of the City of Ballarat and recommended, in the interests of fair and equitable representation, that the municipality be restructured into a three ward electorate (North, Central and South wards), each represented by three councillors. The Minister for Local Government accepted the Commission's recommendation and the transition to this new electoral structure occurred at the general election held on Saturday 29 November 2008.

The City of Ballarat adjoins the municipalities of Moorabool Shire (to the east) which separates Ballarat from the outer suburbs of Melbourne; Hepburn Shire (to the north); Pyrenees Shire (to the west); and Golden Plains Shire (to the south) which separates Ballarat from Geelong.

Ballarat City Council

Map of Recommended Option Nine Councillors, Three Wards



Map prepared by the Victorian Electoral Commission
Vicmap spatial data provided by Department of Sustainability and Environment
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OUR COUNCIL

Ballarat City Council is a public statutory body constituted under the 'Local Government Act 1989'. The Act determines the purposes and objectives of Council and defines a number of functions and powers which Council is required to undertake in order to provide leadership and good governance for the municipal district and the local community. It is also responsible for determining the organisation's direction and overseeing its performance on behalf of the Ballarat community.

The municipality of the City of Ballarat is divided into three municipal electorate wards each represented by three councillors. Councillors are elected for a four-year term unless as the result of a by-election.

At the general municipal election held on 27 October 2012 the following councillors were elected. Three were re-elected. Cr Burt was elected Mayor and Cr McIntosh elected Deputy Mayor for the first year of the new Council.

Central Ward



Name: Cr John Burt (Mayor)
Elected: 27 October 2012
Ph: 5320 5528
Email: johnburt@ballarat.vic.gov.au



Name: Cr Samantha McIntosh (Deputy Mayor)
Elected: 29 November 2008
Ph: 0458 004 880
Email: samanthamcintosh@ballarat.vic.gov.au



Name: Cr Belinda Coates
Elected: 27 October 2012
Ph: 0417 456 513
Email: belindacoates@ballarat.vic.gov.au

North Ward



Name: Cr John Philips
Elected: 21 March 2008
Ph: 0417 388 706
Email: johnphilips@ballarat.vic.gov.au



Name: Cr Amy Johnson
Elected: 27 October 2012
Ph: 0417 018 369
Email: amyjohnson@ballarat.vic.gov.au



Name: Cr Vicki Coltman
Elected: 27 October 2012
Ph: 0418 357 712
Email: vickicoltman@ballarat.vic.gov.au

South Ward



Name: Cr Des Hudson
Elected: 18 March 2002
Ph: 0409 865 093
Email: deshudson@ballarat.vic.gov.au



Name: Cr Peter Innes
Elected: 27 October 2012
Ph: 0407 539 683
Email: peterinnes@ballarat.vic.gov.au



Name: Cr Joshua Morris
Elected: 27 October 2012
Ph: 0407 325 693
Email: joshuamorris@ballarat.vic.gov.au

Significant Influences

The preparation of the 2013/14 budget required consideration of a number of significant influences being:

- A new Enterprise Bargaining Agreement to be adopted commencing 1 July 2013
- Significant increases in utility costs.
- Provision for future calls for funding relating to the Defined Benefits Superannuation.
- Future growth of the municipality.
- Ageing infrastructure.
- Insurance costs for councils continue to escalate at a significant pace.
- Consumer Price Index between 2.5% - 3.0%.

Budget Principles

In response to influences, guidelines were prepared and distributed to all Council officers with budget responsibilities. The guidelines set out the key budget principles upon which the officers were to prepare their Business Plans and Budget.

The process of determining the 5 year recurrent budget has been a significant undertaking across the organisation. All budgets have been developed in conjunction with detailed business plans that capture every activity associated with providing services. This process was undertaken within the scope of the Long Term Financial Strategy (LTFS) and links directly to the financial objectives of the Council.

The key budget principles upon which the organisation prepared the 2013/14 budget included:

- Identification of Community Plan Priorities and Strategies, Council Plans and Strategies that drive the delivery of the activity
- Analysis of the rationale for providing the activity. This particularly examines the community need that each service fulfils, links to legislative requirements to provide services and whether the service can be provided by another organisation or mode of delivery.
- Analysis of resources required over the next five years, this includes staff, equipment etc.
- Existing fees and charges to be set at the medium range for the state and/or increased at 4.0%.
- Future infrastructure services levels to be increased during the life of the LTFS.
- Council to create a "Growth Fund" that will fund future infrastructure requirements for the City as a result of the future growth for the municipality.
- Council will borrow \$25 million during 2013/14 to provide funding for the Civic Hall and Aquatic issues.
- Resume the debt reduction strategy of \$1 million per year commencing in 2014/15.
- Total of Employee Costs and Materials & Contracts to be capped at 5%.
- 2013/14 Rate Increase 7.5%
- 2014/15 Rate Increase 6.5% (proposed)
- 2015/16 Rate Increase 6.0% (proposed)
- 2016/17 Rate Increase 5.5% (proposed)

Key Financial Performance Indicators

As part of Council's guiding principles in determining a budget for 2013/14 is to consolidate the financial position of the City of Ballarat in a sound financial state. The key financial performance indicators are essential for the Council in adopting a budget which achieves this objective.

Risk indicators:

Year	Inflation	Rate %	Underlying Result %	Liquidity	Self Financing	Indebtedness	Investment Gap	
94/95	1.9%	0.00%	Low	Low	High	Medium	Low	
95/96	5.0%	-20.00%	Low	Low	Medium	Medium	Low	
96/97	3.6%	1.40%	Medium	Medium	High	High	Low	
97/98	0.4%	2.88%	Medium	Medium	Medium	Low	High	
98/99	0.8%	7.50%	Medium	Low	Medium	Low	High	
99/00	1.3%	7.00%	Medium	Low	Medium	Low	High	
00/01	3.9%	6.50%	Medium	Medium	Low	Low	Medium	
01/02	7.6%	3.00%	Medium	Low	Low	Low	Medium	
02/03	3.8%	6.00%	Medium	Medium	Low	Low	Medium	
03/04	3.0%	6.50%	Low	Low	Low	Low	Low	
04/05	2.4%	3.00%	Medium	Low	Low	Low	Low	
05/06	2.4%	5.50%	Medium	Low	Low	Low	Medium	
06/07	3.5%	7.50%	Low	Low	Low	Low	Medium	
07/08	2.8%	7.50%	Low	Low	Low	Low	Low	
08/09	4.1%	5.50%	Low	Low	Low	Low	Medium	
09/10	2.9%	4.0%	Low	Low	Low	Low	Low	
10/11	3.0%	4.0%	Low	Low	Low	Low	Low	
11/12	3.3%	3.5%	Low	Low	Low	Low	Low	
Forecast	12/13	3.0%	4.00%	Low	Medium	Medium	Low	Low
1	13/14	3.0%	7.50%	Low	Medium	Low	Low	Low
2	14/15	3.0%	6.50%	Low	Medium	Low	Low	Medium
3	15/16	3.0%	6.00%	Medium	Medium	Low	Low	Medium
4	16/17	3.0%	5.50%	Low	Low	Low	Low	Medium
5	17/18	3.0%	5.50%	Low	Low	Low	Low	Medium
6	18/19	3.0%	5.50%	Medium	Low	Low	Low	Medium
7	19/20	3.0%	5.50%	Low	Low	Low	Low	Medium
8	20/21	3.0%	5.50%	Low	Low	Low	Low	Medium
9	21/22	3.0%	5.50%	Low	Low	Low	Low	Medium
10	22/23	3.0%	5.50%	Low	Low	Low	Low	Medium
11	23/24	3.0%	5.50%	Low	Low	Low	Low	Medium
12	24/25	3.0%	5.50%	Low	Low	Low	Low	Medium
13	25/26	3.0%	5.50%	Low	Low	Low	Low	Medium
14	26/27	3.0%	5.50%	Low	Low	Low	Low	Medium
15	27/28	3.0%	5.50%	Low	Low	Low	Low	Medium
16	28/29	3.0%	5.50%	Low	Low	Low	Low	Medium
17	29/30	3.0%	5.50%	Low	Low	Low	Low	Medium
18	30/31	3.0%	5.50%	Low	Low	Low	Low	Medium
19	31/32	3.0%	5.50%	Low	Low	Low	Low	Medium
20	32/33	3.0%	5.50%	Low	Low	Low	Low	Medium

Whilst maintaining a Long Term Financial Strategy that will keep the City of Ballarat in a responsible financial position at the end of this Council's term, the financial strategy has been modified to provide funding for:

- Civic Hall.
- Create aquatic play spaces.
- Indoor 50m heated pool.
- Setting up a Growth Fund for future infrastructure.
- Provision of additional funding for improved service levels.
- Additional funding for infrastructure works.

Underlying Result:

Measures the ability of the organisation to record a surplus ignoring non cash revenue.

Liquidity:

This measures the ability to pay existing liabilities in the next 12 months. A ratio of one or more means there is more cash or liquid assets than short term liabilities

Self Financing:

Measures the ability to replace assets using cash generated by their operations. The higher the percentage the more effectively this can be done.

Indebtedness:

The higher the percentage, the less able to cover non-current liabilities from the revenues they generate themselves.

Investment Gap:

Comparison of the rate of spending on infrastructure with its depreciation. Ratios higher than 1:1 indicates that spending is faster than the depreciating rate.

2. 2013/14 Budget:

Budget Parameters

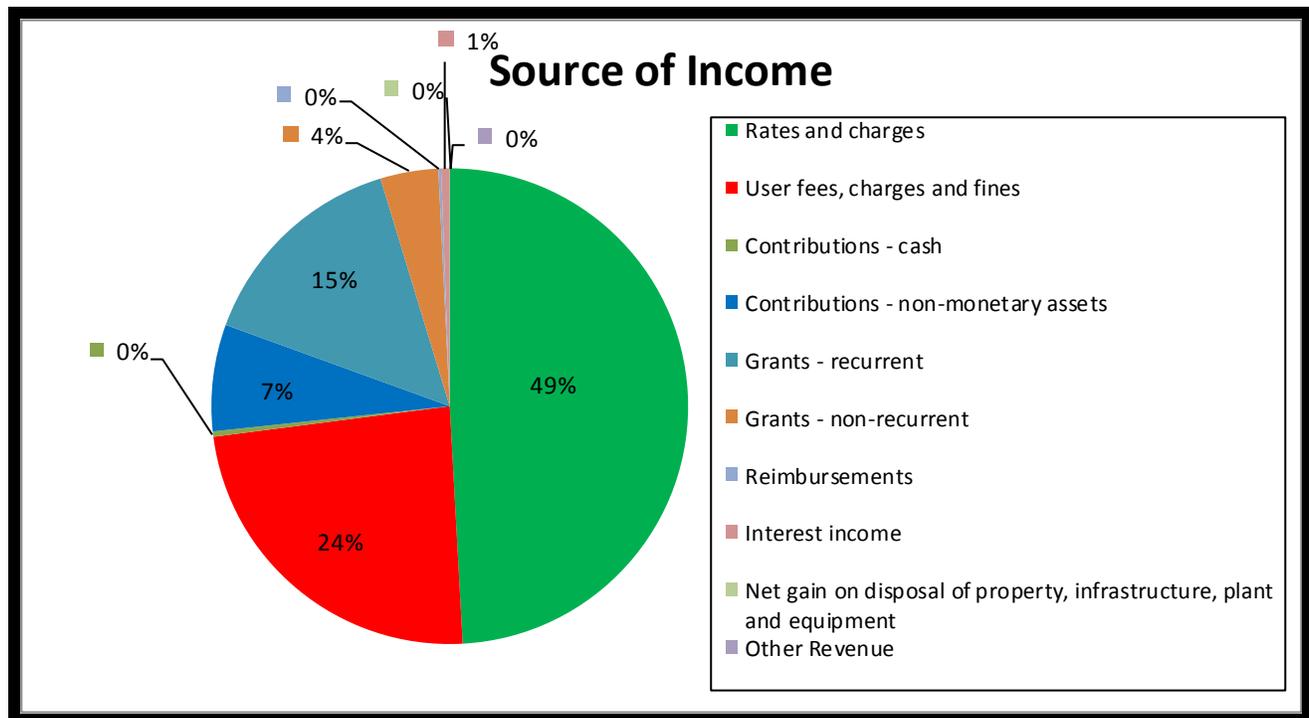
In formulating the 2013/14 budget and Strategic Resource Plan the following parameters were used:

1. Rate increases over the Council term are proposed at:
 - 2013/14 7.5%
 - 2014/15 6.5%
 - 2015/16 6.0%
 - 2016/17 5.5%
2. Garbage Charge to increase to \$229.
3. An allocation of \$3 million to be made to fund the unfunded liability of the Defined Benefits Superannuation Scheme every 3 years
4. Borrow \$25 million to fund the following projects:

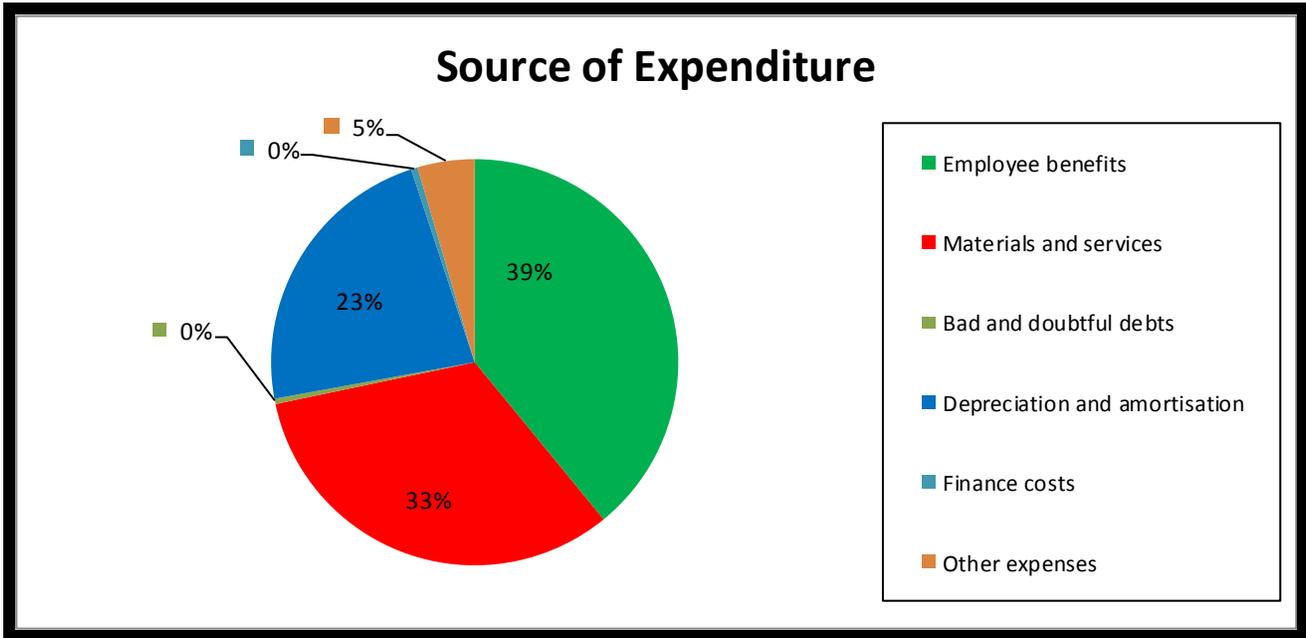
• Civic Hall	\$8 million
• 50m Indoor Heated Pool	} \$17 million
• Aquatic Playspace	
5. Utility costs have been forecast to increase by as much as 50% in the 2013/14 year.
6. Council pension rebate to be increased to \$75.
7. Council to modify differential rating system to remove the gaming differential rate.
(In accordance with the Victorian Governments Rating Guidelines)
8. Council to continue the debt reduction strategy of repaying debt at \$1 million per year from 2014/15.
9. Rebate for Recreation 1 ratepayers to be granted, effectively removing all rates payable for this category.

Financial Overview

Operating revenue and expenditure sources for the 2013/14 budget are illustrated below:

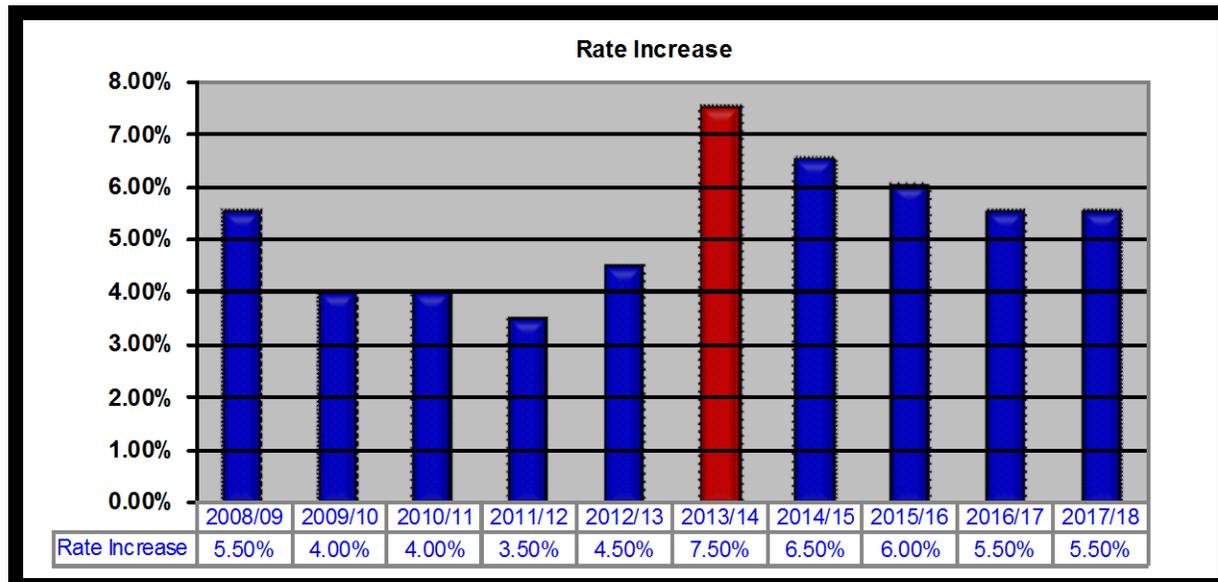


Source of Income	(\$'000)	
Rates and charges	74,598	49%
User fees, charges and fines	36,148	24%
Contributions - cash	550	0%
Contributions - non-monetary assets	11,000	7%
Grants - recurrent	22,404	15%
Grants - non-recurrent	5,969	4%
Reimbursements	278	0%
Interest income	878	1%
Net gain on disposal of property, infrastructure, plant and equipment	0	0%
Other Revenue	0	0%
	151,825	



Source of Expenditure	(\$'000)	
Employee benefits	50,856	39%
Materials and services	42,434	33%
Bad and doubtful debts	556	0%
Depreciation and amortisation	29,698	23%
Finance costs	682	1%
Other expenses	5,895	5%
	130,121	

Rate Revenue:



Council has continued the strategy of providing the community certainty of future rate increases for their term. Year 1 represents a rate increase of 7.5%. The previous Council had signalled in the LTFS that the rate increase for 2013/14 was required to be 5.5%, as additional funds were required to be raised to fund the superannuation call.

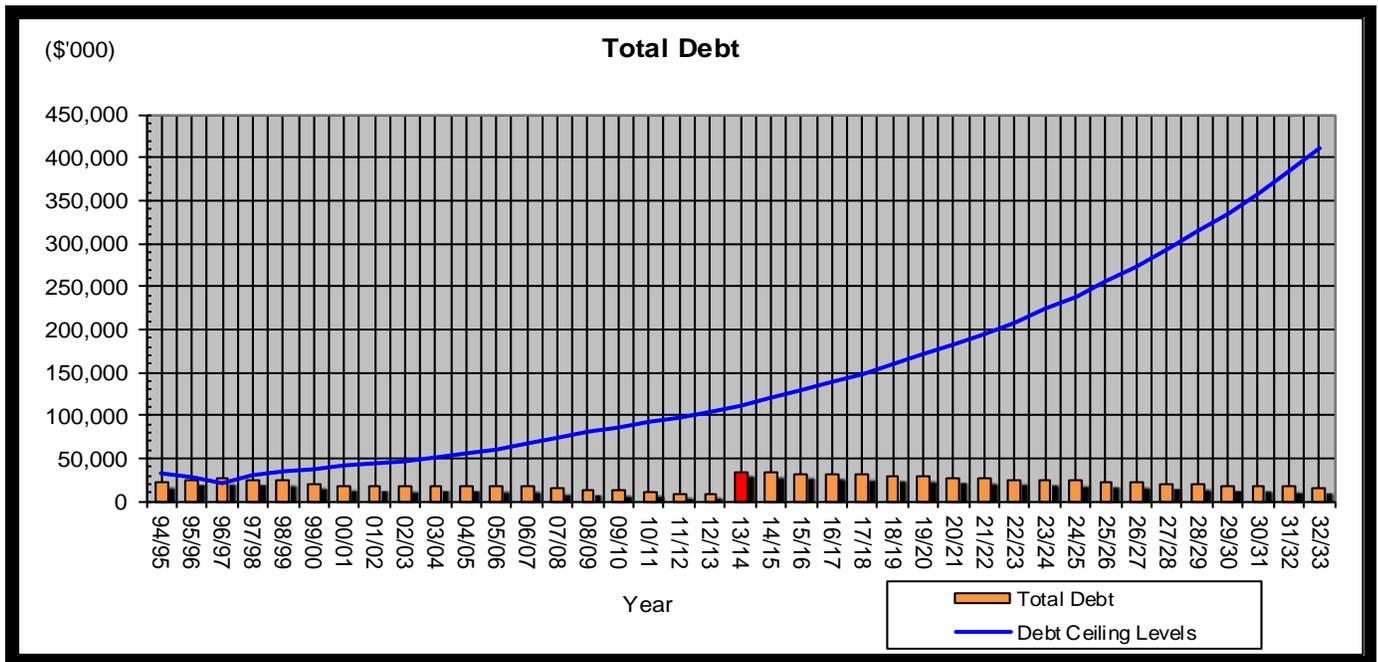
The Council has added a further 2% on to the benchmark to fund borrowings of \$25 million to raise funds for the Civic Hall and Aquatic projects.

This Council has increased the base rate increase from the previous 4% to 5.5%. This increase in the base rate will provide funds for:

- Provision of a minimum \$1 million per year to a “Growth Fund”, this fund will finance new infrastructure works required to cater for the growth of the municipality.
- Provision of a minimum \$450k per year for the provision of improved service levels.

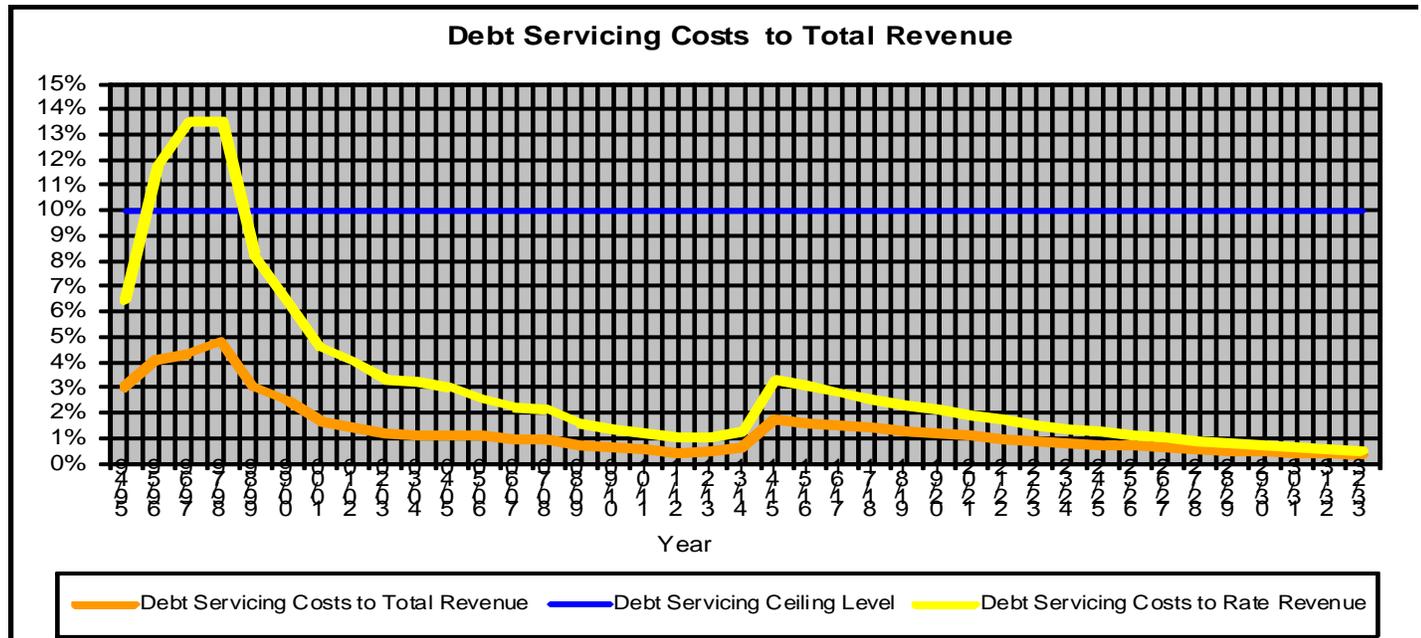
Debt:

The City of Ballarat has had a long term strategy of reducing debt. This Council has determined to borrow \$25 million to fund works on the Civic Hall and Aquatic projects, including a 50m indoor heated swimming pool. From 2014/15 Council will continue the debt reduction strategy of reducing debt by \$1 million per year.



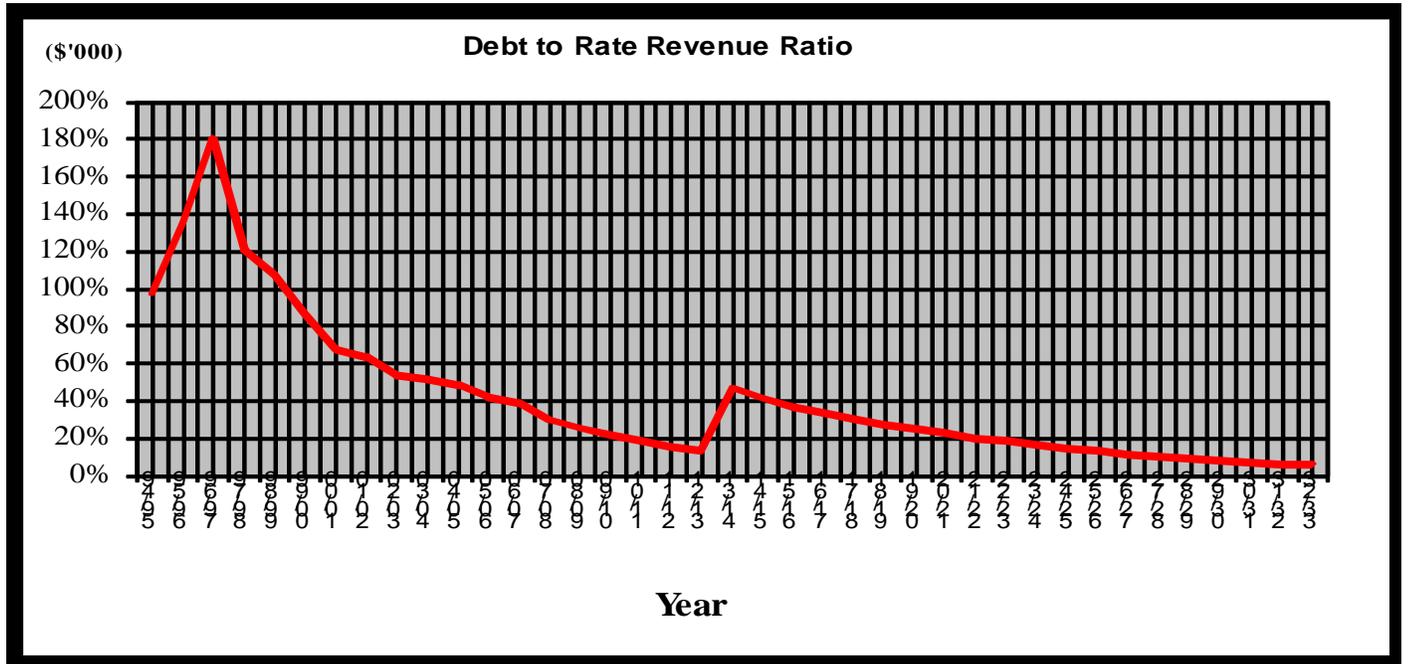
In the above graph the blue line reflects the debt ceiling levels that the City of Ballarat could borrow based on its current financial position. The bars in the chart represent the outstanding debt for any particular year. The gap between available debt and outstanding debt is becoming greater. This situation has been another of Council's strategies so that if required Council could borrow significant sums to fund major projects in the future.

The blue line represents the debt servicing cost ceilings set by the Victorian Government whilst the orange line represents the debt servicing costs as a percentage of total revenue and the yellow line represents debt servicing costs as a percentage of rate revenue.



The City of Ballarat will continue to have low levels debt servicing costs, especially taking into account the magnitude of the business.

In relation to how total debt is a percentage of rate revenue, the following graphs illustrate this:

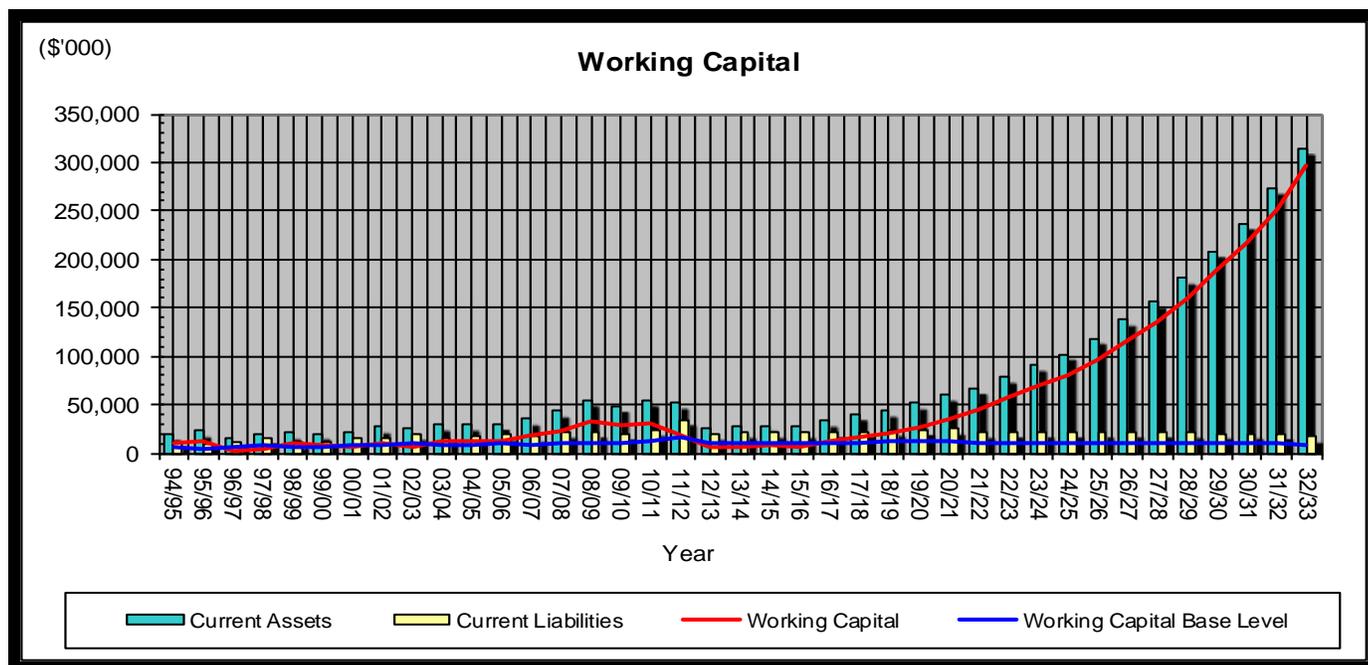


In 1986 debt represented 1.86 times the available rate revenue whilst it is forecast that at the end of the 2013/14 year debt will only increase to 0.46 times rate revenue. This is equivalent to the debt level of 2004/05 (debt levels of \$17.9 million) representing 0.49 times rate revenue.

Debt for the City of Ballarat does not represent a major liability when compared to the size of Council's operations and does provide future Councils with the ability to raise significant amounts to fund major projects that the community deems a priority.

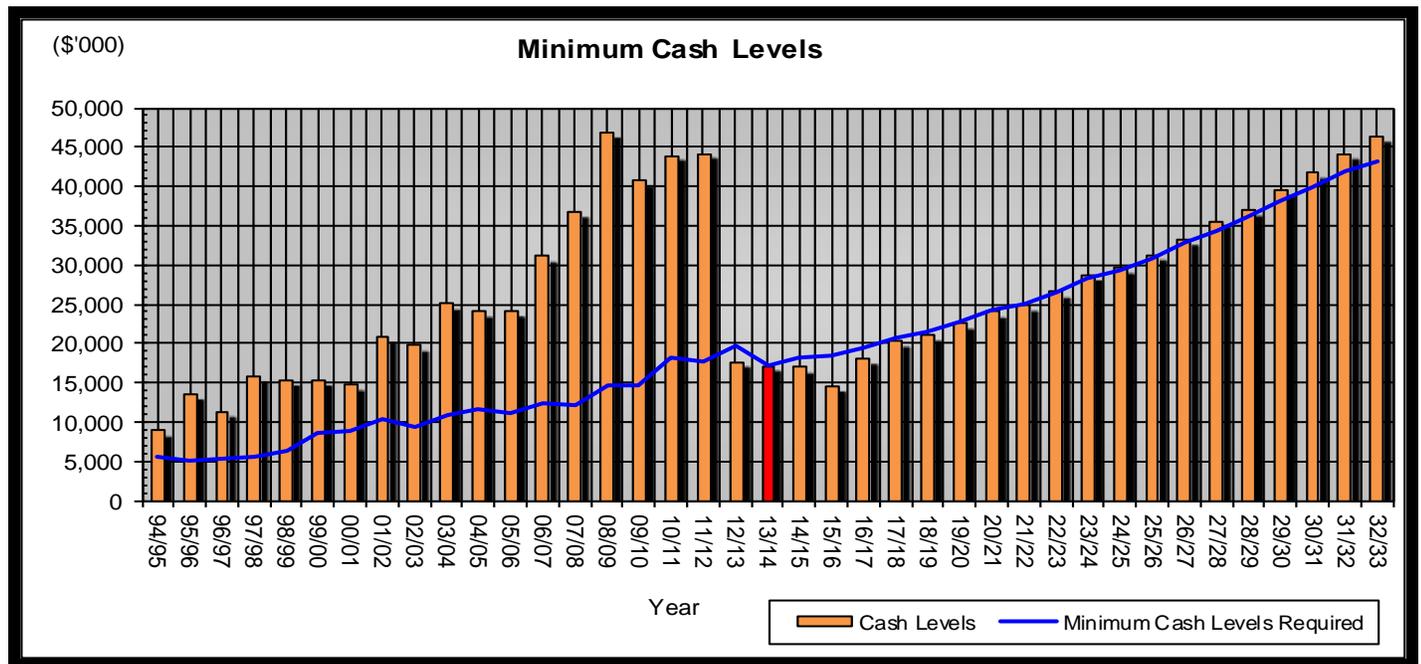
Working Capital

As a major cornerstone of Council's Long Term Financial Strategy, the amount of working capital is paramount. The Government has set 150% of working capital to be a minimum risk benchmark. During this Council's term they have used this benchmark as a minimum level and have balanced the needs of funding projects with the need to remain financially solid.



Due to the size of the capital works programs in the attempt to deal with the infrastructure demands of the City, Council will still have strong working capital levels however, they will be below the 150% low risk level over the next 3 years. From the fourth year onwards the working capital levels for the City of Ballarat will once again be within the low risk profile. Working capital levels in the long term are overstated due to the Growth Fund. When the Growth Fund is used then working capital levels will be reduced.

Minimum Cash Levels



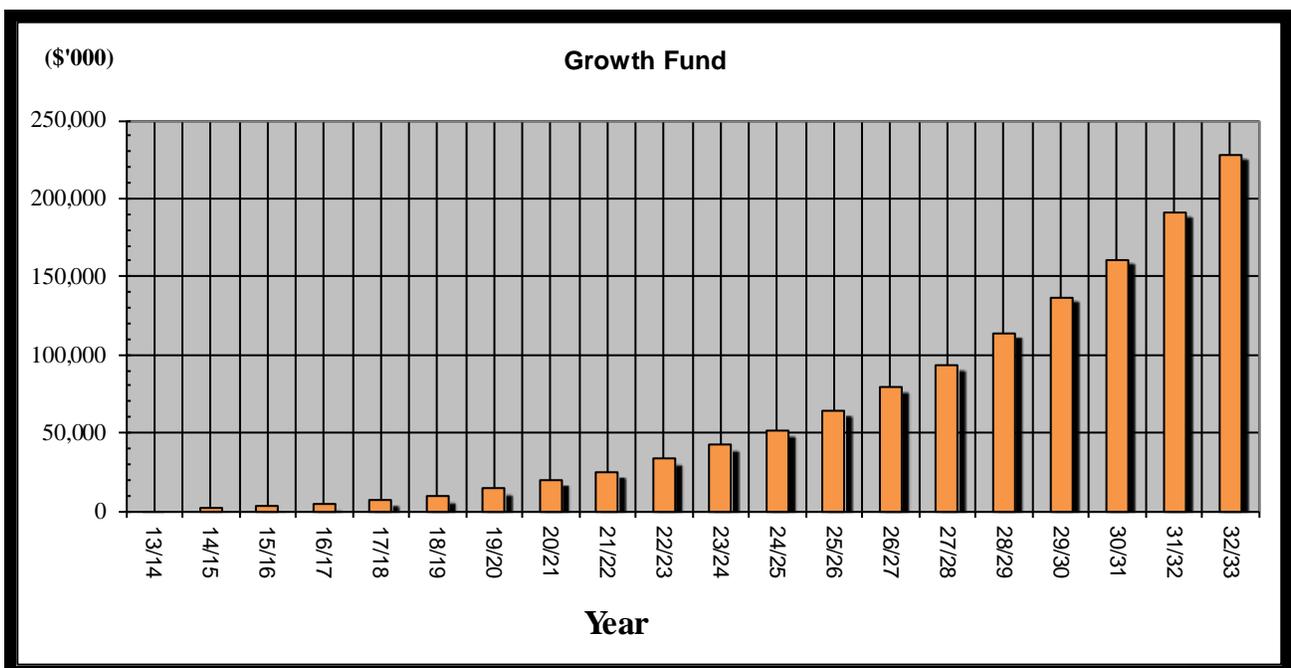
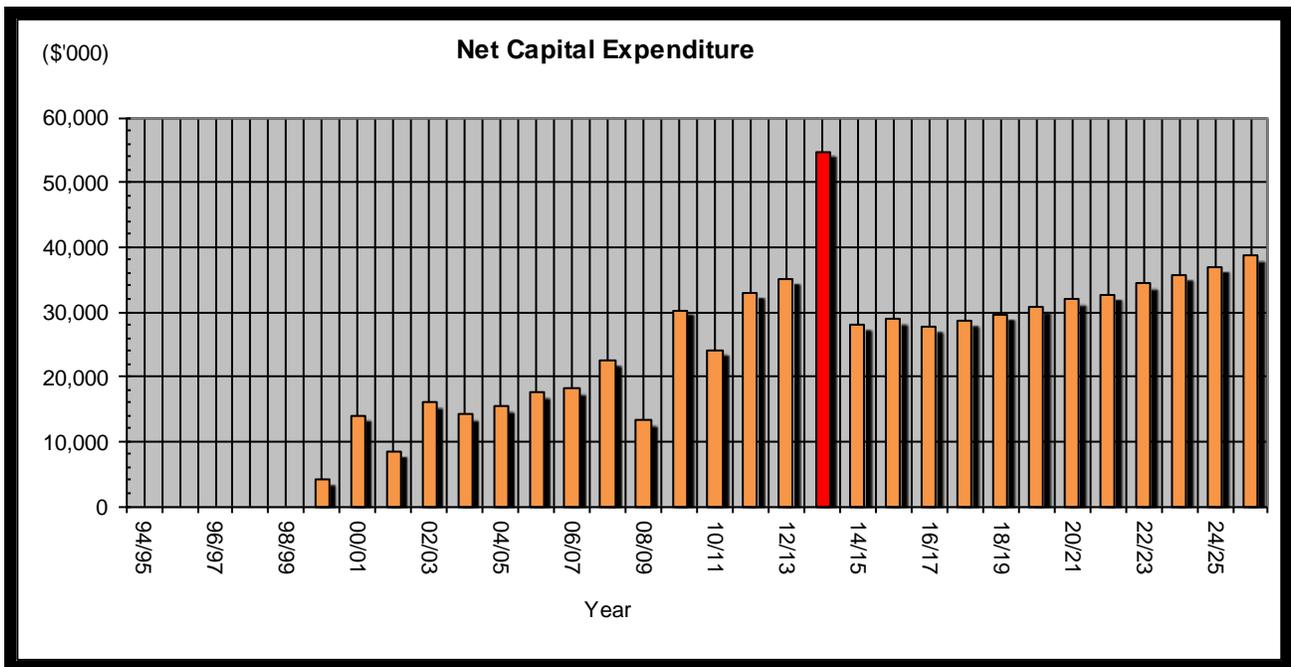
In an effort to free as much cash as possible to fund additional projects and increase service levels the level of cash and investments will be below the anticipated levels required.

This risk is offset by the holding of funds in the Growth Fund and the \$3 million allowance every three years for possible superannuation calls. It is anticipated that Council will be able to manage the lower levels of cash reserves over the next four years.

Capital Works

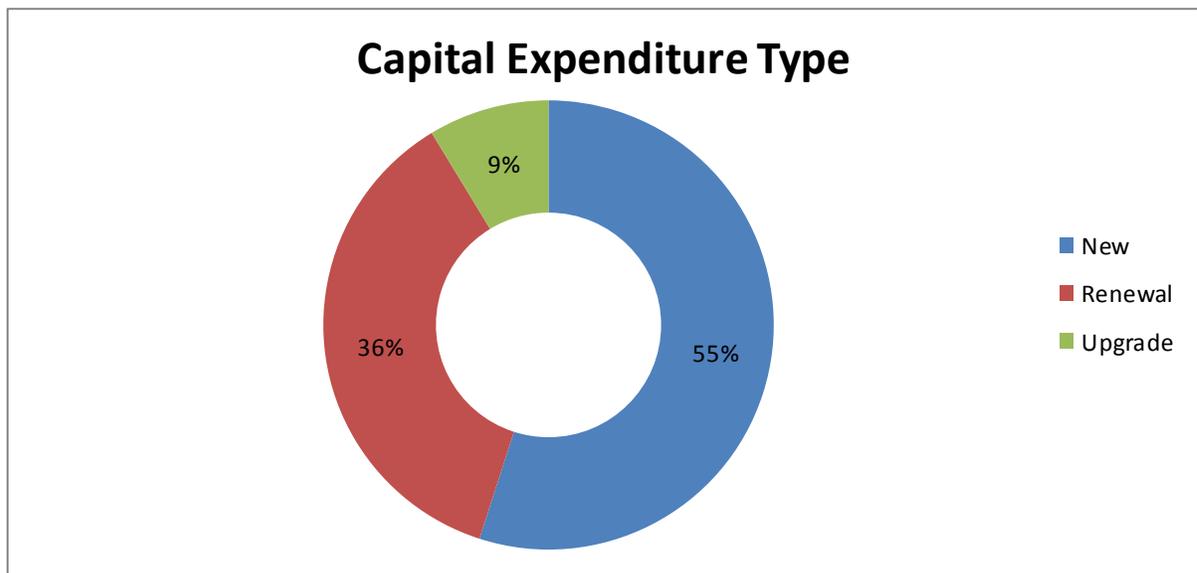
As part of the construction of the 2013/14 budget Council reviewed future funding for Capital Works. With the growth in depreciation which broadly represents the future amounts that are required to maintain the infrastructure of the municipality, Council recognised the need to increase funding to cater for the infrastructure needs.

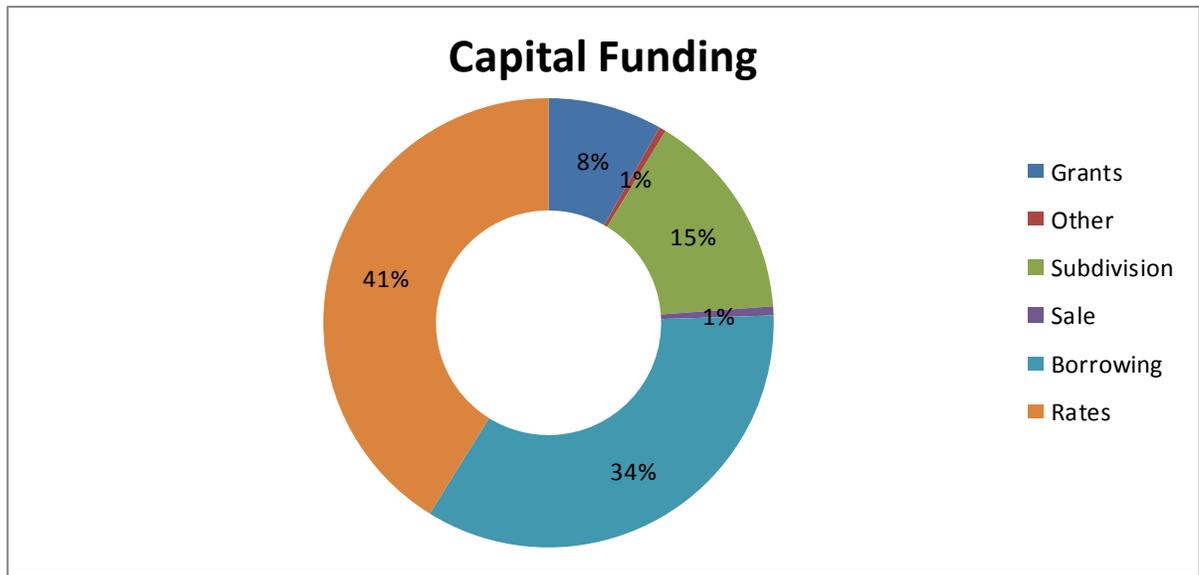
Subsequently, Council has created a comprehensive “Core” capital program. This core capital program will meet the renewal needs of Councils infrastructure needs. Funds required for new infrastructure will be funded from the “Growth Fund” that Council has proposed.



The 2013/14 capital budget is the largest capital budget formulated by the City of Ballarat. The expenditure type and funding is listed below:

Capital Expenditure Type	\$	% Share
New	39,974,493	55%
Renewal	26,437,692	36%
Upgrade	6,313,200	9%
	72,725,385	100%
Funded By		
Grants	5,969,000	8%
Other	360,000	0%
Subdivision	11,000,000	15%
Sale	470,000	1%
Borrowing	25,000,000	34%
Rates	29,926,385	41%
	72,725,385	100%





Operating Surplus

The 2013/14 budget proposes an operating surplus and forecasts continued operating surpluses into the future.



Though Council has budgeted for future surpluses, Council will record an underlying deficit over the next few years. The underlying result has arisen due to significant increases in fixed operating costs, for example utility expenses, which have risen significantly above Council's predicted revenue increases.

It is expected over time that these fixed costs will even out thus Council's revenue increases will enable the underlying operating result to return to positive.

Budget Detail

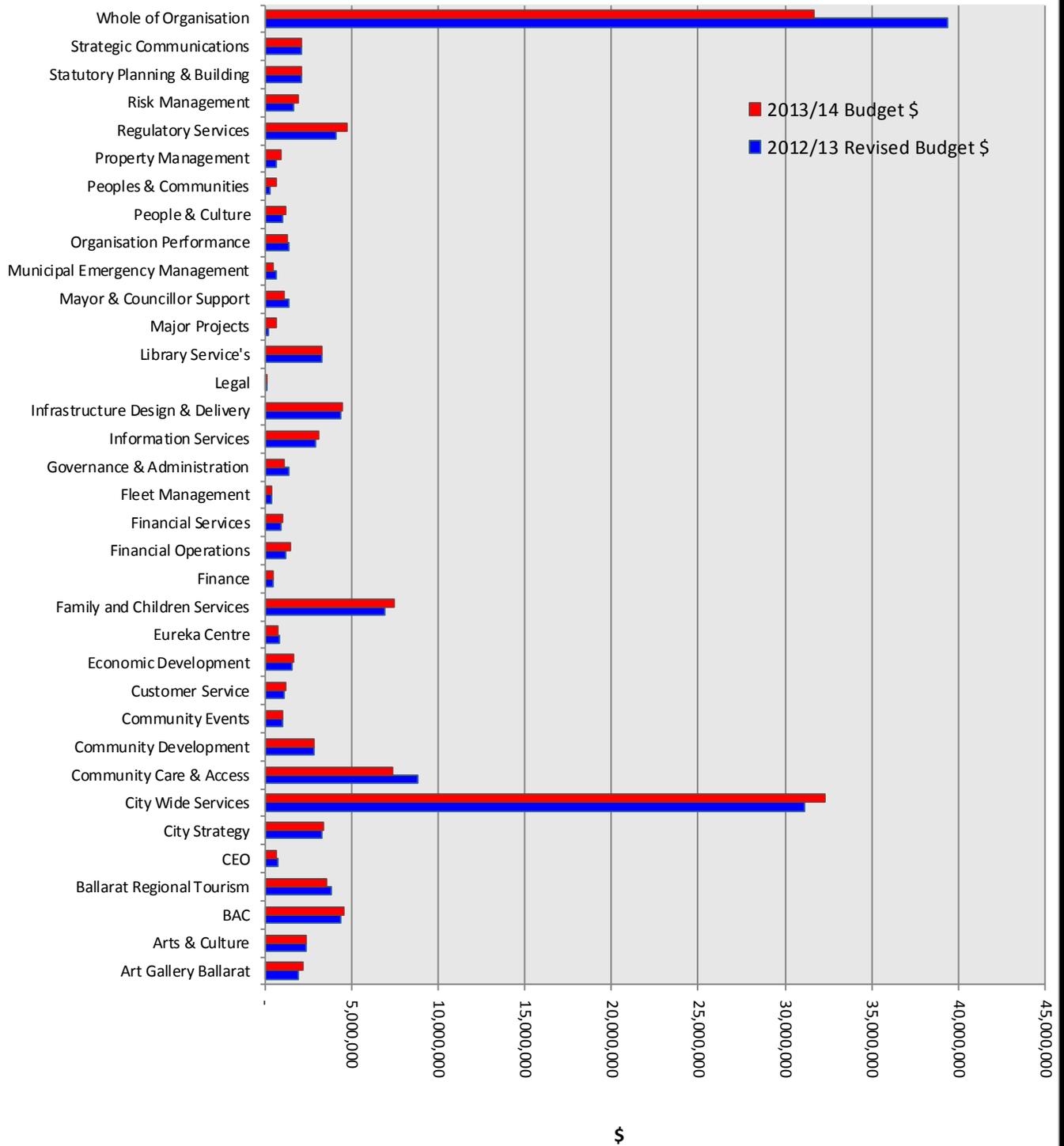
Operating Budget

The following section provides detail on gross expenditure for the various services within Council.

The tables below provide a summary of gross expenditure per division, both percentage share and dollar and percentage movement between the two (2) years:

Business Unit	2012/13 Revised Budget \$	% Share	2013/14 Budget \$	% Share
Art Gallery Ballarat	1,875,509	1%	2,147,811	2%
Arts & Culture	2,337,658	2%	2,311,221	2%
BAC	4,349,850	3%	4,523,857	3%
Ballarat Regional Tourism	3,773,841	3%	3,568,597	3%
CEO	690,320	0%	634,517	0%
City Strategy	3,270,446	2%	3,318,026	2%
City Wide Services	31,088,549	22%	32,266,430	24%
Community Care & Access	8,840,280	6%	7,348,454	5%
Community Development	2,816,207	2%	2,783,569	2%
Community Events	1,014,342	1%	1,026,756	1%
Customer Service	1,095,325	1%	1,144,431	1%
Economic Development	1,547,828	1%	1,588,810	1%
Eureka Centre	774,998	1%	750,000	1%
Family and Children Services	6,869,488	5%	7,462,930	6%
Finance	443,539	0%	423,623	0%
Financial Operations	1,176,939	1%	1,420,369	1%
Financial Services	926,748	1%	980,215	1%
Fleet Management	326,021	0%	336,290	0%
Governance & Administration	1,349,488	1%	1,082,231	1%
Information Services	2,873,452	2%	3,115,203	2%
Infrastructure Design & Delivery	4,329,292	3%	4,428,117	3%
Legal	91,138	0%	84,000	0%
Library Service's	3,268,595	2%	3,232,890	2%
Major Projects	177,899	0%	627,992	0%
Mayor & Councillor Support	1,339,684	1%	1,102,459	1%
Municipal Emergency Management	591,948	0%	439,890	0%
Organisation Performance	1,346,683	1%	1,284,670	1%
People & Culture	999,548	1%	1,136,932	1%
Peoples & Communities	290,337	0%	643,862	0%
Property Management	664,827	0%	931,808	1%
Regulatory Services	4,110,390	3%	4,708,650	3%
Risk Management	1,672,855	1%	1,904,916	1%
Statutory Planning & Building	2,088,210	1%	2,064,417	2%
Strategic Communications	2,106,015	2%	2,094,570	2%
Whole of Organisation	39,351,893	28%	31,691,262	24%
	139,870,142	100%	134,609,775	100%

Gross Expenditure By Business Unit



City of Ballarat
2013/14 Budget

Business Unit	2012/13 Revised Budget \$	2013/14 Budget \$	Movement \$	Movement %
Art Gallery Ballarat	1,875,509	2,147,811	272,302	15%
Arts & Culture	2,337,658	2,311,221	- 26,437	-1%
BAC	4,349,850	4,523,857	174,007	4%
Ballarat Regional Tourism	3,773,841	3,568,597	- 205,244	-5%
CEO	690,320	634,517	- 55,803	-8%
City Strategy	3,270,446	3,318,026	47,580	1%
City Wide Services	31,088,549	32,266,430	1,177,881	4%
Community Care & Access	8,840,280	7,348,454	- 1,491,826	-17%
Community Development	2,816,207	2,783,569	- 32,638	-1%
Community Events	1,014,342	1,026,756	12,414	1%
Customer Service	1,095,325	1,144,431	49,106	4%
Economic Development	1,547,828	1,588,810	40,982	3%
Eureka Centre	774,998	750,000	- 24,998	-3%
Family and Children Services	6,869,488	7,462,930	593,442	9%
Finance	443,539	423,623	- 19,916	-4%
Financial Operations	1,176,939	1,420,369	243,430	21%
Financial Services	926,748	980,215	53,467	6%
Fleet Management	326,021	336,290	10,269	3%
Governance & Administration	1,349,488	1,082,231	- 267,257	-20%
Information Services	2,873,452	3,115,203	241,751	8%
Infrastructure Design & Delivery	4,329,292	4,428,117	98,825	2%
Legal	91,138	84,000	- 7,138	-8%
Library Service's	3,268,595	3,232,890	- 35,705	-1%
Major Projects	177,899	627,992	450,093	253%
Mayor & Councillor Support	1,339,684	1,102,459	- 237,225	-18%
Municipal Emergency Management	591,948	439,890	- 152,058	-26%
Organisation Performance	1,346,683	1,284,670	- 62,013	-5%
People & Culture	999,548	1,136,932	137,384	14%
Peoples & Communities	290,337	643,862	353,525	122%
Property Management	664,827	931,808	266,981	40%
Regulatory Services	4,110,390	4,708,650	598,260	15%
Risk Management	1,672,855	1,904,916	232,061	14%
Statutory Planning & Building	2,088,210	2,064,417	- 23,793	-1%
Strategic Communications	2,106,015	2,094,570	- 11,445	-1%
Whole of Organisation	39,351,893	31,691,262	- 7,660,631	-19%
	139,870,142	134,609,775	- 5,260,367	-4%

3. Rating Strategy

For the 2013/14 year the previous council set the rate at 5.5%, the additional 2% has been set aside to raise funds for proposed borrowings.

In the preparation of the budget the current Council had set aside to borrow \$25 million for works on the Civic Hall and major Aquatic projects including a 50m indoor heated swimming pool.

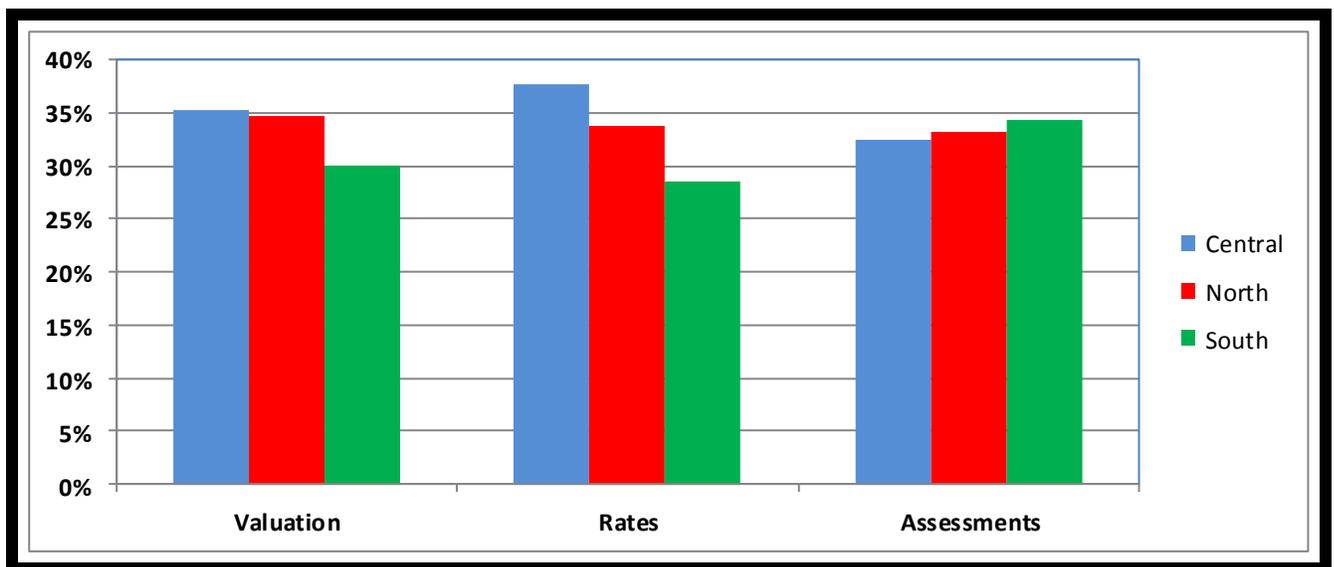
To achieve this Council is proposing rates to be increased by:

Year 1	2013/14	7.5%
Year 2	2014/15	6.5%
Year 3	2015/16	6.0%
Year 4	2016/17	5.5%

The following section provides rating statistics. The table below illustrates the percentage share each ward has for valuations, rates raised, and the number of assessments per ward.

Ward	Valuation	Rates	Assessments
Central	35%	38%	32%
North	35%	34%	33%
South	30%	29%	34%

Though the number of assessments per ward is comparable, both the valuations and rates raised per ward vary by a greater margin.



Ward	Ave Valuation	Average Rates \$	Rates per Day \$
Central	340,872	1,815.19	4.97
North	328,528	1,597.98	4.38
South	274,351	1,298.86	3.56
Total	313,924	1,565.79	4.29

As can be seen from the above table the central ward has the greater average valuation per assessment and consequently the greater higher average rates per assessment.

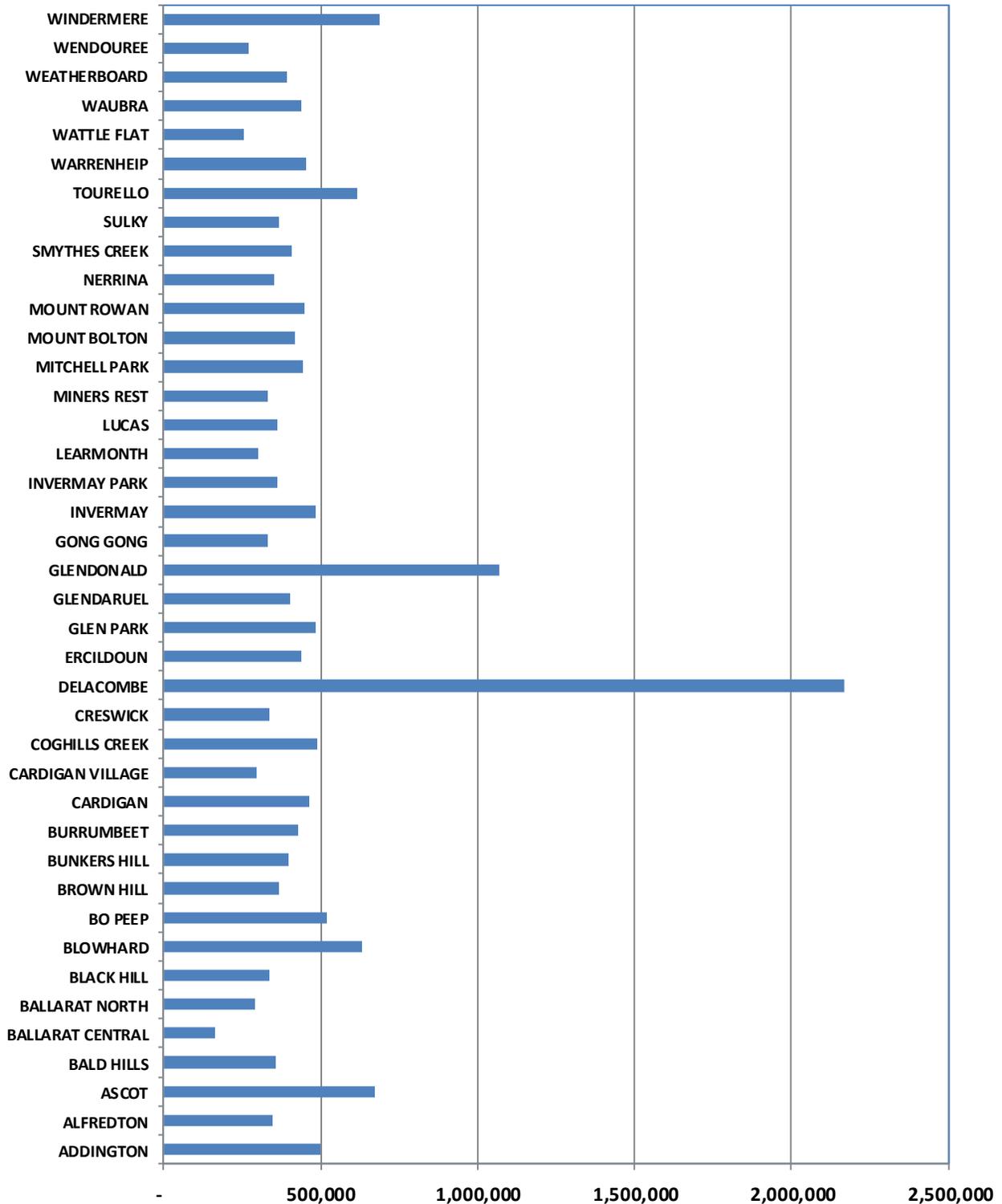
The following data details the average valuation and rates per assessment, for each ward, by locality.

North Ward

Locality	Ave Valuation	Average Rates \$	Rates per Day \$
ADDINGTON	500,363	1,506	4.13
ALFREDTON	348,624	1,576	4.32
ASCOT	674,508	2,042	5.60
BALD HILLS	357,973	1,290	3.53
BALLARAT CENTRAL	161,479	662	1.81
BALLARAT NORTH	288,792	1,282	3.51
BLACK HILL	334,602	1,460	4.00
BLOWHARD	629,809	2,052	5.62
BO PEEP	518,412	1,586	4.35
BROWN HILL	369,799	1,502	4.11
BUNKERS HILL	399,527	1,490	4.08
BURRUMBEET	429,462	1,449	3.97
CARDIGAN	466,357	1,828	5.01
CARDIGAN VILLAGE	297,502	1,246	3.41
COGHILLS CREEK	490,200	1,518	4.16
CRESWICK	335,300	1,211	3.32
DELACOMBE	2,169,750	7,116	19.49
ERCILDOUN	440,000	1,323	3.62
GLEN PARK	484,833	1,732	4.74
GLENDARUEL	404,552	1,245	3.41
GLENDONALD	1,069,625	3,101	8.50
GONG GONG	329,500	2,417	6.62
INVERMAY	482,695	1,912	5.24
INVERMAY PARK	362,197	1,540	4.22
LEARMONTH	303,615	1,118	3.06
LUCAS	364,270	1,467	4.02
MINERS REST	331,341	1,360	3.73
MITCHELL PARK	441,841	3,145	8.62
MOUNT BOLTON	418,817	1,244	3.41
MOUNT ROWAN	450,079	2,073	5.68
NERRINA	353,069	1,452	3.98
SMYTHES CREEK	408,950	1,577	4.32
SULKY	368,188	1,327	3.64
TOURELLO	615,906	1,802	4.94
WARRENHEIP	451,789	2,571	7.04
WATTLE FLAT	257,071	895	2.45
WAUBRA	439,039	1,368	3.75
WEATHERBOARD	393,307	1,227	3.36
WENDOUREE	271,046	1,662	4.55
WINDERMERE	688,042	2,083	5.71
Total	328,528	1,597.98	4.38

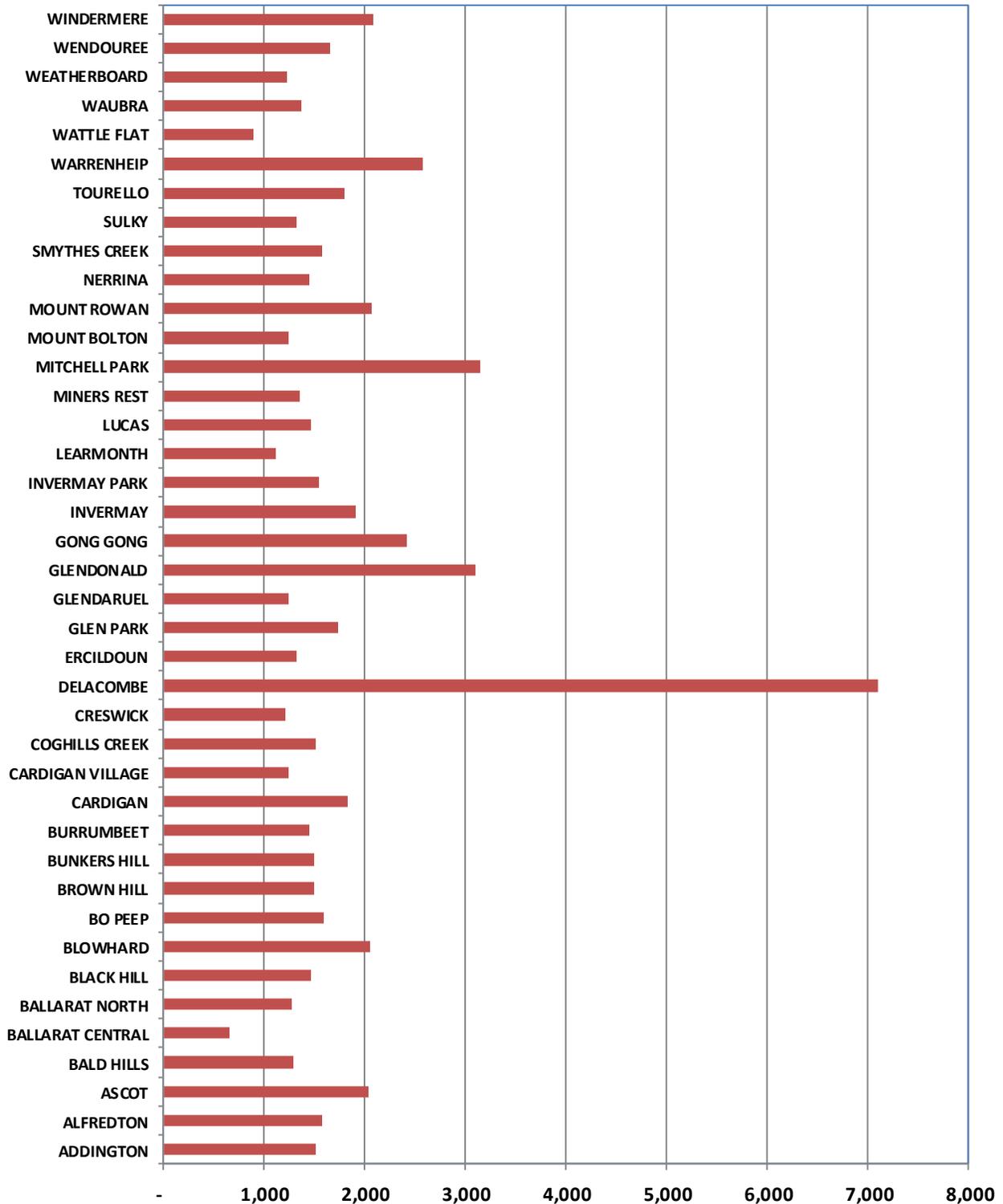
North Ward

■ Ave Valuation



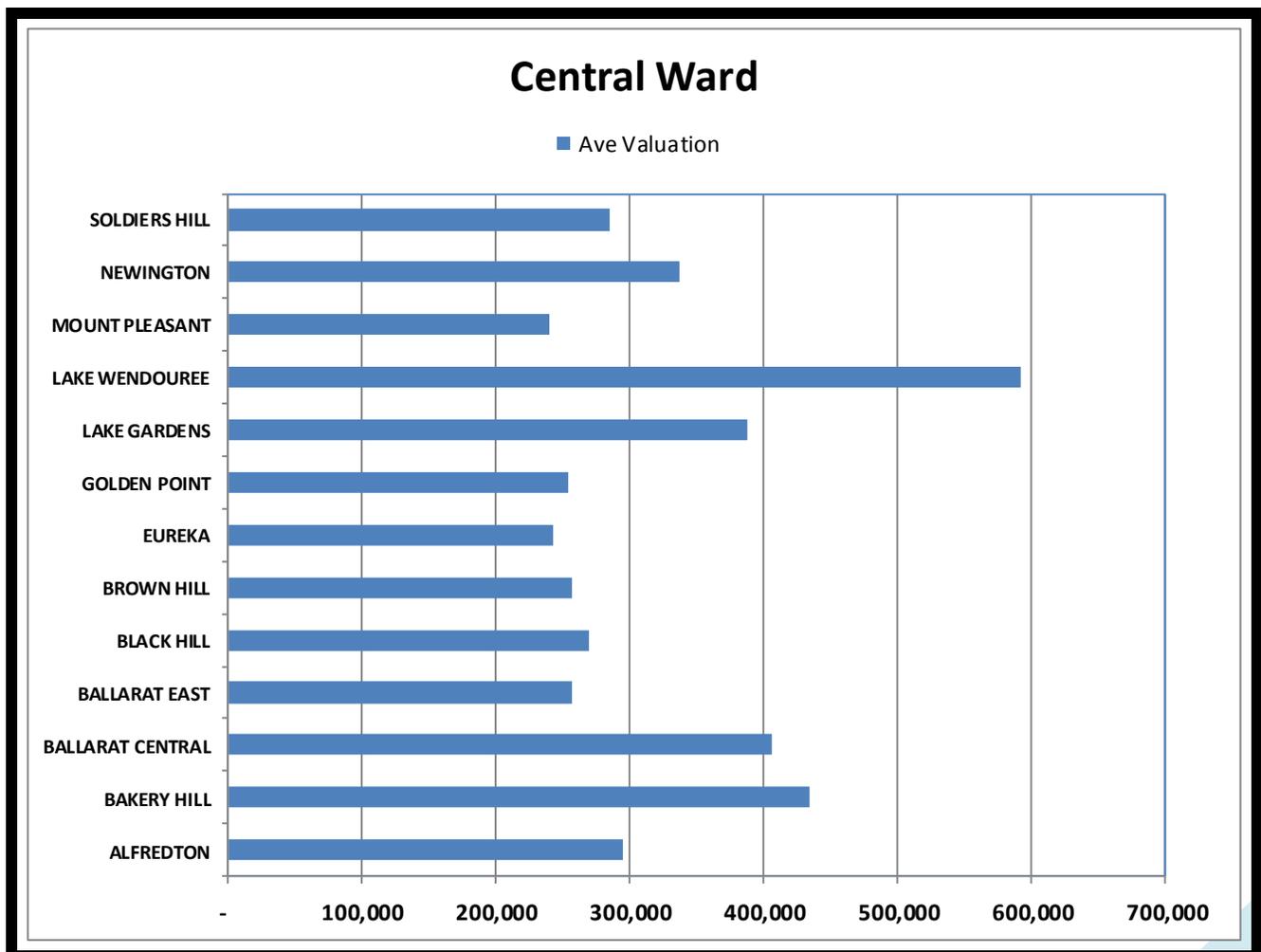
North Ward

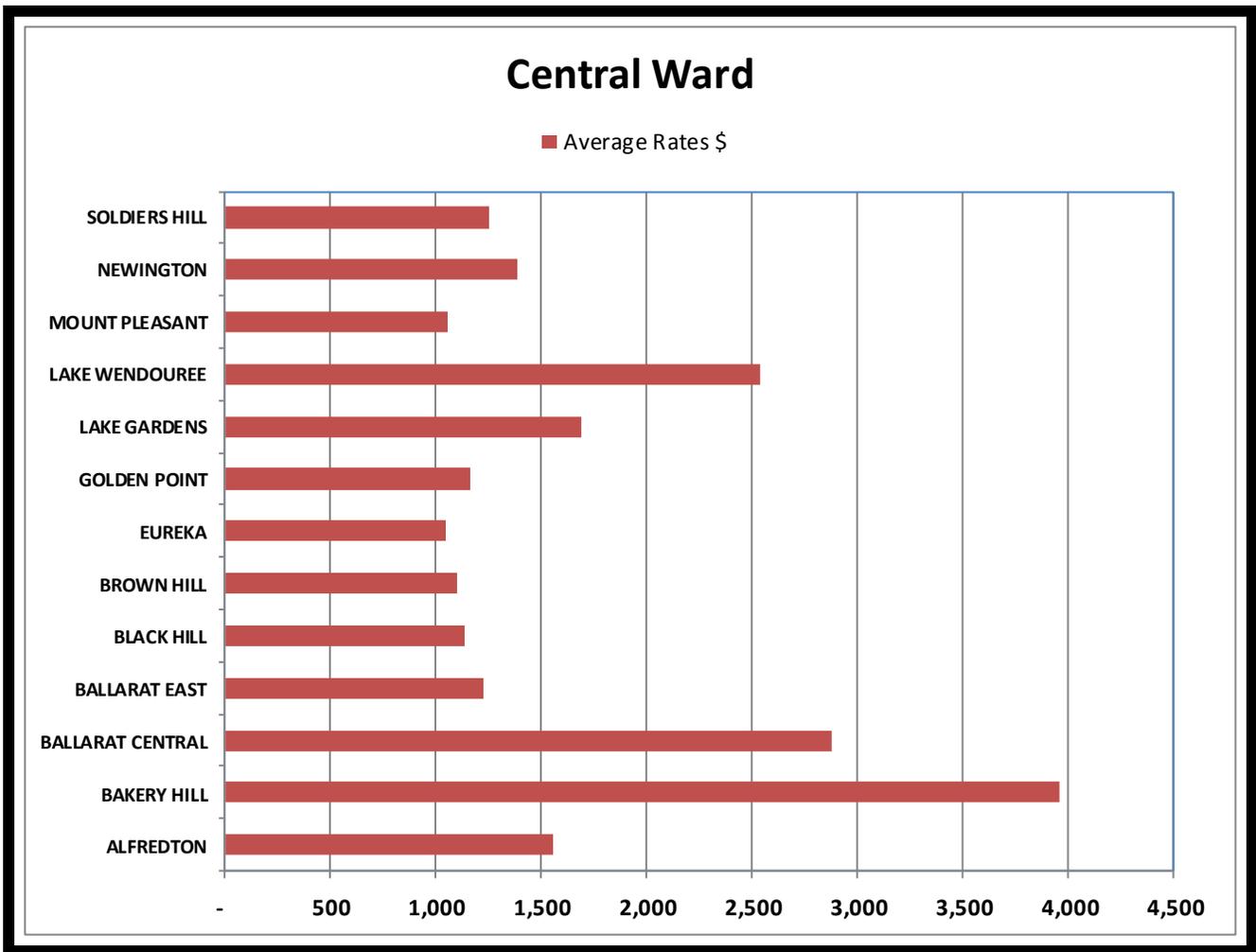
■ Average Rates \$



Central Ward

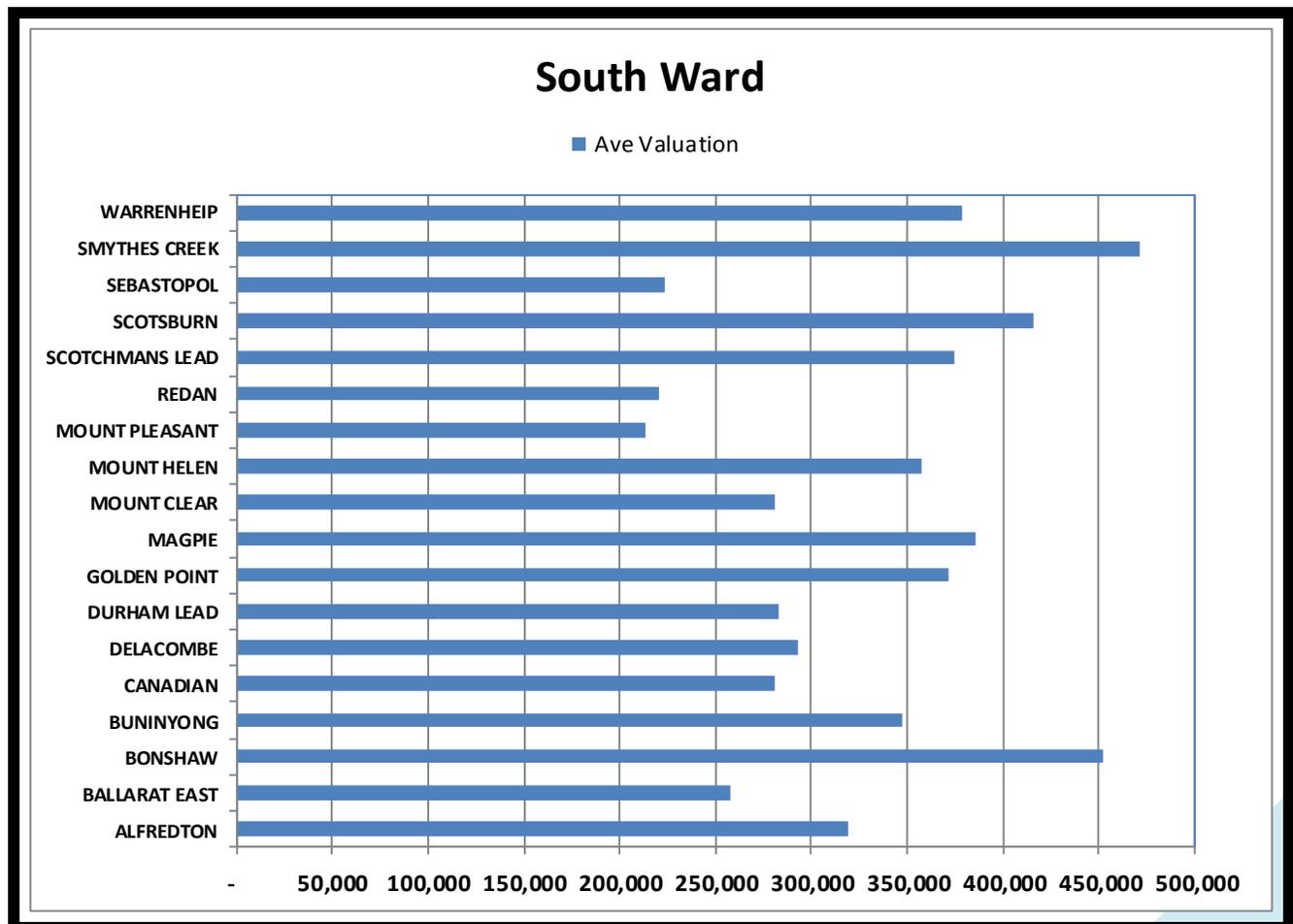
Locality	Ave Valuation	Average Rates \$	Rates per Day \$
ALFREDTON	294,224	1,558	4.27
BAKERY HILL	433,892	3,966	10.86
BALLARAT CENTRAL	406,476	2,879	7.89
BALLARAT EAST	257,417	1,225	3.36
BLACK HILL	269,117	1,138	3.12
BROWN HILL	256,747	1,104	3.02
EUREKA	242,653	1,045	2.86
GOLDEN POINT	253,723	1,161	3.18
LAKE GARDENS	387,494	1,696	4.65
LAKE WENDOUREE	591,806	2,543	6.97
MOUNT PLEASANT	240,006	1,054	2.89
NEWINGTON	337,151	1,384	3.79
SOLDIERS HILL	285,217	1,258	3.45
Total	340,872	1,815	4.97

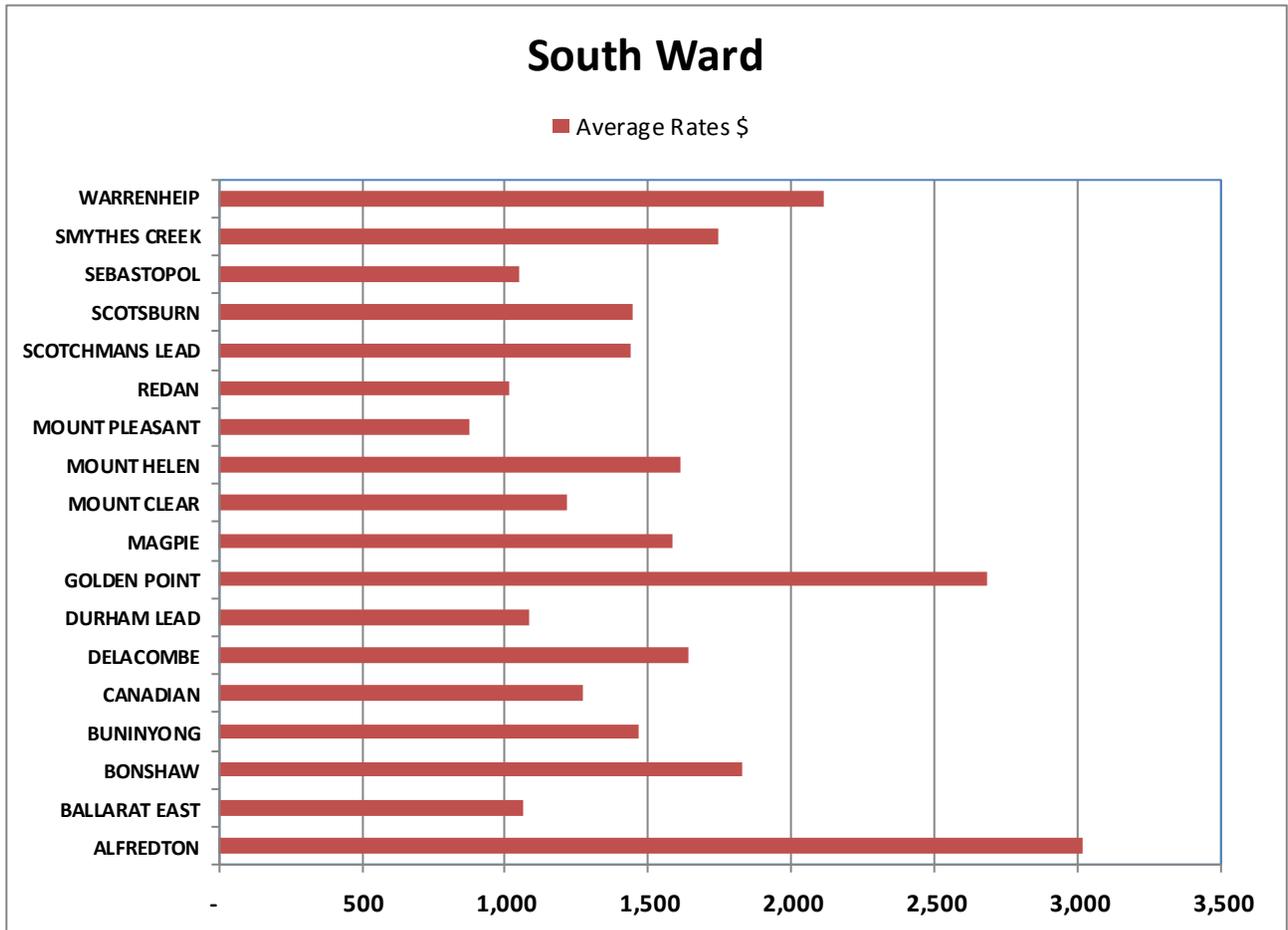




South Ward

Locality	Ave Valuation	Average Rates \$	Rates per Day \$
ALFREDTON	318,886	3,018	8.27
BALLARAT EAST	258,204	1,065	2.92
BONSHAW	452,391	1,829	5.01
BUNINYONG	347,245	1,467	4.02
CANADIAN	280,582	1,273	3.49
DELACOMBE	293,005	1,638	4.49
DURHAM LEAD	283,138	1,084	2.97
GOLDEN POINT	371,792	2,687	7.36
MAGPIE	386,238	1,584	4.34
MOUNT CLEAR	281,177	1,216	3.33
MOUNT HELEN	357,765	1,616	4.43
MOUNT PLEASANT	213,479	878	2.41
REDAN	220,671	1,013	2.77
SCOTCHMANS LEAD	374,440	1,441	3.95
SCOTSBURN	415,659	1,443	3.95
SEBASTOPOL	223,506	1,046	2.87
SMYTHES CREEK	470,952	1,745	4.78
WARRENHEIP	378,420	2,116	5.80
Total	274,351	1,299	3.56





4. Link to Council Plan

Introduction

Section 127 of the Local Government Act (1989) requires councils to identify Key Strategic Activities for the financial year and performance targets and measure in relation to each key strategic activity. Councils must also describe the activities and initiatives to be funded in the budget.

1. Growth and Development

Strategic Goal

Ballarat is a well-planned city that provides accessible, connected and safe urban areas and facilities, supports diverse housing and active transport options, and uses resources sustainably, while adapting to changes in climate.

Strategic Objectives

- Plan for the future growth and development of Ballarat through integrated land use, and environmental, transport and community planning initiatives.
- Increase physical activity, social connection and access to services through urban planning and development of Ballarat's built environment.
- Promote and pursue improved waste, water and energy management through exploration of green waste solutions, reduced waste to land fill and water harvesting.
- Protect and improve the quality and character of the City's presentation by applying sustainable planning and management practices to the public realm and by undertaking an increased "greening the city" program.
- Increase amenity through infrastructure renewal of physical, environmental and recreational assets, including Ballarat's valuable heritage features.
- Improve Ballarat's active transport modes through integrated transport planning and the development of infrastructure that supports active transport.
- Address priority public health measures such as problem gambling and alcohol consumption through appropriate regulatory and policy measures within the Ballarat Planning Scheme.
- Continue to protect the health of Ballarat citizens through proactive management of environmental health and health regulation programs.
- Provide for a wide range of housing choice, diversity, form and affordability.
- Recognise and respond to climate change by implementing appropriate adaptation measures.

Indicator	Measure	Target	Source
Planning Applications	Percentage of planning applications decided in 60 days	80%	Internal data collection
Tree planting	Ratio of trees planted to trees removed	Positive	Internal data collection
Waste management	Percentage of waste diverted from landfill	38%	Sustainability Victoria
Active transport	Percentage increase in length of non-vehicular pathways	2%	Internal data collection
Asset Renewal Gap	Percentage reduction in the asset renewal gap	10%	Internal data collection
Capital Works completion	Percentage of capital works completed in the relevant financial year	95%	Internal data collection
Essential Services Inspections	Number of buildings made compliant annually as a result of inspections	3	Internal data collection

2 People and Communities

Strategic Goal

Ballarat is a safe and well-serviced city that provides equal access to opportunities for its citizens at all stages of life, has connected communities that participate actively in civic life and offers diverse and accessible recreation, leisure and sporting opportunities that encourage healthy lifestyles.

Strategic Objectives

- Provide programs and services that support the health and wellbeing, lifelong learning and cultural needs of people at all stages of their lives.
- Encourage people to actively participate in community life through community development and capacity building initiatives.
- Plan for the health and wellbeing needs of the community through social research, social planning and community engagement opportunities.
- Facilitate personal and community safety through appropriate planning and design, and regulatory measures, including adaptation for climate change.
- Provide diverse and accessible sporting and recreation infrastructure that supports and facilitates physical activity and community connectedness.
- Create resilient communities that are able to protect life, property and the environment in emergency situations.
- Support the health and wellbeing of citizens/residents by providing a variety of health prevention and promotion initiatives.

Indicator	Measure	Target	Source
Kindergarten enrolments	Percentage of kindergartens participating in the centralised kindergarten enrolment system	90%	Internal data collection
Key ages and stages visits at 3.5 years	Percentage of 3.5 year old children attending this key visit	70%	Internal data collection
Utilisation of Council's centre and home based childcare services	Percentage utilisation rates for children's centres: <ul style="list-style-type: none"> Girrabanya Wendouree Occasional Average number of family day care educators available	85% 80% 70% ≥ 60	Internal data collection
Youth sector partnerships	No. of partnerships developed with other organisations to deliver youth services		Internal data collection
Global Skills outcomes	Percentage of positive work outcomes from participation in the Global Skills program	20%	Internal data collection
Utilisation of recreation facilities	Percentage increase in no. of sporting/recreation groups and members using Council's recreational reserves	10%	Internal data collection
	Percentage increase in attendance at aquatic facilities	10%	
Utilisation of the Library for non-traditional purposes	Percentage increase in people accessing library services for alternate/lifelong purposes	10%	Internal data collection
Level of independence of Home and Community Care (HACC) clients	Percentage increase in HACC clients participating in the strength based model	10%	Internal data collection
Responsiveness to respite care requests	Percentage of bookings that comply with the respite requirements as requested by the carer	85%	Internal data collection

3 Destination and Economy

Strategic Goal

Ballarat has a prosperous, growing economy that attracts and retains innovative businesses and enterprises which employ a highly skilled local workforce, attracts new residents and promotes the city's unique heritage and vibrant cultural life.

Strategic Objectives

- Promote sustainable economic development that strengthens local communities and businesses and increases productivity and innovation.
- Initiate and support major infrastructure projects which contribute to a prosperous economy.
- Improve Ballarat's tourism product competitiveness and sustainable outcomes
- Foster a diverse arts and culture sector that contributes to a vibrant community.
- Support festivals and community events to celebrate diversity and cultural expression and provide opportunities for community participation.

Indicator	Measure	Target	Source
Commercial premises vacancies	Percentage reduction in no. of vacant premises	TBA	TBA
Business attraction and retention	Ratio of number of new and existing businesses to number of businesses closed	No net loss of businesses	TBA
Patronage of arts and cultural facilities	Attendance numbers at HMT	45,000	TBA
	Percentage increase in attendance numbers at AGB	TBA	TBA
	Percentage increase in numbers at blockbuster exhibitions at AGB	TBA	TBA
Tourism – visitor numbers	Number of tourists visting the Visitor Information Centre	1,800,000	TBA

4 Managing Our Business

Strategic Goal

Provide responsive and accessible leadership, engagement and advocacy and deliver efficient service within sound financial management and accountable government practices.

Strategic Objectives

- Practise good governance and act with integrity, accountability and transparency.
- Provide effective lobbying and advocacy on behalf of the city.
- Provide regional leadership and collaboration with other organisations.
- Strengthen community engagement and participation in decision making.
- Improve delivery of Council information.
- Deliver Council services with a strong customer service focus.
- Establish and implement strategies to guide sustainable practice and development within Council.
- Ensure Council's exposure to climate change and carbon trading risks is minimised.
- Ensure Council services and projects are programmed within a sound financial management and reporting system.
- Position the City of Ballarat as a healthy, safe workplace and an Employer of Choice.
- Promote learning and growth of staff that will facilitate change and continuous improvement.

Ensure information and systems are secure and available for use by the organisation.

Indicator	Measure	Target	Source
Financial sustainability	<ul style="list-style-type: none"> • Assets to liabilities ratio • Debt to revenue ratio • Debt servicing costs to total revenue ratio 	Minimum 155% Less than 150% Less than 10%	Internal data collection
Waste generation	Percentage reduction in waste generated by Council operations	TBA	Internal data collection
Water consumption	Percentage reduction in water consumed by Council operations	TBA	Internal data collection
Electricity consumed	Percentage reduction in electricity consumed by Council operations	TBA	Internal data collection
Community satisfaction	Community satisfaction survey rating for interaction and responsiveness in dealing with the public	75	Local Government Victoria
Community satisfaction	Community satisfaction survey rating for Council's engagement in decision making on local issues	54	Local Government Victoria
Community satisfaction	Community satisfaction survey rating for advocacy and representation on key local issues	50	Local Government Victoria

5. Long Term Strategies

Strategic Resource Plan:

Council is required by the Act to prepare a Strategic Resource Plan covering both financial and non-financial resources, for at least the next four years to support the Council Plan. The Act also requires Council to comply with the following *Principles of Sound Financial Management*:

- Prudently manage financial risks relating to debt, assets and liabilities;
- Provide reasonable stability in the level of rate burden;
- Consider the financial effects of Council decisions on future generations; and
- Provide full, accurate and timely disclosure of financial information.

The key objective, which underlines the development of the Strategic Resource Plan, is financial sustainability in the medium to long term, while still achieving Council's strategic objectives as specified in the Council Plan.

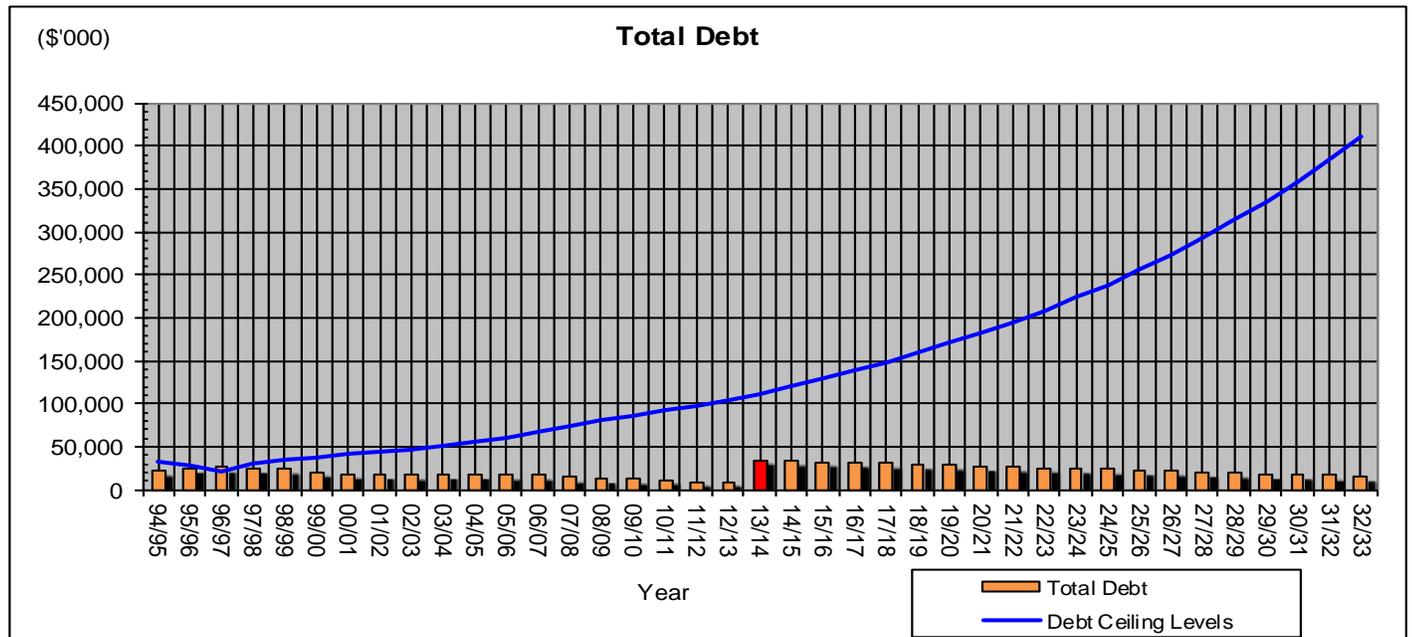
Long Term Financial Strategy

A key component of the Strategic Resource Plan is the Long Term Financial Strategy. Council models financial scenario over a 20 year period and incorporates this information into a five year Long Term Financial Strategy, being for the period 2013/14 to 2018/19, as part of Council's ongoing financial planning to assist Council in adopting a budget within a longer term framework.

The key objective, which underlines the development of the plan, is the financial stability in the medium to long term, whilst still achieving Council's corporate goals. The key financial objectives, which underpin the Long Term Financial Strategy, are:

- Improve infrastructure service levels
- Achieve Council's borrowing strategy.
- Maintain a positive operating result.
- Achieve spending levels on infrastructure that will reduce the infrastructure gap.
- Maintain a working a positive working capital ratio, greater than 125%.
- Maintain a total debt to revenue ratio of less than 150%.
- Maintain debt servicing costs to total revenue of less than 10%.
- Maintain a minimum cash level that will service Council activities free from using overdraft facilities.

Outstanding debt:



This graph illustrates the level of Council's debt compared to the debt ceiling level as determined by the Victorian Government.

In 1996/97 the Council was burdened by the size of its debt within the level of debt being in excess of the debt ceiling level. Since that time successive Councils have implemented a debt reduction strategy to tackle this issue. Successive Councils maintained a debt reduction program to provide the ability to borrow in the future for either major projects and/or significant infrastructure works.

This Council has determined the time is right to borrow funds for major projects. Council will borrow \$25 million to provide funding for the Civic Hall and aquatic projects including a 50m indoor heated swimming pool.

As can be seen Council debt after borrow these funds remains well under Councils debt ceiling level, also finance costs of this borrow also remains well within acceptable levels.

Operating Result:

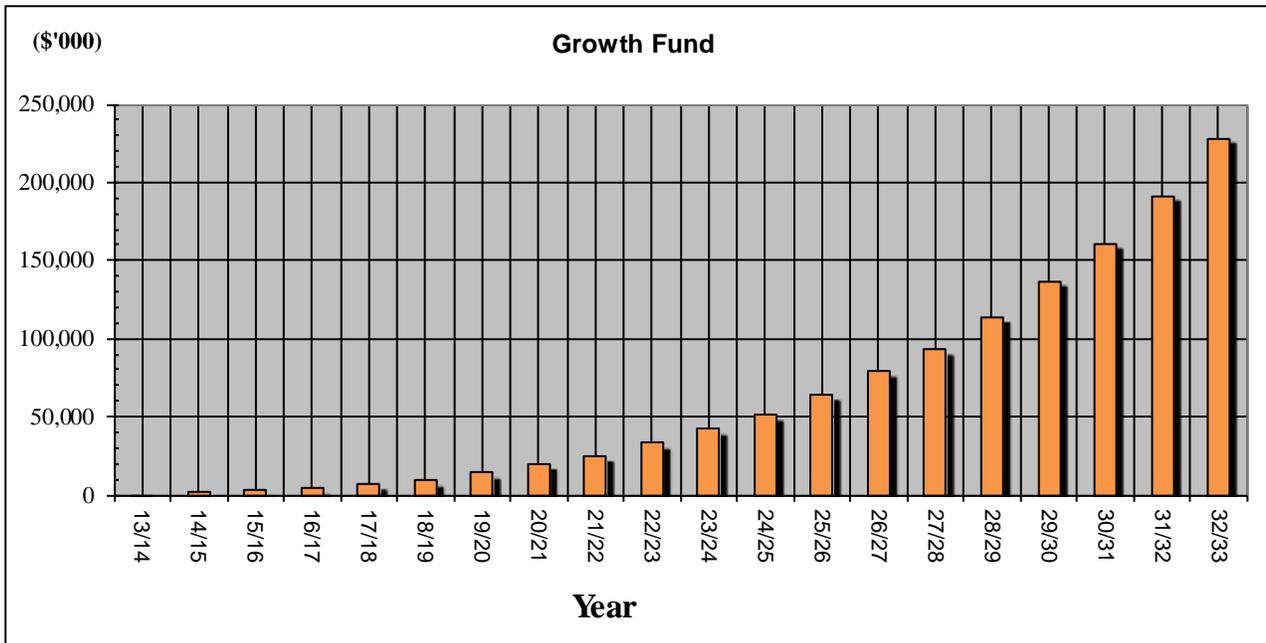
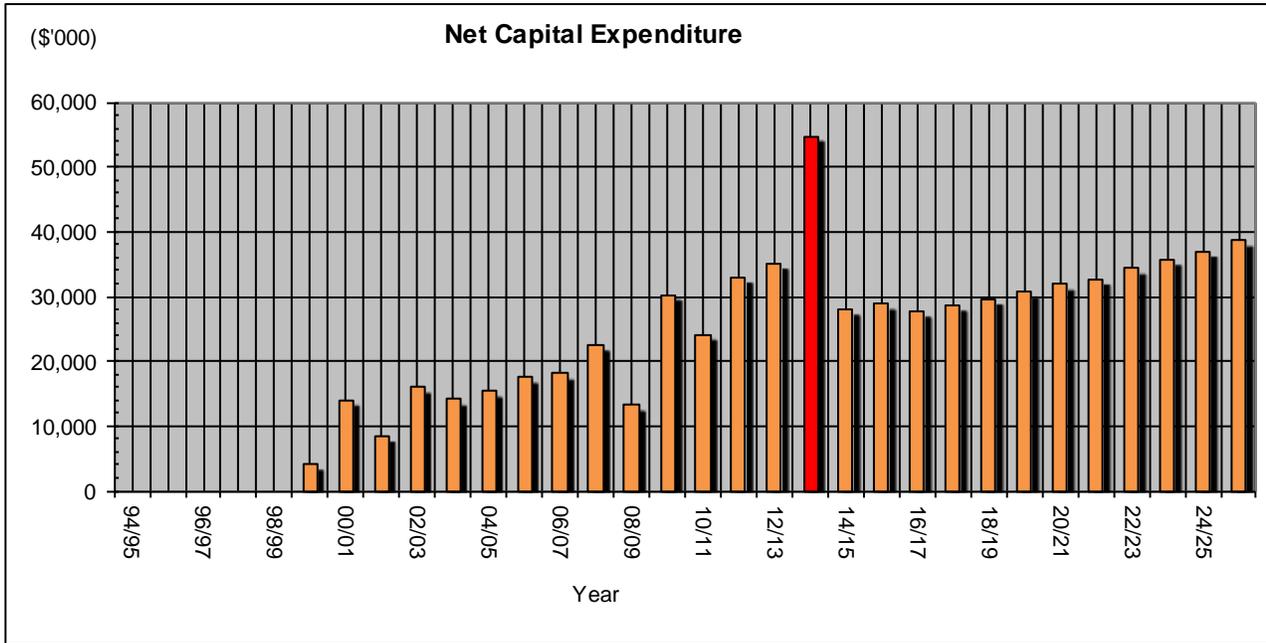


In the past the Council has struggled with delivering constant surplus in the budget, part due to the large fluctuations in rate increases, and the subsequent short term planning for the delivery of services. Council has acknowledged that attempting to hold down costs to an unreasonable level will only be a short term solution; history has shown that large increases follow. Council has adopted the strategy of modest increases over the life of the financial strategy, thus putting certainty into the financial operations.

Due to the significant factors affecting Council into the 2013/14 year, forecast operating surplus have been reduced compared to previous years. In addition it can be seen that every three (3) years the Council will have a significant drop in operating surplus. This drop in surplus is due to the forecast call on funds from LASB to restore the defined benefits superannuation scheme into a fully funded position.

As proposed rate increases take effect Councils operating surplus increase which reflects additional cash being raised to fund additional capital works.

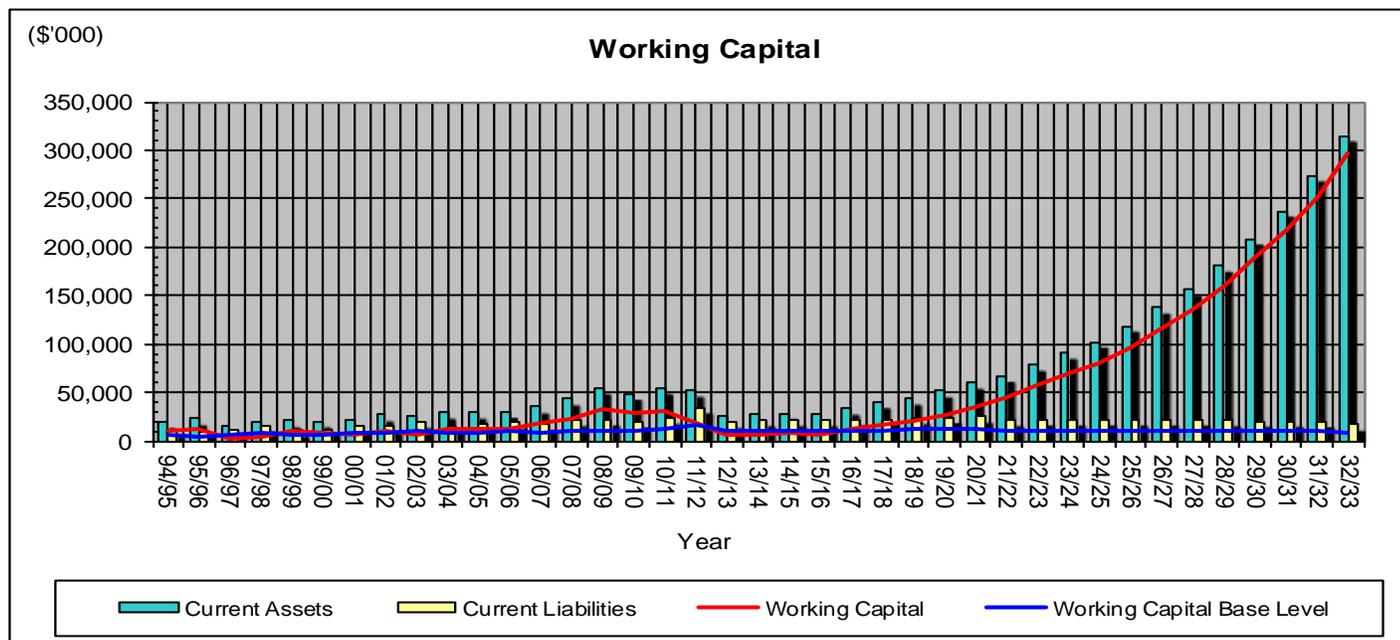
Gross Capital Expenditure:



Council is continuing the strategy of increasing funds to the capital works program. The combination of Council's infrastructure gap and the need for new projects in the community has made this a cornerstone of the financial strategy.

Council has modified the Long Term Strategy for the 2013/14 year and onwards by providing more funding for capital works in recognition of the \$1.5 billion of assets that the Council is custodian for and the subsequent need to provide sufficient funding to maintain these assets. The increase in funds for capital works is signalled by the increase in net capital expenditure and monies provided for Councils "Growth Fund".

Working Capital Ratio:

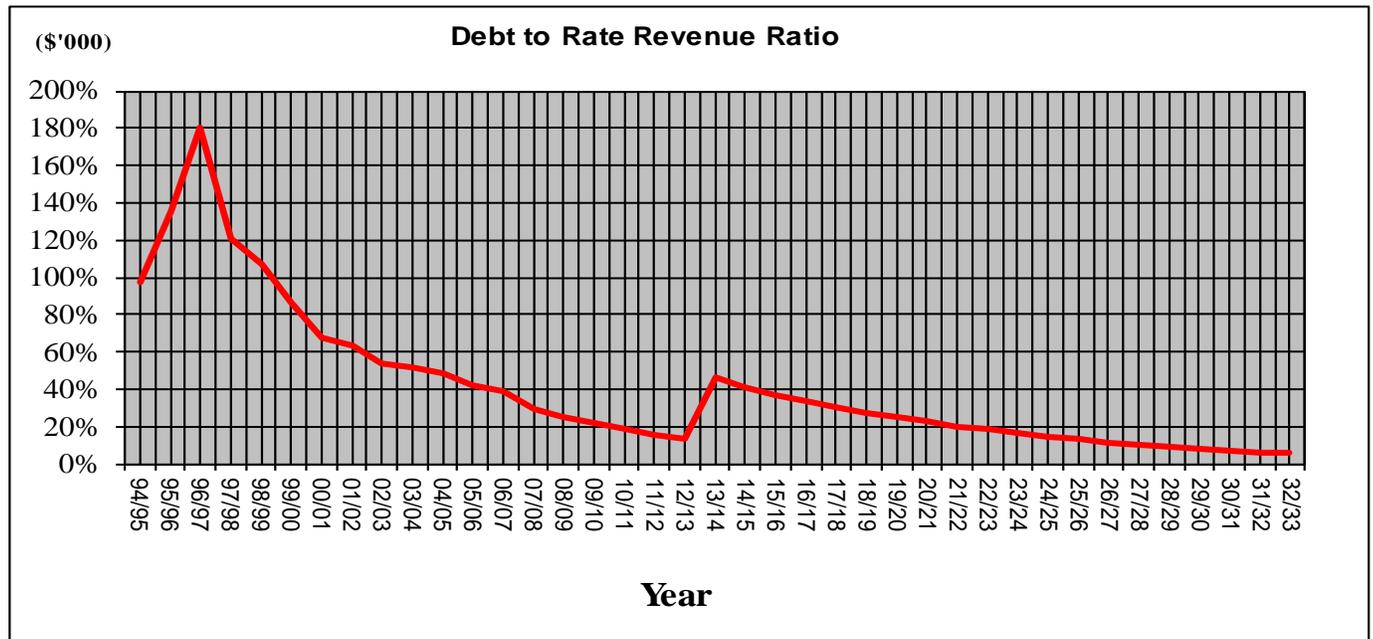


Within the financial strategy of Council, the principal parameters have been to reduce excess cash levels, minimise rate increases, and provide additional funds for capital projects. Though Council is forecasting to reduce cash levels, these levels will not be reduced to a level which will jeopardise the financial stability of the organisation.

As can be seen by the working capital graph, at all times Council has budgeted to maintain a healthy working capital level to ensure financial security into the future.

Council has planned for future increases in capital spend whilst ensuring financial stability into the future.

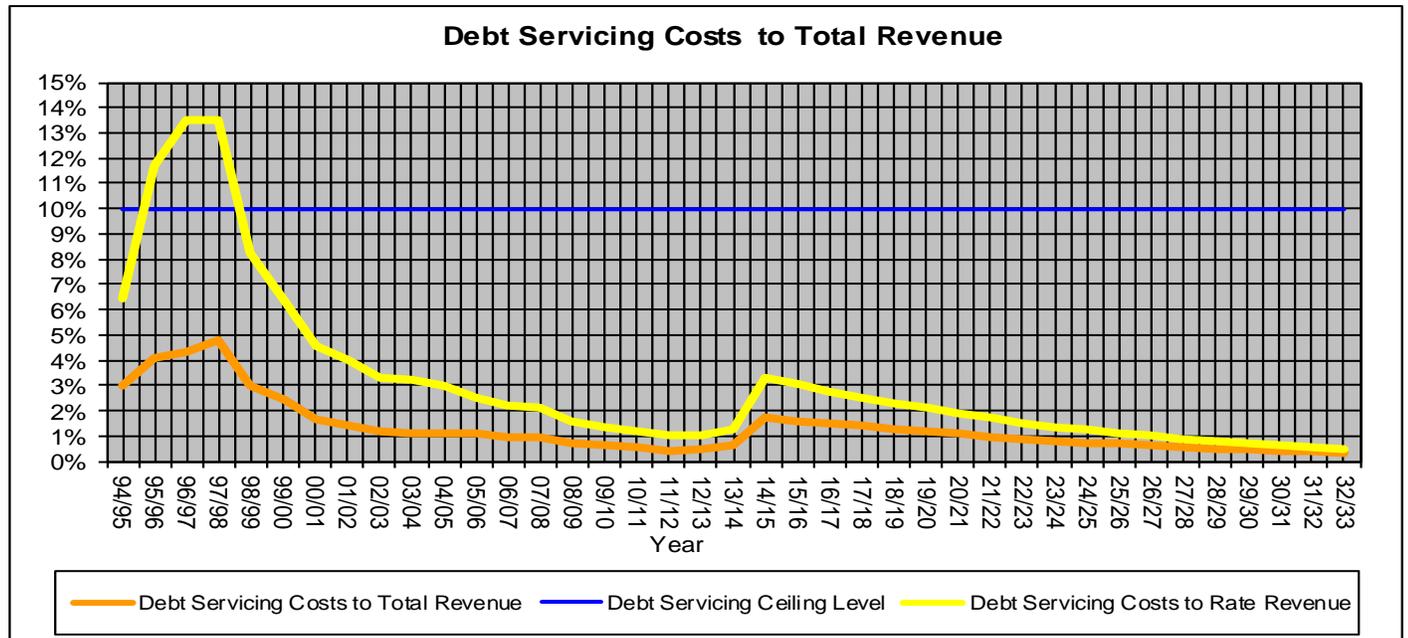
Debt to revenue ratio:



The above graph provides another illustration of Council's debt position. In 1995/96 Council's debt was 1.84 times the total rate revenue of Council. Council has planned to borrow \$25 million as stated earlier in the document, even with these borrowings Council debt remains at a relative low level. Total debt to rate revenue as at 30 June 2014 will be 0.46 which is slightly less than the debt to rate revenue ration at the end of the 2004/05 financial year.

As mentioned, successive Councils have maintained a debt reduction strategy to ensure that there is sufficient capacity to borrow funds for significant projects and infrastructure works required by the community. This Council will continue this strategy from 2014/15 onwards.

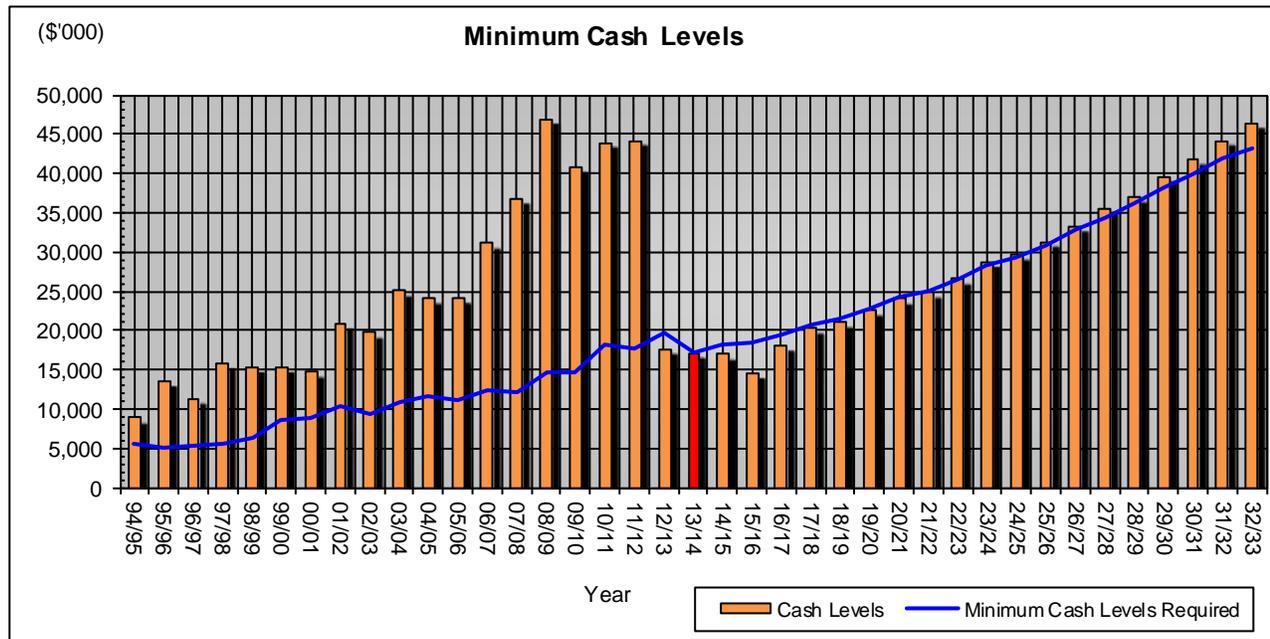
Debt servicing costs to total revenue:



The above graph provides further indication of the debt position of Council. The debt servicing cost of Council has dramatically improved since the early days following Council amalgamations. Whether the servicing costs are compared to total revenue or rate revenue it can be seen that there has been a significant improvement.

The debt servicing ratios remain well below the ceiling levels indicated by the State Government and well below levels previously experienced by past Councils.

Minimum Cash Levels:



This graph is used alongside the working capital ratios to ensure that Council's financial strategy maintains sufficient cash to ensure financial stability. Council budgets ensure that there is sufficient cash available to operate efficiently each year. Council does not want to lower cash so that its overdraft facility is called upon to maintain operations until sufficient revenue is collected each year.

The above graph illustrates that though Council is reducing cash levels compared to minimum levels required, in order to fund the additional capital projects, Council will be above the minimum cash level, thus enabling the organisation to operate without the need to call upon its overdraft facility.

The following table and graphs summaries the key financial indicators for the next five years as set out in the Long Term Financial Strategy for the years 2013/14 to 2018/19.

	Forecast		Strategic Resource Plan			
	Actual	Budget	Projections			
Indicator	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Operating surplus/(deficit)	15,822	17,218	13,383	11,388	13,457	14,249
Rate Revenue/Total Revenue	47%	49%	51%	52%	54%	55%
Fees & Charges/Total Revenue	24%	24%	24%	24%	24%	23%
Working Capital Ratio	135%	127%	135%	133%	153%	177%
Debt Servicing Cost/Total Revenue	0.5%	0.6%	1.7%	1.6%	1.5%	1.4%
Cash from operations	21,717	37,793	36,432	35,198	38,045	39,614
Cash increase/(decrease)	(26,717)	610	753	(1,348)	4,492	5,203
Cash and investments	17,569	18,179	18,931	17,583	22,075	27,278
Borrowings outstanding	9,194	34,193	33,193	32,193	31,193	30,193
Depreciation	29,698	31,393	32,649	33,955	35,313	36,725
Capital expenditure	57,925	72,725	43,923	45,240	42,726	44,140
Working capital	6,730	5,805	7,441	6,948	11,664	17,320
Net worth	1,406,237	1,423,455	1,436,838	1,448,226	1,461,683	1,475,932

The key outcomes of the Long Term Financial Strategy are as follows:

- **Service delivery** – Service levels will be improved throughout the five year period. In addition to this Council will maintain operating surplus over the 5 years.
- **Rating strategy** – Council has structured the Long Term Financial Strategy for the City of Ballarat based on the following indicative rate increases:
 - 2013/14 7.50%
 - 2014/15 6.50% Indicative and subject to change
 - 2015/16 6.00% Indicative and subject to change
 - 2016/17 5.50% Indicative and subject to change
 - 2017/18 5.50% Indicative and subject to change
- **Borrowing strategy** – Council’s borrowing strategy has been to reduce debt so that funding could be available for major projects. Council continues with this strategy, borrowing for the Civic Hall precinct then continuing with reducing debt after that time.
- **Infrastructure strategy** – Council continues to increase funding over the next five years at a minimum 4% per year.
- **Financial sustainability** – Cash and investments are forecast to maintain at sufficient levels to meet all financial commitments and ensure the organisation is able to deliver the planned services and projects.

Rating Strategy

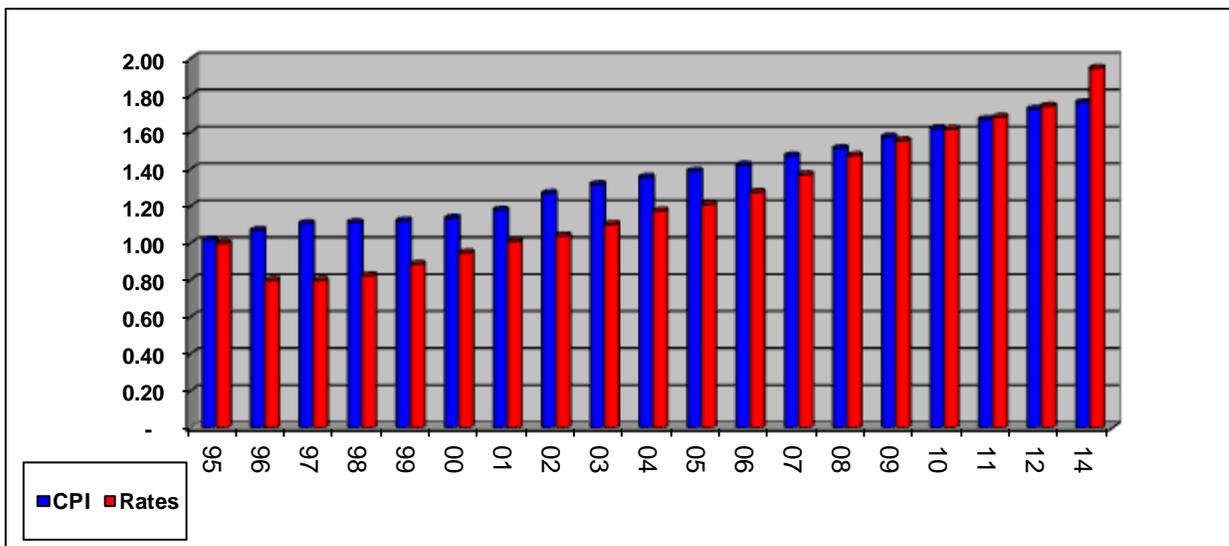
Strategy development

In developing the Long Term Financial Strategy, rates were identified as an important source of revenue, accounting for 49% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Long Term Financial Planning process.

It is also important to balance the importance of rate revenue as a funding source with community sensitivity to further increases.

The following table shows a comparison since amalgamation of Councils in 1994 and predates the rates freeze and 20% across the board rate reduction it compares the actual rate movement against a calculated outcome, incorporating Consumer Price Index (CPI) movement:

Year	CPI Changes			Rate Changes		
	% Movement	Factor	Index Value	% Movement	Factor	Index Value
			1.00			1.00
95	1.90%	1.019	1.02	0.00%	1.000	1.00
96	5.00%	1.050	1.07	-20.00%	0.800	0.80
97	3.60%	1.036	1.11	0.00%	1.000	0.80
98	0.40%	1.004	1.11	3.10%	1.031	0.82
99	0.80%	1.008	1.12	7.50%	1.075	0.89
00	1.30%	1.013	1.14	7.00%	1.070	0.95
01	3.90%	1.039	1.18	6.50%	1.065	1.01
02	7.60%	1.076	1.27	3.00%	1.030	1.04
03	3.80%	1.038	1.32	6.00%	1.060	1.10
04	3.00%	1.030	1.36	6.50%	1.065	1.17
05	2.40%	1.024	1.39	3.00%	1.030	1.21
06	2.40%	1.024	1.42	5.50%	1.055	1.28
07	3.50%	1.035	1.47	7.50%	1.075	1.37
08	2.75%	1.028	1.51	7.50%	1.075	1.48
09	4.10%	1.041	1.58	5.50%	1.055	1.56
10	2.90%	1.029	1.62	4.00%	1.040	1.62
11	3.00%	1.030	1.67	4.00%	1.040	1.68
12	3.30%	1.033	1.73	3.50%	1.035	1.74
13	3.10%	1.031	1.78	4.00%	1.040	1.81
14	2.05%	1.021	1.76	7.50%	1.075	1.95



The table and graph provides the history of rate increases and inflation rates for each year since 1994.

The significant drop in rate increases in 1995/96 was a result of the State Government initiative to reduce rates by 20%.

Current year rate increase

The 2013/14 budgeted financial results have been significantly impacted by three major factors. These factors being:

- Significant increases in utility charges
- Further call on funds to cover the liability in the defined benefits superannuation scheme.
- Borrowing of \$25 million

The current year's rate increase has been set at 7.5%.

Rating structure

Council's rating structure is comprised of two elements. These are:

- Property values, which reflect capacity to pay; and
- User pays component to reflect usage of services provided by Council.

Council makes an additional distinction within the property value component of rates based on the purpose for which the property is used. The distinction is based on the concept the individual sections should pay a fair and equitable contribution to rates.

The existing rating structure comprises differential rates (Residential, Commercial, Industrial, Rural Residential, Recreation Land, and Farming Land) and a rate concession for recreational land.

The following table summarises the rates to be made for the 2013/14 year.

Type of Property	2012/13 \$	2013/14 \$
Rate in dollar:		
Residential	0.003814	0.004100
Commercial	0.009804	0.010539
Industrial	0.009804	0.010539
Gaming Venues	0.010680	0.000000
Farm	0.002670	0.002870
Rural residential	0.003433	0.003690
Recreational 1	0.002670	0.002870
Recreational 2	0.009804	0.010539
Special Charges:		
Bridge Mall Special Rate	0.004748	0.004464
Service Charge:		
Waste Management Charge	\$ 215.00	\$ 229.00

Borrowing strategy

Strategy development

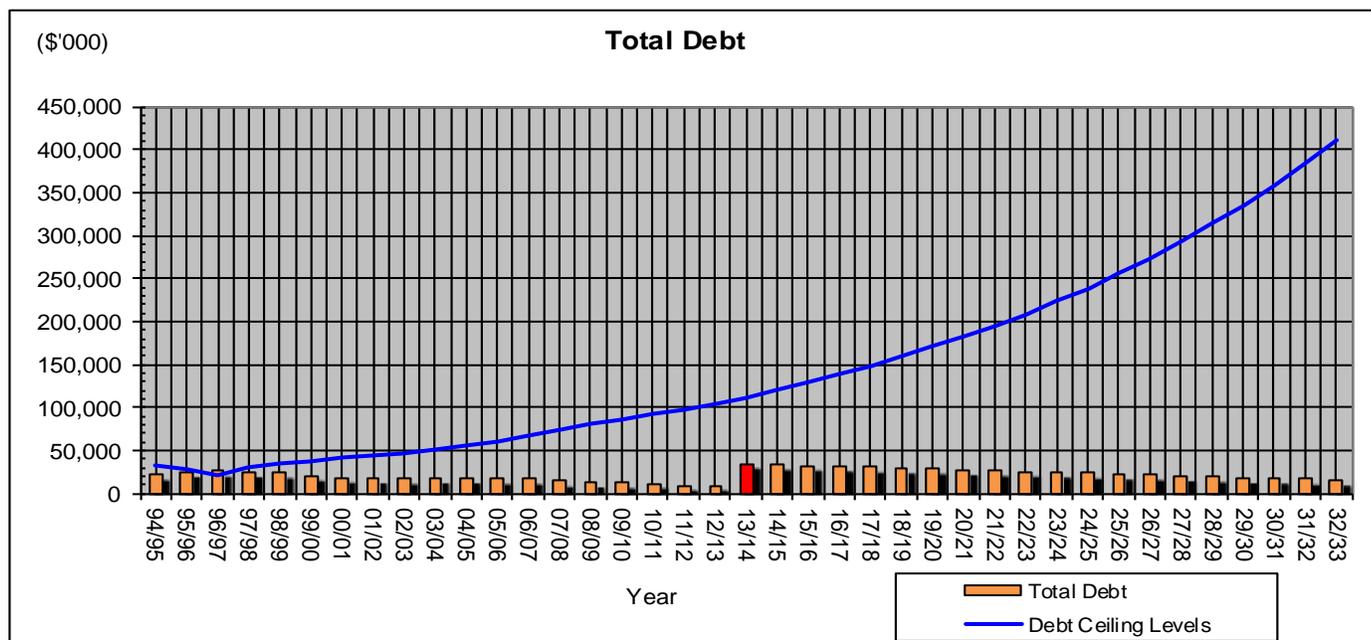
Council has identified the need to reduce the debt levels of Council over time. Two factors determined this strategy. These being:

1. The need to reduce debt to a more acceptable level.
2. The need to have the capacity, as signalled by asset reviews, to borrow in the future to fund significant infrastructure works.

Over the last few years Council has maintained the key parameter of reducing debt by a minimum of \$1 million. This was modified in the 2005/06 year where debt was not reduced in favour of significantly reducing the superannuation liability that was determined in May 2003 and to free additional funds for the capital works program. Council did not repay loan debt again in the 2006-07 year in order to allocate additional funds for necessary capital projects. Council has resolved to continue with its debt reduction strategy of reducing debt by \$1 million per year.

The Long Term Financial Strategy includes results of prudential ratios used by the Victorian State Government to assess the loan capacity of local government.

The following graph sets out the debt balance of Council compared to the ceiling level of possible borrowings as set down by the State Government:



Infrastructure strategy

Strategy development

This strategy will set down the requirements for the next 10 years for each class of assets and is a key input into the Long Term Financial Plan. The key aspects of the process are:

- Long term capital planning process which integrates with the Council Plan, Long Term Financial Plan and /annual Budget process;
- Listing of all known capital projects, prioritised within classes on the basis of evaluation criteria;
- Transparent process for evaluating and prioritising capital projects;
- Methodology for allocating annual funding to classes of capital projects;
- Business Case template for officers to document capital project submissions.

The ultimate aim of this strategy is to ensure that resident's infrastructure needs will be properly funded and met into the future. Council in conjunction with the Municipal Association of Victoria (MAV) has completed extensive asset management plans for each class of asset for the Council. These plans will enhance Council's infrastructure strategy to assist with decision making to determine future levels of funding required for asset renewal and also to assist in determining where the expenditure of those funds will maximise the outcome to the community for the funds available.

During the 2005-06 budget process the Council commissioned work to determine the infrastructure renewal gap (IRG). Though Council is allocating additional funds to deal with the issue of the IRG, there still exists a short fall of funds required. As part of Council's rating strategy additional funds will be raised to meet these needs. From 2013/14 onwards Council will provide appropriate levels of funding that will meet Council's infrastructure renewal needs.

In relation to maintenance levels, Council is allocating additional funds each year to combat the maintenance levels. The appropriate levels will not be achieved in year 1 however; by providing additional funding each year it is expected Council will meet this need over the next five years.

A key objective of the Infrastructure Strategy is to maintain and preserve those assets that are required to deliver Council's services to the community. If sufficient funds are not allocated to assets preservation then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.

Employee Resources

The City of Ballarat currently employs 589.06 equivalent full time (EFT) staff.

With the development of a sound recruitment and selection policy and practices, Council now needs to change the focus to identifying its future recruitment and development needs to ensure it can effectively meet an unpredictable and unseen future.

As the labour shortages impact further on Council, an emphasis will be placed on more targeted recruitment programs including a graduate development program. Further, Council will be developing strategies to address the ageing workforce, succession planning and attraction and retention of skilled employees.

Council will focus on increasing its status of an employer of choice through implementing social responsibility and health and wellbeing programs as well as promoting flexible modes of employment and diversity in the workplace.

With the ageing population affecting the Australian workforce, Council needs to concentrate on labour force planning to minimise the potential impact of retiring staff creating further skill shortages. A greater emphasis needs to be placed on recruiting and developing future leaders through structured graduate recruitment programs and ensuring development of careers through succession planning.

As a regional location the City of Ballarat needs to raise the awareness of the diverse employment streams it offers through its multidiscipline career options. Council needs to be seen in the community marketing the benefits of working for local government through career fairs, on-campus information sessions, its website content for prospective employees, print and electronic branding and through promoting its flexible work practices.

The key to ensuring the successful recruitment, development and retention of resources in the future is workforce planning and ensuring Council's place in the market as an Employer of Choice is established now.

The following table summarises the number (EFT) and costs of employees over the next five years.

	Forecast	Budget	Strategic Resource Plan			
	Actual		Projections			
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Employee Costs	50,856	50,569	53,098	58,903	58,698	61,633
Employee numbers (eft)	616.45	589.06	597.90	606.86	615.97	625.21

7. Statutory Statements

Budgeted Standard Statements

This section presents information in regard to the Budgeted Standard Statements. The budget information for the years 2013/14 to 2017/18 have been extracted from the Strategic Resource Plan.

The section includes the following budgeted information:

- Budgeted Standard Income Statement
- Budgeted Standard Balance Sheet
- Budgeted Standard Cash Flow Statement
- Budgeted Standard Capital Works Statement
- Statutory Disclosures
- Key Strategic Activities

Budgeted Standard Income Statement						
For the five years ending 30 June 2018						
	Forecast Actual 2012/13 (\$'000)	Budget 2013/14 (\$'000)	2014/15 (\$'000)	Strategic Resource Plan Projections		
				2015/16 (\$'000)	2016/17 (\$'000)	2017/18 (\$'000)
Income						
Rates and charges	68,554	74,598	80,566	86,608	92,671	99,158
User fees, charges and fines	35,114	36,148	37,594	39,098	40,662	42,288
Contributions - cash	650	550	250	258	265	273
Grants - recurrent	17,379	22,404	21,442	22,085	22,748	23,430
Reimbursements	1,243	278	278	278	278	278
Interest income	1,185	878	859	847	729	904
Net gain on disposal of property, infrastructure, plant and equipment	(120)	0	0	0	0	0
Other Revenue	0	0	0	0	0	0
Total income	124,005	134,856	140,989	149,173	157,353	166,331
Expenses						
Employee benefits	50,856	50,569	53,098	58,903	58,698	61,633
Materials and services	42,434	46,017	48,533	51,909	55,454	59,677
Bad and doubtful debts	556	556	573	590	608	626
Depreciation and amortisation	29,698	31,393	32,649	33,955	35,313	36,725
Finance costs	682	929	2,646	2,619	2,576	2,499
Other expenses	5,895	5,144	5,298	5,457	5,621	5,790
Total expenses	130,121	134,608	142,796	153,433	158,270	166,950
Deficit	(6,116)	249	(1,807)	(4,260)	(917)	(619)
Other comprehensive income						
Contributions - non-monetary assets	10,300	11,000	11,440	11,898	12,374	12,868
Grants - non-recurrent	11,638	5,969	3,750	3,750	2,000	2,000
Comprehensive result	15,822	17,218	13,383	11,388	13,457	14,249

Budgeted Standard Balance Sheet						
For the five years ending 30 June 2018						
	Forecast Actual 2012/13 (\$'000)	Budget 2013/14 (\$'000)	2014/15 (\$'000)	Strategic Resource Plan Projections		
				2015/16 (\$'000)	2016/17 (\$'000)	2017/18 (\$'000)
Current Assets						
Cash	17,569	18,179	18,931	17,583	22,075	27,278
Receivables	7,104	7,850	8,657	9,523	10,449	11,441
Other	1,040	1,040	1,039	1,039	1,039	1,039
Total Current Assets	25,713	27,069	28,627	28,145	33,563	39,758
Current Liabilities						
Creditors	4,559	4,559	4,559	4,559	4,559	4,559
Other Creditors	2,279	2,279	2,279	2,279	2,279	2,279
Borrowings	2,379	4,659	4,582	4,593	5,296	5,834
Provisions	9,766	9,766	9,766	9,766	9,766	9,766
Total Current Liabilities	18,983	21,263	21,186	21,197	21,900	22,438
Net Current Assets	6,730	5,805	7,441	6,948	11,664	17,320
Non-Current Assets						
Capital Assets	1,409,089	1,449,951	1,460,775	1,471,646	1,478,684	1,485,738
Receivables	78	78	78	78	78	78
Investments	0	0	0	0	0	0
Total Non-Current Assets	1,409,167	1,450,029	1,460,853	1,471,724	1,478,762	1,485,816
Non-Current Liabilities						
Borrowings	6,815	29,534	28,612	27,600	25,897	24,359
Provisions	2,845	2,845	2,845	2,845	2,845	2,845
Total Non-Current Liabilities	9,660	32,379	31,457	30,445	28,742	27,204
Net Assets	1,406,237	1,423,455	1,436,838	1,448,226	1,461,683	1,475,932
Accumulated Surplus	901,703	918,921	932,304	943,692	957,149	971,398
Other Reserves	886	886	886	886	886	886
Asset Revaluation Reserve	503,648	503,648	503,648	503,648	503,648	503,648
Total Equity	1,406,237	1,423,455	1,436,838	1,448,226	1,461,683	1,475,932

Budgeted Statement of Cash Flows						
For the five years ending 30 June 2018						
	Forecast Actual 2012/13 (\$'000) Inflows (Outflows)	Budget 2013/14 (\$'000) Inflows (Outflows)	2014/15 (\$'000) Inflows (Outflows)	Strategic Resource Plan Projections		
				2015/16 (\$'000) Inflows (Outflows)	2016/17 (\$'000) Inflows (Outflows)	2017/18 (\$'000) Inflows (Outflows)
Cash Flows from Operating Activities						
Receipts						
General Rates	67,879	73,852	79,760	85,742	91,744	98,166
Government Grants	29,017	28,373	25,192	25,835	24,748	25,430
User Charges	35,114	36,148	37,594	39,098	40,662	42,288
Net GST Refund	0	0	0	0	0	0
Interest	1,185	878	859	847	729	904
Reimbursements	1,243	278	278	278	278	278
Other revenue	650	550	250	258	265	273
	135,088	140,079	143,933	152,057	158,426	167,339
Payments						
Employee costs	(52,037)	(51,754)	(54,342)	(60,209)	(60,069)	(63,073)
Materials and contracts	(54,883)	(44,832)	(47,289)	(50,603)	(54,083)	(58,237)
Interest and other costs of finance	0	0	0	0	0	0
Other expenses	(6,451)	(5,700)	(5,871)	(6,047)	(6,229)	(6,415)
	(113,371)	(102,286)	(107,501)	(116,859)	(120,381)	(127,725)
Net Cash Flows from Operating Activities	21,717	37,793	36,432	35,198	38,045	39,614
Cash Flow from Investing Activities						
Payments for:						
Capital Payments	(47,625)	(61,725)	(32,483)	(33,342)	(30,352)	(31,272)
Loans and Advances	0	0	0	0	0	0
Proceeds from:						
Sale of Assets	873	470	450	415	375	360
Investments	0	0	0	0	0	0
Loans and Advances	0	0	0	0	0	0
Net Cash Flow from Investing Activities	(46,752)	(61,255)	(32,033)	(32,927)	(29,977)	(30,912)
Cash Flow from Financing Activities						
Proceeds from borrowings	2,379	28,105	3,659	3,582	3,593	4,296
Repayment of superannuation liability	0	0	0	0	0	0
Repayment of borrowings	(3,379)	(3,105)	(4,659)	(4,582)	(4,593)	(5,296)
Interest and other costs of finance	(682)	(929)	(2,646)	(2,619)	(2,576)	(2,499)
Net Cash Flow from Financing Activities	(1,682)	24,071	(3,646)	(3,619)	(3,576)	(3,499)
Net Increase/(Decrease) in Cash Held	(26,717)	610	753	(1,348)	4,492	5,203
Cash at Beginning of Period	44,286	17,569	18,179	18,931	17,583	22,075
Cash at End of Period	17,569	18,179	18,931	17,583	22,075	27,278

Budgeted Statement of Capital Works						
For the five years ending 30 June 2018						
	Forecast Actual 2012/13 (\$'000)	Budget 2013/14 (\$'000)	2014/15 (\$'000)	Strategic Resource Plan Projections		
				2015/16 (\$'000)	2016/17 (\$'000)	2017/18 (\$'000)
Capital Works Areas						
Buildings	11,234	9,040	3,555	3,555	0	0
Facilities	3,957	7,250	1,425	2,732	2,841	2,955
Infrastructure	31,756	28,858	27,625	28,510	29,463	30,457
Plant and Equipment	7,501	6,113	6,496	5,429	5,207	5,305
Recreation	3,477	21,465	4,822	5,014	5,215	5,424
Total Capital Works	57,925	72,726	43,923	45,240	42,726	44,141
Represented By:						
Renewal	27,383	26,438	23,963	25,823	23,090	24,072
Upgrade	11,491	6,313	5,504	5,149	4,842	4,731
New Assets	19,051	39,975	14,456	14,268	14,794	15,338
Total Capital Works	57,925	72,726	43,923	45,240	42,726	44,141

Statutory Disclosures

Borrowings

Loans	2012/13	2013/14
	\$	\$
New borrowings (other than refinancing)	0	25,000,000
Debt redemption	3,048,107	3,105,211

Rates and Charges

The proposed rate in the dollar for each type of rate to be levied.

Type of Property	2012/13	2013/14
	\$	\$
Rate in dollar:		
Residential	0.003814	0.004100
Commercial	0.009804	0.010539
Industrial	0.009804	0.010539
Gaming Venues	0.010680	0.000000
Farm	0.002670	0.002870
Rural residential	0.003433	0.003690
Recreational 1	0.002670	0.002870
Recreational 2	0.009804	0.010539
Special Charges:		
Bridge Mall Special Rate	0.004748	0.004464
Service Charge:		
Waste Management Charge	\$ 215.00	\$ 229.00

Amount to be levied

The estimate amount to be raised by each type of rate to be levied.

	\$	\$
Rates:		
Residential	44,548,612	48,690,561
Commercial	14,199,605	16,301,279
Industrial	5,720,083	6,236,477
Gaming Venues	372,899	-
Farm	1,282,649	1,464,542
Rural residential	815,138	912,917
Recreational 1	101,247	173,587
Recreational 2	156,889	190,989
Supplementary Rates		739,704
	67,197,122	74,710,056
Special Charges:		
Tourism & Economic Development	-	-
Bridge Mall Special Rate	316,000	320,060
Service Charge:		
Waste Management Charge	8,600,000	9,366,664
Total Rates and Charges:	76,113,122	84,396,780

Rate in dollar change %

The proposed percentage change in the rate in the dollar for each type of rate to be levied compared to that of the previous year.

Type of Property	2012/13 \$	2013/14 \$
Rate in dollar change %:		
Residential	3.5%	7.5%
Commercial	3.5%	7.5%
Industrial	3.5%	7.5%
Gaming Venues	0.0%	0.0%
Farm	3.5%	7.5%
Rural residential	0.0%	7.5%
Recreational 1	3.5%	7.5%
Recreational 2	3.5%	7.5%
Special Charges:		
Bridge Mall Special Rate	4.7%	-6.0%
Service Charge:		
Waste Management Charge	16.9%	6.5%

Assessments

The number of assessments for each type of rate to be levied compared to the previous year.

Type of Property	2012/13	2013/14
Assessments:		
Residential	41,749	42,350
Commercial	2,279	2,298
Industrial	1,150	1,165
Gaming Venues	8	8
Farm	715	782
Rural residential	586	607
Recreational 1	39	60
Recreational 2	4	6
Special Charges:		
Bridge Mall Special Rate	130	104
Service Charge:		
Waste Management Charge	40,000	41,056

Valuations

The basis of valuation used is the Capital Improved Valuation (CIV)

The estimated total value of land in respect of which each type of rate is to be levied compared with the previous year.

Type of Property	2012/13	2013/14
	\$	\$
Valuations:		
Residential	11,680,286,285	11,875,746,495
Commercial	1,448,348,110	1,546,757,680
Industrial	583,443,805	591,752,225
Gaming Venues	34,915,600	-
Farm	480,393,000	510,293,500
Rural residential	237,442,000	247,403,000
Recreational 1	37,920,200	60,483,195
Recreational 2	16,002,500	18,122,155
	14,518,751,500	14,850,558,250
Special Charges:		
Bridge Mall Special Rate	66,558,000	71,698,000

There are no known significant changes, which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations;
- The variation of returned levels of value (e.g. valuation appeals);
- Changes of use of land such that rateable land becomes non-rateable land and vice versa; and
- Changes of use of land such that residential land becomes business land and vice versa.

Differential Rates

Council considers that the differential rate will contribute to the equitable and efficient carrying out of its functions.

Objectives of the Differential Rate

The objectives of the differential rate are to raise general rate revenue in a way where each class of land is dealt with fairly and equitably having regard to the burden cast upon the other classes of land and having regard to:

- (a) The material benefits received by each class of land from local government expenditure; and
- (b) The use to which land in each class is and can be put.

With these matters in mind the following differential rates have been determined.

Interpretations

If there is any dispute as to the meanings of individual terms or classifications contained herein, then regard may be had to the Local Government Act 1989, Valuation of Land Act 1960, Cultural and Recreational Lands Act 1963 and any other relevant legislation.

The specific classification will override the general and the highest rate shall apply.

Basis of calculating Rates

The City of Ballarat has adopted the Capital Improved Valuation system as the basis for rating.

RESIDENTIAL

Classification

Rateable property which is used for private residential purposes, including but not limited to houses, dwellings, flats, units and private boatsheds, together with vacant unoccupied land, not covered by another differential, BUT excluding motels, caravan parks, supported accommodation, accommodation houses, boarding houses and the like.

Rate

0.4100 cents in the dollar.

Reasons for the Use and Level of Rate

The rate reflects the level of service provided and ensures that reasonable rate relativity is maintained between residential property and other classes of property.

COMMERCIAL

Classification

1. Rateable property used or adapted to be used for business and/or administrative purposes, including but not limited to properties used for:
 - (a) the sale or hire of goods by retail or trade sales, eg shops, auction rooms, hardware stores;
 - (b) the manufacture of goods where the goods are sold on the property;
 - (c) the provision of entertainment, eg theatres, cinemas, amusement parlours, nightclubs;
 - (d) media/broadcasting/communication establishments, eg television stations, newspaper offices, radio stations and associated facilities;
 - (e) the provision of accommodation other than private residential, eg motels, caravan parks, camping grounds, camps, supported accommodation, accommodation houses, hostels, boarding houses;
 - (f) the provision of hospitality, eg hotels, bottle shops, restaurants, cafes, takeaway food establishments, tearooms;
 - (g) tourist and leisure industry, eg flora and fauna parks, gymnasiums, indoor sports stadiums, gaming establishments (other than those classified under Recreational 2);
 - (h) art galleries, museums;
 - (i) showrooms, eg display of goods;
 - (j) brothels;

- (k) Commercial storage (mini storage units, wholesale distributors).
 - (l) religious purposes;
 - (m) public offices;
 - (n) halls for commercial hire;
 - (o) Mixed businesses/milkbars (those operating in residential type zones under the Ballarat Planning Scheme and non conforming residential/milkbar properties within industrial zones under the Ballarat Planning Scheme, with attached residences, occupied as the principal place of residence of the person(s) operating the mixed business/milkbar component of the rateable property, will have the residential portion rated as Residential).
2. Properties used for the provision of health services, including but not limited to properties used for hospitals, nursing homes, rehabilitation, medical practices and dental practices.
 3. Properties used as offices, including but not limited to properties used for legal practices, real estate agents, veterinary surgeons, accounting firms and insurance agencies.
 4. Rateable properties which are vacant unoccupied land and zoned or intended to be used for commercial purposes.

Rate

1.0539 cents in the dollar.

Reasons for the Use and Level of Rate

The rate reflects the level of service provided and ensures that reasonable rate relativity is maintained between commercial and other classes of land. The differential is higher than for other classes of land for a number of reasons, including:

- Business rates are tax deductible;
- Rates tend to be a lower order factor in business investment decisions.

INDUSTRIAL

Classification

1. Rateable properties which are used primarily for manufacturing processes, including, but not limited to the following:
 - (a) the manufacture of goods, equipment, plant, machinery, food or beverage which are generally not sold or consumed on site;
 - (b) warehouse/bulk storage of goods;
 - (c) the storage of plant and machinery;
 - (d) the production of raw materials in the extractive and timber industries;
 - (e) the treatment and storage of industrial waste materials.
2. Rateable properties which are vacant unoccupied land and zoned or intended to be used for industrial purposes.

Rate

1.0539 cents in the dollar.

Reasons for the Use and Level of Rate

The rate reflects the level of service provided and ensures that reasonable rate relativity is maintained between industrial and other classes of land. The differential is higher than for other classes of land for a number of reasons, including:

- Business rates are tax deductible
- Rates tend to be a lower order factor in business investment decisions;

FARM LAND

Classification

Farm Land means any rateable land -

- (a) that is not less than 2 hectares in area; and
- (b) is used for carrying on a business of primary production as determined by the Australian Taxation Office; and
- (c) that is used primarily for grazing (including agistment), dairying, pig farming, poultry farming, fish farming, tree farming, bee keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or for any combination of those activities; and
- (d) that is used by a business -
 - (i) that has a significant and substantial commercial purpose or character; and
 - (ii) that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
 - (iii) that is making profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

In consideration the Council will take into account:

- Whatever activity is being conducted on a property, it must be a business of primary production as opposed to a hobby or recreational activity.

Rate

0.2870 cents in the dollar.

Reasons for the Use and Level of Rate

The farm rate is lower than for other classes of land because farming operations involve large properties which have significant value and which are often operated as family concerns. Agricultural producers are unable to pass on increases in costs like other businesses. Farm profitability is affected by the vagaries of weather and international markets. In this sense farms are seen to be more susceptible or fragile than other commercial and industrial operations.

RURAL RESIDENTIAL

Classification

Rural residential Land means any rateable land -

- (a) that is not less than 2 hectares in area; and
- (b) the land is resided on; and
- (c) is located within the Farm or Rural Conservation planning zone that does not satisfy the criteria for farmland.

Excludes:

- (d) Vacant land greater than 2 HA.

Rate

0.3690 cents in the dollar.

Reasons for the Use and Level of Rate

The rural residential rate is lower than for other classes of land because the land is prima-facie farm land; however with the inclusion of a residence primary purpose of the property is shifted towards residential use.

The Rural Residential Rate is lower than the Residential Rate in order to recognise location issues and other restrictions applicable to such properties in either a Farm Zone or a Rural Conservation Zone

RECREATIONAL

Classification

Rateable property which is used primarily for cultural, recreational or club purposes.

Recreation 1

Recreational land is defined as follows:

- (a) lands which are -
 - (i) vested in or occupied by anybody corporate or unincorporated which exists for the purpose of providing or promoting cultural or sporting recreational or similar facilities or objectives and which applies its profits in promoting its objects and prohibits the payment of any dividend or amount to its members; and
 - (ii) used for sporting recreational or cultural purposes or similar activities; or
- (b) lands which are used primarily as agricultural show grounds; or
- (c) lands, not otherwise classified by another differential, used primarily by a not-for-profit club* and:-
 - (i) is not used for the purpose of running a business on a full time commercial basis; and/or,
 - (ii) the club does not pay any employees, contractors or members to perform duties associated with the operations of the club; and/or
 - (iii) is not a licensed premise.

*For the purposes of this rating classification the following applies:-

-“Club” includes an association, society, fraternity, guild, lodge or circle; and,

-A club is “Not-for-Profit” if:

- (i) It does not, either while it is operating or upon winding up, carry on its activities for the purposes of profit or gain to particular persons, including its owners or members; and
- (ii) It does not distribute its profits or assets to particular persons, including its owners or members, either while it is operating or upon winding up.

Recreation 2

Recreational land as defined in Recreation 1 where the recreational land or part thereof is used for gaming.

Rate

0.2870 cents in the dollar for Recreational 1.

1.0539 cents in the dollar for Recreational 2.

Reasons for the Use and Level of Rate

The rate reflects the level of service provided and ensures that reasonable rate relativity is maintained between recreational land and other classes of land.

Cultural and Recreational Land Act 1963

Land defined under the Cultural and Recreational Land Act as recreational shall be rated both differentially and under that Act in accordance with this statement.

Capital Works Program

New Works:

PROJECT DESCRIPTION	Cost	Grants	Other	Subdivision	Sale	Net Cost
Bicycle Strategy Projects	230,000					230,000
Federal Blackspot Funding	1,000,000	1,000,000				0
Land Development Council Contribution	75,000					75,000
Library Books	350,000	9,000				341,000
Major New Capital Road Projects	584,000					584,000
Public Art Program	100,000					100,000
Subdivision Contribution	11,000,000			11,000,000		0
All Access Playground	1,000,000	750,000				250,000
Aquatic Play Spaces & 50m Heated Pool	17,000,000					17,000,000
Ballarat West Employment Zone Stage 2	952,500	535,000				417,500
Her Majesty's Theatre OHS improvements	130,000					130,000
Kindergarten Upgrades Round 1	300,000					300,000
Kindergarten Upgrades Round 2	700,000					700,000
Lake Burrumbeet Sewerage System	500,000					500,000
Library - Equity - Book Stock	235,755					235,755
Mortons Cutting Weir Gauge	37,500					37,500
RFID Implementation - Ballarat Libraries	409,038					409,038
Sports Precincts Ball Soccer	5,350,000	2,675,000				2,675,000
Whitehorse Road Landfill EPA Compliance	20,700					20,700
	39,974,493	4,969,000	0	11,000,000	0	24,005,493

Upgrade Works:

PROJECT DESCRIPTION	Cost	Grants	Other	Subdivision	Sale	Net Cost
Fleet	2,983,200				470,000	2,513,200
IT System Development	750,000					750,000
Landfill Upgrade	1,000,000					1,000,000
Playspace Planning Framework	250,000					250,000
Public Place Recycling	10,000					10,000
School Crossing Supervisor Shelters	20,000					20,000
Avenue of Honour 2015 Strategy	200,000		100,000			100,000
CBD Strategy Implementation	500,000					500,000
Lake Wendoure Upgrade	400,000					400,000
Permanent Visitor Information Centre (VIC)	0					0
Sturt Street Irrigation Upgrade	100,000					100,000
Victoria Street Median Landscaping Project	100,000					100,000
	6,313,200	0	100,000	0	470,000	5,743,200

Renewal Works:

PROJECT DESCRIPTION	Cost	Grants	Other	Subdivision	Sale	Net Cost
BAC Programmable Assets & Equipment	80,000					80,000
Ballarat Botanical Gardens - Asset Renewal Program	50,000					50,000
Desktop Replacement Program	385,800					385,800
Entrances	150,000					150,000
Facility Renewal Program	1,300,000					1,300,000
Federal Roads to Recovery Funding	1,000,000	1,000,000				0
Home Care Service hand held personal computer replacement program	50,000					50,000
IT Infrastructure Strategy	344,000					344,000
Major Infrastructure Renewal Projects	10,235,892					10,235,892
Major Rural Roads Infrastructure Works	1,142,000					1,142,000
Monument Renewal Program	50,000					50,000
Outdoor Pools	125,000					125,000
Parking Meter Replacement Program	60,000					60,000
Parks Development Program	260,000		260,000			0
Playground Improvement Program	40,000					40,000
Recreation Capital Improvement Program	2,675,000					2,675,000
Replacement Bins Program	300,000					300,000
Street Furniture Renewal Program	150,000					150,000
Howitzer Guns conservation	0					0
Civic Hall	8,000,000					8,000,000
Refurbishment of the Selkirk Gallery	40,000					40,000
	26,437,692	1,000,000	260,000	0	0	25,177,692

Key Strategic Activities	
For the year ending 30 June 2014	
Measure	Target
No. New Residents programs	4
No. phone calls answered within 30 seconds	80%
Percentage of total memberships that are renewed for the year (BAC)	56%
Average days to pay creditors	30
Percentage of waste diverted from landfill	38%
Percentage of capital budgeted projects completed with financial year	80%
Percentage of planning applications processed within 60 statutory days	80%
No. active memberships (Library)	30,000
No. total loans (Library)	680,000
Liquidity risk	Medium
Underlying Result risk	Low
Self Financing risk	Medium
Indebtedness risk	Low
Investment Gap risk	Medium